

Stock code: 6577



PROMATE SOLUTIONS CORPORATION

Handbook for the 2021 Annual Meeting of Shareholders

Time of Shareholders' Meeting: 9:00 a.m. on June 11, 2021

**Place of Shareholders' Meeting: 3rd Floor, No. 32, Section 1,
Huanshan Road, Neihu District, Taipei (Conference Room)**

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PROMATE SOLUTIONS CORPORATION

2021 Regular Shareholders' Meeting

Meeting Procedure

I. Chairman Address

II. Reports

III. Approvals

IV. Elections

V. Discussions

VI. Incidental Motion

VII. Adjournment

PROMATE SOLUTIONS CORPORATION
Agenda of 2021 Regular Shareholders' Meeting

1. Time: 9:00 a.m. on June 11, 2021 (Friday)
2. Venue: 3rd Floor, No. 32, Section 1, Huanshan Road, Neihu District, Taipei
(Conference Room)
3. Attendance
4. Chairman Address
5. Reports
 - (1) 2020 Annual Operating Report
 - (2) 2020 Annual Audit Report of Audit Committee
 - (3) 2020 Annual Report on Remuneration Distribution for Directors and Employees
6. Approvals
 - (1) Approval for 2020 Annual Operating Report and Financial Statements
 - (2) Approval for 2020 Annual Surplus Distribution Plan
7. Elections
 - (1) Reelection of Directors of the Company
8. Discussions
 - (1) Revision of "Articles of Association" of the Company.
 - (2) Revision of "Rule of Procedure of Shareholders' Meeting" of the Company.
 - (3) Revision of "Method for Election of Directors" of the Company.
 - (4) Relief of restriction on non-competition prohibition of new director.
9. Incidental Motion
10. Adjournment

I. Chairman Address

II. Reports

A. 2020 Annual Operating Report.

Description: "2020 Annual Operating Report", please refer to Annex 1.

B. 2020 Annual Audit Report of Audit Committee.

Description: "2020 Annual Audit Committee Approval and Audit Report", please refer to Annex 2.

C. 2020 Annual Report on Remuneration Distribution for Directors and Employees.

Description: 1. According to the distribution ratio stipulated in the Articles of Association of the Company, the proposed allocation of employee remuneration of NT\$20,600,000 and director remuneration of NT\$4,100,000, a total of NT\$24,700,000.

2. Employee remuneration shall be paid in cash, including the full-time employees of the Company.

III. Approvals

Case 1: Proposed by the Board of Directors

Cause: For the approval of 2020 Annual Operating Report and Financial Statements.

Description: 1. "2020 Annual Operating Report", please refer to Annex 1.

2. Please approve the 2020 Annual Financial Statements and Consolidated Financial Statements, which have been prepared and that the accountant has issued the clean opinion (please refer to Annex 3) and the financial statements (please refer to Annex 4).

Resolution:

Case 2: Proposed by the Board of Directors

Cause: For the approval of 2020 Annual Surplus Distribution Plan.

Description: 1. This cash dividend is to be distributed at NT\$5 per share (rounding off after the decimal point), a total of NT\$191,274,350. For the Company's 2020 Annual Surplus Appropriation Statement, please refer to Annex 5.

2. The amount less than NT\$1 of the cash dividend distribution shall be transferred to the Employee Welfare Committee of Promate Solutions. Upon the approval of

the Regular Shareholders' Meeting, the Board of Directors shall be authorized to set another dividend distribution base date, which shall be handled in accordance with the law.

3. If the number of circulating shares is affected by the repurchase of the Company's shares or the transfer, cancellation, cash increase, the exercise of stock option certificates of employees, or other factors due to the laws and decrees, and the dividend ratio of shareholders changes, it is proposed to request the Shareholders' meeting to authorize the Chairman to handle the matters related to the adjustment of the dividend ratio of shareholders.

Resolution:

IV. Elections

Cause: Reelection of the directors of the Company. (Proposed by the Board of Directors)

Description: 1. The term of office of all directors of the Company will expire on June 10, 2021, and shall be re-elected in the Regular Shareholders' Meeting of Shareholders in 2021.

2. According to Article 12 of the Articles of Association of the Company, seven directors (including three independent directors) shall be re-elected for a term of three years, commencing on June 11, 2021 and ending on June 10, 2024.
3. The Company's directors (including independent directors) shall adopt the candidate nomination, and it shall select and appoint the directors from the list of candidates in the shareholders' meeting. The list of candidates is as follows.

Title	Account number or ID card number	Name	Main education background
Director	58	Du, Huai-Qi	Bachelor, Department of Economics, Taiwan University Chief Operating Officer, Promate Electronic Co., Ltd.
Director	1	Promate Electronic Co., Ltd. Representative: Chen, Cheng-Fang	Bachelor, Department of Electrophysics, National Chiao Tung University Engineer of Texas Instruments Incorporated Chairman and General Manager of Promate Electronic Co., Ltd.

Director	1	Promate Electronic Co., Ltd. Representative: Hu Qiu-Jiang	Doctor, Department of Management Science, National Chiao Tung University Master, Department of Business Operation, Da-Yeh University Bachelor, Department of Telecommunication Engineering, National Chiao Tung University Entrepreneur Course, Enterprise Research Institute, National Chengchi University Chairman and General Manager of Weikeng Industrial Co., Ltd.
Director	K220051XXX	Chen, Lv-Ping	Department of Information Management, Chungyu Institute of Technology Financial Manager of Weikeng Investment Co., Ltd.
Independent Director	A210063XXX	Zhong, Ying-Min	Bachelor, Department of Economics, Soochow University Financial Manager of Applied Materials Taiwan
Independent Director	A101847XXX	Chen, Mao-Xiong	Master of Business Administration, University of Huston General Manager, Telecommunications and Media Business Group, Greater China Region, IBM Deputy General Manager, General Administration Division, IISI
Independent Director	J121528XXX	Liu, Yue-Xiu	Master of Electrical Engineering, National Taiwan University Technical Manager of Novatek Microelectronics Corp.

Election Result:

V. Discussions

Case 1: Proposed by the Board of Directors

Cause: The revision of the Articles of Association of the Company, submitted for discussion.

Description: 1. In order to meet the needs of the operation of the Company and in accordance with relevant orders, we propose to amend some provisions of the Articles of Association of the Company.

2. The "Articles of Association" Revised Comparison Table of the Company is shown in Annex 6.

Resolution:

Case 2: Proposed by the Board of Directors

Cause: The revision of the "Rule of Procedure of the Shareholders' Meeting" of the Company, submitted for discussion.

Description: 1. To revise part of the provisions in accordance with Financial Supervisory Commission's Letter JGZFF No. 1090150567 dated January 21, 2021.

2. The "Rule of Procedure of Shareholders' Meeting" Revised Comparison Table of the Company is shown in Annex 7.

Resolution:

Case 3: Proposed by the Board of Directors

Cause: The revision of the Company's "Method for Election of Directors", submitted for discussion.

Description: 1. To revise part of the provisions in accordance with the Financial Supervisory Commission's Letter JGZFF No. 1090338980 dated May 2, 2020.

2. The "Method for Election of Directors" Revised Comparison Table of the Company is shown in Annex 8.

Resolution:

Case 4: Proposed by the Board of Directors

Cause: The relief of restriction on non-competition prohibition of new director, submitted for discussion.

Description: 1. According to Article 29 of the Company Law, "the director shall explain the important contents of his or her acts and obtain the approval in the shareholders'

meeting for his or her acts within the business scope of the Company".

2. This case intends to apply to the shareholders' meeting for approval to relieve the non-competition restrictions on new directors of the Company and their representatives, and to supplement the scope and content on the spot before discussing this case in the shareholders' meeting.

Resolution:

VI. Incidental Motion

VII. Adjournment

PROMATE SOLUTIONS CORPORATION

2020 Annual Business Report

I. 2020 Annual Operating Report

(I) Result of operating plan implementation

Unit: NT\$ 1,000

Item	2019	2020	Increase (decrease) amount	Increase (decrease) %
Operating revenue	1,874,393	1,771,303	(103,090)	(5.50)
Operating profit	260,754	265,989	5,235	2.01
Net profit after tax	206,641	203,075	(3,566)	(1.73)

(II) Budget implementation

The Company has not disclosed its financial forecast in 2020, so there is no budget achievement.

(III) Financial revenue and expenditure and profitability analysis

Item		2019	2020
Financial structure (%)	Ratio of liability to asset	32.95	26.78
	Ratio of long-term funds to real estate, plant and equipment	2,437.84	2,368.46
Solvency (%)	Liquidity ratio	322.61	386.77
	Quick ratio	257.12	298.67
	Interest coverage ratio	106.67	121.92
Profitability	Return on asset (%)	13.84	13.24
	Return on equity (%)	19.65	18.75
	Ratio of net profit before tax to paid-in capital (%)	67.18	65.31
	Net profit ratio (%)	11.02	11.46
	Earnings per share (NT\$)	5.4	5.31

(IV) Research and development

Research and development expenditure in the last three years

Unit: NT\$ 1,000

	2018	2019	2020
Research and development expenses	76,946	82,243	83,868
Ratio to net operating revenue (%)	4.07%	4.39%	4.73%

In order to support the future research and development plan and enhance the competitiveness of the Company in the industry and the market, the investment to research and development is

arranged according to the new product development progress of each customer, and the future operation condition will be improved year by year.

II. Summary of annual operating plan of this year (2021)

In 2021, the International Monetary Fund (IMF) released an updated "World Economic Outlook" report on January 26, saying it revised its forecast for global economic growth in 2021 to 5.5%, higher than 5.3% forecast in October 2020. The reason for the revision of 2021 growth estimate is the acceleration of the COVID-19 vaccination and more fiscal stimulative measures. While the economic growth is expected to return to normal as many countries begin to use COVID-19 vaccine, the recovery will be uneven due to the limited supply of vaccine. Moreover, the global economy will continue to face the "exceptionally high uncertainty", because of the risks posed by a new wave of infections and virus mutations.

As the outbreak spreads, it highlights the risks of a high reliance on Chinese manufacturing in the global manufacturing supply chain. In addition to speeding up the manufacturing industry to set up the production bases outside China, the industrial automation and robot will still be the main consideration of the manufacturing industry to disperse the production, solve the cost of manpower and manual transportation, and reduce the demand for manpower. Therefore, the Company selects the industrial target customers to lead the market development, actively participates in the early development and design stage of customers, and increases the power for the future growth of the Company. It is described as follows:

(I) Operating policy and production & marketing policy

- (1) To accelerate the development of global market, and strengthen the technological innovation and exchange with existing overseas bases.
- (2) The team of overseas business development is responsible for developing new markets and customers.
- (3) To aim at the target market demand from the perspective of solution service provider, and go deep into the application environment of vertical market from the perspective of market and customers.
- (4) Strategic alliance with key component suppliers (such as liquid crystal glass/panel, IC, optical materials and other upstream manufacturers or other electronic and institutional important component manufacturers).
- (5) To continuously strengthen the Company's strength of optics, machinery, electronics and software to make the products more excellent.
- (6) Long-term operation scale development towards international and diversified development.

(II) Expected sales volume and its basis

The Company is mainly engaged in products for embedded control system, medical-use touch display, special application display module and its software and hardware development plan, etc., and provides the highly customized services, according to the different orders demand, to provide the product customization and diversification; thus, it cannot predict the specific sales quantity,

considering each industry and related market supply and demand, as well as the customer's projected target and internal business plan; the growth of related product sales in 2021 will be challenging but cautiously optimistic.

In 2021, Promate Solutions will continue to focus on the development and production of customized products for specific-purpose markets, strengthen the overseas distribution to expand the business, reinforce the overseas customer management services, and participate in the customer advance design. We will actively create the high value-added products and continue to develop the high value-added and high-quality products to increase the revenue and profit momentum for the future development of the Company. We sincerely request all shareholders to continue to support the Company, and give advice and encouragement, so that the Company's performance can continue to grow.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

PROMATE SOLUTIONS CORPORATION

Audit Committee Approval and Audit Report

The Board of Directors of the Company prepared and submitted the 2020 Annual Operating Report, Financial Statements, and Surplus Distribution Plan, among which the Financial Statements have been checked and completed by Accountant Li, Li-Huang and Accountant Weng, Bo-Ren of Deloitte & Touche Accounting Firm. The accountants have communicated with the Audit Committee on the key audit matters in the Audit Report. The Audit Committee, upon examination, finds no discrepancy in the aforesaid documents, and, in accordance with Article 219 of the Company Law, hereby provides the report for your approval.

2021 Regular Shareholders' Meeting of PROMATE SOLUTIONS CORPORATION

Audit Committee Convener: Zhong, Ying-Min

March 26, 2021

Annex 3. Accountant Audit Report

Accountant Audit Report

To PROMATE SOLUTIONS CORPORATION:

Audit Opinion

We have audited the Consolidated Balance Sheet of PROMATE SOLUTIONS CORPORATION and its subsidiaries (hereinafter referred to as Promate Group) in 2020 and on December 31, 2019, Consolidated Income Statement in 2020 and from January 1 to December 31, 2019, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flow, as well as the Notes to Consolidated Financial Statements (including the summary of major accounting policies).

In our opinion, all important respects of the above Consolidated Financial Statements are made in accordance with the Preparation Standards of Financial Report for Securities Issuers and effective International Financial Reporting Standards, International Accounting Standards, and Interpretations approved and issued by Financial Supervisory Commission, which fully and fairly presents the consolidated financial status of Promate Group in 2020 and on December 31, 2019, and the consolidated financial performance and consolidated cash flow in 2020 and from January 1 to December 31, 2019.

Basis for Audit Opinion

We conducted our audits in accordance with the Rules of Financial Statements Audited by Certified Public Accountants and Generally Accepted Auditing Standards. Our responsibilities under these standards will be further explained in the responsibility section of the Consolidated Financial Statements. The personnel affiliated accounting firm have maintained the independence from the Promate Group in accordance with the standards of professional ethics of accountants, and have performed other responsibilities in accordance with the standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Critical Audit Item

Critical audit items refer to the most important audit items in 2020 Consolidated Financial Statements of Promate Group in accordance with the professional judgment of the certified public accountant. These items have been addressed in the audit of the Consolidated Financial Statements as a whole and in the process of forming the opinion, and we shall not have a separate opinion on them.

The critical audit items of 2020 Consolidated Financial Statements of Promate Group are described in details as follows:

Authenticity of shipment of specific customer revenue

Promate Solutions Corporation and its subsidiaries, which mainly engage in the embedded control systems, display modules for special applications, and touch display modules for medical use, have identified the revenue as a significant risk based on materiality and auditing standards. Therefore, we consider that the revenue from sales recognized by Promate Solutions Corporation and its subsidiaries for certain specific customers has a material impact on the financial statements. Therefore, the authenticity of shipment of sales revenue for certain specific customers has been listed as a key item to be checked in the current year. Please refer to Note IV (XII) for the policy on revenue recognition.

The accountant executes the following critical audit procedures:

1. Understand and test the revenue recognition of certain customers for the design and implementation of internal control.
2. Select and check the revenue of the above-mentioned specific customers, review relevant evidence documents, and test the fund collection status, to confirm the sales transactions have taken place.
3. Examine whether any major sales returns or discounts have occurred to specific sales customers after the balance sheet date, so as to confirm whether there is any material misrepresentation of revenue of some specific sales customers.

Other Matters

PROMATE SOLUTIONS CORPORATION has prepared the individual financial statement of 2020 and 2019, and we have issued the audit report of unqualified opinion on record for reference.

Responsibilities of management echelon and governing unit on Financial Statements

The responsibilities of management echelon are to prepare the fairly presented Consolidated Financial Statements according to the Preparation Standards of Financial Report for Securities Issuers and effective International Financial Reporting Standards, International Accounting Standards and interpretations approved and issued by Financial Supervisory Commission, and maintain the necessary internal controls regarding the preparation of Consolidated Financial Statements, to ensure that the Financial Statements are free of material misrepresentations due to fraud or error.

In preparing the Consolidated Financial Statements, the management's responsibility also includes assessing the Promate Group's ability to continue its operations, the disclosure of related events, and the use of the accounting basis for the continuing operations unless the management intends to liquidate Promate Group or suspend its operations, or has no practicable alternative but to liquidate or suspend the operations.

The governing unit of Promate Group (including the Audit Committee) is responsible for supervising the financial reporting process.

Responsibilities of accountant auditing Financial Statements

The purpose of auditing Consolidated Financial Statements is to obtain reasonable assurance as to whether the Consolidated Financial Statements contain any material misrepresentation leading to any fraud or error, and to issue the Audit Report. Reasonable assurance is a high degree of assurance, but the material misrepresentations of Consolidated Financial Statements may not be verified in accordance with generally accepted auditing standards. Misrepresentations may lead to the fraud or error. If the individual amount or total amount of Consolidated Financial Statements can reasonably be expected to affect the economic decisions of the users of Consolidated Financial Statements, it shall be considered to be with the materiality.

We apply the professional judgment and maintain the professional doubt when conducting the audits in accordance with generally accepted auditing standards. We also perform as follows:

1. To identify and evaluate the risk of material misrepresentation due to the fraud or error in the Consolidated Financial Statements; to design and implement appropriate responses to the assessed risks; and to obtain sufficient and appropriate audit evidences to form the basis of the audit opinion. Since the fraud may involve the collusion, forgery, deliberate omission, false statement or breach of internal control, the risk of material misrepresentation due to the fraud higher than that due to the error is not detected.
2. To acquire the necessary understanding of internal controls relevant to the audit, so as to design appropriate audit procedures in the circumstances, provided that the purpose is not to express an opinion on the effectiveness of Promate Group's internal control.
3. To evaluate the appropriateness of accounting policies adopted by the management and the reasonableness of accounting estimates and related disclosures.
4. To conclude, on the basis of the audit evidence available, whether there is any material uncertainty in the appropriateness of the management adopted accounting basis for the continuing operation and in the events or circumstances that may give rise to the material doubt as to the ability of Promate Group to continue its business. If we believe that such events or circumstances are materially uncertain, we shall remind the Consolidated Financial Statements users paying attention to relevant disclosures of the Consolidated Financial Statements in the audit report, or revise the audit opinion when the disclosure is inappropriate. Our conclusions are based on the verified evidence as of the date of the audit report. However, future events or circumstances may cause the Promate Group to cease to be able to continue its business.
5. To evaluate the overall expression, structure, and content of Consolidated Financial Statements (including relevant notes), and whether the Consolidated Financial Statements adequately express the related transactions and events.
6. To express opinion on the Consolidated Financial Statements based on the adequate and appropriate financial information regarding the individuals of the Group. We are responsible for the guidance,

supervision, and implementation of the audit to the Group and for the formation of audit opinion to the Group.

Communication matters to the management, include the planned audit scope and duration, as well as significant audit findings (including any significant lack in the internal controls identified during the audit).

We shall also provide the governing unit with a statement regarding the independence of the employees of our accounting firm who are subject to the standard of independence as specified in the professional ethics of CPA, and shall communicate with the governing unit all matters (including relevant protective measures) that may be deemed to affect the independence of CPA.

We decide the key audit matters of Promate Group's 2020 Consolidated Financial Statements from the items communicated with the governing unit. And we state such matters in the audit report, unless the laws do not allow to disclose specific matters, or in very rare cases, we decide not to communicate the specific matter in the audit report, because it can be reasonably expected that the negative influence produced in this communication is greater than the increased public interest.

Deloitte & Touche Accounting Firm

Accountant: Li, Li-Huang

Accountant: Weng, Bo-Ren

Securities and Futures Commission Approved File
TCZLZ No. 0930128050

Financial Supervisory Commission Approved File
JGZSZ No. 1010028123

March 26, 2021

Annex 4. 2020 Annual Financial Statements

PROMATE SOLUTIONS CORPORATION and Subsidiaries

Consolidated Balance Sheet

2020 and December 31, 2019

Unit: NT\$ 1,000

Code	Asset	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
Current Asset					
1100	Cash and cash equivalents (Note IV, VI and XXIX)	\$ 608,947	41	\$ 833,430	52
1110	Financial assets measured at fair value through profits and losses - current (Note IV, VIII and XXIX)	12,354	1	3,036	-
1136	Financial assets measured at amortized cost (Note IX, X and XXIX)	114,314	8	-	-
1170	Accounts receivable – non-interested party (Note IV, XI, XXIII and XXIX)	270,397	18	278,471	18
1180	Accounts receivable – interested party (Note IV, XI, XXIII, XXIX and XXX)	5,167	-	4,964	-
1200	Other receivables (Note IV, XI and XXIX)	8,590	-	11,123	1
1220	Current income tax assets (Note IV and XXV)	-	-	3	-
130X	Inventory (Note IV and XII)	298,287	20	282,484	18
1410	Prepayments (Note XVII)	2,508	-	5,620	-
1470	Other current assets (Note XVII)	30	-	53	-
11XX	Total Current Assets	<u>1,320,594</u>	<u>88</u>	<u>1,419,184</u>	<u>89</u>
Non-current Asset					
1517	Financial assets measured at fair value through other comprehensive profits and losses - non-current (Note IV, VIII and XXIX)	43,607	3	14,892	1
1600	Real estate, plant and equipment (Note IV and XIV)	48,946	3	47,268	3
1755	Right-of-use asset (Note IV, XV and XXX)	65,120	5	84,521	5
1821	Other intangible assets (Note IV and XVI)	4,027	-	7,219	1
1840	Deferred income tax assets (Note IV and XXV)	13,893	1	14,981	1
1915	Prepayments for equipment (Note XVII)	3,888	-	4,025	-
1920	Refundable deposits (Note XVII and XXIX)	636	-	136	-
15XX	Total Non-current Assets	<u>180,117</u>	<u>12</u>	<u>173,042</u>	<u>11</u>
1XXX	Total Assets	<u>\$ 1,500,711</u>	<u>100</u>	<u>\$ 1,592,226</u>	<u>100</u>
Liability and Equity					
Current Liability					
2130	Contract liability - current (Note IV, XIX and XXIII)	\$ 30,466	2	\$ 39,767	3
2150	Notes payable - non-interested party (Note XVIII and XXIX)	-	-	11	-
2170	Accounts payable - non-interested party (Note XVIII and XXIX)	123,026	8	165,801	10
2180	Accounts payable - interested party (Note XVIII, XXIX and XXX)	43,392	3	66,465	4
2280	Lease liability - current (Note IV, XV, XXVII, XXIX and XXX)	21,665	2	20,940	1
2219	Other payables (Note XIX and XXIX)	94,222	6	102,405	7
2220	Other payables - interested party (Note XIX, XXIX and XXX)	955	-	2,325	-
2230	Current income tax liability (Note IV and XXV)	22,078	2	28,696	2
2250	Liability reserve - current (Note IV and XX)	3,285	-	11,164	1
2399	Other current liabilities (Note XIX)	2,357	-	2,334	-
21XX	Total Current Liabilities	<u>341,446</u>	<u>23</u>	<u>439,908</u>	<u>28</u>
Non-current Liability					
2550	Liability reserve - non-current (Note IV and XX)	2,239	-	6,960	-
2580	Lease liability - non-current (Note IV, XV, XXVII, XXIX and XXX)	43,072	3	62,530	4
2640	Net defined welfare liability - non-current (Note IV and XXI)	15,044	1	15,252	1
2570	Deferred income tax liability (Note IV and XXV)	55	-	3	-
25XX	Total Non-current Liabilities	<u>60,410</u>	<u>4</u>	<u>84,745</u>	<u>5</u>
2XXX	Total Liabilities	<u>401,856</u>	<u>27</u>	<u>524,653</u>	<u>33</u>
Owner's equity of the Company (Note XXI and XXII)					
Capital stock					
3110	Common stock	382,549	25	382,549	24
3200	Capital reserve	386,829	26	396,393	25
Reserved surplus					
3310	Legal reserve	105,299	7	84,663	5
3320	Special reserve	2,728	-	26	-
3350	Undivided surplus	210,207	14	206,670	13
3300	Total reserved surplus	<u>318,234</u>	<u>21</u>	<u>291,359</u>	<u>18</u>
Other equity					
3410	Conversion balance of financial statements of foreign operating institutions	(49)	-	(50)	-
3420	Unrealized profits and losses on financial assets measured at fair value through other comprehensive profits and losses	11,292	1	(2,678)	-
3400	Total Other Equity	<u>11,243</u>	<u>1</u>	<u>(2,728)</u>	<u>-</u>
31XX	Total Owner's Equity of the Company	<u>1,098,855</u>	<u>73</u>	<u>1,067,573</u>	<u>67</u>
3XXX	Total Equity	<u>1,098,855</u>	<u>73</u>	<u>1,067,573</u>	<u>67</u>
Total Liabilities and Equity		<u>\$ 1,500,711</u>	<u>100</u>	<u>\$ 1,592,226</u>	<u>100</u>

The attached notes are part of the Consolidated Financial Report.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

PROMATE SOLUTIONS CORPORATION and Subsidiaries

Consolidated Income Statement

2020 and January 1 to December 31, 2019

Unit: NT\$ 1,000
Net loss per share is NT\$ 1

Code		2020		2019	
		Amount	%	Amount	%
	Operating revenue (Note IV, XXIII and XXX)				
4100	Sales revenue	\$ 1,771,303	100	\$ 1,874,393	100
	Operating cost (Note IV, XII, XVI, XXI, XXIV and XXX)				
5110	Sales cost	(1,255,758)	(71)	(1,342,911)	(72)
5900	Operating gross profit	<u>515,545</u>	<u>29</u>	<u>531,482</u>	<u>28</u>
	Operating expense (Note XI, XVI, XXI, XXIV and XXX)				
6100	Amortization expense	(127,207)	(7)	(148,023)	(8)
6200	Administrative expense	(38,481)	(2)	(40,462)	(2)
6300	R&D expense	(83,868)	(5)	(82,243)	(4)
6000	Total operating expenses	(<u>249,556</u>)	(<u>14</u>)	(<u>270,728</u>)	(<u>14</u>)
6900	Net operating profit	<u>265,989</u>	<u>15</u>	<u>260,754</u>	<u>14</u>
	Non-operating revenue and expense (Note VI, XXIV and XXX)				
7100	Interest revenue	3,821	-	6,590	-
7010	Other revenue	3,062	-	1,937	-
7020	Other profit and loss	(20,980)	(1)	(9,863)	-
7050	Financial cost	(2,066)	-	(2,432)	-
7000	Total non-operating revenues and expenses	(<u>16,163</u>)	(<u>1</u>)	(<u>3,768</u>)	-
7900	Net profit before tax for continuing business units	249,826	14	256,986	14
7950	Income tax expense (Note IV and XXV)	(46,751)	(2)	(50,345)	(3)
8200	Net profit for current year	<u>203,075</u>	<u>12</u>	<u>206,641</u>	<u>11</u>

(To be continued)

(Continued)

Code		2020		2019	
		Amount	%	Amount	%
	Other comprehensive profit or loss				
	Items not reclassified as profit or loss:				
8311	Remeasurement for defined welfare plan (Note IV and XXI)	(\$ 340)	-	(\$ 354)	-
8316	Unrealized valuation profits and losses of equity instrument investments measured at fair value through other comprehensive				
8349	profits and losses	19,752	1	(2,678)	-
	Income tax related to items not reclassified (Note IV and XXV)	68	-	70	-
8310		<u>19,480</u>	<u>1</u>	<u>(2,962)</u>	<u>-</u>
	Items that may be subsequently reclassified as profit or loss:				
8361	Conversion balance of financial statements of foreign operating institutions (Note IV and XXII)	2	-	(31)	-
8399	Income tax related to items that may be reclassified (Note IV and XXV)	(1)	-	7	-
8360		<u>1</u>	<u>-</u>	<u>(24)</u>	<u>-</u>
8300	Other comprehensive profits and losses for current year (net after tax)	<u>19,481</u>	<u>1</u>	<u>(2,986)</u>	<u>-</u>
8500	Total comprehensive profit and loss for current year	<u>\$ 222,556</u>	<u>13</u>	<u>\$ 203,655</u>	<u>11</u>
	Earnings per share (Note XXVI)				
	From continuing business unit				
9710	Basic	<u>\$ 5.31</u>		<u>\$ 5.40</u>	
9810	Diluted	<u>\$ 5.25</u>		<u>\$ 5.35</u>	

The attached notes are part of the Consolidated Financial Report.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

PROMATE SOLUTIONS CORPORATION and Subsidiaries
Consolidated Statement of Changes in Equity
2020 and January 1 to December 31, 2019

Unit: NT\$ 1,000

Owner's equity of the Company

Code		Owner's equity of the Company					Other equity items		Total equity	
		Capital stock	Reserved surplus			Conversion balance of financial statements of foreign operating institutions	Unrealized valuation profits and losses of financial assets measured at fair value through other comprehensive profits and losses			
		Shares (1,000)	Capital stock	Capital reserve	Legal reserve	Special reserve	Undivided surplus			
A1	Balance on January 1, 2019	38,255	\$ 382,549	\$ 400,600	\$ 66,035	\$ 42	\$ 186,864	(\$ 26)	\$ -	\$ 1,036,064
	Surplus allocation and distribution in 2018									
B1	Legal reserve	-	-	-	18,628	-	(18,628)	-	-	-
B5	The Company's shareholders cash dividends	-	-	-	-	-	(167,939)	-	-	(167,939)
B17	Return of special surplus reserves according to JGZFY No. 1010012865	-	-	-	-	(16)	16	-	-	-
	Other changes in capital reserve:									
C15	Capital reserves to distribute in cash	-	-	(4,207)	-	-	-	-	-	(4,207)
D1	Net profit in 2019	-	-	-	-	-	206,641	-	-	206,641
D3	Other comprehensive profit and loss after tax in 2019	-	-	-	-	-	(284)	(24)	(2,678)	(2,986)
D5	Total comprehensive profit and loss in 2019	-	-	-	-	-	206,357	(24)	(2,678)	203,655
Z1	Balance on December 31, 2019	38,255	382,549	396,393	84,663	26	206,670	(50)	(2,678)	1,067,573
	Surplus allocation and distribution in 2019									
B1	Legal reserve	-	-	-	20,636	-	(20,636)	-	-	-
B3	Special reserve	-	-	-	-	2,702	(2,702)	-	-	-
B5	The Company's shareholders cash dividends	-	-	-	-	-	(181,710)	-	-	(181,710)
	Other changes in capital reserve:									
C15	Capital reserves to distribute in cash	-	-	(9,564)	-	-	-	-	-	(9,564)
Q1	Disposal of equity instrument investments through other comprehensive profits and losses measured at fair value	-	-	-	-	-	5,782	-	(5,782)	-
D1	Net profit in 2020	-	-	-	-	-	203,075	-	-	203,075
D3	Other comprehensive profit and loss after tax in 2020	-	-	-	-	-	(272)	1	19,752	19,481
D5	Total comprehensive profit and loss in 2020	-	-	-	-	-	202,803	1	19,752	222,556
Z1	Balance on December 31, 2020	38,255	\$ 382,549	\$ 386,829	\$ 105,299	\$ 2,728	\$ 210,207	(\$ 49)	\$ 11,292	\$ 1,098,855

The attached notes are part of the Consolidated Financial Report.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

PROMATE SOLUTIONS CORPORATION and Subsidiaries

Consolidated Statement of Cash Flow

2020 and January 1 to December 31, 2019

Unit: NT\$ 1,000

Code		2020	2019
	Cash flow from operating activities		
A10000	Net loss before tax for current year	\$ 249,826	\$ 256,986
A20010	Income, expense and loss items		
A20300	Expected credit impairment (recovery) loss	6,360	(822)
A20100	Depreciation expense	36,492	39,327
A20200	Amortization expense	3,192	3,349
A20900	Financial cost	2,066	2,432
A29900	Withdrawal (return) of liability reserve	(5,590)	4,194
A21200	Interest income	(3,821)	(6,590)
A21300	Dividend revenue	(2,242)	(1,818)
A24100	Unrealized foreign currency conversion loss	1,355	-
A20400	Net profit of financial assets and liabilities measured at fair value through profit and loss	(3,920)	(833)
A23700	Loss of inventory price falling and idle (recovery profit)	10,000	(2,187)
A29900	Inventory scrap loss	3,069	2,719
A30000	Net change in operating assets and liabilities		
A31115	Increase in financial assets forced to be measured at fair value through profits and losses	(5,398)	(2,203)
A31150	Decrease (increase) in accounts receivable	1,714	(36,846)
A31160	Decrease (increase) in accounts receivable - interested party	(203)	2,487
A31180	Decrease (increase) in other receivables	2,533	(161)
A31200	Decrease (increase) in inventory	(28,872)	242,298
A31230	Decrease in prepayment	3,112	1,326
A31240	Decrease (increase) in other current assets	23	(12)
A32125	Decrease (increase) in contract liability	(9,301)	8,774
A32130	Decrease in notes payable	(11)	-
A32150	Decrease (increase) in accounts payable	(42,775)	20,058
A32160	Decrease (increase) in accounts payable - interested party	(23,073)	32,213
A32180	Decrease (increase) in other payables	(8,183)	1,479
A32190	Decrease in other payables - interested party	(1,370)	(281)
A32200	Decrease in liability reserve	(7,010)	(13,085)

(To be continued)

(Continued)

Code		2020	2019
A32240	Decrease in net defined welfare liability	(\$ 548)	(\$ 502)
A32230	Increase in other current liability	23	197
A33000	Cash from operations	177,448	552,499
A33100	Interest charged	3,821	6,590
A33500	Interest paid	(52,159)	(51,329)
AAAA	Net cash inflow from operating activities	129,110	507,760
	Cash flow from investment activities		
B02700	Purchase of real estate, plant and equipment	(307)	(430)
B03700	Increase in refundable deposits	(500)	-
B04500	Purchase of intangible assets	-	(229)
B07100	Increase in repayment of equipment	(16,890)	(8,196)
B07600	Collection of other dividends	2,242	1,818
B00010	Acquisition of financial assets measured at fair value through other comprehensive profit and loss	(23,663)	(17,570)
B00020	Dispose of financial assets measured at fair value through other comprehensive profit and loss	14,700	-
B00040	Acquisition of financial assets measured at amortized cost	(1,455,169)	(953,430)
B00050	Dispose of financial assets measured at amortized cost	1,339,500	953,430
BBBB	Net cash outflow from investment activities	(140,087)	(24,607)
	Cash flow from financing activities		
C04500	Dividend payment	(191,274)	(172,146)
C04020	Principal repayment of lease liability	(22,234)	(22,199)
CCCC	Net cash outflow from financing activities	(213,508)	(194,345)
DDDD	Influence of exchange rate change on cash and cash equivalents	2	(31)
EEEE	Increase (decrease) in cash and cash equivalents	(224,483)	288,777
E00100	Balance of cash and cash equivalents at the beginning of the year	833,430	544,653
E00200	Balance of cash and cash equivalents at the end of the year	\$ 608,947	\$ 833,430

The attached notes are part of the Consolidated Financial Report.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

Annex 5. 2020 Annual Surplus Appropriation Statement

PROMATE SOLUTIONS CORPORATION
Surplus Appropriation Statement
2020

Unit: NT\$

Item	Amount		Remark
Beginning undistributed surplus		1,621,554	
Net profit after tax in 2020			EPS NT\$5.31
Add: disposal of equity instrument	203,075,020		
investments measured at fair value through other comprehensive profits and losses	5,782,499		
Add: remeasurement of defined welfare plan recognized as reserved surplus	(272,215)		
Amount of net profit after tax for the current period added the items other than net profit after tax for the current period included in the current year's undistributed surplus		208,585,304	
Distribution items:			
Withdrawal of legal reserve		(20,858,530)	Withdrawal of 10% according to laws
Return of special reserve		2,728,116	
Cash dividend		(191,274,350)	NT\$5 distributed per share
Ending undistributed surplus		802,094	

(1) Dividend per share is calculated based on the number of 38,254,870 shares circulating of the Company on December 31, 2020.

(2) The cash dividend shall be calculated up to the decimal point and shall be discarded after the decimal point.

Chairman: Du, Huai-Qi

Manager: Du, Huai-Qi

Accounting Supervisor: Lin, Xiao-Ting

Annex 6. “Articles of Association” Revised Comparison Table

After revision	Before revision	Remark
<p>Article 12</p> <p>The Company shall have five to <u>nine</u> directors. The directors shall be elected by the shareholders' meeting based on the list of candidates. The term of office shall be three years and the directors could be re-elected. According to Article 14-4 of Securities Exchange Act, it shall set up the Audit Committee, to perform the Company Law, Securities Exchange Act and other laws prescribed functions and powers of supervisors. The Audit Committee consists of all the independent directors. The number, term, function and power of Audit Committee, rules of procedure, and resources the Company shall provide, shall be prescribed separately in the Rules of Organization of the Audit Committee. The total shareholding ratio of all directors after the public offering of shares of the Company shall be governed by relevant regulations of the securities authority.</p> <p>The Company shall have no less than <u>three</u> independent directors, which shall not be less than one fifth of all the director seats; the election of independent director adopts the candidate nomination, and the independent directors shall be appointed from the qualified candidates by the shareholders' meeting. The relevant professional</p>	<p>Article 12</p> <p>The Company shall have five to <u>seven</u> directors. The directors shall be elected by the shareholders' meeting based on the list of candidates. The term of office shall be three years and the directors could be re-elected. According to Article 14-4 of Securities Exchange Act, it shall set up the Audit Committee, to perform the Company Law, Securities Exchange Act and other laws prescribed functions and powers of supervisors. The Audit Committee consists of all the independent directors. The number, term, function and power of Audit Committee, rules of procedure, and resources the Company shall provide, shall be prescribed separately in the Rules of Organization of the Audit Committee. The total shareholding ratio of all directors after the public offering of shares of the Company shall be governed by relevant regulations of the securities authority.</p> <p>The total shareholding ratio of all directors after the public offering of shares of the company shall be governed by the relevant regulations of the securities authority.</p> <p>According to Article 14-2 of Securities Exchange Act for the above number of directors, The Company shall have no less than</p>	<p>Revise the number of directors to be set.</p>

After revision	Before revision	Remark
<p>qualification, shareholding, concurrent limitation of independent directors, nomination and selection mode, and other matters to be followed, shall be in accordance with relevant laws and regulations.</p>	<p><u>two</u> independent directors, which shall not be less than one fifth of all the director seats; the election of independent director adopts the candidate nomination, and the independent directors shall be appointed from the qualified candidates by the shareholders' meeting. The relevant professional qualification, shareholding, concurrent limitation of independent directors, nomination and selection mode, and other matters to be followed, shall be in accordance with relevant laws and regulations.</p>	
<p>Article 20 The first revision was made on December 17, 2003. The second revision was made on March 22, 2013. The third revision was made on June 10, 2013. The fourth revision was made on June 12, 2014. The fifth revision was made on December 16, 2015. The sixth revision was made on May 9, 2016. The seventh revision was made on June 13, 2017. The eighth revision was made on June 9, 2020. The ninth revision was made on June 11, 2021.</p>	<p>Article 20 The first revision was made on December 17, 2003. The second revision was made on March 22, 2013. The third revision was made on June 10, 2013. The fourth revision was made on June 12, 2014. The fifth revision was made on December 16, 2015. The sixth revision was made on May 9, 2016. The seventh revision was made on June 13, 2017. The eighth revision was made on June 9, 2020.</p>	<p>Adding the number and date of this revision.</p>

Annex 7. “Rule of Procedure of Shareholders’ Meeting” Revised Comparison Table

After revision	Before revision	Remark
<p>II. Item 1, 2, 3 omitted</p> <p>Matters in Article 172-5 and Article 185-1 of the Company Law, Article 43-6 of the Securities Exchange Act, and Article 56-1 and Article 60-2 of the Rules for Handling the Issue of Securities by the Issuer, should be listed in the convening cause and explained for its main contents, rather than proposed by incidental motion.</p> <p>Omitted below</p>	<p>II. Item 1, 2, 3 omitted</p> <p>Matters in Article 172-5 and Article 185-1 of the Company Law, Article 43-6 of the Securities Exchange Act, and Article 56-1 and Article 60-2 of the Rules for Handling the Issue of Securities by the Issuer, should be listed in the convening cause and explained for its main contents, rather than proposed by incidental motion; <u>its main contents may be posted on the website designated by the securities authority or the Company, and its website shall be stated in the notice.</u></p> <p>Omitted below</p>	<p>Adjust the way of announcement in accordance with the provisions.</p>

Annex 8. “Method for Election of Directors” Revised Comparison Table

After revision	Before revision	Remark
<p>Article 6 The election of directors shall be handled in accordance with the candidate nomination procedure in Article 192 of the Company Law.</p>	<p>Article 6 The election of directors shall be handled in accordance with the candidate nomination procedure in Article 192 of the Company Law, <u>to review the director candidate qualifications, experience background and conditions in Article 30 of the Company Law; other documents supporting the qualifications shall not be included arbitrarily, and the results of the review shall be provided to shareholders for reference in electing suitable directors.</u></p>	<p>To simplify the operation procedure of director nomination in accordance with the amendment of Article 192-1 of the Company Law, the first item is amended accordingly.</p>
<p>(Deleted)</p>	<p>Article <u>11</u> <u>When the electee is a shareholder, the election ballot shall record the name of the electee's account (name or title), the account number of the shareholder and the number of voting rights; when the electee is a non-shareholder, the election ballot shall record the electee's name or title, ID card number or uniform number and the number of election rights. When a legal person is the elected, the election ballot shall record the name (or name and uniform number) of the full rank of the legal person, and may also fill in the name (or name and uniform number) of the full rank of the legal person and the name of its representative.</u></p>	<p>In accordance with the FSC Decree JGZJZ No. 1080311451 issued on April 25, 2019, the candidate nomination shall be adopted for the election of directors and supervisors of listed (OTC) companies since 2021. Shareholders shall select and appoint the directors from the list of candidates. Shareholders can know the names and academic experiences of each candidate from the list of candidates before the meeting of shareholders, and it is unnecessary to identify the identity of each candidate by the number of shareholders' accounts or the number of their ID cards. Thus, this article is deleted.</p>
<p>Article <u>11</u></p>	<p>Article <u>12</u></p>	

After revision	Before revision	Remark
<p>An election paper shall be invalid if one of the following circumstances occurs:</p> <p>(I) Election paper other than <u>provided by the convening authority.</u></p> <p>(II) <u>Blank election paper in the ballot box.</u></p> <p>(III) <u>The handwriting is so blurred or altered that it is impossible to distinguish.</u></p> <p>(IV) <u>There is a discrepancy between the electors and the list of directors candidates.</u></p> <p>(V) <u>There are words other than the assigned electoral rights.</u></p>	<p>An election paper shall be invalid if one of the following circumstances occurs:</p> <p>(I) Election paper other than those provided for in Article 8 of this Method.</p> <p>(II) Election paper not placed in the ballot box.</p> <p>(III) Blank election paper in the ballot box.</p> <p>(IV) The number of electors in excess of the prescribed number of electors.</p> <p>(V) Incomplete items to be recorded in Article 11.</p> <p>(VI) The account name (name or title) of the elector and the account number of the shareholder are not consistent with those listed in the register of shareholders.</p> <p>(VII) The name or title of the candidate, the serial number or uniform number of the identity card does not match the record of the competent authority.</p> <p>(VIII) With other symbols and pictures other than the items required to be recorded in Article 11.</p> <p>(IX) Any of the items to be recorded in Article 11 is altered.</p> <p>(X) The handwriting is so blurred that it is impossible to distinguish.</p> <p>(XI) The total number of electoral rights voted by the electors exceeds the total number of electoral rights held by the electors.</p>	<p>Delete and adjust the number in accordance with Article 11.</p> <p>In accordance with article 173 of the Company Law, the shareholders may, under certain circumstances (if the Board of Directors does not give notice to convene the meeting), call the meeting on their own with the permission of the competent authority and propose to cooperate with the adjustment of Paragraph 1 of this Article. In addition, in accordance with the FSC Decree JGZJZ No. 1080311451 issued on April 25, 2019, the FSC shall adopt the candidate nomination for the election of directors and supervisors of listed (OTC) companies since 2021. Shareholders shall select and appoint the directors from the list of candidates and accordingly adjust the text of this Article.</p>
<p>Article <u>12</u> After the vote is completed, the ballot shall be issued on the spot, and the supervisor shall monitor the vote. The result of the ballot shall be announced on the spot by</p>	<p>Article <u>13</u> After the vote is finished, <u>the balloting shall be counted and recorded</u> on the spot, and the ballot supervisor shall be on the side and the result of the balloting shall be</p>	<p>Revision in article order Text adjustment according to the practice.</p>

After revision	Before revision	Remark
<p>the chairman <u>or the person designated by the chairman, including the list of directors elected and the number of the directors elected.</u></p>	<p>announced by the chairperson on the spot.</p>	
<p>Article <u>13</u> A notice of election shall be issued by the Board of Directors of the Company to the elected director.</p>	<p>Article <u>14</u> A notice of election shall be issued by the Board of Directors of the Company to the elected director.</p>	<p>Revision in article order</p>
<p>Article <u>14</u> The matters not stipulated in this Method shall be handled in accordance with the Company Law and other relevant laws and regulations.</p>	<p>Article <u>15</u> The matters not stipulated in this Method shall be handled in accordance with the Company Law and other relevant laws and regulations.</p>	<p>Revision in article order</p>
<p>Article <u>15</u> This Method shall come into force upon the adoption of the resolution of the Board of Directors, and upon the adoption of the meeting of shareholders, and so does the revision.</p>	<p>Article <u>16</u> This Method shall come into force upon the adoption of the resolution of the Board of Directors, and upon the adoption of the meeting of shareholders, and so does the revision.</p>	<p>Revision in article order</p>

PROMATE SOLUTIONS CORPORATION

Articles of Association

Chapter 1 General provisions

Article 1: The Company is organized in accordance with the provisions of the Company Law and named as Promate Solutions Corporation in English.

Article 2: The business of the Company includes:

1. CB01010 Machinery Equipment Manufacturing
2. CB01020 Affairs Machine Manufacturing
3. CC01010 Manufacture of Power Generation, Transmission and Distribution Machinery
4. CC01080 Electronics Components Manufacturing
5. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
6. CC01090 Manufacture of Batteries and Accumulators
7. CC01110 Computer and Peripheral Equipment Manufacturing
8. CE01030 Optical Instruments Manufacturing
9. F113110 Wholesale of Batteries
10. F114010 Wholesale of Motor Vehicles
11. F114030 Wholesale of Motor Vehicle Parts and Motorcycle Parts, Accessories
12. F118010 Wholesale of Computer Software
13. F119010 Wholesale of Electronic Materials
14. F214010 Retail Sale of Motor Vehicles
15. F214030 Retail Sale of Motor Vehicle Parts and Motorcycle Parts, Accessories
16. F218010 Retail Sale of Computer Software
17. F219010 Retail Sale of Electronic Materials
18. I301010 Information Software Services
19. I301020 Data Processing Services
20. I301030 Electronic Information Supply Services
21. I401010 General Advertisement Service
22. IG03010 Energy Technical Services

23. JA01010 Automobile Repair

24. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1: The Company may, for the purpose of its business needs, guarantee and invest in other businesses; if the total amount of transfer of investment exceeds 40% of the paid-up share capital of the Company, it is not subject to the limitation stipulated in Article 13 of the Company Law. Any transfer of investment shall be subject to the resolution of the Board of Directors.

Article 3: The Company has its head office in Taipei, and may establish, cancel, or relocate the branches at home and abroad upon the resolution of the Board of Directors when necessary.

Article 4: The Company shall make the public announcement in accordance with Article 28 of the Company Law.

Article 4-1: The Company may guarantee for the needs of its business (as decided by the Board of Directors).

Chapter 2 Shares

Article 5: The registered capital of the Company is NT\$1 billion, divided into 100 million shares with an amount of NT\$10 per share, which shall be issued in installments. The Board of Directors is authorized to issue the shares according to actual needs. The total amount of capital mentioned above shall be reserved for the amount of NT\$40 million, namely 4 million shares, for the Company issuing the employee stock option certificates, and the Board of Directors shall be authorized to issue the shares in installments according to actual needs.

After the public stock offering of the Company, according to Article 56 of Rules for Handling the Issue of Securities by the Issuer, the Company shall be approved by the shareholders' meeting representing the shareholders with more than half of the total number of shares issued and more than two-thirds of the attended voting rights, and the issuance of stock price shall not be restricted by the employee stock options in Article 53.

Article 6: The shares of the Company shall be registered, signed or sealed by more than three directors, and issued upon the legal approval. The Company may not print the shares after the public offering, but it shall be registered in the securities centralized depository institution.

Article 7: The change of name and transfer of shares shall be ceased within 30 days prior to the Regular Shareholders' Meeting, within 15 days prior to the interim meeting of shareholders, or within 5 days prior to the base date of the Company's decision to distribute the dividends and bonuses or other interests. After the public offering of shares of the Company, the change of name of the shares shall be ceased within 60 days prior to the Regular Shareholders' Meeting, 30 days prior to the interim meeting of shareholders, or 5 days prior to the base day of the Company's decision to distribute the dividends and bonuses or other interests.

Article 7-1: The Company's stock affairs shall be handled in accordance with the Company Law and the "Guidelines for Stock Affairs Handling of Public Offering Company" issued by the competent authority.

Chapter 3 Shareholders' meetings

Article 8: There are two types of shareholders' meetings: regular meeting and interim meeting. The regular meeting shall be convened once a year and shall be convened by the Board of Directors in accordance with the law within six months after the end of each fiscal year, and the interim meeting shall be convened in accordance with the law when necessary. The convening of shareholders' meeting shall be convened in accordance with Article 172 of the Company Law. The notice of the convening of the shareholders' meeting may be made by electronic way with the consent of the relevant party. The notice of the convening to the shareholders holding less than one thousand registered shares may be in the form of public announcement as referred above.

Article 9: If a shareholder is unable to attend the shareholders' meeting for some reason, he/she may entrust an agent to attend the meeting with his/her signature or seal in the power of attorney issued by the Company, stating the scope of authorization. The use of power of attorney shall be governed by the "Rules on Use of Power of Attorney to Attend Shareholders' Meetings of Public Offering Company" issued by the competent authority.

Article 10: Each shareholder of the Company shall have one voting right for each share, except for those who are not entitled to vote under the provisions of Article 179 of Company Law.

Article 11: Unless otherwise provided for in the Company Law, the resolution of the shareholders' meeting shall be executed with the consent more than half of the voting rights of the shareholders present in the meeting with more than half of the shareholders attended of the total number of shares issued.

Article 11-1: Unless otherwise provided for in the Company Law, the meeting of shareholders shall be convened by the Board of Directors, and the Chairman shall act as the chairperson of the meeting. If the Chairman is on leave or unable to exercise his functions and powers for some reason, his/her agent shall act in accordance with the provisions of Article 208 of the Company Law. When the convening authority is a person other than the Board of Directors, the chairperson shall be the convening authority; if there are more than two convening authorities, one shall be elected to be the chairperson of the meeting.

Article 11-2: Matters resolved by the shareholders' meeting shall be made into the minutes of discussion, signed or sealed by the chairperson, and distributed to all shareholders within 20 days after the meeting. After the public offering of shares of the Company, the distribution of the minutes of the shareholders' meeting may be made by way of public announcement.

Article 11-3: After the public offering of the shares of the Company, if the Company wishes to cancel the public offering, it may do so only upon the approval of the Board of Directors and by a special resolution of the shareholders' meeting (and this Article will not change during the period of the IPO and the period of listed in the stock market).

Article 11-4: Shareholders of the Company shall exercise their voting rights by electronic way. Shareholders who exercise their voting rights by electronic way shall be deemed to be

present in person, and relevant matters shall be handled in accordance with relevant laws and regulations.

Chapter 4 Directors

Article 12: The Company shall have five to seven directors. The directors shall be elected by the shareholders' meeting based on the list of candidates. The term of office shall be three years and the directors could be re-elected. According to Article 14-4 of Securities Exchange Act, it shall set up the Audit Committee, to perform the Company Law, Securities Exchange Act and other laws prescribed functions and powers of supervisors. The Audit Committee consists of all the independent directors. The number, term, function and power of Audit Committee, rules of procedure, and resources the Company shall provide, shall be prescribed separately in the Rules of Organization of the Audit Committee. The total shareholding ratio of all directors after the public offering of shares of the Company shall be governed by relevant regulations of the securities authority.

According to Article 14-2 of Securities Exchange Act for the above number of directors, the Company shall have no less than three independent directors, which shall not be less than one fifth of all the director seats; the election of independent director adopts the candidate nomination, and the independent directors shall be appointed from the qualified candidates by the shareholders' meeting. The relevant professional qualification, shareholding, concurrent limitation of independent directors, nomination and selection mode, and other matters to be followed, shall be in accordance with relevant laws and regulations.

Article 12-1: If the term of office of a director expires before the date of re-election, the term of office of the director shall be extended until the date when the new director assumes office. Directors of the Company shall be elected by the cumulative single-name election method. Each share shall have the same right to vote as the number of directors to be elected. One person may be elected collectively or several persons may be distributed. Those whose votes represent a larger number of voting rights shall be elected as the directors.

Article 13: The Board of Directors shall be organized by the directors, with the presence of more than two-thirds of the directors and the consent of more than half of the directors present, one Chairman shall be elected, and the Chairman shall represent the Company externally.

Unless otherwise provided for in the Company Law, the resolution of the Board of Directors shall be carried out with the consent of more than half of the directors present in the meeting with more than half of the directors attended. If a meeting of the Board of Directors is held by video conference, the directors shall be deemed to have attended the meeting in person if they attend the meeting via video conference.

A meeting of the Board of Directors shall be convened with the cause clearly stated and the directors shall be notified seven days in advance, but in case of emergency, the meeting may be convened at any time. The convening notice of the Board of Directors may be made in writing, by fax or E-mail, etc.

Article 14: If the Chairman of the Board of Directors takes a leave of absence or is unable to exercise his/her functions and powers for some reason, his/her agent shall be handled in

accordance with Article 208 of the Company Law.

Article 14-1: The proceedings of the Board of Directors shall be made and signed or sealed by the chairperson and distributed to the directors within twenty days after the meeting. The proceedings shall be kept in the Company together with the sign-in sheet of the directors present and the power of attorney for agent attendance.

Article 15: The remuneration of all directors shall be authorized to be determined by the Board of Directors in accordance with the degree of their participation in the operation of the Company and the value of their contributions to the Company, irrespective of the usual operating profit and loss levels in the same industry.

The Company may purchase the liability insurance for all directors in respect of their liability for compensation in the scope of business in accordance with the law, so as to protect the rights and interests of all shareholders and reduce the business risks of the Company.

Article 15-1: The travel fee of the directors shall be agreed upon by the Board of Directors.

Chapter 5 Managers

Article 16: The Company shall have the managers whose appointment, dismissal and remuneration shall be governed by Article 29 of the Company Law.

Chapter 6 Accounting

Article 17: At the end of each fiscal year, the Board of Directors shall prepare (I) Business Report, (II) Financial Statements, (III) Proposals on Surplus Distribution or Loss Allocation and Compensation, and submit to the Audit Committee for examination and approval in accordance with the law, and then send to the Regular Shareholders' Meeting for recognition.

Article 18: If the Company makes profits in the year, it shall set aside 7.5%~10% for the remuneration of employees, and the remuneration of directors shall not be higher than 3%. However, if the Company has accumulated losses, it shall reserve the amount to make up for them in advance.

Employee remuneration may be in stock or cash, and the recipients may include the employees of affiliated companies who meet certain conditions. The distribution of remuneration to the employees and directors shall be determined by special resolution of the Board of Directors and reported to the shareholders' meeting.

Article 18-1: If the total final accounts of the Company have surplus, it should firstly withdraw the tax, make up the losses of the previous years, and then allocate ten percent for the statutory surplus reserves, and list or return the special surplus reserve according to the laws or regulations; together with the beginning accumulated undistributed surplus, the balance shall be the surplus for distribution, according to the resolution of shareholders' meeting.

The Company shall allocate no less than 50% of distributable earnings per year for the distribution of dividends to shareholders, taking into account the environment and growth stage of the Company, considering the future capital needs and long-term

financial plans, and meeting the shareholders' demand for cash inflow. However, no distribution may be made if the accumulated distributable earnings are less than 20% of paid-up share capital; the dividends and bonuses of shareholders may be distributed in cash or shares, in which the proportion of cash dividends shall not be less than 10% of the total dividends.

Chapter 7 Supplementary provisions

Article 19: Matters not stipulated in the Articles of Association shall be dealt with in accordance with the Company Law.

Article 20: The Articles of Association was made on May 23, 2000.

The first revision was made on December 17, 2003.

The second revision was made on March 22, 2013.

The third revision was made on June 10, 2013.

The fourth revision was made on June 12, 2014.

The fifth revision was made on December 16, 2015.

The sixth revision was made on May 9, 2016.

The seventh revision was made on June 13, 2017.

The eighth revision was made on June 9, 2020.

PROMATE SOLUTIONS CORPORATION

Chairman: Du, Huai-Qi

PROMATE SOLUTIONS CORPORATION

Rule of Procedure of Shareholders' Meeting

First formulation date of this Rule: 2013.06.10

First revision date of this Rule: 2016.05.09

Second revision date of this Rule: 2020.06.09

1. Shareholders' Meeting of the Company shall be held in accordance with this Rule.
2. For the purpose of the Rule, the term "shareholder" means the shareholder himself/herself and the agent appointed by the shareholder to attend the meeting. The shareholders' meeting of the Company shall be convened by the Board of Directors unless otherwise provided for by law.

The Company shall, 30 days prior to the Regular Shareholders' Meeting or 15 days prior to the interim meeting of shareholders, make the electronic notice of shareholders' meeting, the format of proxy, the causes and explanations of the proposals such as the approval cases, the discussion cases, and the election or dismissal of directors, and send them to the Open Information Observatory. In addition, 21 days prior to the Regular Shareholders' Meeting or 15 days prior to the interim meeting of shareholders, the Discussion Manual of Shareholders Meeting and the supplementary data of the meeting shall be sent to the Open Information Observatory by electronic files. 15 days prior to the meeting of shareholders, the Discussion Manual for the meeting of shareholders and the supplementary information for the meeting shall be prepared for the shareholders to consult at any time, and shall be displayed by the Company and the professional stock agent appointed by the Company, and distributed on the spot of the meeting of shareholders.

Notices and announcements shall state the reasons for convening; where a notice is given with the consent of the relevant party, it may be given by electronic way.

The selection or dismissal of directors, change of Articles of Association, reduction of capital, application for suspension of public offering, directors' competition license, conversion of surplus to capital increase, conversion of reserve to capital increase, dissolution, merger, division of the company, or items of Paragraph 1 of Article 185 of the Company Law, shall be listed and stated in the cause of convening and shall not be proposed by incidental motion; its main contents may be posted on the website designated by the securities authority or the Company, and its website shall be stated in the notice.

If the reason for convening the shareholders' meeting has stated the general election of directors and supervisors, and the date of appointment, the shareholders' meeting shall not change the date of appointment by incidental motion or other means at the same meeting after the election is completed.

Shareholders holding at least one percent of the total number of shares issued may submit proposals to the Company in the Regular Shareholders' Meeting. However, if there is more than one proposal, it shall not be included in the discussion. But, if the shareholder's proposal is to urge the Company to promote the public interest or fulfill its social responsibility, the Board of Directors may still include the proposal. In addition, the Board of Directors may not list a proposal submitted by a shareholder in the discussion under any of the circumstances stipulated in Article 172 (1) to (4) of the Company Law.

The Company shall announce the proposal acceptance, written or electronic acceptance methods, acceptance place and acceptance period, before the Regular Shareholders' Meeting hold, and before stopping the transfer of stocks. The period of acceptance shall not be less than ten days. A proposal submitted by a shareholder shall be limited to 300 words. If the number exceeds 300 words, the proposal shall not be included in the discussion. Proposing shareholders shall attend the Regular Shareholders' Meeting in person or appoint others to participate in the discussion of the proposal.

The Company shall, prior to the notice of the convening of the shareholders' meeting, notify the proposing shareholders of the result of the handling, and list the proposals in accordance with the provisions of this Article in the notice of the meeting. For any shareholder proposal not included in the discussion, the Board of Directors shall explain in the shareholders' meeting for the unlisted reasons.

3. The number of shares present shall be calculated according to the sign-in sheet or the sign-in card submitted, plus the number of shares exercising their voting rights in written or electronic form.
4. Attendance and voting at Shareholders' Meeting shall be calculated on the basis of shares.
5. The meeting of shareholders shall be held at the place where the Company is located or at such place as is convenient for shareholders to attend and suitable for the meeting of shareholders. The meeting shall commence no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of the meeting shall take full account of the opinions of the independent directors.

In the notice of meeting, the Company shall state the sign-in time, place and other matters needing attention of the shareholders.

The sign-in time for shareholders referred to in the preceding paragraph shall be handled at least 30 minutes before the commencement of the meeting; the sign-in desk should be clearly marked, and adequate personnel should be assigned to handle it. The shareholder himself/herself or the agent entrusted by the shareholder (hereinafter referred to as the shareholder) shall present with the attendance certificate, attendance sign-in card or other attendance documents to attend the shareholders' meeting. The Company shall not arbitrarily add other certification documents to the certification documents required for the shareholder's

attendance. The solicitor for power of attorney shall bring the proof of identity for verification purposes.

The Company shall have the sign-in sheet for the attending shareholders to sign in, or the attending shareholders shall hand in the sign-in card to sign in on their behalf. The Company shall deliver the Discussion Manual, Annual Report, Attendance Pass, Speech Note, Votes, and other meeting data to the shareholders attending the meeting. If there is the election of directors, a separate ballot shall be attached. When the government or legal person is a shareholder, the representative attending the shareholders' meeting shall not be limited to one person. When a legal person is entrusted to attend a shareholders' meeting, he/she may appoint only one representative to attend the meeting.

6. If the meeting of shareholders is convened by the Board of Directors, the chairperson of the meeting shall be the Chairman of the Board of Directors. If the Chairman takes a leave of absence or is unable to exercise his or her functions and powers for some reason, the Deputy Chairman shall act as the chairperson. If there is no Deputy Chairman or the Deputy Chairman is also on leave or unable to exercise his or her functions and powers for some reason, the Chairman shall appoint a managing director. If the Company does not have a managing director, it shall appoint one director to act as managing director. If the Chairman does not appoint an agent, the managing director or the directors shall appoint one director to act as the agent. The chairperson referred to in the preceding paragraph shall be a managing director or a director agent, who has served for at least six months and knows the financial and business conditions of the Company. The same applies if the chairperson is a representative of a corporate director. The Chairman of the Board of Directors shall preside over the shareholders' meeting called by the Board of Directors in person, and more than half of the directors of the Board of Directors shall attend in person, and at least one representative of each functional committee member shall attend the meeting; the attendance shall be recorded in the proceedings of the shareholders' meeting. If the shareholders' meeting is convened by a person other than the Board of Directors who has the convening authority, the chairperson of the meeting shall be the convening authority, and if there are more than two convening authorities, one shall be elected as the chairperson.
7. The Company may appoint the entrusted lawyers, accountants or other relevant personnel to attend the shareholders' meeting as non-voting delegates.
8. The Company shall, upon the receipt of the sign-in of shareholders, continuously record or videotape the whole process of the sign-in of shareholders, the process of the meeting and the process of voting and counting, and the record shall be kept for at least one year. Provided, however, that a lawsuit brought by the shareholder in accordance with Article 189 of the

Company Law, the record shall be retained until the conclusion of the lawsuit.

9. When it is the the time of the meeting, the chairperson shall declare the meeting starting, but if there are attended shareholders representing no more than half of the total shares issued, the chairperson shall announce to delay the meeting; the number of delay is limited to two, and the delayed time shall not exceed one hour in total; after the twice delay, if the shareholders attended are still insufficient for one-third of the total shares issued, the meeting shall be disbanded by the chairperson. If after the twice delay, it is still insufficient and more than one third of the shareholders of the total number of issued shares are present, the shareholders may make a false resolution in accordance with Paragraph 1 of Article 175 of the Company Law, and notify all the shareholders of the false resolution and convene the shareholders' meeting again within one month. Before the end of the meeting, if the shareholders present represent more than half of the shares issued, the chairperson may submit the false resolution to the meeting for a new vote in accordance with Article 174 of the Company Law.
10. If the meeting of shareholders is convened by the Board of Directors and the agenda is determined by the Board of Directors or the Chairman of the Board of Directors, the relevant discussions shall be decided by vote. The meeting shall proceed in accordance with the scheduled agenda and no changes shall be made without a resolution of the Board of Directors.

If the shareholders' meeting is convened by a person other than the Board of Directors who has the convening power, the provisions in the preceding paragraph shall apply *mutatis mutandis*.

Prior to the conclusion of the agenda set out in the preceding two paragraphs (including incidental motions), the chairperson shall not announce the adjournment of the meeting without a resolution. If the chairperson announces the adjournment of the meeting in violation of these rules, the meeting shall continue with the approval of more than half of the shareholders' voting rights to elect one person to be the chairperson.
11. Before attending the shareholder's speech, a speech note shall be filled out stating the purpose of the speech, the shareholder's account number (or the number of the attendance card), and the name of the account. The chairperson shall decide the order of the speech. A shareholder presenting only a note without a speech shall be deemed to have not made a speech. In case of any discrepancy between the content of the speech and the note, the content of the speech shall prevail. When the attending shareholder is making speech, other shareholders shall not interfere with the speech except with the consent of the chairperson and the speaking shareholder, and the chairperson shall stop the violator.
12. Without the consent of the chairpeson, no shareholder shall make more than two speeches on the same motion, each of which shall not exceed five minutes. Where a shareholder's speech violates the provisions above or goes beyond the scope of the agenda, the chairperson may stop

the shareholder's speech.

13. When a legal person appoints two or more representatives to attend the shareholders' meeting, only one person may be elected to speak on the same motion.
14. After the attending shareholder makes a speech, the chairperson may respond in person or appoint a relevant person to respond.
15. The chairperson shall give full opportunity for explanation and discussion of a motion and any amendment or incidental motion proposed by a shareholder. If the chairperson considers that it has reached the time for voting, he/she may discontinue the discussion and arrange an adequate time for voting.
16. The supervisors and counting personnel for the voting of motions shall be appointed by the chairperson, provided that the supervisors shall be shareholders. The counting of votes at the shareholders' meeting or election proposals shall be conducted in an open place in the shareholders' meeting hall, and the result of the voting, including the statistical weight, shall be announced on the spot, and recorded after the counting of votes is completed.
17. The chairperson may declare a break while the meeting is in progress at such time as may be appropriate. In the event of any force majeure, the chairperson may make an order to suspend the meeting and, as the case may be, announce the time for the resumption of the meeting. If the meeting of shareholders fails to use the venue for the meeting before the conclusion of the agenda (including incidental motions), the meeting of shareholders may decide to find another venue for the meeting to continue. The shareholders' meeting shall, in accordance with Article 182 of the Company Law, decide to postpone or renew the meeting within five days.
18. The handling personnel of the shareholders' meeting shall wear the identification cards or armbands. The chairperson may direct the picket (or security personnel) to assist in maintaining order at the venue. When the picket (or security personnel) is present to assist in maintaining order, he or she shall wear an armband with the word "Picket". If the meeting place is equipped with loudspeaker equipment, the chairperson may stop the shareholder from making a speech other than through the equipment provided by the Company. If a shareholder violates the rules of procedure and does not obey the correction of the chairperson, and obstructs the proceeding of the meeting, the chairperson may instruct the picket or the security personnel to ask him/her to leave the meeting venue.
19. Unless otherwise provided for in the Company Law and the Articles of Association, the voting on a motion shall be approved by more than half of the shareholders present.
20. The Company shall hold a meeting of shareholders electronically and may exercise its voting rights in writing; when a shareholder exercises his or her right to vote in writing or electronically, the

method of such exercise shall be set forth in the convening notice of the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, the incidental motion and amendment of the original motion at the shareholders' meeting shall be regarded as abstention, and the Company shall therefore avoid making the incidental motion and amendment of the original motion.

Where the voting rights are exercised in writing or electronically as referred to in the preceding paragraph, the expression of intention shall be delivered to the Company two days before the shareholders' meeting. In case of duplication in the expression of intention, the one delivered first shall prevail. However, this restriction shall not apply if the intention is expressed to revoke the former declaration.

If a shareholder wishes to attend the shareholders' meeting in person after exercising his/her voting rights in writing or electronically, he/she shall revoke the intention of exercising his/her voting rights in the same way as that of exercising his/her voting rights two days before the shareholders' meeting. In case of cancellation within the time limit, the voting right shall be exercised by written or electronically. In the event that the voting rights are exercised in writing or electronically and the proxy is authorized to attend the shareholders' meeting, the voting rights exercised by the proxy shall prevail.

At the time of voting, the shareholders shall vote, and after the meeting of shareholders, the results of the approval, opposition and abstention of the shareholders shall be input into the Open Information Observatory. When there are amendments or substitutions to a motion, the chairperson shall decide the order of voting along with the original motion. If one of the motions has been passed, the other motions shall be deemed to be rejected and no further votes shall be taken.

21. The number of shares of non-voting shareholders shall not be counted into the total number of shares issued for the resolution of the shareholders' meeting. Except for the trust enterprises or stock agency approved by the securities authorities, if one person is entrusted by two or more shareholders at the same time, the voting rights of the proxy shall not exceed 3% of the total voting rights of the shares issued, and the excess voting rights of the proxy shall not be counted.
22. Shareholders shall have one voting right for each share, except those shares held by the Company itself in accordance with the Company Law which are not entitled to vote.
23. If a shareholder entrusts a proxy to attend the shareholders' meeting, the proxy letter issued by the Company shall be used and it shall be handled in accordance with the "Rules on Use of Proxy Letter to Attend the Shareholders' Meeting of Public Offering Company". At each shareholders' meeting, the shareholder may sign one power of attorney issued by the Company, stating the

scope of authorization, and entrusting one agent to attend the shareholders' meeting. One shareholder may issue one power of attorney, and in the case of one person only, the power of attorney shall be delivered to the Company five days before the meeting of the shareholders. In case of duplication, the power of attorney delivered first shall prevail. However, this restriction shall not apply to those declaring to revoke the previous entrusting.

If a shareholder wishes to attend the shareholders' meeting in person or to exercise his or her voting rights in writing or electronically after the power of attorney is delivered to the Company, he or she shall give a written notice to the Company to revoke the power of attorney two days prior to the shareholders' meeting. In case of cancellation overdue, the voting right shall be subject to the appointed proxy.

24. Shareholders shall not participate in voting or exercise their right to vote on behalf of other shareholders in relation to the matters at the meeting which may be harmful to the interests of the Company due to their own interests.

The number of shares without the right to vote mentioned in the preceding paragraph shall not be counted as the voting rights of present shareholders.

25. In the event of an air-raid warning drill while the meeting is in progress, the meeting will be suspended and people evacuated until the meeting resumes one hour after the warning is cleared.

26. Matters resolved by the shareholders' meeting shall be made into the Minutes of Meeting, which shall be signed and sealed by the chairperson and distributed to all shareholders within 20 days after the meeting. The preparation and distribution of the proceedings may be conducted electronically. For the distribution of the proceedings referred above, the Company may input the announcement form on the Public Information Observatory. The year, month, day, place, name of the chairperson and method of resolution shall be recorded in the minutes, and the main points of the proceedings and their results shall be recorded. In the event of an election of directors, the number of votes received by each elected person shall be disclosed. The minutes of meeting shall be kept for the duration of the existence of the Company together with the sign-in sheet or card of the present shareholder and the power of attorney for attendance.

The number of shares solicited by the solicitor and the number of shares represented by the entrusted agent shall be clearly disclosed in the place of the meeting of shareholders in a statistical table prepared according to the prescribed format on the day of the meeting of shareholders. The Company shall, within the prescribed time, transmit to the Public Information Observatory for the matters decided by the shareholders' meeting which are stipulated to be the significant matters by laws and regulations and stipulated by the Taiwan Stock Exchange Co., Ltd. (OTC trading center).

When the shareholders' meeting elects the directors, it shall proceed in accordance with the relevant selection and appointment standards set by the Company, and shall announce the results of the election on the spot, including the name list of the directors elected and the vote number of the directors elected. The ballot for the election mentioned above shall be sealed and signed by the vote supervisor, and shall be properly kept for at least one year. Provided, however, that a lawsuit is brought by the shareholder in accordance with Article 189 of the Company Law, it shall be retained until the conclusion of the lawsuit.

27. (Deleted)

28. Matters not specified in this Plan shall be handled in accordance with the Company Law, the Securities Exchange Act, the Articles of Association of the Company, and other relevant decrees.

29. This Rule shall come into force upon the adoption of a resolution of the Board of Directors and upon the adoption of the shareholders' meeting, and so does the revision.

PROMATE SOLUTIONS CORPORATION

Method for Election of Directors

First formulation date of this Method: 2016.05.09

Article 1: This Method is made in accordance with the Company Law and the Articles of Association of the Company, and the election of directors of the Company shall be conducted in accordance with this Method.

Article 2: The Company shall adopt the candidate nomination for the election of directors. Shareholders shall select the directors from the list of candidates for a term of three years, and may re-elect them for consecutive terms.

Article 3: In the election of directors of the Company, each share shall have the same right to vote as the number of directors to be elected, and the vote of one shareholder may elect one candidate centrally or several persons distributedly.

Article 4: The directors of the Company shall be elected in turn by the representatives with more voting power according to the number of directors stipulated in the Articles of Association, and if two or more representatives have the same voting power but exceed the number of directors stipulated in the Articles of Association, the directors shall be elected by drawing lots by those with the same voting power, and the chairperson shall draw lots for those who are not present.

Article 5: The qualifications of independent directors of the Company shall comply with the provisions of Article 2, Article 3 and Article 4 of the "Measures for the Establishment of Independent Directors of Public Offering Companies and the Matters to Be Followed".

Article 6: The election of directors shall be handled in accordance with the candidate nomination procedure in Article 192 of the Company Law, to review the director candidate qualifications, experience background and conditions in Article 30 of the Company Law; other documents supporting the qualifications shall not be included arbitrarily, and the results of the review shall be provided to shareholders for reference in electing suitable directors.

Article 7: When the absent number of directors is up to one third of the seats prescribed in the Articles of Association, the Company shall, within 60 days from the date of occurrence of the fact, convene the shareholders' interim meeting for a by-election.

Article 8: The election paper prepared by the Company shall indicate the number of the attendance card and the number of voting rights, and affix the company seal.

Article 9: At the beginning of the election, the chairperson shall appoint several ballot supervisors and ballot tellers to carry out relevant tasks. The ballot supervisors shall have the status of shareholders.

Article 10: The ballot boxes shall be prepared by the Company and inspected by the ballot supervisors before voting.

Article 11: When the electee is a shareholder, the election ballot shall record the name of the electee's account (name or title), the account number of the shareholder and the number of voting rights; when the electee is a non-shareholder, the election ballot shall record the electee's name or title, ID card number or uniform number and the number of election rights. When a legal person is the elected, the election ballot shall record the name (or name and uniform number) of the full rank of the legal person, and may also fill in the name (or name and uniform number) of the full rank of the legal person and the name of its representative.

Article 12: An election paper shall be invalid if one of the following circumstances occurs:

- (I) Election paper other than those provided for in Article 8 of this Method.
- (II) Election paper not placed in the ballot box.
- (III) Blank election paper in the ballot box.
- (IV) The number of electors in excess of the prescribed number of electors.
- (V) Incomplete items to be recorded in Article 11.
- (VI) The account name (name or title) of the elector and the account number of the shareholder are not consistent with those listed in the register of shareholders.
- (VII) The name or title of the candidate, the serial number or uniform number of the identity card does not match the record of the competent authority.
- (VIII) With other symbols and pictures other than the items required to be recorded in Article 11.
- (IX) Any of the items to be recorded in Article 11 is altered.
- (X) The handwriting is so blurred that it is impossible to distinguish.
- (XI) The total number of electoral rights voted by the electors exceeds the total number of electoral rights held by the electors.

Article 13: After the vote is finished, the balloting shall be counted and recorded on the spot, and the ballot supervisor shall be on the side and the result of the balloting shall be announced by the chairperson on the spot.

Article 14: A notice of election shall be issued by the Board of Directors of the Company to the

elected director.

Article 15: The matters not stipulated in this Method shall be handled in accordance with the Company Law and other relevant laws and regulations.

Article 16: This Method shall come into force upon the adoption of the resolution of the Board of Directors, and upon the adoption of the meeting of shareholders, and so does the revision.

PROMATE SOLUTIONS CORPORATION

Shareholdings of All Directors

1. As of this Regular Shareholders' Meeting, the paid-up capital of the Company is NT\$382,548,700, and the number of shares issued is 38,254,870.
2. In accordance with Paragraph 2 of Article 26 of the Securities Exchange Act, the minimum number of shares held by all directors shall be 3,600,000.
3. As of the book closure day (April 12, 2021) of this Regular Shareholders' Meeting, the number of shares held by directors recorded in the shareholder register is as follows:

Title	Name	Election date	Shareholdings recorded in shareholder register at the date of suspension of ownership transfer	
			Shares	Ratio %
Chairman	Promate Electronic Co., Ltd. Representative: Du, Huai-Qi	2018/06/11	25,327,500	66.21%
Director	Promate Electronic Co., Ltd. Representative: Chen, Cheng-Fang	2018/06/11	25,327,500	66.21%
Director	Promate Electronic Co., Ltd. Representative: Hu, Qiu-Jiang	2018/06/11	25,327,500	66.21%
Director	Chen, Lv-Ping	2018/06/11	-	-
Subtotal			25,327,500	66.21%
Independent Director	Zhong, Ying-Min	2018/06/11	-	-
Independent Director	Chen, Mao-Xiong	2018/06/11	-	-
Independent Director	Liu, Yue-Xiu	2018/06/11	-	-
Subtotal			-	-
Total shareholdings of all directors			25,327,500	66.21%