

Stock ID: 8249

CREATIVE SENSOR INC.

2022 Annual General Meeting

Meeting Handbook

Date: June 10, 2022 Venue: 3F, No. 397, Xingshan Road, Neihu District, Taipei City (3F International Conference Center, YC Group Headquarters)

Table of Contents

I.	Meeting Procedure	1
II.	Meeting Agenda	2
III.	Reports	3
IV.	Ratification Items	5
V.	Discussions	7
VI.	Extraordinary motions	8
VII.	Attachment	9
(I)	2021 Business Report	10
(II)	2021 Report of the Audit Committee	13
(III)	2021 Audit report of accountant and consolidated financial statements (including individual financial statements)	14
(IV)	2021 Report on the Implementation of Private Equity Increase and Issuance of Ordinary Shares	40
(V)	Comparison table of articles before and after amendment of Articles of Association	42
(VI)	Comparison table of provisions before and after revision of Rules of Procedure of Shareholders' Meeting	44
(VII)	Cross-reference table of provisions before and after the revision of "Procedures for Handling Acquisition or Disposal of Assets"	46
VIII.	Appendix	61
(I)	Articles of Association (original provisions)	62
(II)	Rules of Procedure of Shareholders' Meeting (original provisions)	67
(III)	Procedures for acquiring or disposing of assets (original provision)	71
(IV)	Shareholding of directors	95

CREATIVE SENSOR INC.
Agenda of 2022 Annual General
Meeting

- I. Commencement of Meeting
- II. Chairperson's opening speech
- III. Reporting matters
- IV. Ratification Items
- V. Discussions
- VI. Extraordinary motions
- VII. Adjournment of the meeting

CREATIVE SENSOR INC.

Agenda of 2022 Annual General Meeting

Date: 9 a.m., June 10 (Friday), 2022

Venue: 3F, 397 Xingshan Road, Neihu District, Taipei City (3F International Conference Center, YC Group Headquarters)

One. Commencement of Meeting (Announcing the total number of shares represented in the meeting)

Two. The Chairperson's opening speech

Three. Points of Report

I. 2021 Business Report

II. 2021 Report of the Board of Auditors

III. Report on distribution of remuneration to employees, directors, and supervisors of the Company for the 2021 financial year.

IV. 2021 Report on the repurchase of shares of the Company

V. 2021 Report on Private Equity Increase and Issuance of Ordinary Shares

Four. Ratification Items

I. Business Report and Financial Statements.

II. 2021 Earnings Appropriation

Five. Discussions

I. Proposal on amendments to the "Articles of Incorporation" of the Company.

II. Amendment to the Rules of Procedure of the Company's Shareholders' Meeting.

III. Proposal on amendments to the "Procedures for Acquisition or Disposal of Assets" of the Company.

Six. Extraordinary motions

Seven. Adjournment of the meeting

Reports

Agenda 1

Proposal: 2021 Business Report of the Company.

Explanation: Please refer to pages 10~12 for the 2021 Business Report.

Agenda 2

Proposal: 2021 Report by the Board of Auditors of the Company

Explanation: Please refer to Page 13 of this Handbook on 2021 Report by the Board of Auditors.

Agenda 3

Proposal: Report on distribution of remuneration to employees, directors, and supervisors of the Company for the 2021 financial year.

Explanation:

- (I) To proceed according to Article 19 of the Articles of Incorporation.
- (II) The 2021 earnings of the Company were NTD 210,888,990. The remuneration of directors and supervisors appropriated in the current period was NTD 6,270,968 (2.97%) and the employees' remuneration appropriated was NTD 18,812,905 (8.92%). All of the remunerations were issued according to the issuance percentage specified in the articles of incorporation of the Company, and aforementioned amounts were issued in cash.

Agenda 4

Proposal: Report on the Company's repurchase of company shares in 2021.

Note: Please refer to the relevant information and implementation of the repurchase of shares of the Company up to December 31, 2021:

Repurchase session	3rd
Purpose of repurchase	Transfer of shares to employees
Period of repurchase	July 22, 2021 to September 19, 2021
Price range of repurchase	NTD 24 to 38
Categories and quantities of shares repurchased	Common shares: 6,225,000 shares
Amount of shares repurchased	NTD 186,666,350
Quantity of cancelled and transferred shares	0
Accumulated quantity of the Company's shares held	6,225,000
Accumulated quantity of the Company's shares held to the total quantity of the issued shares (%)	4.18%

Repurchase session	4th
Purpose of repurchase	Transfer of shares to employees
Period of repurchase	September 24, 2021 to November 22, 2021
Price range of repurchase	NTD 24 to 34
Categories and quantities of shares repurchased	Common shares: 2,768,000 shares
Amount of shares repurchased	NTD 72,889,164
Quantity of cancelled and transferred shares	0
Accumulated quantity of the Company's shares held	8,993,000
Accumulated quantity of the Company's shares held to the total quantity of the issued shares (%)	6.03%

Agenda 5

Proposal: Report on Private Equity Increase and Issuance of Common Shares in 2021

Explanation: On September 17th, 2021, the Company passed the resolution of the ad hoc shareholders' meeting, and issued common shares by private equity increase and issuance of common shares of no more than 38,116,500 common shares. Please refer to page 40 of this Handbook for the handling of private placement of securities.

Ratification Items

Agenda 1

Proposal: Adoption of the Company's 2021 business report and financial statements, proposed for ratification. (Proposed by the board of directors)

Explanation:

- (I) The Company's 2021 financial statements (including consolidated financial statements) have been prepared by the board of directors, and audited by CPA Shu-Chiung Chang and CPA Chun-Yao Lin of Pricewaterhouse Coopers Certified Public Accountants, to which they have issued an independent auditor's report. The financial statements and business reports have also been reviewed by the Board of Auditors and are ready for acknowledgment.
- (II) Statements and reports of this discussion have been presented in this Handbook. (Please refer to pages 10–12 for the business report, and pages 14–39 for the audit reports and financial statements of accountants.)

Resolution:

Agenda 2

Proposal: Adoption of the proposal for Company's 2021 earnings distribution, proposed for ratification. (Proposed by the board of directors)

Explanation:

- (I) The board of directors proposed cash dividend of NTD 1.30 per share as part of the Company's 2021 earnings appropriation.
- (II) Upon approval of cash dividends proposed during the annual general meeting, the Chairman shall be authorized to set the cash dividend baseline date and other details relating to the payment.
- (III) Below is the detailed Earnings Appropriation Report:

CREATIVE SENSOR INC.
2021 Earnings Appropriation Report

Unit: NTD

Item	Amount
Unappropriated retained earnings at beginning of the term	547,341,160
Plus: Adjustment of retained earnings in 2021	175,284,986
Adjusted undistributed earnings	722,626,146
Plus: Net profit after tax in 2021	176,681,074
Less: Appropriated 10% as legal reserve	(35,196,606)
Amount available for distribution	864,110,614
Item of distribution:	
Shareholders' cash dividend (NTD 1.30 per share)	182,080,600
Closing undistributed earnings	682,030,014

Chairman:
Yu-Jen Huang



Manager:
Chi-Chang Yang



Head of Accounting:
Chun-Mei Yen



Note 1: If the number of outstanding shares changes on a later date, whether due to share buyback, transfer of treasury stock or other reasons, the Chairman shall be authorized to adjust dividend payout ratio for this earnings appropriation based on the amount of cash dividend involved herein and the prevailing number of outstanding shares.

Note 2: The amount of cash dividends shall be calculated and truncated to the nearest NTD 1. Fractions that do not amount to a full NTD 1 shall be summed and recognized by the Company as other income.

Note 3: This earnings appropriation shall be allocated from 2021 earnings as the first priority.

Resolution:

Discussion

Agenda 1

Proposal: Amendments to the “Articles of Incorporation” of the Company, submitted for resolution. (Proposed by the board of directors)

Explanation:

- (I) In order to make the company's way of holding shareholders' meeting more flexible, according to paragraph 1 of Article 172-2 of the Company Law, it is stipulated in the company's articles of association that the shareholders' meeting can be held by video conference or other means announced by the central competent authority.
- (II) Please refer to pages 42-43 and 62-66 of this manual for the comparison table of the revised provisions and the original provisions.

Resolution:

Agenda 2

Proposal: The amendment to the Rules of Procedure of the Shareholders' Meeting of the Company is submitted for referendum. (proposed by the board of directors)

Explanation:

- (I) In line with the amendment of the Articles of Association and Article 172-2 of the Company Law, "The Articles of Association stipulate that the shareholders' meeting shall be held by video conference or other means announced by the central competent authority. Paragraph 2 of Article 182-1 stipulates: "A company shall formulate rules of procedure." The Company will specify in the rules of procedure that the shareholders' meeting can be held by video conference.
- (II) Please refer to pages 44-45 and 67-70 of this Handbook for the comparison table of the revised provisions and the original provisions.

Resolution:

Agenda 3

Proposal: The amendment of the Company's "Procedures for Handling Acquisition or Disposal of Assets" is submitted for referendum. (proposed by the board of directors)

Explanation :

- (I) In response to some provisions of the "Guidelines for the Acquisition or Disposal of Assets by Public Companies" amended by Jin Guan Zheng Fa Zi No.110380465 on January 28, 2021 of the Republic of China, it is proposed to revise the Company's "Procedures for the Acquisition or Disposal of Assets" in order to cooperate with the practical operation and strengthen the management of related party transactions.
- (II) Please refer to pages 46-60 and 71-94 of this manual for the comparison table of the revised provisions and the original provisions.

Resolution :

Extraordinary motions

Adjournment of the meeting

Attachment

2021 Business Report

I. 2021 Operating Overview

In the first half of 2021, the epidemic situation continued, and the economic activities and lifestyles of various countries became the norm, forming home-based office and online course learning, which prompted the shipment quantity of low-level consumer multifunction machines to keep rising, even surpassing the demand of the same period in the first half of 2020. In the second half of the year, the supply chain was affected more and more obviously by the epidemic situation, with port congestion and land transportation blocked, imbalance of supply and demand of bulk materials, and shortage of wafer production capacity, resulting in the shortage of materials in the downstream assembly plant of multifunction machine and supply chain. The end customers had to quickly change production and sales to match the changes of supply chain and sales market, especially in the fourth quarter.

In 2021, Creative Sensor's overall shipment quantity and revenue increased obviously due to the above factors. However, the supply chain changes caused by the epidemic situation aggravated the uncertainty and increased the pressure of cost control. Compared with the same period of last year, the implementation results of Creative Sensor's 2021 business plan have grown.

(I) The implementation results and profit analysis of the business plan are as follows:

Unit: NTD thousands

Item \ Year	2021	2020	Growth rate
Operating revenue	3,951,319	3,399,884	+16.2%
Gross profit	523,269	463,509	+12.9%
Earnings per share	1.50	1.50	0.0%

(II) Revenue , profit and loss:

The 2021 revenue was NTD 3.95 billion, an increase of 16.2% over the 2020 revenue of NTD 3.4 billion. The 2021 gross profit was NTD 523 million, up by 12.9% compared with NTD 463 million in 2020. Revenue increased due to the increase of shipment quantity, but the gross profit growth rate decreased due to the increase of labor and raw material costs. The net profit per share after tax was the same as last year at NTD 1.5.

2021 R & D results:

1. CISM project completed standardization of components, modularization of design and institutionalization of process, so as to achieve the goal of strengthening resource integration, effectively shortening development time and reducing cost.
2. Complete the independent design of the non-reflective enclosure light source, and introduce the development and design of a new type of high depth-of-field optical module, complete the verification of model samples, and further improve the product competitiveness.
3. Promote and complete the development and design evaluation of a new generation of thin CISM modules with high depth of field. New products will provide customers with more choices and improve their competitiveness.
4. Introduce 3 mil wiring design, reduce PCB area, improve the utilization rate of connecting boards, and reduce costs.
5. Complete IR temperature measurement algorithm, AI epidemic prevention screening application and image texture enhancement algorithm.
6. "Contact image sensor, light guide module and its manufacturing method" has obtained a novelty patent in Taiwan and is under review in the United States and Taiwan.

II. 2022 Outlook

In 2022, the economic growth rate has reached 5.5% under the fiscal and monetary policy stimulus programs related to the popularization of vaccines in all countries in the world. Looking forward to the impact of the epidemic uncertainty and geopolitical confrontation in 2022, we should continue to pay attention to the possible impact of these changes on the industry, and innovate the factory management, supply chain bottleneck, new production base planning, automation and production technology, and continuously control costs to maintain profits.

Therefore, the company's business focus in 2022 is that, in addition to maintaining the current customer relationship, the management team needs to strengthen the maintenance of supply chain relationship to ensure the stable supply of materials as the first important item, while the factory needs to continuously reduce the turnover rate of personnel to increase the output, and continuously strengthen the quality control to reduce the defective rate, enhance the flexibility and change of automated production, and promote the process optimization and product yield improvement to ensure profitability. In addition, we are still actively engaged in

the research and development of new products, focusing on "safety monitoring applications" and "industrial inspection applications", differentiating products through modular design and introducing AI image processing, and enhancing product competitiveness.

The Company's operating policy in 2022 will make efforts in the following directions:

1. In response to the drastic fluctuation of raw material prices and unstable supply in the market, we will actively expand cooperative suppliers to ensure safe supply. Long-term strategic wafer IC preparation to mitigate the impact of temporary shortage.
2. Reduce the turnover rate of factory personnel, improve the flexibility and change proportion of automated production, provide factory efficiency and yield, and continuously control costs and expenses to increase profits.
3. Complete the production verification of non-reflective enclosure light source and introduce it into mass production, and carry out the conceptual design of self-made high depth-of-field optical module, and continuously provide CISM vertical integration scheme to further reduce the cost.
4. Continue to develop new linear optical sensors, design and process verification of CISM module with high depth of field, and enter the stage of mass production.
5. Through cooperation with strategic partners, develop pressure sensing module algorithm and AOI testing equipment.
6. Plan the second production base, improve the self-made rate of parts and components, and establish an automatic intelligent production line to achieve the goal of cost control, quality assurance and productivity.

Chairman: Yu-Jen Huang

President: Chi-Chang Yang

Head of Accounting: Chun-Mei Yen

CREATIVE SENSOR INC.

Audit Committee review report

The Board of Directors has prepared the Company's annual business report, individual financial statement, consolidated financial statement and earnings distribution for 2021, etc., in which the individual financial statement and consolidated financial statement have been audited by Shu-Chiung Chang and Chun — Yao Lin of Pricewaterhouse Coopers Certified Public Accountants, and the audit report has been issued.

The above-mentioned business report, individual financial statement, consolidated financial statement and earnings distribution have been audited by this Audit Committee, and it is found that there is no discrepancy. Therefore, the above report is made in accordance with Article 14-4 of the Securities and Exchange Law and Article 219 of the Company Law, so please check and verify.

To

2022 Annual General Meeting of CREATIVE SENSOR INC.

CREATIVE SENSOR INC.

Convener of Audit Committee: Shi — ying Huang

M a r c h 1 7 , 2 0 2 2

Creative Sensor Inc.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2021, pursuant to “Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises,” the company that is required to be included in the consolidated financial statements of affiliates, is the same as the company required to be included in the consolidated financial statements of parent and subsidiary companies under International Financial Reporting Standard 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare separate consolidated financial statements of affiliates.

Hereby declare,

Representative: Ko Ikujin
March 17, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CREATIVE SENSOR INC.

Opinion

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

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Group’s 2021 consolidated financial statements are outlined as follows:

Impairment assessment of investments accounted for using equity method

Description

Please refer to Note 4(14) for accounting policy on investments of associates accounted for using equity method, Note 5 for the details of uncertainty of impairment assessment and assumption of investments accounted for using equity method, and Note 6(7) for the details of investments accounted for using equity method.

The Group applied value-in-use to measure recoverable amount and assessed the impairment of its investment, Teco Image Systems Co., Ltd. (hereinafter referred to as “Teco Image Systems”), accounted for using equity method. Since the calculation of value-in-use involves the estimation of future cash flows and discount rate, there is high uncertainty in relation to the assumptions, and the estimated outcome has a significant effect to the valuation of value-in-use, we identified the impairment assessment of investments accounted for using equity method as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the procedures in estimating future cash flows, and confirmed whether the future cash flows used in the valuation model was in agreement with the Teco Image Systems’s operational plan.
2. Compared the estimated revenue growth rate, gross rate and operating expense rate used in assessing value-in-use with the historical data and other independent sources of economic and industry forecasts.
3. Compared the discount rate used in assessing value-in-use with the capital cost of cash generating units and similar return on assets.
4. Checked the calculation accuracy of the valuation model.

Existence of revenues of the newly top 10 significant customers

Description

Please refer to Note 4(27) for accounting policy on revenue recognition and Note 6(18) for the details of operating revenue.

The Group is mainly engaged in manufacturing and trading of image sensor and its electronic components. The products are primarily applied in multi-function printers, fax machines and scanners.

The Group's sales counterparties are mostly optimal OEM or system vendors and have a long-term business partnership with the Group. The Group is continually improving and developing its market share in order to maintain its leadership in the market.

After comparing the lists of the Group's top 10 significant customers for the years ended December 31, 2021 and 2020, there were changes in sales revenue resulting in some customers being newly included in the top 10 list, and have an impact on the consolidated operating revenue. We considered the existence of sales revenues in relation to those newly top 10 significant customers to be significant to the financial statements. Therefore, we determined the existence of revenues from the newly top 10 significant customers as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the revenue cycle and performed tests to determine whether the Group's direct revenue process follows the internal control procedures.
2. Checked the related industry background information in respect of the newly top 10 significant customers.
3. Obtained and selected samples to verify related vouchers of sales revenue from the newly top 10 significant customers.

Other matter – Reference to the reports of the other auditors

We did not audit financial statements of certain investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for using the equity method amounted to NT\$200,579 thousand, constituting 2.98% of the consolidated total assets as at December 31, 2021, and the comprehensive loss recognized from associates and joint ventures accounted for using the equity method amounted to (NT\$22,461) thousand, constituting (5.05%) of the consolidated total comprehensive income for the year then ended.

Other matter – Parent company only financial reports

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

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Chang, Shu-Chiung

Lin, Chun-Yao

For and on behalf of PricewaterhouseCoopers, Taiwan

March 17, 2022

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

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

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,441,196	21	\$ 1,884,250	36
1110	Financial assets at fair value through profit or loss - current	6(2)	1,972	-	144,239	3
1136	Financial assets at amortized cost - current, net	6(3)	217,212	3	174,835	3
1170	Accounts receivable, net	6(4)	444,862	7	539,744	10
1180	Accounts receivable - related parties, net	6(4) and 7	507	-	52	-
1210	Other receivables - related parties, net	7	3,780	-	288	-
130X	Inventories, net	6(5)	527,208	8	393,710	8
1479	Other current assets		39,060	1	56,496	1
11XX	Total current assets		<u>2,675,797</u>	<u>40</u>	<u>3,193,614</u>	<u>61</u>
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(6) and 8	2,757,294	41	1,384,827	26
1550	Investments accounted for using the equity method	6(7)	958,375	14	245,365	5
1600	Property, plant and equipment, net	6(8)	227,987	3	293,774	6
1755	Right-of-use assets	6(9)	62,461	1	74,828	1
1780	Intangible assets		4,785	-	7,510	-
1840	Deferred income tax assets	6(23)	9,906	-	8,705	-
1990	Other non-current assets	6(13)	35,916	1	36,112	1
15XX	Total non-current assets		<u>4,056,724</u>	<u>60</u>	<u>2,051,121</u>	<u>39</u>
1XXX	Total assets		<u>\$ 6,732,521</u>	<u>100</u>	<u>\$ 5,244,735</u>	<u>100</u>

(Continued)

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 1,734,800	26	\$ 750,000	14
2120	Financial liabilities at fair value through profit or loss - current	6(11)	-	-	1,039	-
2170	Accounts payable		696,600	10	596,832	11
2180	Accounts payable - related parties	7	1,230	-	119,544	2
2200	Other payables	6(12) and 7	247,208	4	235,796	5
2230	Income tax payable		26,785	-	141,604	3
2280	Current lease liabilities		11,232	-	12,347	-
2300	Other current liabilities		7,555	-	8,643	-
21XX	Total current liabilities		<u>2,725,410</u>	<u>40</u>	<u>1,865,805</u>	<u>35</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(23)	21,654	1	9,819	-
2580	Non-current lease liabilities		14,688	-	24,659	1
25XX	Total non-current liabilities		<u>36,342</u>	<u>1</u>	<u>34,478</u>	<u>1</u>
2XXX	Total liabilities		<u>2,761,752</u>	<u>41</u>	<u>1,900,283</u>	<u>36</u>
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(14)	1,490,550	22	1,270,550	24
Capital surplus						
3200	Capital surplus	6(15)	974,247	15	677,467	13
Retained earnings						
3310	Legal reserve	6(16)	497,319	7	478,365	9
3350	Unappropriated retained earnings		899,307	13	731,467	14
Other equity interest						
3400	Other equity interest	6(17)	368,902	6	186,603	4
3500	Treasury shares	6(14)	(259,556)	(4)	-	-
3XXX	Total equity		<u>3,970,769</u>	<u>59</u>	<u>3,344,452</u>	<u>64</u>
Significant subsequent events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 6,732,521</u>	<u>100</u>	<u>\$ 5,244,735</u>	<u>100</u>

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

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Net revenue	6(18) and 7	\$ 3,951,319	100	\$ 3,399,884	100
5000	Cost of revenue	6(5)(22) and 7	(3,428,050)	(87)	(2,936,375)	(86)
5900	Gross profit		<u>523,269</u>	<u>13</u>	<u>463,509</u>	<u>14</u>
	Operating expenses	6(22) and 7				
6100	Selling expenses		(70,835)	(2)	(72,719)	(2)
6200	General and administrative expenses		(171,436)	(4)	(152,968)	(5)
6300	Research and development expenses		(81,557)	(2)	(75,707)	(2)
6000	Total operating expenses		(323,828)	(8)	(301,394)	(9)
6900	Income from operations		<u>199,441</u>	<u>5</u>	<u>162,115</u>	<u>5</u>
	Non-operating income and expenses					
7100	Interest income	6(19)	5,696	-	20,364	1
7010	Other income	6(20) and 7	136,261	3	66,455	2
7020	Other gains and losses	6(21)	(111,369)	(3)	18,536	-
7050	Finance costs	6(9)(10)	(11,882)	-	(4,392)	-
7060	Share of profit of associates and joint ventures accounted for using equity method, net	6(7)	<u>6,964</u>	<u>-</u>	<u>85</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>25,670</u>	<u>-</u>	<u>101,048</u>	<u>3</u>
7900	Profit before income tax		<u>225,111</u>	<u>5</u>	<u>263,163</u>	<u>8</u>
7950	Income tax expense	6(23)	(48,430)	(1)	(72,895)	(2)
8200	Net income		<u>\$ 176,681</u>	<u>4</u>	<u>\$ 190,268</u>	<u>6</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains (losses) on defined benefit plans	6(13)	\$ 1,136	-	(\$ 178)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	6(6)(17)	354,595	9	5,949	-
8320	Share of other comprehensive loss of associates and joint ventures accounted for using equity method	6(7)(17)	(69,275)	(2)	(6,311)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(4,913)	-	35	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>281,543</u>	<u>7</u>	<u>(505)</u>	<u>-</u>
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(17)	(13,277)	-	9,368	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(7)(17)	<u>66</u>	<u>-</u>	<u>204</u>	<u>-</u>
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(13,211)	-	9,572	-
8300	Other comprehensive income for the year		<u>\$ 268,332</u>	<u>7</u>	<u>\$ 9,067</u>	<u>-</u>
8500	Total comprehensive income for the year		<u>\$ 445,013</u>	<u>11</u>	<u>\$ 199,335</u>	<u>6</u>
	Earnings per share (in dollars)	6(24)				
9750	Basic earnings per share		\$ 1.50		\$ 1.50	
9850	Diluted earnings per share		\$ 1.49		\$ 1.48	

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

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent									
		Capital surplus			Retained earnings			Other equity interest			
		Capital stock - common stock	Additional paid-in capital	Treasury shares transactions	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Treasury shares	Total equity
Year ended December 31, 2020											
Balance at January 1, 2020		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 459,995	\$ 39,847	\$ 672,914	\$ 54,873	\$ 121,937	\$ -	\$ 3,297,583
Net income for the year		-	-	-	-	-	190,268	-	-	-	190,268
Other comprehensive income (loss) for the year	6(17)	-	-	-	-	-	(726)	9,572	221	-	9,067
Total comprehensive income		-	-	-	-	-	189,542	9,572	221	-	199,335
Appropriations of 2019 earnings:	6(16)										
Legal reserve		-	-	-	18,370	-	(18,370)	-	-	-	-
Reserval of special reserve		-	-	-	-	(39,847)	39,847	-	-	-	-
Cash dividends		-	-	-	-	-	(152,466)	-	-	-	(152,466)
Balance at December 31, 2020		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 478,365	\$ -	\$ 731,467	\$ 64,445	\$ 122,158	\$ -	\$ 3,344,452
Year ended December 31, 2021											
Balance at January 1, 2021		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 478,365	\$ -	\$ 731,467	\$ 64,445	\$ 122,158	\$ -	\$ 3,344,452
Net income for the year		-	-	-	-	-	176,681	-	-	-	176,681
Other comprehensive income (loss) for the year	6(17)	-	-	-	-	-	1,988	(13,211)	279,555	-	268,332
Total comprehensive income (loss)		-	-	-	-	-	178,669	(13,211)	279,555	-	445,013
Appropriations of 2020 earnings:	6(16)										
Legal reserve		-	-	-	18,954	-	(18,954)	-	-	-	-
Cash dividends		-	-	-	-	-	(165,171)	-	-	-	(165,171)
Issuance of shares	6(14)	220,000	296,780	-	-	-	-	-	-	-	516,780
Acquisition of treasury shares	6(14)	-	-	-	-	-	-	-	-	(259,556)	(259,556)
Changes in equity of associates accounted for using equity method		-	-	-	-	-	89,251	-	-	-	89,251
Disposal of financial assets at fair value through other comprehensive income	6(6)	-	-	-	-	-	84,045	-	(84,045)	-	-
Balance at December 31, 2021		\$ 1,490,550	\$ 970,251	\$ 3,996	\$ 497,319	\$ -	\$ 899,307	\$ 51,234	\$ 317,668	(\$ 259,556)	\$ 3,970,769

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

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 225,111	\$ 263,163
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(22)	94,043	108,539
Amortization	6(22)	17,345	10,236
Expected credit impairment loss (gains)	12(2)	(28)	(1)
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(11)(21)	(28,982)	(73,807)
Interest expense	6(9)(10)	11,882	4,392
Share of profit of associates and joint ventures accounted for using equity method	6(7)	(6,964)	(85)
Net losses (gains) on disposal of property, plant and equipment	6(21)	289	(714)
Interest income	6(19)	(5,696)	(20,364)
Dividend income	6(2)(6)(20)	(97,871)	(24,329)
Gains from lease modification	6(9)(21)	(65)	(16)
Reversal of impairment loss on non-financial assets	6(8)(21)	-	(788)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		170,210	115,315
Accounts receivable		94,455	(6,061)
Other receivables - related parties		(3,492)	-
Inventories		(135,135)	(75,732)
Other current assets		19,653	(18,828)
Changes in operating liabilities			
Accounts payable		102,471	71,571
Accounts payable - related parties		(117,561)	32,481
Other payables		9,715	(25,008)
Other current liabilities		(1,089)	(1,890)
Cash inflow generated from operations		348,291	358,074
Interest received		3,478	20,033
Dividends received		100,685	29,607
Interest paid		(11,882)	(4,392)
Income tax paid		(161,110)	(69,288)
Income tax refund received		3,632	7,085
Net cash flows from operating activities		<u>283,094</u>	<u>341,119</u>

(Continued)

CREATIVE SENSOR INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		(\$ 47,694)	(\$ 965,960)
Proceeds from disposal of financial assets at amortized cost		4,595	1,725,771
Acquisition of non-current financial assets at fair value through other comprehensive income		(1,209,564)	(989,401)
Proceeds from disposal of financial assets at fair value through other comprehensive income		122,052	-
Acquisition of investments accounted for using the equity method		(619,178)	-
Acquisition of property, plant and equipment	6(25)	(15,994)	(9,622)
Proceeds from disposal of property, plant and equipment		1,298	1,502
Acquisition of intangible assets		(658)	(1,948)
Decrease in refundable deposits		483	2,541
Increase in other non-current assets		(6,821)	(19,257)
Net cash flows used in investing activities		<u>(1,771,481)</u>	<u>(256,374)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(26)	2,869,800	1,495,000
Repayments of short-term borrowings	6(26)	(1,885,000)	(745,000)
Repayments of lease principal	6(9)(26)	(12,094)	(14,641)
Proceeds from issuing shares	6(14)	516,780	-
Payment of cash dividends	6(16)	(165,171)	(152,466)
Acquisition of treasury shares	6(14)	(259,556)	-
Net cash flows from financing activities		<u>1,064,759</u>	<u>582,893</u>
Effect of exchange rate		(19,426)	93
Net (decrease) increase in cash and cash equivalents		(443,054)	667,731
Cash and cash equivalents at beginning of year		<u>1,884,250</u>	<u>1,216,519</u>
Cash and cash equivalents at end of year		<u>\$ 1,441,196</u>	<u>\$ 1,884,250</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of CREATIVE SENSOR INC.

Opinion

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

In our opinion, based on our audits and the reports of the other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basic for opinion

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

Key audit matters

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

Key audit matters for the Company's 2021 financial statements are outlined as follows:

Impairment assessment of investments accounted for using equity method

Description

Refer to Note 4(13) for accounting policy on investments in subsidiaries and associates accounted for using equity method, Note 5 for the details of accounting estimates and assumption uncertainty on impairment assessment of investments accounted for using equity method, and Note 6(7) for the details of investments accounted for using equity method.

The Company applied value-in-use to measure recoverable amount and assesses the impairment of its investment, Teco Image Systems Co., Ltd. (hereinafter referred to as "Teco Image Systems"), accounted for using equity method. Since the calculation of value-in-use involves the estimation of future cash flows and discount rate, there is high uncertainty in relation to the assumptions, and the estimated outcome has a significant effect in the determination of value-in-use, we identified the impairment assessment of investments accounted for using equity method as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the procedures in estimating future cash flows, and confirmed whether the future cash flows used in the valuation model was in agreement with the Teco Image Systems's operational plan.
2. Compared the estimated revenue growth rate, gross rate and operating expense rate used in assessing value-in-use with the historical data and other independent sources of economic and industry forecasts.
3. Compared the discount rate used in assessing value-in-use with the capital cost of cash generating units and similar return on assets.
4. Checked the calculation accuracy of the valuation model.

Existence of revenues of the newly top 10 significant customers

Description

Refer to Note 4(26) for accounting policy on revenue recognition and Note 6(18) for the details of operating revenue.

The Company is mainly engaged in manufacturing and trading of image sensor and its electronic components. The products are primarily used in multi-function printers, fax machines and scanners.

The Company's sales counterparties are mostly optimal OEM or system vendors and have a long-term business partnership with the Company. The Company continually improving and developing its market share in order to maintain its leadership in the market.

After comparing the lists of the Company's top 10 significant customers for the years ended December 31, 2021 and 2020, there were changes in sales revenue resulting in some customers being newly included in the top 10 list, and have an impact the operating revenue. We considered the existence of sales revenues in relation to those newly top 10 significant customers to be significant to the financial statements. Therefore, we determined the existence of revenues from the newly top 10 significant customers as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the revenue cycle and performed tests to determine whether the Company's direct revenue process follows the internal control procedures.
2. Checked the related industry background information in respect of the newly top 10 significant customers.
3. Selected samples to verify related vouchers of sales revenue from the newly top 10 significant customers.

Other matter – Reference to the reports of the other auditors

We did not audit the financial statements of certain investments accounted for using the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for using the equity method amounted to NT\$200,579 thousand, constituting 3.03% of the total assets as at December 31, 2021, and the comprehensive loss recognized from associates and joint ventures accounted for using the equity method amounted to (NT\$22,461) thousand, constituting (5.05%) of the total comprehensive income for the year then ended.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

Those charged with governance, including Audit Committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

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

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

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

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

Chang, Shu-Chiung

Lin, Chun-Yao

For and on behalf of PricewaterhouseCoopers, Taiwan

March 17, 2022

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

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

CREATIVE SENSOR INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 947,329	14	\$ 1,160,671	22
1110	Financial assets at fair value through profit or loss - current	6(2)	1,972	-	144,239	3
1136	Financial assets at amortized cost - current, net	6(3)	12	-	4,607	-
1170	Accounts receivable, net	6(4)	444,862	7	539,744	10
1180	Accounts receivable - related parties, net	6(4) and 7	507	-	52	-
1210	Other receivables - related parties, net	7	66,199	1	11,050	-
130X	Inventory, net	6(5)	17,230	-	2,775	-
1470	Other current assets		11,184	-	35,704	1
11XX	Total current assets		<u>1,489,295</u>	<u>22</u>	<u>1,898,842</u>	<u>36</u>
1517	Non-current financial assets at fair value through other comprehensive income	6(6) and 8	2,757,294	42	1,384,827	26
1550	Investments accounted for using the equity method	6(7)	2,314,897	35	1,929,616	36
1600	Property, plant and equipment, net	6(8)	18,637	-	26,578	1
1755	Right-of-use assets	6(9)	24,580	1	34,614	1
1780	Intangible assets		3,649	-	5,876	-
1840	Deferred income tax assets	6(23)	848	-	1,901	-
1900	Other non-current assets	6(13)	14,438	-	13,991	-
15XX	Total non-current assets		<u>5,134,343</u>	<u>78</u>	<u>3,397,403</u>	<u>64</u>
1XXX	Total assets		<u>\$ 6,623,638</u>	<u>100</u>	<u>\$ 5,296,245</u>	<u>100</u>

(Continued)

CREATIVE SENSOR INC.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 1,734,800	26	\$ 750,000	14
2120	Financial liabilities at fair value through profit or loss - current	6(11)	-	-	1,039	-
2150	Notes payable		213	-	213	-
2170	Accounts payable		35,682	1	2,357	-
2180	Accounts payable - related parties	7	667,123	10	859,690	16
2200	Other payables	6(12) and 7	164,624	3	152,361	3
2230	Income tax payable		7,235	-	136,299	3
2280	Current lease liabilities		10,921	-	11,197	-
2300	Other current liabilities		4,220	-	6,297	-
21XX	Total current Liabilities		<u>2,624,818</u>	<u>40</u>	<u>1,919,453</u>	<u>36</u>
Total non-current liabilities						
2570	Deferred income tax liabilities	6(23)	13,633	-	8,218	-
2580	Non-current lease liabilities		14,418	-	24,122	1
25XX	Total non-current liabilities		<u>28,051</u>	<u>-</u>	<u>32,340</u>	<u>1</u>
2XXX	Total Liabilities		<u>2,652,869</u>	<u>40</u>	<u>1,951,793</u>	<u>37</u>
Equity						
Share capital						
3110	Common stock	6(14)	1,490,550	22	1,270,550	24
Capital surplus						
3200	Capital surplus	6(15)	974,247	15	677,467	13
Retained earnings						
3310	Legal reserve	6(16)	497,319	7	478,365	9
3350	Unappropriated retained earnings		899,307	14	731,467	14
Other equity interest						
3400	Other equity interest	6(17)	368,902	6	186,603	3
3500	Treasury shares	6(14)	(259,556)	(4)	-	-
3XXX	Total equity		<u>3,970,769</u>	<u>60</u>	<u>3,344,452</u>	<u>63</u>
Significant subsequent events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 6,623,638</u>	<u>100</u>	<u>\$ 5,296,245</u>	<u>100</u>

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

CREATIVE SENSOR INC.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except earnings per share amount)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Net revenue	6(18) and 7	\$ 3,951,319	100	\$ 3,399,884	100
5000	Cost of revenue	6(5)(22) and 7	(3,588,781)	(91)	(3,040,940)	(90)
5900	Gross profit		<u>362,538</u>	<u>9</u>	<u>358,944</u>	<u>10</u>
	Operating expenses	6(22) and 7				
6100	Selling expenses		(56,784)	(1)	(59,354)	(2)
6200	General and administrative expenses		(143,404)	(4)	(122,633)	(3)
6300	Research and development expenses		(70,992)	(2)	(58,376)	(2)
6000	Total operating expenses		(271,180)	(7)	(240,363)	(7)
6900	Income from operations		<u>91,358</u>	<u>2</u>	<u>118,581</u>	<u>3</u>
	Non-operating income and expenses					
7100	Interest income	6(19)	419	-	798	-
7010	Other income	6(20) and 7	116,349	3	49,114	1
7020	Other gains and losses	6(21)	(93,884)	(3)	63,761	2
7050	Finance costs	6(9)(10)	(11,868)	-	(4,347)	-
7070	Share of profit of associates and joint ventures accounted for using equity method, net	6(7)	<u>83,431</u>	<u>2</u>	<u>16,316</u>	<u>1</u>
7000	Total non-operating income and expenses		<u>94,447</u>	<u>2</u>	<u>125,642</u>	<u>4</u>
7900	Profit before income tax		<u>185,805</u>	<u>4</u>	<u>244,223</u>	<u>7</u>
7950	Income tax expense	6(23)	(9,124)	-	(53,955)	(1)
8200	Net income		<u>\$ 176,681</u>	<u>4</u>	<u>\$ 190,268</u>	<u>6</u>
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains (losses) on defined benefit plans	6(13)	\$ 1,136	-	(\$ 178)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	6(6)(17)	354,595	9	5,949	-
8330	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(7)(17)	(69,275)	(2)	(6,311)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(4,913)	-	35	-
8310	Other comprehensive (loss) income that will not be reclassified to profit or loss		<u>281,543</u>	<u>7</u>	<u>(505)</u>	<u>-</u>
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(17)	(13,277)	-	9,368	-
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(7)(17)	<u>66</u>	<u>-</u>	<u>204</u>	<u>-</u>
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(13,211)	-	9,572	-
8300	Other comprehensive income for the year		<u>\$ 268,332</u>	<u>7</u>	<u>\$ 9,067</u>	<u>-</u>
8500	Total comprehensive income for the year		<u>\$ 445,013</u>	<u>11</u>	<u>\$ 199,335</u>	<u>6</u>
	Earnings per share (in dollars)					
9750	Basic earnings per share	6(24)	<u>\$ 1.50</u>		<u>\$ 1.50</u>	
9850	Diluted earnings per share	6(24)	<u>\$ 1.49</u>		<u>\$ 1.48</u>	

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

CREATIVE SENSOR INC.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Capital surplus			Retained earnings			Other equity interest		Treasury shares	Total equity
		Share capital - common stock	Additional paid-in capital	Treasury shares transactions	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income		
<u>Year ended December 31, 2020</u>											
Balance at January 1, 2020		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 459,995	\$ 39,847	\$ 672,914	\$ 54,873	\$ 121,937	\$ -	\$ 3,297,583
Net income for the year		-	-	-	-	-	190,268	-	-	-	190,268
Other comprehensive (loss) income for the year		-	-	-	-	-	(726)	9,572	221	-	9,067
Total comprehensive income	6(17)	-	-	-	-	-	189,542	9,572	221	-	199,335
Appropriations of 2019 earnings:											
Legal reserve	6(16)	-	-	-	18,370	-	(18,370)	-	-	-	-
Reserval of special reserve		-	-	-	-	(39,847)	39,847	-	-	-	-
Cash dividends		-	-	-	-	-	(152,466)	-	-	-	(152,466)
Balance at December 31, 2020		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 478,365	\$ -	\$ 731,467	\$ 64,445	\$ 122,158	\$ -	\$ 3,344,452
<u>Year ended December 31, 2021</u>											
Balance at January 1, 2021		\$ 1,270,550	\$ 673,471	\$ 3,996	\$ 478,365	\$ -	\$ 731,467	\$ 64,445	\$ 122,158	\$ -	\$ 3,344,452
Net income for the year		-	-	-	-	-	176,681	-	-	-	176,681
Other comprehensive income (loss) for the year	6(17)	-	-	-	-	-	1,988	(13,211)	279,555	-	268,332
Total comprehensive income		-	-	-	-	-	178,669	(13,211)	279,555	-	445,013
Appropriations of 2020 earnings:											
Legal reserve		-	-	-	18,954	-	(18,954)	-	-	-	-
Cash dividends		-	-	-	-	-	(165,171)	-	-	-	(165,171)
Issuance of shares	6(14)	220,000	296,780	-	-	-	-	-	-	-	516,780
Acquisition of treasury shares	6(14)	-	-	-	-	-	-	-	-	(259,556)	(259,556)
Changes in equity of associates accounted for using equity method		-	-	-	-	-	89,251	-	-	-	89,251
Disposal of financial assets at fair value through other comprehensive income	6(6)	-	-	-	-	-	84,045	-	(84,045)	-	-
Balance at December 31, 2021		\$ 1,490,550	\$ 970,251	\$ 3,996	\$ 497,319	\$ -	\$ 899,307	\$ 51,234	\$ 317,668	(\$ 259,556)	\$ 3,970,769

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

CREATIVE SENSOR INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 185,805	\$ 244,223
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(8)(9)(22)	18,022	19,948
Amortization	6(22)	2,294	1,462
Expected credit impairment loss (gains)	12(2)	(28)	(1)
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(11)(21)	(28,982)	(73,807)
Interest expense	6(9)(10)	11,868	4,347
Share of profit of associates and joint ventures accounted for using equity method	6(7)	(83,431)	(16,316)
Interest income	6(19)	(419)	(798)
Dividend income	6(20)	(97,871)	(24,329)
Gains form lease modification	6(21)	(63)	(16)
Losses on disposal of property, plant and equipment	6(21)	1,587	-
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		170,210	115,315
Accounts receivable		94,910	(6,109)
Accounts receivable - related parties		(455)	48
Other receivables - related parties		(55,149)	(9,317)
Inventory, net		(14,455)	7,943
Other current assets		24,520	(28,283)
Changes in operating liabilities			
Accounts payable		33,325	2,049
Accounts payable - related parties		(192,567)	125,689
Other payables		12,782	(6,307)
Other current liabilities		(2,318)	386
Cash inflow generated from operations		79,585	356,127
Interest received		419	798
Dividends received		100,685	1,002,966
Income tax paid		(136,633)	(46,319)
Interest paid		(11,868)	(4,347)
Net cash flows from operating activities		<u>32,188</u>	<u>1,309,225</u>

(Continued)

CREATIVE SENSOR INC.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost		\$ -	(\$ 965,960)
Proceeds from disposal of financial assets at amortized cost		4,595	961,353
Acquisition of non-current financial assets at fair value through other comprehensive income		(1,209,564)	(989,401)
Proceeds from disposal of financial assets at fair value through other comprehensive income		122,052	-
Acquisition of investments accounted for using equity method		(619,178)	-
Proceeds from capital reduction of investments accounted for using equity method		391,160	-
Acquisition of property, plant and equipment	6(25)	(1,059)	(5,817)
Proceeds from disposal of property, plant and equipment		418	153
Acquisition of intangible assets		(67)	(1,127)
Decrease (increase) in refundable deposits		304	(30)
Decrease (increase) in other non-current assets		385	(707)
Net cash flows used in investing activities		(1,310,954)	(1,001,536)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(26)	2,869,800	1,495,000
Repayments of short-term borrowings	6(26)	(1,885,000)	(745,000)
Repayments of lease principal	6(9)(26)	(11,429)	(13,316)
Proceeds from issuing shares	6(14)	516,780	-
Payment of cash dividends	6(16)	(165,171)	(152,466)
Acquisition of treasury shares	6(14)	(259,556)	-
Net cash flows from financing activities		1,065,424	584,218
Net (decrease) increase in cash and cash equivalents		(213,342)	891,907
Cash and cash equivalents at beginning of year		1,160,671	268,764
Cash and cash equivalents at end of year		\$ 947,329	\$ 1,160,671

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

Report on the Implementation of 2021 Private Cash Capital Increase and Issuance of Common Shares

Item	1st private placement in 2021				
Type of securities privately placed	Common share				
Date of approval by the shareholders' meeting, and the number of shares	September 17, 2021 38,116,500 shares				
The basis and reasonableness of the private placement pricing	<p>(1) The reference prices of the subscription price determination of privately placed common shares were the simple average closing price of the common shares of the Company for either the 1, 3, or 5 business days before the price determination date and the simple average closing price of the common shares of the Company for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction. The higher one was the final reference price.</p> <p>(2) For the subscription price of privately placed common shares, it was proposed to the extraordinary shareholders' meeting that the board of directors be authorized to, based on the mentioned regulations and with a private placement price no less than 80% of the reference price as the basis, set an actual price not lower than the percentage scope resolved by the extraordinary shareholders' meeting according to the specific persons and the market situation in the future.</p> <p>(3) The aforementioned subscription price determination of privately placed common shares had the Company's share price as a reference and corresponded to the regulations of the Directions for Public Companies Conducting Private Placements of Securities, and thereby should be regarded as reasonable.</p>				
The method for selecting the specific persons	<p>The places of this private placement were limited to the specific persons meeting the regulations of Article 43-6 of the Securities and Exchange Act and should be strategic investors. According to the method of selection, as whether the persons could offer direct or indirect advantages to the Company's future operations was the top priority to take into account, the selected places should have thorough understanding of the Company's operations and be helpful to the Company's future operations. Those who could especially bring benefits to the long-term development, competitiveness and existing shareholders' equity of the Company were first considered. Meanwhile, the persons should correspond to the requirements of the competent authority to be the specific persons.</p>				
The reason for the necessity for conducting the private placement	<p>In view of the features of timeliness and convenience of private placement, the long-term relationship between the Company and the places which could be ensured by the regulation that privately placed securities may not be transferred freely within three years, and the fact that authorizing the board of directors to conduct the private placement based on the actual needs of the Company could effectively enhance the flexibility of financing, the private placement was considered to be necessary.</p>				
Date of payment of the subscription price	October 7, 2021				
Places' information	Placee of the private placement	Qualifications	Number of shares subscribed (thousand)	Relationship with the Company	Involvement in the Company's operations
	Universal Cement Corporation	Corresponding to Subparagraph 2, Paragraph 1 of	13,000	None	None

		Article 43-6 of the Securities and Exchange Act			
	Universal Cement Investment Corporation	Corresponding to Subparagraph 2, Paragraph 1 of Article 43-6 of the Securities and Exchange Act	9,000	None	None
Actual subscription (or conversion) price (NTD)	23.49				
Discrepancy between the actual subscription (or conversion) price and the reference price (NTD)	The reference price was NTD 29.36 per share while the actual price was NTD 23.49 per share. There was a discrepancy of NTD 5.87 per share between the actual subscription price and the reference price.				
Influence of the private placement on the shareholders' equity (e.g. leading to a greater cumulative loss)	The implementation of this plan will strengthen the financial structure, increase the operational benefits, secure the industrial position, and improve the long-term competitiveness for the Company. Thus, the plan has a positive influence on the shareholders' equity.				
Utilization of the capital of the private placement and the implementation status of the plan	Up to December 2021; haven't been used.				
Realized benefits of the private placement	The private placement has not been used so far, and it will be utilized for working capital fulfillment and improving the financial structure based on the market conditions.				

CREATIVE SENSOR INC.

Comparison table of articles before and after revision of Articles of Incorporation

Revised provisions	Current provisions	Revisions Remarks
<p><u>Article 8-1</u> <u>When the shareholders' meeting of the Company is held, it can be done by video conference or other means announced by the central competent authority.</u></p>	<p>None</p>	<p>1. This article is newly added. 2. In line with the amendment of Article 172-2 of the Company Law, it is stipulated that when the shareholders' meeting is held, it can be done by video conference or announcement by the central competent authority, namely the Ministry of Economic Affairs.</p>
<p>Article 15 The board of directors shall be composed of directors, who shall be elected by more than two-thirds of the directors present and by more than half of the directors present, who shall mutually recommend a chairman and a vice-chairman in the same way. The chairman is in charge of all business internally, and represents the company externally. If the chairman asks for leave or is unable to exercise his functions and powers for some reason, the vice chairman will act as his agent. If the vice-chairman or vice-chairman is absent or unable to exercise his functions and powers for some reason, the chairman of the board shall appoint a director to act as his agent; If the chairman of the board of directors fails to appoint an agent, the directors shall appoint one agent from each other.</p>	<p>Article 15 The board of directors shall be composed of directors, who shall be elected by more than two-thirds of the directors present and by more than half of the directors present, who shall mutually recommend a chairman and a vice-chairman in the same way. The chairman presides over all business internally and represents the company externally. When the chairman cannot personally supervise matters, the vice chairman shall act on his behalf; when there is no vice chairman or the vice chairman cannot personally supervise matters, a director designated by the chairman shall act on his behalf; If the chairman does not designate an agent, the directors shall mutually recommend one person to act as an agent.</p>	<p>Amended in accordance with 208th Article of the Company Law.</p>
<p><u>Article 19-1, Paragraph 1, s u b p a r a g r a p h 5</u> <u>After deducting the amount specified in Subparagraphs 1 to 4, if there is still a balance, together with the accumulated undistributed surplus, the board of directors shall be authorized to distribute all or p a r t of the dividends and bonuses due to the presence of more than two-thirds of the directors and the resolution of more than half of the directors present, in the form of cash distribution and reporting to the shareholders meeting.</u></p>	<p>Article 19-1, Paragraph 1, subparagraph 5 After deducting the amount specified in paragraphs 1 to 4, if there is still a balance and the accumulated undistributed surplus, the board of directors shall formulate a surplus distribution proposal and submit it to the shareholders' meeting for resolution.</p>	<p>mended in accordance with Article 240 of the Company Law.</p>

Revised provisions	Current provisions	Revisions Remarks
<p>Article 21 The Articles of Association was concluded by the sponsors' meeting on May 29, 198 with the consent of all sponsors. The 1st amendment on March 4, 1999. The 2nd amendment on June 14, 1999. The 3rd amendment on May 17, 2000. The 4th amendment on May 24, 2001. The 5th amendment on June 12, 2002. The 6th amendment on June 20, 2003. The 7th amendment on June 7, 2004. The 8th amendment on June 7, 2004. The 9th amendment on May 20, 2005. The 10th amendment on June 14, 2006. The 11th amendment on June 21, 2007. The 12th amendment on June 19, 2008. The 13th amendment on June 16, 2009. The 14th amendment on June 13, 2012. The 15th amendment on June 11, 2013. The 16th amendment on June 12, 2014. The 17th amendment on June 15, 2016. The 18th amendment on June 27, 2018. The 19th amendment on June 12, 2020. The 20th amendment on June 27, 2021. <u>The 21st amendment on June 10, 2022.</u></p>	<p>Article 22 The Articles of Association was concluded by the sponsors' meeting on May 29, 1998 with the consent of all sponsors. The 1st amendment on March 4, 1999. The 2nd amendment on June 14, 1999. The 3rd amendment on May 17, 2000. The 4th amendment on May 24, 2001. The 5th amendment on June 12, 2002. The 6th amendment on June 20, 2003. The 7th amendment on June 7, 2004. The 8th amendment on June 7, 2004. The 9th amendment on May 20, 2005. The 10th amendment on June 14, 2006. The 11th amendment on June 21, 2007. The 12th amendment on June 19, 2008. The 13th amendment on June 16, 2009. The 14th amendment on June 13, 2012. The 15th amendment on June 11, 2013. The 16th amendment on June 12, 2014. The 17th amendment on June 15, 2016. The 18th amendment on June 27, 2018. The 19th amendment on June 12, 2020. The 20th amendment on June 27, 2021.</p>	<p>1. Increase the number and date of revisions.</p>

CREATIVE SENSOR INC.

Comparison table of provisions before and after revision of Rules of Procedure of Shareholders' Meeting

Revised provisions	Current provisions	Revision remarks
<p>Article 1 Unless otherwise stipulated by laws or regulations or the articles of association of the company, the shareholders' meeting of the company shall be held in accordance with these rules. Changes to the method of convening the shareholders' meeting of the Company shall be subject to a resolution of the board of directors, and shall be made no later than before the dispatch of the notice of the shareholders' meeting.</p>	<p>Article 1 Unless otherwise stipulated by laws or regulations or the Articles of Association, the shareholders' meeting of the Company shall be handled in accordance with these Rules.</p>	<p>In order to make shareholders aware of the change of the way of holding the shareholders' meeting, the change of the way of holding the shareholders' meeting should be decided by the board of directors, and it should be done at the latest before the notice of the shareholders' meeting is sent.</p>
<p>Article 2 The company shall set up a signature book for the attendance shareholders to sign in, or the attendance shareholders shall submit a sign-in card to sign in. The number of shares attended is calculated according to the number of shares registered in the signature book or the sign-in card submitted and the video conference platform, plus the number of shares exercising voting rights in written or electronic form.</p>	<p>Article 2 The company shall set up a signature book for the attendance shareholders to sign in, or the attendance shareholders shall submit a sign-in card to sign in. The number of shares attended is calculated according to the signature book or the sign-in card submitted, plus the number of shares that exercise voting rights in written or electronic form.</p>	<p>When it is stipulated that the shareholders' meeting of the company will be held by video conference, the number of shares reported to shareholders by video conference shall be added when calculating the total number of shares present.</p>
<p>Article 4 The venue of the shareholders' meeting shall be the location of the company or a venue that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall start no earlier than 9:00 am or later than 3:00 pm. When the company convenes a video shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.</p>	<p>Article 4 The venue of the shareholders' meeting shall be the location of the company or a venue that is convenient for shareholders to attend and suitable for the shareholders' meeting. The meeting shall start no earlier than 9:00 am or later than 3:00 pm.</p>	<p>When it is expressly stipulated that the company will hold a video shareholder meeting, there is no restriction on the place of the meeting.</p>
<p>Article 7 The company shall record or videotape the entire process of the shareholders' meeting and keep it for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the lawsuit is concluded. If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration,</p>	<p>Article 7 The company shall record the whole video shareholders' meeting and keep it for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Law, it shall be kept until the end of the lawsuit.</p>	<p>It is stipulated that the company should keep records of shareholders' registration, questions, votes and the results of the company's vote counting, and it is required that the company should record the whole video conference without interruption, which should be kept</p>

<p>questioning, voting and company vote counting results, etc., and record the entire video conference without interruption. The information and audio and video recordings mentioned in the preceding paragraph shall be properly preserved by the Company during the period of existence.</p>		<p>properly during the company's existence.</p>
<p>Article 10 Before presenting a speech by the attending shareholders, they must fill out a speech slip stating the gist of the speech, shareholder account number (or attendance certificate number) and account name, and the chairman will determine the order of their speeches. The shareholders present who only put forward a statement without speaking are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech slip, the content of the speech shall prevail. When a shareholder is present to speak, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder. The chairman shall stop the violation and shall be deemed to have not spoken. <u>If the shareholders meeting is held by video conference, the shareholders participating by video conference may ask questions in text form on the video conference platform of the shareholders meeting after the chairman announces the meeting and before the announcement of the adjournment of the meeting. Items 1 to 5 do not apply to the limit of 200 characters.</u></p>	<p>Article 10 Before attending a shareholder's speech, a speech should be filled in, stating the gist of the speech, the shareholder's account number (or attendance card number) and the name of the account, and the order of his speech should be determined by the chairman. The shareholders present who only put forward a statement without speaking are deemed to have not spoken. If the content of the speech slip is inconsistent with the record of the speech, the content of the speech shall prevail. When a shareholder is present to speak, other shareholders shall not interfere with their speech unless they have obtained the consent of the chairman and the speaking shareholder. The chairman shall stop the violation and shall be deemed to have not spoken.</p>	<p>Specify the methods, procedures and restrictions for shareholders who participate in the shareholders' meeting by video.</p>
<p>Article 21 These rules were approved by the ordinary shareholders' meeting on June 12, 2002. These Rules were first revised on June 13, 2012. These Rules were revised for the second time on June 12, 2020. These Rules were revised for the third time on June 10, 2022.</p>	<p>Article 21 These rules were approved by the ordinary shareholders' meeting on June 12, 2002. These Rules were first revised on June 13, 2012. These Rules were revised for the second time on June 12, 2020.</p>	<p>The number of revisions and the effective date of the specification</p>

CREATIVE SENSOR INC.

Cross-reference table of provisions before and after the revision of "Procedures for Handling Acquisition or Disposal of Assets"

Revised provisions	Current provisions	Revision remarks
<p>Article 6 For a valuation report or a letter of opinion from an accountant, lawyer or securities underwriter obtained by a public offering company, the professional appraiser and its appraiser, accountant, lawyer or securities underwriter shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. Have never been sentenced to fixed-term imprisonment of not less than one year for violating this Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, or the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or business crimes. However, this is not the case if three years have elapsed since the completion of the execution, the expiration of the suspended sentence or the pardon. 2. The parties to the transaction shall not be related or have a substantial relationship. 3. If the company should obtain valuation reports from two or more professional appraisers, the different professional appraisers or appraisers shall not be related parties or have substantial relationships with 	<p>Article 6 For the valuation report or the opinions of accountants, lawyers or securities underwriters obtained by this company, the professional assessors or assessing personnel, accountants, lawyers or securities underwriters shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. Have never been sentenced to fixed-term imprisonment of not less than one year for violating this Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, or the Commercial Accounting Law, or for fraud, breach of trust, embezzlement, forgery of documents, or business crimes. However, this is not the case if three years have elapsed since the completion of the execution, the expiration of the suspended sentence or the pardon. 2. The parties to the transaction shall not be related or have a substantial relationship. 3. If the company should obtain valuation reports from two or more professional appraisers, the different professional appraisers or appraisers shall not be related parties or have substantial relationships with each other. 	<ol style="list-style-type: none"> 1. In order to clarify the procedures and responsibilities that external experts should follow, the preamble of Paragraph 2 is amended to standardize the issuance of valuation reports or opinions by professional appraisers and their appraisers, accountants, lawyers or securities underwriters, except that they should be in accordance with the current provisions of Paragraph 2. In addition to handling the matters listed in the subparagraphs, they should also be handled in accordance with the self-discipline regulations of the respective trade associations to which they belong. 2. In view of the fact that the aforementioned cases of external experts undertaking and executing appraisal reports or reasonable opinions according to the provisions of these Standards do not refer to the audit of financial reports, the words of "audit" cases in Item 2, Paragraph 2 are amended as "execution cases".

Revised provisions	Current provisions	Revision remarks
<p>each other.</p> <p>When issuing valuation reports or opinions, the personnel referred to in the preceding paragraph shall comply with the self-discipline regulations of their respective trade associations and the following matters:</p> <ol style="list-style-type: none"> 1. Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence. 2. When executing a case, it should properly plan and implement the appropriate operation process to form a conclusion and issue a report or opinion accordingly; and publish the executed procedure, collected data and conclusion in the case working paper in detail. 3. Regarding the data sources, parameters and information, etc. used, the suitability and rationality shall be evaluated item by item as the basis for issuing appraisal reports or opinions. 4. The matters declared shall include the professionalism and independence of the relevant personnel, the information that has been assessed to be appropriate and reasonable, and in compliance with relevant laws and regulations. 	<p>When issuing a valuation report or opinion, the person referred to in the preceding paragraph shall handle the following matters:</p> <ol style="list-style-type: none"> 1. Before accepting a case, they should carefully evaluate their professional ability, practical experience and independence. 2. When checking a case, it should properly plan and implement the appropriate operating procedures to form a conclusion and issue a report or opinion accordingly; and publish the detailed procedures, collected data and conclusions in the case working paper. 3. Regarding the data sources, parameters and information used, the completeness, correctness and rationality shall be evaluated item by item as the basis for issuing appraisal reports or opinions. 4. Matters declared shall include the professionalism and independence of the relevant personnel, the fact that the information used has been assessed to be reasonable and correct, and in compliance with relevant laws and regulations, etc. 	<ol style="list-style-type: none"> 3. Considering the actual evaluation situation of the data sources, parameters and information used by external experts, refer to Article 9, Paragraph 4, Subparagraph 4, Item 3, Item 5, Accounting Research and Development of the Republic of China, Financial Reporting Standards for Securities Issuers On December 25, 2014, the Foundation's Communiqué No. 0000000298 Interpretation and Evaluation Criteria Bulletin No. 8, Article 27 Sources, appropriateness and reasonableness of parameters and other relevant texts, the texts in Subparagraph 3 and Subparagraph 4 of Paragraph 2 shall be amended to conform to reality.
<p>Article 7 Procedures for acquiring or disposing of real estate or equipment</p>	<p>Article 7 Procedures for the acquisition or disposal of real estate or equipment</p>	<p>Delete the inapplicable text and specify the calculation method of members.</p>

Revised provisions	Current provisions	Revision remarks
<p>Item 1: omitted</p> <p>2. Procedures for determining trading conditions and authorized amount.</p> <p>(1) and (2): omitted</p> <p>(3) The acquisition or disposal of assets by the company shall be approved by more than half of all members of the audit committee in accordance with the set handling procedures or other legal provisions, and after the approval of the board of directors, it shall be submitted to the shareholders' meeting for approval, and the same applies for amendments. If not approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. When submitting the acquisition or disposal of assets to the board of directors for discussion according to the regulations, the opinions of the independent directors shall be fully considered. If the independent directors have objections or reservations, they shall record them in the minutes of the board of directors.</p> <p><u>(4) All members of the audit committee and all directors mentioned in the preceding paragraph shall be counted on the basis of the actual incumbents.</u></p> <p>3. Execution unit</p>	<p>Item 1: omitted</p> <p>2. The procedure for determining transaction conditions and authorization limit</p> <p>Sections (1) and (2): omitted</p> <p>(3) The acquisition or disposal of assets by the company shall be approved by more than half of all members of the audit committee in accordance with the set handling procedures or other legal provisions, and after the approval of the board of directors, it shall be submitted to the shareholders' meeting for approval, and the same applies for amendments. If not approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. If a director expresses an objection and there is a record or written statement, the company shall submit the director's objection information to the audit committee. For those who have established independent directors in accordance with the provisions of this Act, when reporting the acquisition or disposal of asset transactions to the board of directors for discussion, the opinions of each independent director shall be fully considered. If any independent director has any objection or reservation, it shall be stated in the minutes of the board meeting. .</p> <p>3. Execution unit</p>	<p>Considering that Article 6 has been amended and added, it requires external experts to issue opinions in accordance with the self-discipline of their own trade associations, and has covered the procedures for accountants to issue opinions. The third paragraph of paragraph 1 is deleted. Accountants should follow the accounting research and development of the Republic of China. The text of the Auditing Standards Bulletin No. 20 issued by the Foundation. Corrected the citation error of the article number in the text.</p>

Revised provisions	Current provisions	Revision remarks
<p>When the company acquires or disposes of real estate or equipment and its right-to-use assets, it shall submit it for approval in accordance with the approval authority in the preceding paragraph, and the asset management unit and financial management unit shall be responsible for execution.</p> <p>4. Real estate or equipment valuation report</p> <p>The company acquires or disposes of real estate, equipment or its right-of-use assets, except for transactions with domestic government agencies, self-contracted construction, leased land for construction, or acquisition or disposal of equipment for business use or its right-to-use assets, the transaction amount is up to If the company's paid-in capital is 20% or more than NT\$300 million, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements:</p> <p>(1) If, for special reasons, a limited price, a specific price or a special price should be used as the reference basis for the transaction price, the transaction shall be submitted to the board of directors for approval first; The same applies to any subsequent change in trading conditions.</p>	<p>When the company acquires or disposes of real estate or equipment and its right-to-use assets, it shall submit it for approval in accordance with the approval authority in the preceding paragraph, and the asset management unit and financial management unit shall be responsible for execution.</p> <p>4. Real estate or equipment valuation report</p> <p>The company acquires or disposes of real estate, equipment or its right-of-use assets, except for transactions with domestic government agencies, self-contracted construction, leased land for construction, or acquisition or disposal of equipment for business use or its right-to-use assets, the transaction amount is up to If the company's paid-in capital is 20% or more than NT\$300 million, a valuation report issued by a professional appraiser shall be obtained before the date of the fact, and shall meet the following requirements:</p> <p>(1) When a limited price, a specific price or a special price must be used as the reference for the transaction price due to special reasons, the transaction should first be approved by the board of directors; the same applies when the transaction conditions are changed</p>	

Revised provisions	Current provisions	Revision remarks
<p>(2) If the transaction amount reaches NT\$ 1 billion or more, two or more professional appraisers shall be invited for valuation.</p> <p>(3) The professional appraiser's appraisal results are under any of the following circumstances, except that the appraisal results of the acquired assets are all higher than the transaction amount, or the appraisal results of the disposed assets are all lower than the transaction amount, and the accountant should be consulted to express specific opinions on the reasons for the difference and the appropriateness of the transaction price: 1. 1. The difference between the valuation result and the transaction amount is more than 20% of the transaction amount. 2. The difference between the appraisal results of two or more professional appraisers is more than 10% of the transaction amount.</p> <p>(4) The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the current value of the same period of the announcement is applicable and less than six months</p>	<p>subsequently.</p> <p>(2) The transaction amount is more than NT\$1 billion, and two or more professional appraisers should be invited for appraisal.</p> <p>(3) The appraisal result of the professional appraiser is in any of the following circumstances, except that the appraisal result of the acquired assets is higher than the transaction amount, or the appraisal result of the dispose of the assets is all lower than the transaction amount, the accountant should be consulted according to the accounting system of the Republic of China. The Accounting Research and Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation) issued the Auditing Standards Bulletin No. 20, and expressed specific opinions on the reason for the difference and the fairness of the transaction price: 1. 1. The difference between the valuation result and the transaction amount is more than 20% of the transaction amount. 2. The difference between the appraisal results of two or more professional</p>	

Revised provisions	Current provisions	Revision remarks
<p>have passed, the original professional appraiser may issue a written opinion.</p> <p>(5) If the company acquires or disposes of assets through court auction procedures, it may substitute the appraisal report or accountant's opinion with the certification documents issued by the court.</p> <p>5. The calculation of the aforesaid transaction amount shall be carried out in accordance with the provisions of Article 15, Paragraph 1, Subparagraph (8), and the term within one year shall be based on the date of the actual occurrence of this transaction, and shall be retrospectively calculated for one year. Valuation reports or accountants' opinions issued by those who have obtained professional valuations in accordance with the provisions of this procedure are exempted from being counted.</p>	<p>appraisers is more than 10% of the transaction amount.</p> <p>(4) The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the current value of the same period of the announcement is applicable and less than six months have passed, the original professional appraiser may issue a written opinion.</p> <p>(5) If the company acquires or disposes of assets through court auction procedures, it may substitute the appraisal report or accountant's opinion with the certification documents issued by the court.</p> <p>5. The calculation of the aforementioned transaction amount shall be carried out in accordance with the provisions of Subparagraph (5) of Paragraph 1 of Article 15, and the term within one year shall be based on the date of the actual occurrence of this transaction, and shall be retrospectively calculated for one year. The part of the appraisal report or the accountant's opinion issued by the professional appraiser who has obtained the professional appraisal in accordance with this</p>	

Revised provisions	Current provisions	Revision remarks
	<p>procedure shall be exempted from the calculation.</p>	
<p>Article 8: Procedures for acquiring or disposing of investment in securities Item 1: omitted 2. Procedures for determining trading conditions and authorized amount. (1) and (2): omitted (3) The acquisition or disposal of assets by the Company shall be approved by more than half of all members of the Audit Committee according to the prescribed processing procedures or other legal provisions, and then approved by the board of directors, and submitted to the shareholders' meeting for approval, and the same shall apply when making amendments. If it is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. When submitting the acquisition or disposal of assets to the board of directors for discussion according to the regulations, the opinions of the independent directors shall be fully considered. If the independent directors have objections or reservations, they shall record them in the minutes of the board of directors. <u>(4) All members and directors of the audit committee referred to in the preceding paragraph</u></p>	<p>Article 8: Procedures for acquiring or disposing of investment in securities Item 1: omitted 2. Procedures for determining trading conditions and authorized amount. (1) and (2): omitted (3) The acquisition or disposal of assets by the Company shall be approved by more than half of all members of the Audit Committee according to the prescribed processing procedures or other legal provisions, and then approved by the board of directors, and submitted to the shareholders' meeting for approval, and the same shall apply when making amendments. If it is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. Where independent directors have been set up according to the provisions of this Law, the opinions of the independent directors shall be fully considered when the transaction of acquiring or disposing assets is submitted to the board of directors for discussion according to the provisions. If the independent directors have objections or reservations, they shall be recorded in the minutes of the board of</p>	<p>The reasons for the amendment are explained in Article 7.</p>

Revised provisions	Current provisions	Revision remarks
<p><u>shall be calculated on the basis of actual incumbency.</u></p> <p>III. Execution unit When the Company acquires or disposes of real estate or equipment and its right to use assets, it shall submit it for approval according to the approval authority in the preceding paragraph, and then the asset management unit and the financial management unit shall be responsible for the implementation.</p> <p>IV. Obtaining expert opinions (1) When this Corporation acquires or disposes of securities, it shall take the latest financial statements of the target company audited, certified or reviewed by a certified public accountant as a reference to evaluate the transaction price before the occurrence of the fact. In addition, if the transaction amount reaches 20% of the paid-in capital of the company or more than NT\$300 million, it shall consult the certified public accountant to express its opinion on the rationality of the transaction price before the occurrence of the fact. However, this restriction shall not apply unless the securities are publicly quoted in an active market or otherwise stipulated by the Financial Supervisory Commission.</p> <p>(2) If the Company acquired or disposed of assets through court auction, the certification documents issued by the court may replace the valuation report or accountant's opinion.</p> <p>5. The above-mentioned transaction</p>	<p>directors.</p> <p>III. Execution unit When the Company acquires or disposes of real estate or equipment and its right to use assets, it shall submit it for approval according to the approval authority in the preceding paragraph, and then the asset management unit and the financial management unit shall be responsible for the implementation.</p> <p>IV. Obtaining expert opinions (1) When this Corporation acquires or disposes of securities, it shall take the latest financial statements of the target company audited, certified or reviewed by certified public accountants as a reference for evaluating the transaction price before the occurrence of the fact. If the transaction amount reaches 20% of the paid-in capital of the company or more than NT\$300 million, it shall consult the accountant before the occurrence of the fact to express its opinion on the rationality of the transaction price. If the accountant needs to use expert reports, it shall be handled according to the provisions of Auditing Standards Bulletin No.20 issued by the Accounting Research and Development Foundation. However, this restriction shall not apply unless the securities are publicly quoted in an active market or otherwise stipulated by the Financial Supervisory Commission.</p> <p>(2) If the Company acquired or disposed of assets through court auction, the certificate issued by the</p>	

Revised provisions	Current provisions	Revision remarks
<p>amount shall be calculated in accordance with Article 15, Paragraph 1 (8), and the term "one year" shall be based on the date of occurrence of this transaction, and it shall be retroactively calculated for one year. The appraisal report or accountant's opinion issued by a professional appraiser that has been obtained in accordance with the provisions of this procedure shall not be counted again.</p>	<p>court may replace the appraisal report or accountant's opinion.</p> <p>5. The calculation of the above-mentioned transaction amount shall be handled in accordance with Article 15, Paragraph 1 (5), and the term "one year" shall be based on the date of occurrence of this transaction, and it shall be retroactively calculated for one year. The appraisal report or accountant's opinion issued by a professional appraiser that has been obtained in accordance with the provisions of this procedure shall not be counted again.</p>	
<p>Article 9 Related Party Transactions 1 · omitted 2 . Evaluation and Operating Procedures</p> <p>If the Company acquires or disposes of real estate or its right to use assets from related parties, or acquires or disposes of other assets other than real estate or its right to use assets with related parties, and the transaction amount reaches 20% of the paid-in capital of the Company, 10% of the total assets or NT\$300 million or more, in addition to buying and selling domestic government bonds, bonds with buy-back and sell-back conditions, and purchasing or buying back money market funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the board of directors for approval and recognized by the audit committee before signing the transaction contract and making payment: (1) ~ (7)</p>	<p>Article 9 Related Party Transactions 1 · omitted 2 . Evaluation and Operating Procedures</p> <p>If the Company acquires or disposes of real estate or its right to use assets from related parties, or acquires or disposes of other assets other than real estate or its right to use assets with related parties, and the transaction amount reaches 20% of the paid-in capital of the Company, 10% of the total assets or NT\$ 300 million or more, in addition to buying and selling domestic government bonds, bonds with buy-back and sell-back conditions, subscription or buy-back of funds issued by domestic securities investment trust enterprises, the following information shall be submitted to the board of directors for approval and recognized by the audit committee before signing the transaction contract and making payment: (1) ~ (7)</p>	<p>1. Items 2 to 2 of the current provisions are transferred to provision 3 of Item 4 of the amended provisions, and with the addition of provision 3 of Item 3, the calculation of the amended transaction amount is included in the transaction submitted to the shareholders' meeting for approval.</p> <p>2. Add provision 3 of the third paragraph: (1) In order to strengthen the management of related party transactions, protect the rights of minority shareholders of public companies to express their opinions on the transactions between the company and related parties, and to avoid major related party transactions by public companies through</p>

Revised provisions	Current provisions	Revision remarks
<p>Omitted</p> <p>3. If the Company engages in the following transactions with its subsidiaries or its subsidiaries which directly or indirectly hold 100% of the issued shares or total capital, the board of directors may authorize the chairman of the board of directors to make a decision within a certain amount, and then report it to the latest board of directors for ratification afterwards:</p> <p>(1) Acquiring or disposing of equipment for business use or its right-to-use assets.</p> <p>(2) Acquiring or disposing of the right to use real estate assets for business use.</p> <p>In addition, if the company has set up independent directors, when reporting the acquisition or disposal of assets to the board of directors for discussion in accordance with regulations, it should fully consider the opinions of each independent director.</p> <p><u>If the company or its subsidiary that is not a domestic public offering company has the first transaction, and the transaction amount is more than 10% of the company's total assets, the company shall submit the information listed in the first paragraph to the shareholders' meeting for approval, Before</u></p>	<p>Omitted</p> <p><u>(1)~(7) O m i t t e d</u> <u>The above-mentioned transaction amount shall be calculated in accordance with Article 15, Paragraph 1 (8), and the term "one year" is based on the date of this transaction, and it is retroactively calculated for one year. It has been submitted to the board of directors for approval and recognized by the audit committee in accordance with this procedure, and the part is exempted from being counted again.</u></p> <p>3. If the Company engages in the following transactions with its subsidiaries or its subsidiaries which directly or indirectly hold 100% of the issued shares or total capital, the board of directors may authorize the chairman of the board of directors to make a decision within a certain amount, and then report it to the latest board of directors for ratification afterwards:</p> <p>(1) acquiring or disposing of equipment for business use or its right to use assets;</p> <p>(2) acquiring or disposing of the assets of the right to use real estate for business use.</p> <p>In addition, if the company has set up independent directors, when submitting the transaction of acquiring or disposing assets to the board of directors for discussion according to the regulations, the opinions of the independent directors should be fully considered. If the independent directors have objections or reservations, they should be recorded in the minutes of the board of directors.</p> <p>(1) to (4) of Item 4 are omitted:</p> <p>(5) If the Company obtains the real estate or its right to use assets from related parties, and the evaluation results are</p>	<p>subsidiaries that are not domestic public companies, if it is necessary to submit relevant information to the shareholders' meeting for approval first, it is determined that this company or its subsidiaries that are not domestic public companies have the first transaction to acquire or dispose of assets with related parties. If the transaction amount reaches more than 10% of the total assets of the public company, this company shall submit the relevant information to the shareholders' meeting for approval, and if it is a non-public company, the matters that should be submitted to the shareholders' meeting for approval shall be handled by the parent company of the public company at the next higher level.</p> <p>(2) Considering the overall business planning needs of the Company and its subsidiaries or its subsidiaries, and taking into account the exemption rules of the major international capital markets, the hands-free shareholders' meeting resolution on the</p>

Revised provisions	Current provisions	Revision remarks
<p><u>signing the transaction contract and making payment. However, the transaction between the company and its subsidiaries, or its subsidiaries, is not limited to this. Retrospect for one year, which has been submitted to the shareholders' meeting, approved by the board of directors and recognized by the audit committee in accordance with the provisions of this standard, and the part is exempted from being counted again.</u></p> <p>(1) to (4) of Item 4 are omitted: (5) If the Company obtains the real estate or its right to use assets from related parties, and the evaluation results are lower than the transaction price according to the provisions of Items (1) and (2) of Paragraph 4 of this Article, it shall handle the following matters: 1. The Company shall set aside a special surplus reserve for the difference between the transaction price of real estate or its right to use assets and the estimated cost in accordance with the provisions of Article 41, paragraph 1 of the Securities and Exchange Law, and shall not distribute it or transfer it to capital for allotment. If the investor who evaluates the company's investment by equity method is a public company, it shall also set aside the special surplus reserve according to Article 41, paragraph 1, of the Securities and Exchange Law in proportion to its shareholding. 2. The audit committee shall handle in accordance with Article 218 of the Company Law. 3. The treatment of items 1 and 2 of this paragraph shall be reported to the shareholders' meeting, and the</p>	<p>lower than the transaction price according to the provisions of Items (1) and (2) of Paragraph 4 of this Article, it shall handle the following matters: 1. The Company shall set aside a special surplus reserve for the difference between the transaction price of real estate or its right to use assets and the estimated cost in accordance with the provisions of Article 41, paragraph 1 of the Securities and Exchange Law, and shall not distribute it or transfer it to capital for allotment. If the investor who evaluates the company's investment by equity method is a public company, it shall also set aside the special surplus reserve according to Article 41, paragraph 1, of the Securities and Exchange Law. 2. The audit committee shall handle in accordance with Article 218 of the Company Law. 3. The treatment of points 1 and 2 in Item 5, Paragraph 3 of this paragraph shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and prospectus.</p>	<p>transaction between these companies is relaxed in the proviso. (3) In addition, if the previous major related party transaction is regulated by Article 185, Paragraph 1, Items 1 to 3 of the Company Law, the resolution of the shareholders' meeting shall be handled in accordance with the special resolution of Article 185 of the Company Law, and in accordance with the preceding items and relevant provisions of the Company Law. 3. Revise the misquoted article number and the words used in the law in the provision 5 of the fourth paragraph.</p>

Revised provisions	Current provisions	Revision remarks
<p>details of the transaction shall be disclosed in the annual report and prospectus. (omitted below)</p>		
<p>Article 11 Procedures for acquiring or disposing of intangible assets Item 1: omitted 2. The procedure for determining transaction conditions and authorization limit Sections (1) and (2): omitted (3) The acquisition or disposal of assets by the company shall be approved by more than half of all members of the audit committee in accordance with the set handling procedures or other legal provisions, and after the approval of the board of directors, it shall be submitted to the shareholders' meeting for approval, and the same applies for amendments. If not approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. If a director expresses an objection and there is a record or written statement, the company shall submit the director's objection information to the audit committee. When reporting the acquisition or disposal of assets to the board of directors for discussion in accordance with regulations, the opinions of independent directors shall be fully considered, and any dissenting opinions or reservations of independent directors shall be stated in the minutes of the board of directors.</p>	<p>Article 11 Procedures for acquiring or disposing of intangible assets Item 1: omitted 2. The procedure for determining transaction conditions and authorization limit Sections (1) and (2): omitted (3) The acquisition or disposal of assets by the company shall be approved by more than half of all members of the audit committee in accordance with the set handling procedures or other legal provisions, and after the approval of the board of directors, it shall be submitted to the shareholders' meeting for approval, and the same applies for amendments. If not approved by more than one-half of all members of the audit committee, it may be implemented with the consent of more than two-thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. If a director expresses an objection and there is a record or written statement, the company shall submit the director's objection information to the audit committee. For those who have established independent directors in accordance with the provisions of this Act, when reporting the acquisition or disposal of asset transactions to the board of directors for discussion, the opinions of each independent director shall be fully considered. If any independent director has any objection or reservation,</p>	<p>Delete the inapplicable text and specify the calculation method of members. Considering that Article 6 has been amended and added, it requires external experts to issue opinions in accordance with the self-discipline of their own trade associations, and has covered the procedures for accountants to issue opinions. The third paragraph of paragraph 1 is deleted. Accountants should follow the accounting research and development of the Republic of China. The text of the Auditing Standards Bulletin No. 20 issued by the Foundation.</p>

Revised provisions	Current provisions	Revision remarks
<p><u>(4) All members of the audit committee and all directors mentioned in the preceding paragraph shall be counted on the basis of the actual incumbents.</u></p> <p>4. Report on Expert Evaluation Opinions on Intangible Assets If the company acquires or disposes of intangible assets or their right-to-use assets, or the transaction amount of the membership card exceeds 20% of the company's paid-in capital or NT\$300 million or more, except for transactions with domestic government agencies, it shall be A few days ago, the accountant was invited to express their opinion on the reasonableness of the transaction price.</p> <p>(omitted below)</p>	<p>it shall be stated in the minutes of the board meeting.</p> <p>4. Report on Expert Evaluation Opinions on Intangible Assets If the transaction amount of the company's acquisition or disposal of intangible assets or right-of-use assets exceeds 20% of the company's paid-in capital or NT\$300 million or more, in addition to transactions with domestic government agencies, it shall be negotiated before the date of the fact. The accountants are requested to express their opinions on the reasonableness of the transaction price, and the accountants shall act in accordance with the Bulletin of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation. (omitted below)</p>	
<p>Article 13 Procedures for acquiring or disposing of derivative products 1. Trading Principle and Guidelines (1)~(5) Omitted</p> <p>(6) The upper limit for total and individual contract losses: <u>1. Hedging transactions: Derivative contracts engaged in hedging transactions, the profit and loss generated by the contract and the profit and loss generated by the corresponding net position of foreign currency assets will be offset with each other, and the loss of all and individual contracts is limited to 20% of the contract amount. However, when there are major adverse effects such as exchange rate and interest rate (exceeding the upper limit of loss), a response proposal should be immediately put forward to the top supervisor of the finance department and the chairman of the board for ruling.</u></p> <p>2. Other special-purpose transactions: For derivative</p>	<p>Article 13 Procedures for acquiring or disposing of derivative products 1. Trading Principle and Guidelines (1)~(5) Omitted (6) The upper limit for total and individual contract losses: 1. Hedging transactions: Derivative contracts engaged in hedging transactions, the profit and loss generated by the contract and the corresponding profit and loss generated by the net position of foreign currency assets will offset each other, so the loss of all contracts or individual contracts will be exempted in setting an upper limit.</p> <p>2. Other special-purpose transactions: For derivative commodity transactions of the entire company, the upper limit of all and individual contract losses is set at 20% of the total unwritten contract principal.</p>	<p>In accordance with the provisions of Paragraphs 1 and 2 of Article 19 of the Asset Management Standards for Acquisition or Disposal of Assets by Public Issuing Companies, the maximum amount of losses and risk management measures for all and individual contracts shall be determined.</p>

Revised provisions	Current provisions	Revision remarks
<p>commodity transactions of the entire company, the upper limit of all and individual contract losses is set at 20% of the total unwritten contract principal.</p> <p>(omitted below)</p>	<p>(omitted below)</p>	
<p>Article 15 Information Disclosure Procedures</p> <p>1. Items to be declared and the standard of declaration (1)~(6) Omitted (7) Asset transactions other than the preceding six paragraphs, financial institutions disposing of creditor's rights or engaging in investment in the mainland area, the transaction amount is 20% of the company's paid-in capital or more than NT\$300 million. However, the following circumstances are excluded:</p> <p>1. Buying and selling domestic government bonds or foreign government bonds with a credit rating not lower than Taiwan's sovereign rating.</p> <p>2. For those who specialize in investment, the trading of securities on stock exchanges or the business offices of securities firms, or the subscription of foreign public bonds in the primary market or the issuance of ordinary corporate bonds and ordinary financial bonds (excluding subordinated bonds), or subscribe for or buy back securities investment trust funds, or subscribe for or sell back index investment securities, or securities firms act as counselors for emerging companies to recommend securities firms for underwriting business needs to subscribe for valuable securities in accordance with the regulations of the Republic of China Securities OTC Trading Center. securities.</p> <p>3. Buy and sell bonds with buyback and sellback conditions, and purchase or buyback money market funds</p>	<p>Article 15 Information Disclosure Procedures</p> <p>1. Items to be declared and the standard of declaration (1)~(6) Omitted (7) Asset transactions other than the preceding six paragraphs, financial institutions disposing of creditor's rights or engaging in investment in the mainland area, the transaction amount is 20% of the company's paid-in capital or more than NT\$300 million. However, the following circumstances are excluded:</p> <p>1. Buying and selling domestic government bonds.</p> <p>2. For those who specialize in investment, the trading of securities on the stock exchange or the business premises of a securities firm, or the subscription and issuance of ordinary corporate bonds and ordinary financial bonds without equity (excluding subordinated bonds) in the primary market, or subscribing for or repurchasing securities investment trust funds, or securities firms acting as counseling and recommending securities firms for emerging companies for underwriting business needs, and subscribed for securities in accordance with the regulations of the Republic of China Securities OTC Trading Center.</p> <p>3. Buy and sell bonds with buyback and sellback conditions, and purchase or buyback money market funds issued by domestic securities investment trust enterprises.</p> <p>(omitted below)</p>	<p>1. Considering that the current public offering companies have been exempted from public announcements and declarations for buying and selling domestic public bonds, the first item of Provision 7 of Paragraph 1 is amended to relax the issuance rating of their trading of bonds not lower than Taiwan's sovereign rating of foreign public bonds, and they are also exempted to make declaration.</p> <p>2. Considering the simple nature of foreign public bonds, and the fact that the credit is usually better than that of ordinary foreign corporate bonds;</p> <p>In addition, the nature of index investment securities is similar to that of index stock funds, and the second item, subparagraph 7, paragraph 1, is amended to allow investment professionals to subscribe for foreign government bonds, purchase or sell back index investment securities in the primary market. Announcement declaration is also exempted.</p>

Revised provisions	Current provisions	Revision remarks
issued by domestic securities investment trust enterprises. (omitted below)		
<p>Article 19 Revision Date This procedure was formulated on June 20, 2003. This procedure was revised for the first time on June 14, 2006. This procedure was revised for the second time on June 21, 2007. This procedure was revised for the third time on June 13, 2012. This procedure was revised for the fourth time on June 12, 2014. This procedure was revised for the fifth time on June 15, 2016. This procedure was revised for the sixth time on June 15, 2017. This procedure was revised for the seventh time on June 25, 2019. This procedure was revised for the eighth time on June 12, 2020. This procedure was revised for the ninth time on July 9, 2021. This procedure was revised for the tenth time on June 10, 2022.</p>	<p>Article 19 Revision Date This procedure was formulated on June 20, 2003. This procedure was revised for the first time on June 14, 2006. This procedure was revised for the second time on June 21, 2007. This procedure was revised for the third time on June 13, 2012. This procedure was revised for the fourth time on June 12, 2014. This procedure was revised for the fifth time on June 15, 2016. This procedure was revised for the sixth time on June 15, 2017. This procedure was revised for the seventh time on June 25, 2019. This procedure was revised for the eighth time on June 12, 2020. This procedure was revised for the ninth time on July 9, 2021.</p>	<p>Number of revisions and dates</p>

Appendix

CREATIVE SENSOR INC.

Articles of Incorporation (Original Provisions)

Chapter 1 General Rules

- Article 1:** The Company has been duly incorporated in accordance with Company Limited by Shares in the Company Act and titled CREATIVE SENSOR INC.
- Article 2:** The scope of business of the Company shall be as follows:
- (1) CC01080 Electronic Parts and Components Manufacturing.
 - (2) CC01110 Computers and Computing Peripheral Equipments Manufacturing.
 - (3) CC01060 Wired Communication Equipment and Apparatus Manufacturing.
 - (4) CC01070 Telecommunication Equipment and Apparatus Manufacturing.
 - (5) CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing.
 - (6) CE01010 Precision Instruments Manufacturing.
 - (7) CE01030 Photographic and Optical Equipment Manufacturing.
 - (8) F401010 International Trade.
 - (9) F401021 Restrained Telecom Radio Frequency Equipments and Materials Import.
 - (10) F119010 Wholesale of Electronic Materials.
 - (11) F113050 Wholesale of Computing and Business Machinery Equipment.
 - (12) F113070 Wholesale of Telecom Instruments.
 - (13) F113030 Wholesale of Precision Instruments.
 - (14) F219010 Retail Sale of Electronic Materials.
 - (15) F213030 Retail sale of Computing and Business Machinery Equipment.
 - (16) F213060 Retail Sale of Telecom Instruments.
 - (17) F213040 Retail Sale of Precision Instruments.
 - (18) I301010 Software Design Services.
 - (19) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3:** The Company is headquartered in Taipei City, and may establish domestic or foreign branches subject to the board of directors' approval.

Chapter 2 Shares

- Article 4:** The Company may invest in other business entities, and the total cost of invested businesses is not subject to the restrictions imposed under Article 13 of The Company Act (i.e. 40% of paid up capital).
- Article 4-1:** The Company may provide guarantees to outside parties for business-related purposes.
- Article 5:** The Company has an authorized capital of NTD 2,500,000,000, divided into 250,000,000 shares, at a par value of NTD10 per share. The board of directors is authorized to issue the remaining shares at discrete times as considered necessary to support business activities. The amount of authorized capital mentioned in the preceding paragraph shall have NTD150,000,000 reserved for the issuance of employee subscription warrants, for a total of 15,000,000 shares, at a par value of NTD10 per share. The board of directors is authorized to issue at discrete time.
- Article 5-1:** Subject to the consent of more the two-thirds of voting rights in a shareholders' meeting where more than half of outstanding shares are represented, the Company may issue employee warrants at exercise prices lower than the closing market price of its common share on the date of issuance, and transfer treasury stocks to employees at prices lower than the average buyback price.

Article 6: The Company issues shares to registered owners, and is exempted from printing share certificates for the issued shares. All issued shares shall be registered with the centralized depository institution.

Article 7: Transfer of share ownership shall be suspended during the sixty (60) days prior to an annual general meeting, and during the thirty (30) days prior to an extraordinary shareholders' meeting, and during the 5 days prior to the baseline date of any dividend, bonus or rights distribution.

Chapter 3 Shareholders' Meeting

Article 8: The Company holds two types of shareholders' meetings: the annual general meeting and extraordinary shareholders' meetings:

I. The annual general meeting is convened within six months after the end of a financial year.

II. Extraordinary shareholders' meetings may be held whenever deemed necessary, subject to compliance with laws.

With regard to the convention of the aforementioned shareholders' meetings, the Company is required to notify all shareholders at least thirty days before an annual general meeting or fifteen days before an extraordinary shareholders' meeting with details including the date, venue and agenda, and make corresponding public announcements.

Article 9: Shareholders' meetings that are convened by the board of directors shall be chaired by the Chairman. If the Chairman is absent for any reason, the Vice Chairman shall act as the deputy thereof. If the Vice Chairman is unavailable or is absent due to reasons, the Chairman will appoint one of the directors to act on his/her behalf. If no one is appointed, the remaining directors shall appoint one among themselves to perform the Chairman's duties on his/her behalf.

For shareholders' meetings that are convened by any authorized party other than the board of directors, the convener shall chair the meeting. If there are two or more conveners at the same time, one shall be appointed among themselves to chair the meeting.

Article 10: If a shareholder is unable to attend the shareholders' meeting in person, a proxy can be appointed by completing the Company's proxy form. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 11: A shareholder shall be entitled to one voting right for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

Article 12: Except when otherwise regulated by The Company Act, a shareholders' meeting resolution is passed when more than half of all outstanding shares are represented in the meeting, and voted in favor by more than half of all voting rights represented during the meeting.

Chapter 4 Director, Supervisor, Audit Committee, and Managerial Officer

Article 13: The board of directors of the company has seven to eleven directors, who are appointed by the shareholders' meeting on the basis of their capacity for a term of three years, and can be re-elected. Among the above-mentioned number of directors, the number of independent directors shall not be less than three, and shall not be less than 5% of the

seats of directors. The system of nomination of director candidates is adopted, and the shareholders shall choose them from the list of director candidates. The nomination method shall be handled in accordance with Article 192-1 of the Company Act. The company may purchase liability insurance for the directors within the scope of compensation that they should bear according to law.

Article 13-1: The board of directors is authorized to determine the level of remuneration for the Chairman, Vice Chairman, directors and supervisors based on individual participation and contribution to the Company's operations, and in reference to industry peers.

Article 13-2: The Company has an audit committee in accordance with the law, which is composed of all independent directors.

The Audit Committee shall perform the functions and powers required by The Company Act, the Securities Exchange Law and other laws exercised by supervisors. The number, term of office, powers and rules of procedure of the Audit Committee, and the resources that the company should provide when exercising its powers and duties shall be separately stipulated according to the organizational rules of the Audit Committee.

Article 14 : The implementation of the Company's business shall be decided by the board of directors, except for the matters that shall be decided by the shareholders' meeting according to the Company Act or the Articles of Association, including but not limited to the following paragraphs:

I. Approval of key policies, rules, and contracts.

II. Proposal of business plans.

III. Approval of budget and year-end account closure.

IV. Appointment and dismissal of the Company's managers.

V. Proposal of earnings distribution or loss reimbursement plans.

VI. Proposal of capital increment or reduction plans.

VII. Reporting to supervisors about possible, significant losses that the Company may incur.

VIII. Approval of investment and management in domestic or foreign businesses.

Article 15 : The board of directors is composed of directors. The attendance of more than two-thirds of the directors and the consent of more than half of the directors present mutually recommend one chairman and one vice chairman in the same way. The chairman is in charge of all business internally, and represents the company externally. If the chairman can't see things personally, the vice-chairman will act for him. If there is no vice-chairman or vice-chairman can't see things in person, the chairman of the board shall appoint a director to act as his agent; If the chairman of the board of directors fails to appoint an agent, the directors shall appoint one agent from each other.

When the chairman of the board of directors asks for leave or is unable to exercise his functions and powers for some reason, his agent shall be handled according to Article 208 of the Company Act. A director may issue a power of attorney, list the scope of authorization for the discussion, and entrust other directors to attend the board of directors as an agent, but each director shall be entrusted by only one person.

Article 16: Unless otherwise stipulated in the Company Act, the board of directors shall be convened by the chairman. The convening of the board of directors of the Company can be notified to all directors in writing, by E-mail or by fax. Unless otherwise stipulated in the Company Act, the resolution of the board of directors shall be made with the attendance of more than half of the directors and the consent of more than half of the directors present.

Article 17: The Company may appoint a number of managers, such as general manager, deputy general manager and assistant manager, who shall be appointed or dismissed in accordance with Article 29 of the Company Act. The general manager shall accept the orders of the chairman of the board of directors and take charge of all business of the Company.

Chapter 5 Accounting

Article 18: The board of directors is responsible for preparing the following statements and reports at the end of each financial year. These statements and reports are subject to supervisors' review before they are presented during the annual general meeting.

I. Report on Operation

II. Financial statements

III. Earnings appropriation or loss reimbursement proposals.

Article 19: If the Company makes a profit in the current year, it shall set aside 5% to 15% of the current year's profit, and set aside no more than 5% as the director's remuneration. However, if the company has accumulated losses in previous years, it should first make up for the losses and then set aside the balance in proportion before making profits in the current year and setting aside the employees' remuneration and directors' remuneration.

If the employee's remuneration referred to in the preceding paragraph can be paid in stock or cash, the board of directors shall attend by more than two-thirds of the directors and make a resolution with the consent of more than half of the directors present, and report to the shareholders' meeting.

The targets of the stocks or cash mentioned in the preceding paragraph include employees of affiliated companies who meet certain conditions, and the conditions shall be determined by the board of directors.

Article 19-1: If the Company has any surplus after each final account, it shall distribute it in the following order:

1. Tax payment.

2. Make up for the loss.

3. Ten percent of the set-aside amount is the statutory surplus reserve, except when the statutory surplus reserve has accumulated to the total capital of the Company.

4. Set aside or transfer back special surplus reserves in accordance with the regulations of the competent authority.

5. After deducting the amount specified in paragraphs 1 to 4, if there is a balance, which is equal to the accumulated undistributed surplus, the board of directors shall draw up a surplus distribution proposal and submit it to the shareholders' meeting for resolution.

The company's operating environment is a steadily growing industry. As there are plans for factory expansion and reinvestment in the future, the distribution of surplus is based on the principle of 80% shareholder dividend. The proportion of cash dividends paid to shareholders in the preceding paragraph in each year shall be 50%, but at least not less than 5%.

Chapter 6 Supplementary Provisions

Article 20: Any matters that are not addressed in the Articles of Incorporation shall be governed by The Company Act and relevant regulations.

Article 21: The Articles of Incorporation is instituted by the all founder of the founders meeting on May 29, 1998.

The 1st amendment on March 4, 1999.

The 2nd amendment on June 14, 1999.

The 3rd amendment on May 17, 2000.

The 4th amendment on May 24, 2001.

The 5th amendment on June 12, 2002.

The 6th amendment on June 20, 2003.

The 7th amendment on June 7, 2004.

The 8th amendment on June 7, 2004.

The 9th amendment on May 20, 2005.

The 10th amendment on June 14, 2006.

The 11th amendment on June 21, 2007.
The 12th amendment on June 19, 2008.
The 13th amendment on June 16, 2009.
The 14th amendment on June 13, 2012.
The 15th amendment on June 11, 2013.
The 16th amendment on June 12, 2014.
The 17th amendment on June 15, 2016.
The 18th amendment was made on June 27, 2018.
The 19th amendment was made on June 12, 2020.
The 20th amendment was made on July 9, 2021.

CREATIVE SENSOR INC.

Rules of procedure of shareholders' meeting (original provisions)

Article 1

Unless otherwise stipulated by laws or regulations or the Articles of Association, the shareholders' meeting of the Company shall be handled in accordance with these Rules.

Article 2

The company shall set up a signature book for the attendance shareholders to sign in, or the attendance shareholders shall submit a sign-in card to sign in. The number of shares attended is calculated according to the signature book or the sign-in card submitted, plus the number of shares that exercise voting rights in written or electronic form.

Article 3

The attendance and voting at the shareholders' meeting shall be calculated on the basis of shares.

Article 4

The place where the shareholders' meeting is held shall be the place where the Company is located or a place convenient for shareholders to attend and suitable for the shareholders' meeting, and the meeting shall not start earlier than 9: 00 am or later than 3: 00 pm.

Article 5

If the shareholders' meeting is convened by the board of directors, its chairman shall be the chairman, and if the chairman is absent or unable to exercise his functions and powers for some reason, the vice-chairman shall act as his agent; If there is no vice-chairman or vice-chairman who is absent from work or unable to exercise his functions and powers for some reason, the chairman of the board of directors shall appoint one director to act as his agent; if the chairman of the board does not appoint an agent, the directors shall push each other to act as their agent.

If the shareholders' meeting is convened by other conveners other than the board of directors, the chairman shall be the convener. If there are more than two conveners, one of them shall be elected as the chairman.

Article 6

The company may appoint its appointed lawyers, accountants or related personnel to attend the shareholders' meeting as nonvoting delegates. Meeting staff handling the shareholders' meeting shall wear identification cards or armbands.

Article 7

The company shall record or video the whole meeting of the shareholders' meeting and keep it for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.

Article 8

The chairman shall announce the meeting immediately after the last meeting. However, if no shareholders representing more than half of the total number of issued shares are present, the chairman may announce the postponement of the meeting. The number of postponements shall be limited to two, and the total postponement time shall not exceed one hour. If the second delay is still insufficient and shareholders representing more than one-third of the total issued shares are present, a false resolution may be made in accordance with Article 175, paragraph 1, of the Company Law. Before the end of the meeting, if the number of shares represented by the shareholders present reaches more than half of the total issued shares, the chairman may make a false resolution and re-submit it to the general meeting for voting in accordance with Article 174 of the Company Law.

Article 9

If the shareholders' meeting is convened by the board of directors, its agenda shall be determined by the board of directors, and the meeting shall be held in accordance with the scheduled agenda, which shall not be changed without the resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a person other than the board of directors who has the right to convene, the provisions of the preceding paragraph shall apply *mutatis mutandis*.

Before the agenda mentioned in the preceding two paragraphs is concluded (including temporary motions), the chairman shall not announce the meeting without a resolution.

After the meeting, shareholders may not elect another chairman to continue the meeting at the same place or another place.

Article 10

Before attending a shareholder's speech, a speech should be filled in, stating the gist of the speech, the shareholder's account number (or attendance card number) and the name of the account, and the order of his speech should be determined by the chairman.

If the shareholders present at the meeting only give speeches but do not speak, they will be deemed as not speaking. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail.

When attending a shareholder's speech, other shareholders shall not interfere with the speech except with the consent of the chairman and the speaking shareholder. The chairman shall stop the violator and be deemed as not speaking.

Article 11

Each shareholder of the same proposal shall not speak more than twice without the consent of the chairman, and each time shall not exceed five minutes.

If a shareholder's speech violates the preceding paragraph or exceeds the scope of the topic, the chairman may stop his speech.

Article 12

When a legal person is entrusted to attend the shareholders' meeting, the legal person may only appoint one representative to attend.

The number of representatives appointed by corporate shareholders is limited by the number of seats of the current directors. When corporate shareholders appoints two or more representatives to attend the shareholders' meeting, only one person can speak on the same proposal.

Article 13

After attending the shareholders' speeches, the chairman may personally or designate relevant personnel to reply.

Article 14

When the discussion of the chairman's motion is considered to have reached the voting level, it may be announced that the discussion will be stopped and put to the vote.

Article 15

The scrutineers and counting personnel for voting on the bill shall be appointed by the chairman, but the scrutineers shall have the status of shareholders. The voting results shall be reported on the spot and recorded.

Article 16

During the meeting, the chairman may announce a break at his discretion.

Article 17

Unless otherwise stipulated in the Company Law and the Articles of Association, the voting of the motion shall be approved by a majority of the voting rights of the shareholders present.

When voting, if there is no objection from the shareholders present after the consultation of the chairman, it will be deemed that all the votes are passed, and its effect is the same as that of voting.

When a shareholder entrusts an agent to attend the shareholders' meeting, except a trust enterprise or a stock agency approved by the competent securities authority, if one person is entrusted by two or more shareholders at the same time, the voting rights of the agent shall not exceed 3% of the total voting rights of the issued shares, and the excess voting rights shall not be counted. When the matters of the shareholders' meeting are in danger of harming the interests of the company due to their own interests, they shall not participate in the voting, and shall not exercise their voting rights on behalf of other shareholders.

Article 18

If there are amendments or alternatives to the same motion, the chairman shall decide the voting order with the original motion. If one of the cases has been passed, the other motions will be considered as vetoed, and there is no need to vote again.

Article 19

The chairman may command the pickets (or security guards) to help maintain the order of the venue. When pickets (or security guards) are present to help maintain order, they should wear armbands with the word "pickets".

Article 20

These Rules shall come into force after being approved by the shareholders' meeting, and the same applies to amendments.

Article 21

These Rules were adopted by the shareholders' general meeting on June 12, 2002.

This rule was amended for the first time on June 13, 2012.

This rule was amended for the second time on June 12, 2020.

CREATIVE SENSOR INC.

Procedures for Acquisition or Disposal of Assets (Original Provisions)

Article 1 Purpose

These Procedures are stipulated to protect the shareholders' equity and to protect the interests of investors.

Article 2 Legal Basis

These Procedures are stipulated according to Article 36-1 of the Securities and Exchange Act and relevant requirements specified in the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

Article 3 Scope of Assets

- I. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- II. Real property (including land, houses and buildings, investment property, land use right and construction enterprise inventory) and equipment.
- III. Memberships.
- IV. Intangible assets: including Patents, copyrights, trademarks, franchise rights, etc.
- V. Right-of-use assets.
- VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- VII. Derivatives.
- VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with the law.
- IX. Other major assets.

Article 4 Definition of Terms

1. Derivative goods: refers to forward contracts, option contracts, futures contracts, leveraged margin contracts, exchange contracts, combination contracts or structured goods whose value is derived from a specific interest rate, financial instrument price, commodity price, exchange rate, price or rate index, credit rating or credit index or other variables. The term forward contract does not include insurance contract, performance contract, after-sales service contract, long-term lease contract and long-term purchase (sale) contract.
2. Assets acquired or disposed of by legal merger, division, acquisition or share transfer: refers to assets acquired or disposed of by merger, division or acquisition in accordance with the Enterprise Merger and Acquisition Law or other laws, or new shares issued in accordance with Article 156-3 of the Company Law to transfer shares of other companies (hereinafter referred to as share transfer).
3. Affiliates and subsidiaries: they shall be recognized in accordance with the financial report preparation standards of securities issuers.

4. Professional appraiser: refers to real estate appraisers or other persons who can engage in real estate and equipment appraisal business according to law.

5 · The date of occurrence: refers to the transaction signing date, payment date, entrusted transaction date, transfer date, resolution date of the board of directors or other date sufficient to determine the transaction object and transaction amount, which is the former. However, for investors who need to be approved by the competent authority, the date of issuance or the date of receipt of approval from the competent authority shall prevail.

6 · Mainland investment: refers to the mainland investment made in accordance with the regulations of the Investment Review Committee of the Ministry of Economic Affairs on the licensing of investment or technical cooperation in mainland China.

7 · Investment professionals refer to financial holding companies, banks, insurance companies, bill finance companies, trust companies, securities firms engaged in self-operated or underwriting business, futures traders engaged in self-operated business, securities investment trust enterprises, securities investment consulting enterprises and fund management companies established in accordance with laws and regulations and managed by local financial authorities.

8 · Stock Exchange: domestic stock exchange refers to Taiwan Stock Exchange Corporation; Foreign stock exchange refers to any organized stock exchange market managed by the competent securities authority of that country.

9 · Business premises of securities firms: the business premises of domestic securities firms refer to the places where securities firms set up special counters for trading in accordance with the regulations governing the trading of securities at the business premises of securities firms; The business premises of foreign securities firms refer to the business premises of financial institutions that are managed by foreign securities authorities and can engage in securities business.

10 · The term "within one year" is based on the date of this acquisition or disposal of assets, and it is retroactively calculated for one year, and the announced part is not counted again.

11 · The term "latest financial statements" refers to the financial statements that have been audited, certified or reviewed by certified public accountants before the company acquires or disposes of assets.

Article 5 Amount of investment in non-business real estate and securities

1. The amount of the company's acquisition of the above assets is set as follows:

(1) The total amount of real estate not for business use shall not exceed 30% of the shareholders' equity in the latest financial report audited and certified by a certified public accountant.

(2) The total amount of investment in securities shall not exceed 150% of the

shareholders' equity in the latest financial report audited and certified by a certified public accountant.

(3) The amount of investment in individual securities shall be limited to 80% of the shareholders' equity in the company's latest financial report audited and certified by an accountant.

2. The amount of the above-mentioned assets acquired by subsidiaries of the Company is set as follows:

(1) The total amount of real estate not for business use shall not exceed 20% of the shareholders' equity in the latest financial report of the subsidiary audited and certified by an accountant.

(2) The total amount of investment in securities shall be limited to the shareholders' equity in the latest financial report of the subsidiary audited and certified by a certified public accountant.

(3) The amount of investment in individual securities shall be limited to 30% of the shareholders' equity in the latest financial report of the subsidiary audited and certified by an accountant.

Article 6 The professional appraisers and their appraisers, accountants, lawyers or securities underwriters shall meet the following requirements in the appraisal reports or opinions of accountants, lawyers or securities underwriters obtained by this Corporation:

1. No violation of this Law, the Company Law, the Banking Law, the Insurance Law, the Financial Holding Company Law, the Commercial Accounting Law, or fraud, breach of trust, embezzlement, forgery of documents, or any business crime, has ever caused any criminal acts

The declaration of fixed-term imprisonment of more than one year is confirmed. However, this is not the case when the execution is completed, the probation period expires or three years have elapsed since the pardon.

2. The parties to the transaction shall not be related or have a substantial relationship.

3. If the company should obtain appraisal reports from more than two professional appraisers, or appraisers from different professions may not be related or materially related to each other.

The personnel referred to in the preceding paragraph shall handle the following matters when issuing appraisal reports or opinions:

1. Before accepting a case, you should carefully evaluate your professional ability, practical experience and independence.

2. When checking a case, we should properly plan and implement the appropriate

operation process to form a conclusion and issue a report or opinion accordingly; The procedures, collected data and conclusions will be published in detail in the working papers of the case.

3. For the data sources, parameters and information used, the completeness, correctness and rationality should be evaluated item by item, so as to be the basis for issuing appraisal reports or opinions.

4. The matters to be declared shall include that the relevant personnel are professional and independent, the information used has been assessed as reasonable and correct, and the relevant laws and regulations have been followed.

Article 7 Procedures for acquiring or disposing of real estate or equipment

1. Evaluation and Operating Procedures

The Company's acquisition or disposal of real estate and equipment or its right to use assets shall be handled in accordance with the procedures stipulated in the Company's internal control system for fixed assets revolving operation.

2. Procedures for determining trading conditions and authorized amount.

(1) To acquire or dispose of real estate or assets with the right to use real estate, we should refer to the announced present value, assessed value, actual transaction price of adjacent real estate, etc., and decide the transaction conditions and transaction price, the amount of which is NT\$100 million or less, which should be submitted to the chairman for approval, and reported at the latest board meeting afterwards; If the amount exceeds NT\$ 100 million, it must be approved by the board of directors before it can be done.

(2) When acquiring or disposing of equipment or its right to use assets, one of the methods shall be inquiry, price comparison, bargaining or bidding, and the approval authority shall be handled in accordance with the "Approval Authority Table" summarized in the company's regulations.

(3) The acquisition or disposal of assets by the Company shall be approved by more than half of all members of the Audit Committee according to the prescribed treatment procedures or other legal provisions, and then approved by the board of directors, and submitted to the shareholders' meeting for approval, and the same shall apply when making amendments. If it is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. Where independent directors have been set up according to the provisions of this Law, the opinions of the independent directors shall be fully considered when the transaction of acquiring or disposing assets is submitted to the board of directors for discussion

according to the provisions. If the independent directors have objections or reservations, they shall be recorded in the minutes of the board of directors.

3. Execution unit

When the Company acquires or disposes of real estate or equipment and its right to use assets, it shall submit it for approval according to the approval authority in the preceding paragraph, and then the asset management unit and the financial management unit shall be responsible for the implementation.

4.. Appraisal Report of Real Estate or Equipment

If the company acquires or disposes of real estate or equipment and its right to use assets, except for transactions with domestic government agencies, self-construction or lease of local government, or acquisition or disposal of equipment or its right to use assets for business use, the transaction amount reaches 20% of the paid-in capital of the company or NT\$300 million or more, it shall obtain a price report issued by a professional appraiser before the occurrence of the fact, and meet the following requirements:

(1) If a limited price, a specific price or a special price is required to be used as the reference basis for the transaction price due to special reasons, the transaction shall be approved by a resolution of the board of directors first, and the same shall apply if the transaction conditions are changed later.

(2) If the transaction amount reaches NT\$1 billion or more, two or more professional appraisers shall be invited for valuation.

(3) The professional appraiser's appraisal results are in any of the following circumstances, except that the appraisal results of the acquired assets are all higher than the transaction amount or the appraisal results of the disposed assets are all lower than the transaction amount, the accountant should be consulted to handle them in accordance with the provisions of the Auditing Standards Bulletin No.20 issued by the Accounting Research and Development Foundation of the Republic of China (hereinafter referred to as the Accounting Research and Development Foundation), and give specific opinions on the reasons for the differences and the appropriateness of the transaction price:

1. The difference between the appraisal result and the transaction amount is more than 20% of the transaction amount.

2. The difference between the appraisal results of two or more professional appraisers is more than 10% of the transaction amount.

(4) The date of the report issued by the professional appraiser and the date of establishment of the contract shall not exceed three months. However, if the present value of the announcement of the same period has been applied for less than six months,

the original professional appraiser may issue an opinion.

(5) If the Company acquired or disposed of assets through court auction, the appraisal report or accountant's opinion may be replaced by a certificate issued by the court.

5. The calculation of the above-mentioned transaction amount shall be handled in accordance with Article 15, Paragraph 1 (5), and the term "one year" shall be based on the date of occurrence of this transaction, and it shall be retroactively calculated for one year. The appraisal report or accountant's opinion issued by a professional appraiser that has been obtained in accordance with the provisions of this procedure shall not be counted again.

Article 8 Procedures for obtaining or disposing of securities investment

I. Evaluation and Operating Procedures

The purchase and sale of the company's securities shall be handled in accordance with the company's internal control system of investment cycle operation.

II. Procedures for determining trading conditions and authorized amount.

- (1) The trading of securities in the centralized trading market or the over-the-counter market of securities firms shall be decided by the financial unit according to the market conditions. The total amount of investment and the upper limit of investment for a single target shall be handled in accordance with the provisions of Article 5 of these Measures, and the approval authority for trading shall be handled in accordance with the provisions of the Approval Authority Table of this Corporation.
- (2) For securities that are not traded on the centralized trading market or over-the-counter of securities firms, the latest financial statements of the target company audited, certified or reviewed by a certified public accountant shall be taken as a reference to evaluate the transaction price, and its net value per share, profitability and future development potential shall be considered. When it is obtained, it must be submitted to the board of directors for approval before it can be done; Dispose of, authorize the chairman to make a decision, and submit it to the board of directors for filing.
- (3) The acquisition or disposal of assets by the Company shall be approved by more than half of all members of the Audit Committee according to the prescribed processing procedures or other legal provisions, and then approved by the board of directors, and submitted to the shareholders' meeting for approval, and the same shall apply when making amendments. If it is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's

objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. Where independent directors have been set up according to the provisions of this Law, the opinions of the independent directors shall be fully considered when the transaction of acquiring or disposing assets is submitted to the board of directors for discussion according to the provisions. If the independent directors have objections or reservations, they shall be recorded in the minutes of the board of directors.

III. Execution unit

When the company invests in securities, it shall submit it for approval according to the approval authority in the preceding paragraph, and the accounting department shall be responsible for the implementation.

IV. Obtaining expert opinions

(1) When this Corporation acquires or disposes of securities, it shall take the latest financial statements of the target company audited, certified or reviewed by certified public accountants as a reference for evaluating the transaction price before the occurrence of the fact. If the transaction amount reaches 20% of the paid-in capital of the company or more than NT\$300 million, it shall consult the accountant before the occurrence of the fact to express its opinion on the rationality of the transaction price. If the accountant needs to use expert reports, it shall be handled according to the provisions of Auditing Standards Bulletin No.20 issued by the Accounting Research and Development Foundation. However, this restriction shall not apply unless the securities are publicly quoted in an active market or otherwise stipulated by the Financial Supervisory Commission.

(2) If the Company acquired or disposed of assets through court auction, the certification documents issued by the court may replace the valuation report or accountant's opinion.

VI. The calculation of the above-mentioned transaction amount shall be handled in accordance with Article 15, Paragraph 1 (5), and the term "one year" shall be based on the date of occurrence of this transaction, and it shall be retroactively calculated for one year. The appraisal report or accountant's opinion issued by a professional appraiser that has been obtained in accordance with the provisions of this procedure shall not be counted again.

Article 9 Related Party Transactions

I. When a company and its related parties acquire or dispose of assets, they shall, in addition to going through relevant resolution procedures and evaluating the reasonableness of trading conditions in accordance with Articles 7, 8, 10 and 11,

obtain an appraisal report issued by a professional appraiser or an accountant's opinion in accordance with Articles 7, 8, 10 and 11, if the transaction amount reaches more than 10% of the company's total assets. In addition, when judging whether the transaction object is a related party, we should not only pay attention to its legal form, but also consider the substantive relationship.

II. Evaluation and Operating Procedures

If the Company acquires or disposes of real estate or its right to use assets from related parties, or acquires or disposes of other assets other than real estate or its right to use assets with related parties, and the transaction amount reaches 20% of the paid-in capital of the Company, 10% of the total assets or more than NT\$ 300 million, it shall, in addition to buying and selling domestic government bonds, bonds with repurchase or resale conditions, purchase or buy back funds issued by domestic securities investment trust enterprises, provide the following information: The transaction contract and payment can only be signed with the consent of more than half of all members of the audit committee and approved by the board of directors. If the consent of more than half of all members of the audit committee is not obtained, it can be agreed by more than two thirds of all directors, and the resolutions of the audit committee shall be recorded in the minutes of the board of directors:

- (1) The purpose, necessity and expected benefits of acquiring or disposing of assets, real estate or its right to use assets.
- (2) the reason why the selected related party is the trading partner.
- (3) relevant information for acquiring real estate or its right to use assets from related parties, and evaluating the rationality of the predetermined transaction conditions in accordance with the provisions of Paragraph 4 of this Article.
- (4) the original acquisition date and price of the related party, the transaction object and its relationship with the company and related parties, etc.
- (5) a forecast statement of cash receipts and payments for each month in the coming year from the beginning of the contract month, and an assessment of the necessity of the transaction and the rationality of the use of funds.
- (6) The appraisal report issued by a professional appraiser obtained in accordance with Paragraph 1 of this Article, or the opinion of an accountant.
- (7) Restrictions and other important agreements of this transaction.

The above-mentioned transaction amount shall be calculated in accordance with Article 15, Paragraph 1 (8), and the term "one year" is based on the date of this transaction, and it is retroactively calculated for one year. It has been submitted to the board of directors for approval and recognized by the audit committee in accordance with this procedure, and the part is exempted from being counted again.

III. If the Company engages in the following transactions with its subsidiaries or its

subsidiaries which directly or indirectly hold 100% of the issued shares or total capital, the board of directors may authorize the chairman of the board of directors to make a decision within a certain amount, and then report it to the latest board of directors for ratification afterwards:

- (1) Acquire or dispose of the equipment for business use or its right to use assets.
- (2) acquiring or disposing of the assets of the right to use real estate for business use.

In addition, if the company has set up independent directors, when submitting the transaction of acquiring or disposing assets to the board of directors for discussion according to the regulations, the opinions of the independent directors should be fully considered. If the independent directors have objections or reservations, they should be recorded in the minutes of the board of directors.

IV. Rationality evaluation of transaction costs.

- (1) When the Company acquires real estate or its right to use assets from related parties, it shall evaluate the rationality of transaction costs by the following methods:
 1. Add the necessary capital interest and the cost borne by the buyer according to the law according to the transaction price of related parties. The interest cost of necessary funds shall be calculated based on the weighted average interest rate of the loans in the year when the company purchased the assets, but it shall not be higher than the highest borrowing rate of non-financial industry published by the Ministry of Finance.
 2. If the related party has mortgaged the subject matter to a financial institution, the financial institution's total loan evaluation value of the subject matter, provided that the actual accumulated loan value of the subject matter by the financial institution should reach more than 70% of the total loan evaluation value and the loan period has been more than one year. However, this does not apply if the financial institution and one party of the transaction are related parties to each other.
- (2) If the land and houses with the same target are purchased or leased together, the transaction cost of the land and houses may be assessed by any of the methods listed in the preceding paragraph.
- (3) When the Company acquires the real estate or its right-to-use assets from related parties, it shall evaluate the cost of the real estate or its right-to-use assets according to the provisions of subparagraphs (1) and (2) of Paragraph 4 of this Article, and shall consult an accountant for review and express specific opinions.
- (4) If the real estate or its right to use assets acquired by the Company from related parties are all lower than the transaction price according to the provisions of items (1) and (2) of item 4 of this article, it shall be handled according to the provisions of

item (5) of item 4 of this article. However, this restriction shall not apply if objective evidence and specific reasonable opinions from professional appraisers and accountants of real estate are presented due to the following circumstances:

1. If the related party has acquired plain land or leased land for further construction, it may prove that it meets one of the following conditions:

(1) If the house is assessed by the method specified in the preceding article, the reasonable construction profit is added to the construction cost of the related party, and the total amount exceeds the actual transaction price. The term "reasonable construction profit" shall be based on the lower of the average operating gross profit margin of the related party's construction department in the last three years or the latest gross profit margin of the construction industry published by the Ministry of Finance.

(2) Other floors of the same target premises or other non-related transaction cases in the adjacent area within one year, with similar areas, and the transaction conditions are equivalent after evaluation of reasonable floor or regional price difference due to the practice of real estate sale or lease.

(2) The real estate purchased by this Corporation from related parties or the assets with the right to use real estate acquired by leasing, the trading conditions of which are similar to those of other non-related parties in neighboring areas within one year, and the area is similar. The above-mentioned trading cases in neighboring areas shall be based on the principle that the same or adjacent streets are not more than 500 meters away from street block, the subject of the transaction, or the present value of the announcement is similar; If the said areas are similar, the principle is that the area of other non-related transaction cases should not be less than 50% of the area of the transaction object; The term "one year" is based on the fact that the real estate or its right to use assets have been acquired this time, and it is retroactively calculated for one year.

(5) If the Company obtains the real estate or its right to use assets from related parties, and the evaluation results are lower than the transaction price according to the provisions of Items (1) and (2) of Paragraph 4 of this Article, it shall handle the following matters:

1. This Corporation shall set aside a special surplus reserve for the difference between the transaction price of real estate or its right to use assets and the estimated cost in accordance with the provisions of Article 41, paragraph 1 of the Securities and Exchange Law, and shall not distribute it or transfer it to capital for allotment. If the investor who evaluates the company's investment by equity method is a public company, it shall also set aside the special surplus reserve according to Article 41, paragraph 1, of the Securities and Exchange Law.

2. The audit committee shall be handled in accordance with Article 218 of the Company Law.

3. The treatment of points 1 and 2 in Item 5, Paragraph 3 of this paragraph shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and prospectus.

If the Company has set aside special surplus reserve in accordance with the above provisions, it can only use the special surplus reserve after the assets purchased or leased at a high price have been recognized as falling price loss or disposed of or the lease is terminated, or for proper compensation or restoration to the original state, or other evidence confirms that there is no irrationality, and with the approval of the Financial Supervisory Commission.

(6) If the Company acquires real estate or its right to use assets from related parties in any of the following circumstances, it shall be handled in accordance with the provisions of paragraphs 1 and 2 of this article on the assessment and operation procedures, but the provisions of paragraphs 4 (1), (2) and (3) of this article on the assessment of the rationality of transaction costs are not applicable:

1. The related party is the real estate or its right to use assets acquired by inheritance or gift.
2. It has been more than five years since the contract date of this transaction for the related party to acquire the real estate or its right to use assets.
3. Sign a joint construction contract with the related party, or entrust the related party to build real estate from the prefectural party committee, rent the prefectural party committee, etc., and obtain real estate.
4. The Company and its subsidiaries or their subsidiaries which directly or indirectly hold 100% of the issued shares or total capital have acquired the assets of real estate use right for business use.

(7) Where this Corporation acquires real estate or its right to use assets from related parties, if there is any other evidence that the transaction is not in line with the normal business practices, it shall also be handled in accordance with the provisions of Paragraph 4 (5) of this Article.

Article 10 Procedures for obtaining or disposing of membership cards

In principle, the company will not engage in the transaction of obtaining or disposing of membership cards. If it wants to engage in the transaction of obtaining or disposing membership cards in the future, it will report to the board of directors for approval before formulating its evaluation and operation procedures.

Article 11 Procedures for acquiring or disposing of intangible assets

I. Evaluation and Operating Procedures

The Company's acquisition or disposal of intangible assets or its right to use assets shall be handled in accordance with the Company's internal control system, fixed assets circulation procedure.

II. Procedures for determining trading conditions and authorized amount.

(I) The acquisition or disposal of intangible assets or assets with the right to use them shall refer to the expert evaluation report or fair market price, and the transaction conditions and prices shall be determined. The acquisition or disposal of intangible assets or assets with the right to use them shall be subject to the approval of the board of directors.

(II) The acquisition or disposal of assets by the Company shall be approved by more than half of all members of the audit committee according to the prescribed processing procedures or other legal provisions, and then approved by the board of directors, and shall be submitted to the shareholders' meeting for approval, and the same shall apply when making amendments. If it is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. In case of any director's objection with a record or written statement, the company shall also send the information of director's objection to the audit committee. Where independent directors have been set up according to the provisions of this Law, the opinions of the independent directors shall be fully considered when the transaction of acquiring or disposing assets is submitted to the board of directors for discussion according to the provisions. If the independent directors have objections or reservations, they shall be recorded in the minutes of the board of directors.

III. Execution unit

When the Company acquires or disposes of intangible assets or assets with the right to use them, it shall submit them for approval according to the approval authority in the preceding paragraph, and then the user department and the financial management unit shall be responsible for the implementation.

IV. Report of Experts' Evaluation Opinions on Intangible Assets

If the transaction amount of intangible assets or its right to use assets acquired or disposed of by the Company reaches 20% of the paid-in capital of the Company or NT\$300 million or more, in addition to transactions with domestic government agencies, the Company shall ask an accountant to express his opinion on the rationality of the transaction price before the fact occurs, and the accountant shall handle the matter in accordance with the provisions of Auditing Standards

Bulletin No.20 issued by the Accounting Research and Development Foundation.

- V. The above-mentioned transaction amount shall be calculated in accordance with Article 15, Paragraph 1 (8), and the term "one year" shall be based on the date of occurrence of this transaction, and it shall be retroactively calculated for one year. The appraisal report or accountant's opinion issued by a professional appraiser that has been obtained in accordance with the provisions of this procedure shall not be counted again.

Article 12 Procedures for obtaining or disposing of creditor's rights of financial institutions

In principle, this company will not engage in the transaction of acquiring or disposing of the creditor's rights of financial institutions. If it wants to engage in the transaction of acquiring or disposing of the creditor's rights of financial institutions in the future, it will report to the board of directors for approval before formulating its evaluation and operation procedures.

Article 13 Procedures for acquiring or disposing of derivative goods

I. Trading Principles and Policies

In principle, a company engaged in derivative commodity trading should aim at avoiding the risks that may arise from its operation. In addition to carefully evaluating the possible risks of the company and carefully engaging in derivative commodity trading to avoid risks, the responsible personnel should also fully grasp all kinds of risks that may arise from derivative commodity trading.

(1) Types of derivative commodity transactions:

Derivative goods refer to forward contracts, option contracts, futures contracts, leveraged margin contracts, exchange contracts, combination contracts or structured goods whose value is derived from specific interest rate, financial instrument price, commodity price, exchange rate, price or rate index, credit rating or credit index or other variables. The forward contract referred to in this procedure does not include insurance contract, performance guarantee, after-sales service guarantee, long-term lease contract and long-term purchase (sales) contract.

(2) Operation or hedging strategy:

For the foreign currency demand of imported raw materials, machinery and equipment, the company can avoid risks by purchasing forward foreign exchange in advance, while the foreign currency income from export can avoid risks by selling forward foreign exchange in advance.

(3) Division of powers and responsibilities:

1. Only traders authorized by the board of directors and approved by the

chairman have the right to conduct foreign exchange transactions, and any increase or decrease in personnel due to actual needs must be approved by the chairman.

2. The accounting department is responsible for the management of foreign exchange transactions.
3. The board of directors authorizes the person appointed by the chairman to be the supervisor of foreign exchange transactions within the authorized amount.

(4) Essentials of performance evaluation:

1. Transactionality: the accumulated realized exchange gains and losses in the current year are used as the evaluation standard.
2. Non-trading: the performance evaluation is based on whether the company has operated according to the company's policy and the forward foreign exchange operation plan.

(5) Total contract amount of transactions: the authorized trading amount of forward foreign exchange contracts of the Company and its domestic and overseas subsidiaries (hereinafter referred to as "all companies").

1. amount of hedging transactions: the hedging transactions of all companies take the positions generated by the company's operations as the amount of commitment to avoid risks, and the total amount of all contracts is limited to the accounts receivable of the latest three months.
2. Trading quota for other specific purposes: All companies engaged in other specific purposes (including but not limited to capital expenditure, commitments, orders, etc.) shall be approved by the board of directors, and the trading quota shall not exceed 50% of the import and export demand of all companies in the six months of the current year.

(6) The maximum amount of total and individual contract losses:

1. Hedge trading: For derivative commodity contracts engaged in hedging transactions, the gains and losses arising from the contracts and the gains and losses arising from the net positions of the corresponding foreign currency assets will offset each other, so the losses of all contracts or individual contracts are exempted from the upper limit.
2. Other special-purpose transactions: for all derivatives transactions of the company, the upper limit amount of all and individual contract losses shall be set at 20% of the total outstanding contract principal.

II. Risk management measures

(1) Credit risk management

As the market is affected by various factors, it is easy to cause operational risks of derivative financial products. Therefore, market risk management should be carried out according to the following principles:

1. Transaction object: mainly domestic and foreign famous financial institutions.
2. Traded commodities: only those provided by famous financial institutions at home and abroad.
3. Transaction amount: the amount of the same counterparty's transaction that has not been written off shall not exceed 10% of the total authorized amount, except that approved by the general manager.

(II) Market risk management

The open foreign exchange market provided by banks is the main market, and the futures market is not considered for the time being.

(3) Liquidity risk management

In order to ensure market liquidity, financial products should be selected with high liquidity (that is, they can be flattened in the market at any time). Financial institutions entrusted with trading must have sufficient information and the ability to trade in any market at any time.

(4) Cash flow risk management

In order to ensure the stability of the company's working capital turnover, the company's capital source for trading derivatives is limited to its own capital, and its operating amount should take into account the capital demand of cash receipts and payments forecast in the next three months.

(5) Operation risk management

1. The company's authorized quota, operation process and internal audit should be followed to avoid operation risks.
2. Traders engaged in derivative products and those engaged in confirmation and delivery operations shall not concurrently serve each other.
3. The risk measurement, supervision and control personnel shall belong to different departments from those mentioned in the preceding paragraph, and shall report to the board of directors or the senior executives who are not responsible for trading or position decisions.
4. The positions held by derivative commodity exchanges shall be evaluated at least once a week, but if hedging transactions are required for business, they shall be evaluated at least twice a month, and the evaluation report shall be submitted to the senior executives authorized by the board of directors.

(6) Commodity risk management

Internal traders should have complete and correct professional knowledge of financial products, and require banks to fully expose risks to avoid misuse of financial products.

(7) Legal risk management

Documents signed with financial institutions should be examined by specialists in foreign exchange and legal affairs or legal advisers before they can be formally signed to avoid legal risks.

III. Internal audit system

- (1) Internal auditors shall regularly know about the adequacy of internal control over derivatives trading, and monthly check the compliance of the trading department with the procedures for dealing with derivatives trading, analyze the trading cycle, and prepare an audit report. If any major violations are found, they shall notify the supervisor in writing, and if the Company has established independent directors according to the regulations, they shall also notify the audit committee in writing.
- (2) Internal auditors shall report the audit report and the annual audit results of internal audit to the Financial Supervisory Commission of the Executive Yuan via Internet in the prescribed format before the end of February of the following year, and report the improvement of abnormal matters in the same way as above for future reference at the latest before the end of May of the following year.

IV. Regular assessment methods

- (1) The board of directors shall authorize the senior executives to regularly supervise and evaluate whether the trading of derivative products is conducted in accordance with the trading procedures set by the company, and whether the risks they undertake are within the allowable commitment range. If there is any abnormality in the market evaluation report (such as the position they hold exceeds the upper limit of losses), they shall immediately report to the board of directors and take corresponding measures.
 - (2) The positions held by derivative commodity exchanges shall be evaluated at least once a week, but if hedging transactions are required for business, the evaluation report shall be submitted to the senior executives authorized by the board of directors.
5. Principles of supervision and management of the board of directors when engaging in derivative commodity trading.
- (1) The board of directors shall appoint senior executives to pay attention to the

supervision and control of derivatives trading risks at any time. The management principles are as follows:

1. Regularly evaluate whether the risk management measures currently in use are appropriate and are indeed handled in accordance with these Standards and the company's procedures for dealing with derivatives transactions.
 2. Monitor the trading, profit and loss, and take necessary measures to deal with any abnormal situation, and immediately report to the board of directors. If the company has established independent directors, the board of directors should attend and express their opinions.
- (2) Regularly assess whether the performance of trading in derivative commodities is in line with the established business strategy and whether the risks undertaken are within the allowable range of the company.
- (3) When this Corporation engages in derivative commodity trading, if it authorizes relevant personnel to handle it according to the prescribed procedures for dealing with derivative commodity trading, it shall report to the nearest board of directors afterwards.
- (4) When engaging in derivatives trading, this Corporation shall establish a memo book, and publish in the memo book the types, amounts, dates approved by the board of directors, and matters that should be carefully evaluated in accordance with subparagraphs (2) of paragraph 4 and (1) and (2) of paragraph 5 of this Article.

Article 14 Handling procedures for merger, division, acquisition or share transfer.

I. Evaluation and Operating Procedures

- (1) When this Corporation handles merger, division, acquisition or share transfer, it shall appoint lawyers, accountants and underwriters to jointly discuss the estimated schedule of legal procedures, and organize an ad hoc group to implement them in accordance with legal procedures. Before the resolution of the board of directors is held, accountants, lawyers or securities underwriters are invited to express their opinions on the rationality of share conversion ratio, purchase price or cash or other property distributed to shareholders, and they are submitted to the board of directors for discussion and approval. However, the merger of subsidiaries that directly or indirectly hold 100% issued shares or total capital, or the merger between subsidiaries that directly or indirectly hold 100% issued shares or total capital, may be exempted from obtaining reasonable opinions issued by the previous experts.
- (2) The Company shall prepare a public document for shareholders before the meeting of the shareholders' meeting on the important agreed contents and

related matters of merger, division or acquisition, and submit the expert opinions in Item 1 of Paragraph 1 of this Article and the meeting notice of the shareholders' meeting to the shareholders as a reference for whether to approve the merger, division or acquisition. However, this restriction shall not apply to those who can be exempted from holding a shareholders' meeting to resolve merger, division or acquisition according to other laws. In addition, if the shareholders' meeting of any company involved in the merger, division or acquisition is unable to convene or make a resolution due to insufficient attendance, voting rights or other legal restrictions, or the proposal is rejected by the shareholders' meeting, the company involved in the merger, division or acquisition shall immediately publicly explain the causes, subsequent processing operations and the expected date of convening the shareholders' meeting.

II. Other matters needing attention

- (1) Date of the board of directors: Unless otherwise stipulated by other laws or special factors have been reported to the Financial Supervisory Commission of the Executive Yuan for prior approval, the company involved in the merger, division or acquisition shall convene the board of directors and shareholders' meeting on the same day to resolve the merger, division or acquisition related matters. Unless otherwise stipulated by other laws or special factors, the company participating in the share transfer shall convene the board of directors on the same day.

When the Company participates in merger, division, acquisition or share transfer, it shall make a complete written record of the following information and keep it for five years for inspection.

1. Basic information of personnel: including the professional titles, names, ID numbers (passport numbers in case of foreigners) of all the people who participated in the merger, division, acquisition or share transfer plan or plan implementation before the news was made public.
2. Date of important matters: including the date of signing letter of intent or memorandum, entrusting financial or legal consultant, signing contract and board meeting, etc.
3. Important documents and minutes: including merger, division, acquisition or share transfer plan, letter of intent or memorandum, important contract and minutes of the board of directors.

When this company participates in merger, division, acquisition or share transfer, it shall, within two days from the date when the resolution of the board of directors is passed, report the information in the first and second paragraphs

of the preceding paragraph to the competent authority for reference through the Internet information system in the prescribed format.

If the companies involved in the merger, division, acquisition or share transfer are companies that are not listed or whose shares are traded on the business premises of securities firms, this Corporation shall sign an agreement with them and handle them in accordance with the provisions of paragraphs 2 and 3.

- (2) Prior confidentiality commitment: all those who participate in or are aware of the company's merger, division, acquisition or share transfer plan shall issue a written confidentiality commitment, and before the information is made public, they shall not disclose the contents of the plan to the outside world, nor buy or sell the shares of all companies and other securities with equity nature related to the merger, division, acquisition or share transfer case by themselves or in the name of others.
- (3) Principles for setting and changing the share conversion ratio or purchase price: Companies involved in merger, division, acquisition or share transfer shall appoint accountants, lawyers or securities underwriters before the board of directors of both parties to express their opinions on the rationality of the share conversion ratio, purchase price or cash or other property distributed to shareholders and submit them to the shareholders' meeting. In principle, the share conversion ratio or purchase price shall not be arbitrarily changed, except that the conditions for change have been stipulated in the contract and have been publicly disclosed. The change conditions of share conversion ratio or purchase price are as follows:
 1. Handling cash capital increase, issuing convertible corporate bonds, free rights issue, issuing corporate bonds with warrants, special shares with warrants, warrants and other securities with equity nature.
 2. Dispose of the company's major assets and other acts that affect the company's financial business.
 3. Major disasters, technological changes and other events that affect the company's shareholders' rights or securities prices.
 4. Any party of the company involved in the merger, division, acquisition or share transfer shall buy back treasury shares according to law.
 5. The number of subjects or households involved in merger, division, acquisition or share transfer changes.
 6. Other conditions that have been stipulated in the contract and have been publicly disclosed.
- (4) Contents to be included in the contract: In addition to the provisions of Article 317-1 of the Company Law and Article 22 of the Enterprise Merger and Acquisition Law, the contract of the merger, division, acquisition or share

transfer company shall also include the following items.

1. Handling of breach of contract.
 2. Principles for dealing with previously issued equity securities or repurchased treasury shares of companies that have been destroyed or split by merger.
 3. After the base date of calculating the share conversion ratio, the participating company may buy back the treasury shares according to law and the principle of handling them.
 4. Handling methods for changes in the number of participants or households.
 5. Estimate the implementation progress of the plan and the estimated completion schedule.
 6. If the plan fails to be completed within the time limit, the scheduled date of the shareholders' meeting and other relevant processing procedures shall be ordered according to law.
- (5) When the number of companies involved in the merger, division, acquisition or share transfer changes: if any of the companies involved in the merger, division, acquisition or share transfer intends to merge, divide, acquire or share transfer with other companies after the information is disclosed to the public, except that the number of participating companies decreases and the board of directors has decided and authorized the board of directors to change its authority, the participating companies may be exempted from holding a shareholders' meeting to make a new resolution, except in the original merger, division, acquisition or share transfer case.
- (6) If any company involved in the merger, division, acquisition or share transfer is a non-public company, this company shall sign an agreement with it, and handle it in accordance with the provisions of the date of the board meeting in Paragraph 2 (1) of this Article, the prior confidentiality commitment in Paragraph 2, and the change of the number of companies involved in the merger, division, acquisition or share transfer in Paragraph 5.

Article 15 Information disclosure procedures

- 1 · the declaration items and standards should be announced.
- (1) acquire or dispose of real estate or its right to use assets from related parties, or acquire or dispose of other assets other than real estate or its right to use assets with related parties, and the transaction amount reaches 20% of the company's paid-in capital, 10% of its total assets or NT\$300 million or more. However, this restriction does not apply to buying and selling domestic government bonds, bonds with buy-back or sell-back conditions, and purchasing or buying back money market funds issued by domestic securities investment trust enterprises.

- (2) merger, division, acquisition or share transfer.
- (3) The losses incurred in derivative commodity trading reach the maximum amount of all or individual contract losses stipulated in the prescribed processing procedures.
- (4) Acquisition or disposal of equipment for business use or assets of its right to use, and the transaction object is not a related party, and the transaction amount reaches one of the following provisions:
 1. The paid-in capital is less than NT10 billion, and the transaction amount is over NT\$ 500 million.
 2. The paid-in capital amount is over NT\$10 billion, and the transaction amount is over NT\$1 billion.
- (5) The company engaged in the construction business acquires or disposes of the real estate used for construction or its right to use assets, and the transaction object is not a related party, and the transaction amount is NT\$500 million or more; Among them, the paid-in capital amounts to NT\$10 billion or more, and if the real estate that has been built and completed by itself is disposed of, and the transaction object is not a related party, the transaction amount is NT\$1 billion or more.
- (6) If the real estate is acquired by self-building, leasing, co-building, sub-housing, co-building and sub-selling, and the transaction object is not a related party, the estimated transaction amount invested by the company will reach NT\$500 million or more.
- (7) The transaction amount of assets other than those mentioned in the preceding six paragraphs, the disposal of creditor's rights by financial institutions or the investment in mainland China is 20% of the paid-in capital of the company or more than NT\$300 million. However, the following circumstances shall not apply:
 1. Buying and selling domestic bonds.
 - (2) A person who specializes in investment buys and sells securities in the stock exchange or over-the-counter of securities firms, or subscribes for ordinary corporate bonds and ordinary financial bonds (excluding subordinated bonds) that are offered and issued in the primary market, or purchases or buys back securities investment trust funds, or a securities firm acts as a consultant and recommender for securities firms to subscribe for securities in accordance with the regulations of the OTC market of the Republic of China.
 3. Buy and sell bonds with buy-back and sell-back conditions, and purchase or

buy back money market funds issued by domestic securities investment trust enterprises.

(8) The above-mentioned transaction amount is calculated as follows, and the term "one year" is based on the date of occurrence of this transaction, and it is retroactively calculated for one year, which has been exempted from being included in the announcement according to the regulations.

1. The amount of each transaction.
2. Accumulate the amount of transactions of the same nature acquired or disposed of with the same counterpart within one year.
3. Accumulate the amount of acquired or disposed of (acquired and disposed of separately) the real estate of the same development plan or its right to use assets within one year.
4. Accumulate the amount of the same securities acquired or disposed of (acquired and disposed of separately) within one year.

(9) The 10% of total assets stipulated in this procedure shall be calculated by the total assets amount in the latest individual or individual financial report as stipulated in the financial report preparation standards of securities issuers.

If the company's shares have no denomination or the denomination of each share is not NT\$10, the transaction amount of 20% of the paid-in capital in this procedure shall be calculated on the basis of 10% of the equity attributable to the owner of the parent company.

2. Time limit for public announcement and declaration.

If the company acquires or disposes of assets with items to be announced in paragraph 1 of this article and the transaction amount reaches the standards to be announced and reported in this article, it shall make an announcement and report within two days from the date of the fact.

III. Announcement and declaration procedures

- (1) The Company shall make an announcement and report on the website designated by the Financial Supervisory Commission.
- (2) The Company shall, on a monthly basis, enter the information reporting website designated by the Financial Supervisory Commission before the 10th day of each month the information of the Company and its subsidiaries which are not domestic public companies engaged in derivative commodity trading as of the end of last month in the prescribed format.
- (3) If there are any errors or omissions in the announcement of items to be announced by this Corporation in accordance with the regulations, which should

be corrected, all items shall be re-announced and reported within two days from the date of becoming aware of them.

- (4) When the Company acquires or disposes of assets, it shall keep the relevant contracts, minutes, reference books, appraisal reports, opinions of accountants, lawyers or securities underwriters in the Company, and keep them for at least five years, unless otherwise stipulated by other laws.
- (5) After the company announces and reports the transactions in accordance with the foregoing provisions, if any of the following circumstances occurs, it shall announce and report the relevant information on the website designated by the Financial Supervisory Commission within two days from the date of the occurrence of the facts:
 1. The relevant contract signed in the original transaction has been changed, terminated or cancelled.
 2. The merger, division, acquisition or share transfer is not completed according to the scheduled schedule of the contract.
 3. The contents of the original announcement are changed.

Article 16 The Company shall urge its subsidiaries to comply with the following provisions:

1. Subsidiaries of this Corporation shall formulate the "Procedures for Handling Acquisition or Disposal of Assets" in accordance with the relevant provisions of the "Standards for Handling Acquisition or Disposal of Assets by Public Companies".
2. If a subsidiary of this Corporation is not a public company, and the acquisition or disposal of assets meets the standards for announcement and reporting prescribed in Paragraph 1 of Article 15, this Corporation shall also make announcement and reporting on behalf of the subsidiary.
3. In the announcement and reporting standards of subsidiaries of the Company, the term "up to 20% of the paid-in capital or 10% of the total assets of the Company" refers to the paid-in capital or total assets of the Company.

Article 17 Penalty

If the company's employees violate the provisions of this processing procedure by undertaking the acquisition and disposal of assets, they will be reported and assessed regularly according to the personnel management measures and employee handbook of the company, and will be punished according to the seriousness of the case.

Article 18 Implementation and Revision

The Company's "Disposal Procedure for Acquisition or Disposal of Assets" shall be approved by more than half of all members of the Audit Committee, approved by the

Board of Directors, and then submitted to the shareholders' meeting for approval, and the same applies when it is amended. If there is any objection from a director with a record or written statement, the company shall also send the information of objection from the director to the audit committee.

If an independent director has been appointed according to the provisions of this Law, the opinions of the independent directors shall be fully considered when the Procedures for Handling Acquisition or Disposal of Assets are submitted to the board of directors for discussion. If the independent directors have objections or reservations, they shall be recorded in the minutes of the board of directors.

If the first paragraph is not approved by more than half of all members of the audit committee, it may be approved by more than two thirds of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors. All members of the audit committee referred to in paragraph 1 and all directors referred to in the preceding paragraph shall be calculated on the basis of actual incumbents.

Article 19 Revision Date

This procedure was formulated on June 20, 2003.

This procedure was revised for the first time on June 14, 2006.

This procedure was revised for the second time on June 21, 2007.

This procedure was revised for the third time on June 13, 2012.

This procedure was revised for the fourth time on June 12, 2014.

This procedure was revised for the fifth time on June 15, 2016.

This procedure was revised for the sixth time on June 15, 2017.

This procedure was revised for the seventh time on June 25, 2019.

This procedure was revised for the eighth time on June 12, 2020.

This procedure was revised for the ninth time on July 9, 2021.

CREATIVE SENSOR INC. Shareholding of All Directors

I Paid-in capital of the company: NTD 1,490,550,000.

Total number of shares issued at present: 149,055,000 shares

II. The legal minimum number of shares to be held by all directors: 8,943,300 shares

III. All directors and shares are as follows:

Date of information: April 12, 2022

Title	Name	Date when elected	Number of shares held when elected		Shareholding position as at the book closure date	
			Number of shares held	Ratio	Number of shares held	Ratio
Chairman	TECO Image Systems Co., Ltd. Representative: Yu-Jen Huang	2021.7.9	21,928,260	17.26%	28,906,260	19.39%
Vice Chairman	TECO Image Systems Co., Ltd. Representative: Chi-Chang Yang	2021.7.9	21,928,260	17.26%	28,906,260	19.39%
Director	Koryo Electronics Co., Ltd. Representative: En-Kuo Wang	2021.7.9	3,787,000	2.98%	5,701,000	3.82%
Director	Koryo Electronics Co., Ltd. Representative: Mu-Yao Ku	2021.7.9	3,787,000	2.98%	5,701,000	3.82%
Independent Director	Hsiu-Ming Wang	2021.7.9	0	0%	0	0%
Independent Director	Shih-Ying Huang	2021.7.9	0	0%	0	0%
Independent Director	En-Hsin Hsiao	2021.7.9	0	0%	0	0%
Total directors' shareholding			25,715,260	20.24%	34,607,260	23.21%

Note 1: The Company has three independent directors; therefore, the required shareholding percentage was reduced to 80% according to the provision of Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies."

Note 2: The Company sets up the Audit Committee and, thus, the shareholding of the supervisors required by laws is not applicable.