



股票代號：5478

智冠科技股份有限公司

SOFT-WORLD INTERNATIONAL CORPORATION

111年股東常會

Handbook for the 2022 Annual Meeting of Shareholders

議事手冊



日期：中華民國111年6月21日

地點：高雄國賓大飯店樓外樓
(高雄市民生二路202號20樓)

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One. Meeting Procedures

Soft-World International Corporation 2022 Annual General Meeting Procedures

I. Call the Meeting to Order

II. Chairperson Remarks

III. Company Reports

IV. Proposals

V. Discussion

VI. Extempore Motions

VII. Adjournment

Two. Meeting Agenda

Soft-World International Corporation

The 2022 Annual Meeting of Shareholders Agenda

Meeting method: Physical meetings

Time: 9:30 a.m. Tuesday, June 21, 2022

Location: Kaohsiung Ambassador Hotel Building (20F, No. 202,
Minsheng 2nd Road, Kaohsiung City)

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Company Reports
 - (I) The 2021 Business Report.
 - (II) The Audit Committee's Review Report on the 2021 Financial Statements.
 - (III) 2021 Director Supervisor and Employee Recompense Distribution Report
 - (IV) Reporting on the distribution of 2021 earnings as cash dividends.
 - (V) Amendments to the Code of Ethical Conduct.
- IV. Proposals
 - (I) The Company's 2021 Business Report and Financial Statements.
- V. Discussion
 - (I) Amendments to the "Articles of Incorporation".
 - (II) Amendments to Rules of Procedure for Shareholders Meetings.
 - (III) Regulations Governing the Acquisition and Disposal of Assets
- VI. Extempore Motions
- VII. Adjournment

Three. Report Items

I. The 2021 Business Report

Soft-World International Corporation The 2021 Business Report

Thank you for joining us at the 2022 annual general meeting of shareholders. Soft-World group, with its core spirit of providing better service, has deepened its roots in cutting-edge applications of the cyber world, focused on the steady development of digital games, online advertising and marketing, and financial technology to secure current market share and concurrently explored opportunities overseas. In 2021, regardless of the adjustment of industrial policy in China and challenges from highly competitive game market, Soft-World stays on top of the industry trend with diversified service portfolio. Benefiting from steady contributions of Soft-World distribution, successful performance of IP authorization, and growth of subsidiaries, namely, EFun International Corporation (EFun) and Neweb Technologies Co., Ltd. (Neweb), Soft-World delivered the second-best record in the past eleven years in 2021 along with the consolidated revenue NT\$6.601 billion, the after-tax net profit attributable to the company's owners NT\$830 million, and EPS NT\$6.84.

Digital games business group: Omnichannel game marketing and cooperation with globally renowned products

Soft-World continues to extend the application of MyCard digital points and scale up comprehensive marketing service. In 2021, we continued to partner with several globally renowned game titles and maintained a leading position in game coverage among third-party service providers. Soft-World group has established one-stop integrated service which is including digital points payment, local commercial and promotion, exhibition design, online/offline marketing, game customer service, social media and e-Sports services, cloud service, art design and music production. With the most comprehensive omnichannel service resources, Soft-World has become the backbone of global game companies while launching games in Taiwan, Hong Kong, Macao, as well as the safe and convenient payment option for players. In the overseas market, in addition to Singapore and Malaysia, MyCard payment service was gradually made available in the Philippines, Thailand and Indonesia last year. As the demand of launching games in global market has been growing up, the Soft-World's service share in the Southeast Asia market is anticipated to ramp up.

In 2021, the game development subsidiary Chinese Gamer International Corporation (Chinese Gamer), released updated version of "Chinese

Heroes Online,” “TS M,” “Huang Yi M,” and “Love Box M”, also licensed “TS M” to Chinese publisher and started to bring in revenue. In the coming year, Chinese Gamer has scheduled several gaming events for boosting popularity and adhesiveness among gamers. And the developing new titles “Legend of Emperors S” and “Back to the Past”, have strived for strengthening every aspect of game mechanics in order to give players better gaming experience, are expected to be launched this year. Chinese Gamer will constantly follow the latest network technology and development trend, and explore opportunities in the new field of content creation.

In 2021, the game distribution subsidiary Game Flier International Corporation (Game Flier), co-published the well-known IP-based mobile game “Wind Fantasy Special Purpose” with FUN YOURS TECHNOLOGY CO., LTD. in order to diversify its product portfolio. Moreover, Game Flier scheduled update events of its classic games and initiated Southeast Asia operation service last year. In June 2021, Game Flier published game title “Eternal Scarlet II: Light” on mobile and web platform to accumulate local market knowledge and experience. Game Flier maintains steady operation of existing products, flexible business model and constantly collaborates with game developers with new attractive games achieving a win-win situation.

In recent years, the subsidiary Game First International Corporation (Game First) actively developed the all-dimensional game integration service. With teams of multilingual game customer service staff, integrated marketing, social media and e-Sports services, it supported game companies to establish and execute global launching strategy and provides services in overall marketing planning, tailored to players in different markets. In 2021, it was appointed by many globally renowned game titles as the designated customer service provider in Taiwan, Hong Kong, Macao and the Southeast Asia region.

Soft-World group’s IP authorized mobile game developed by ZLONGAME, “Kalpa of Universe,” was launched in China, Taiwan, Hong Kong and Macao in 2021. The cutting-edge visual combat presentation has not only recreated the classic Chinese RPG game which received great feedback from players, but also raised the bar of Simulation Chess Game. This project has drastically increased proportion of the high-gross-profit licensing revenue, and will likely bring in stable income as the game is being launched in other overseas regions in the future. In addition, the classic original IP of “TS 3” owned by Chinese Gamer was authorized to 9Splay Entertainment Technology Co., LTD. for the development of new mobile game “TS 3: Idle” that launched in the second quarter this year.

Strengthening the development of marketing technology ‘MarTech’ and guiding the road to the global market

Subsidiary, Efun focuses on MarTech (marketing technology) application and masters all type of digital advertising. By utilizing data science and AI technology analysis to find the precise target audience and optimized online marketing plan, it has served the local and global leading brands in various industries. It once again received the “Premier Partner Awards 2021 – App Excellence” in the Taiwan and Hong Kong region from Google last year affirming its professionalism and creativity. In response to the constantly changing of industries in the post-pandemic era, Efun regularly introduces the latest digital marketing technology, including YouTube masthead ads and live stream ads. Through streaming technology, live stream ads can now be delivered cross-border synchronously, and thus improve customer reach. Meanwhile, Efun aims to expand overseas markets and develop partnerships in different industries with the goal of guiding Efun’s partners to the global market.

Emphasizing both Online and Offline payment to build a comprehensive FinTech application scenario

The global pandemic in the past two years has sped up the change of consumer’s behaviors and Neweb benefits by raising requirements of online sales and services. As a result, Neweb experienced double-digit growth in the online payment processing business in 2021. Neweb continuously strengthens digital financial solutions, of which, the third-party payment service “NewebPay” is already widely used in e-commerce, digital content, games, live video, delivery, taxi hailing, online ticketing, courses and education, and by many well-known brands. In order to deploy in payment extension application, in 2021, the logistics services of convenience store pick up and bulk shipment were launched. Neweb also plans to accelerate the establishment of one-stop payment and logistics integrated service platform by expanding logistics services in convenience store shipment, home delivery and cross-border shipment.

In accordance with the new electronic payment act, the e-wallet “ezPay” of ezPay Co., Ltd. (ezPay) took the lead to join the “cross-institutional electronic payment platform” in October 2021 to promote the cross-institutional transfer business. In an attempt to enter the offline market, ezPay continuously develops the offline terminal equipment sharing business. Through the latest version of integrated diversify collections device “ezAIO,” which is expected to be launched this year, Neweb will extend the border to physical payment scenarios such as mobile billing and tableside service. Moreover, the optimization of existing value-added functions, including donation platform, electronic invoices, and electronic receipt for Travel Agency are also expected to drive the

growth of Neweb this year.

Thanks to all employees' countless effort and full support from our shareholders, directors, and supervisors, the business result of 2021 is as follow:

(I) 2021 Business Plan Result

The 2021 final account book was audited by Deloitte Taiwan. In 2021, the net consolidated revenue was NT\$6,601 million; the net consolidated profit after tax attributed to owners of this parent was NT\$830 million; and the EPS was NT\$6.84.

(II) Budget execution in 2021

We did not disclose any financial forecast for 2021, and there is thus no budget performance.

(III) Financial income and expenditure, and profitability analysis in 2021

1. Financial Revenue and Expenditure

Unit: NTD thousands

Item	2021	2020	Increase (decrease) in amount	increase / decrease %
Operating revenue	6,601,378	7,268,092	(666,714)	(9.17)
Gross profit	3,315,627	3,738,887	(423,260)	(11.32)
Operating expenses	2,261,971	2,631,370	(369,399)	(14.04)
Net income	1,053,656	1,107,517	(53,861)	(4.86)
Net profit before taxation	1,108,942	1,245,218	(136,276)	(10.94)
Net income in current year	873,329	997,267	(123,938)	(12.43)
Net profit attributable to the Company	829,934	943,767	(113,833)	(12.06)
Net gain attributable to non-controlling interest	43,395	53,500	(10,105)	(18.89)

2. Profitability analysis

Item		2021	2020
Return on assets %		6.00	7.54
Return on shareholders' equity (%)		11.54	13.70
As a percentage of paid up capital (%)	Net income	82.66	86.88
	Net profit before taxation	86.99	97.68
Net profit margin (%)		13.23	13.72
After tax EPS (NT\$)		6.84	7.76

(IV) Research and development

As a game development specialist, we mass produce games we develop and actively engage in the production of music and sound effects for games. In 2021, the consolidated R&D expenses were NT\$275,973,000.

We wish you all shareholders,
Health and prosperity in the future.

Chairman : WANG, CHIN-PO

Manager : WANG, CHIN-PO

Chief accountant : HUANG, YA-CHUAN

II. The Audit Committee's Review Report on the 2021 Financial Statements.

Soft-World International Corporation Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 business report, individual financial statements and consolidated financial statements and the earnings distribution proposal, of which, the individual financial statements and consolidated financial statements have been duly audited by CPA Chen-Li Chen and CPA Kai-Ning Hsu of "Deloitte & Touche" and an audit report relating thereto has been issued. The aforementioned business report, individual financial statements and consolidated financial statements and earnings distribution proposal have been reviewed by the Audit Committee without any inconsistencies found. The report is hereby prepared for approval in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, please approve.

To:

2022 Annual General Meeting

Soft-World International Corporation
Convener of the Auditing Committee

March 16, 2022

III.2021 Director Supervisor and Employee Recompense Distribution Report

- (I) By Company Rules Article 22, shall allocate no less than 2% for employee recompense and no more than 2% for Directors and Supervisors.
- (II) The Company proposed to appropriate 5% of the net pre-tax profit as employees' compensation in 2021, NT\$52,187,000 in total; and 1% as directors' and supervisors' remuneration, NT\$10,437,426 in total. The payments will be made in cash.
- (III) Employee recompense is limited to full-time employees in the corporation and subsidiaries. The amount will be based on length of service, job grade, performance, overall contribution or special achievement, confirmation of employee qualification and so on.

IV. Reporting on the distribution of 2021 earnings as cash dividends

- (I) The Company distributes cash dividends from the earnings in 2021. The earnings of the first three quarters will not be distributed. The Board of Directors has resolved to have a cash dividend for an amount of NT\$659,949,326, or NT\$5.2 per share, distributed in the 4th quarter in accordance with the Company's Articles of Incorporation.
- (II) Cash dividends are distributed with a rounded-up amount (rounded up to dollar). The fractional share with cash dividends for less than NT\$1 should be booked in the Company's "Other income" account.

V. Amendments of the Ethical Code of Conduct

- (I) It is proposed to amend parts of the articles of the Codes of Ethical Conduct according to Letter Jin-Guan-Zheng-Fa Zi No. 1090338980 on May 29, 2020 released by the Financial Supervisory Commission.
- (II) Please refer to page 10 to 12 of Attachment 1 of this Handbook for the amendments to the aforementioned "Code of Ethical Conduct" before and after.

Four. Acknowledgments

No. 1: Proposed by the Board

Subject: Acknowledging the Company's 2021 Business Report and Financial Statements.

Description:

1. The Company's 2021 individual financial statements and consolidated financial statements have been duly audited by CPA Chen-Li Chen and CPA Kai-Ning Hsu of "Deloitte & Touche."
2. Please refer to Attachment 2 on page 13 to 33 of the Agenda Handbooks for the 2021 Individual Financial Statements, Consolidated Financial Statements and Independent Auditor's Report.
3. Please refer to Attachment 3 on pages 3 to 6 and page 34 of the Agenda Handbooks for the aforementioned reports, together with the business report and the earnings distribution proposal, that have been reviewed by the Audit Committee and are submitted to the shareholders' meeting for approval.

Resolutions:

Five. Discussions

No. 1: Proposed by the Board

Subject: Amendment to Company Rules propose to approve.

Description:

1. For the purpose of convening the Company's shareholders' meetings more flexible, according to Article 172-2, Paragraph 1 of the Company Act, it is expressly stipulated in the Company's Articles of Incorporation that the shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the central competent authority. Therefore, it is proposed to have some provisions of the Company's Articles of Incorporation amended.
2. Please refer to page 35 of Attachment 4 for the comparison of the aforesaid amended clauses.

Resolutions:

No. 2: Proposed by the Board

Subject: Amendments to Rules of Procedure for Shareholders Meetings. Please proceed to discuss.

Description:

1. In response to the amendment of Article 172-2 of the Company Act, companies may convene a shareholders' meeting by means of visual communication network that allow shareholders to participate in the shareholders' meetings conveniently. Therefore, some provisions of the Company's "Rules of Procedures for Shareholders Meetings" are amended partially.
2. Please refer to page 36 to 44 of Attachment 5 for the amendments to the aforementioned "Rules of Procedure for Shareholder Meetings" before and after.

Resolutions:

No. 3: Proposed by the Board

Subject: Regulations Governing the Acquisition and Disposal of Assets. Please proceed to discuss.

Description:

1. It is proposed to amend parts of the articles of the Procedures for Acquisition or Disposal of Assets according to Letter Jin-Guan-Zheng-Fa Zi No. 1110380465 on January 28, 2022 released by the Financial Supervisory Commission.
2. Please refer to page 45 to 50 of Attachment 6 for the Comparison Table

for Amendments of the “Procedures for the Acquisition or Disposal of Assets.”

Resolutions:

Six. Extempore Motion Adjournment

Attachment 1

Soft-World International Corporation

The “Code of Ethical Conduct” amendment outlines

Clauses after the amendment	Original clause	Amendment’s basis and reasons
<p>Article 1 For the purpose of providing guidance to directors and managerial officers of the Company in order to act in line with ethical standards, and to help interested parties better understand the ethical standards, the Company establishes this Code for compliance.</p>	<p>Article 1 For the purpose of providing guidance to directors, <u>supervisors</u> and managerial officers of the Company in order to act in line with ethical standards, and to help interested parties better understand the ethical standards, the Company establishes this Code for compliance.</p>	<p>Since the audit committee is set up to perform the supervisor’s duties, deleted the terms “supervisor(s).”</p>
<p>Article 2 The “Regulations” is applicable to the Company’s directors and managerial officers, including general managers and equivalents, deputy general managers and equivalents, junior general manager and equivalents, financial department heads, accounting department heads and others who are responsible for the Company’s managerial affairs and who have the rights to sign company documents.</p>	<p>Article 2 The “Regulations” is applicable to the Company’s directors, <u>supervisors</u> and managerial officers, including general managers and equivalents, deputy general managers and equivalents, junior general manager and equivalents, financial department heads, accounting department heads and others who are responsible for the Company’s managerial affairs and who have the rights to sign company documents.</p>	<p>Since the audit committee is set up to perform the supervisor’s duties, deleted the terms “supervisor(s).”</p>
<p>Article 3: Directors and Managers of the Company shall handle official duties in an objective manner with efficiency, and shall not allow themselves, their spouses or kindred within the 2nd tier under the Civil Code access to illicit benefits by making use of their job positions and functions. For any loaning of funds, provision of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director or managerial officer works, relevant directors and managerial officers of the Company shall voluntarily explain whether there is any potential conflict between them and the Company.</p>	<p>Article 3: Directors, <u>supervisors</u> and Managers of the Company shall handle official duties in an objective manner with efficiency, and shall not allow themselves, their spouses, <u>parents, children</u> or kindred within the 2nd tier under the Civil Code access to illicit benefits by making use of their job positions and functions. For any loaning of funds, provision of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director, <u>supervisor</u>, or managerial officer works, relevant directors and managerial officers of the Company shall voluntarily explain whether there is any potential conflict between them and the Company.</p>	<p>Modified pursuant to the law. And since the audit committee is set up to perform the supervisor’s duties, deleted the terms “supervisor(s).”</p>

Clauses after the amendment	Original clause	Amendment's basis and reasons
<p>Article 4 The company shall prevent its directors or managerial officers from engaging in any of the following activities: 1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions; 2. Obtaining personal gain by using company property or information or taking advantage of their positions; 3. Competing with the company. When the company has an opportunity for profit, it is the responsibility of the directors and managerial officers to maximize the reasonable and proper benefits that can be obtained by the company.</p>	<p>Article 4 The company shall prevent its directors, <u>supervisors</u> or managerial officers from engaging in any of the following activities: 1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions; 2. Obtaining personal gain by using company property or information or taking advantage of their positions; 3. Competing with the company. When the company has an opportunity for profit, it is the responsibility of the directors, <u>supervisors</u>, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the company.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 5 Directors or managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its customers of purchase (sales), except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company and customers.</p>	<p>Article 5 Directors, <u>supervisors</u> or managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its customers of purchase (sales), except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company and customers.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 6 Directors and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p>	<p>Article 6 Directors, <u>supervisors</u>, and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 7 The Company's directors or managerial officers all have the responsibility to protect the Company's assets and ensure that they have been used effectively and legally in official business to avoid theft, negligence or waste that is detrimental to the Company's profitability.</p>	<p>Article 7 The Company's directors, <u>supervisors</u> or managerial officers all have the responsibility to protect the Company's assets and ensure that they have been used effectively and legally in official business to avoid theft, negligence or waste that is detrimental to the Company's profitability.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>

Clauses after the amendment	Original clause	Amendment's basis and reasons
<p>Article 8 The Company's directors or managerial officers shall comply with the Company's relevant policies, the Securities and Exchange Act and other laws and regulations.</p>	<p>Article 8 The Company's directors, <u>supervisors</u> or managerial officers shall comply with the Company's relevant policies, the Securities and Exchange Act and other laws and regulations.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 9 The Company shall have the directors or managerial officers who have violated the code of ethics punished accordingly. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.</p>	<p>Article 9 The Company shall have the directors, <u>supervisors</u> or managerial officers who have violated the code of ethics punished accordingly. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 10 The exemption of the directors or managerial officers from complying with the "Regulations" must be with the approval of the Board of Directors. The approval date of the said exemption by the Board of Directors should be disclosed on the Market Observation Post System immediately, including the objection or reservation of the independent directors, the duration of the exemption, the reason for granting the exemption, the Regulations applicable to the exemption, etc., that enable shareholders to assess whether or not the resolutions made by the Board of Directors are appropriate in order to prevent arbitrary or suspicious exemptions from occurrence and to ensure that any exemption from compliance with the regulations is with the appropriate control mechanisms for the protection for the Company.</p>	<p>Article 10 The exemption of the directors, <u>supervisors</u> or managerial officers from complying with the "Regulations" must be with the approval of the Board of Directors. The approval date of the said exemption by the Board of Directors should be disclosed on the Market Observation Post System immediately, including the objection or reservation of the independent directors, the duration of the exemption, the reason for granting the exemption, the Regulations applicable to the exemption, etc., that enable shareholders to assess whether or not the resolutions made by the Board of Directors are appropriate in order to prevent arbitrary or suspicious exemptions from occurrence and to ensure that any exemption from compliance with the regulations is with the appropriate control mechanisms for the protection for the Company.</p>	<p>Since the audit committee is set up to perform the supervisor's duties, deleted the terms "supervisor(s)."</p>
<p>Article 12: The Code of Ethical Conduct of the Company shall be implemented after the board of directors grants the approval, and reporting to the shareholders' meeting. The same procedure shall be adopted for amendments thereof. The "Regulations" was adopted on March 22, 2017 <u>with the 1st amendment made on March 16, 2022.</u></p>	<p>Article 12: The Company's code of ethical conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, delivered to each <u>supervisor</u>, and submitted to a shareholders meeting. The "Regulations" was adopted on March 22, 2017.</p>	<p>In response to the establishment of an Audit Committee to replace the supervisory duties of the supervisors, the term "supervisors" and amendment date are added.</p>

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Soft-World International Corporation

Opinion

We have audited the accompanying parent company only financial statements of Soft-World International Corporation (the "Corporation"), which comprise the parent company only balance sheets as of December 31, 2021 and 2020, the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2021. 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, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's parent company only financial statements for the year ended December 31, 2021 is described as follows.

Revenue Recognition - MyCard transactions

The Corporation is an agent in its exclusive card (MyCard) transactions. Net service revenue is recognized at the time customers use MyCard in exchange for game points. Please refer to Notes 4 and 21 to the parent company only financial statements for more details. We considered the risk of material misstatement of the recognition of revenue as the risk of incorrect calculation of the aforementioned game points and the amount needed to be transferred to the related game operators. Therefore, we focused on the accuracy of revenue recognized from MyCard transactions.

The main audit procedures performed by us included the following:

1. We understood and tested the operating effectiveness of the internal controls of the MyCard internet platform and the interface control between MyCard and the ERP system;
2. We implemented computer-assisted audit techniques to test the process by which MyCard points which are deposited, exchanged and consumed. We also verified the amount from MyCard points exchanged and needed to be transferred to the related game operators, and confirmed that the net service revenue amounts had been recorded appropriately.

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 Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the 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 Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 Corporation 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 and appropriate audit evidence regarding the financial information of entities or business activities within the Corporation 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 for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chen-Li Chen and Kai-Ning Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2022

Notice to Readers

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

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

SOFT-WORLD INTERNATIONAL CORPORATION

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

ASSETS	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 2,688,875	24	\$ 1,817,516	18
Notes receivable (Notes 4, 5 and 7)	55	-	1,125	-
Accounts receivable, net (Notes 4, 5 and 7)	79,412	1	50,669	1
Accounts receivable - related parties (Notes 4, 5, 7 and 27)	19,899	-	30,699	-
Other receivables (Notes 4 and 7)	1,370,510	12	1,460,047	15
Other receivables - related parties (Notes 4, 7 and 27)	86,517	1	60,349	1
Inventories (Notes 4 and 8)	28,611	-	41,619	-
Other financial assets - current (Notes 9 and 28)	2,433,282	22	2,355,640	23
Other current assets	91,863	1	91,767	1
Total current assets	<u>6,799,024</u>	<u>61</u>	<u>5,909,431</u>	<u>59</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss - noncurrent (Notes 4 and 10)	19,060	-	103,050	1
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 11)	360,310	3	275,050	3
Investments accounted for using the equity method (Notes 4 and 12)	3,499,339	32	3,363,835	34
Property, plant and equipment (Notes 4, 13 and 28)	340,099	3	342,987	3
Right-of-use assets (Notes 4 and 14)	12,115	-	11,125	-
Other intangible assets (Notes 4 and 15)	2,511	-	10,009	-
Deferred tax assets (Notes 4 and 23)	31,842	1	24,656	-
Refundable deposits	11,188	-	11,067	-
Other financial assets - noncurrent (Note 9)	7,530	-	3,644	-
Total noncurrent assets	<u>4,283,994</u>	<u>39</u>	<u>4,145,423</u>	<u>41</u>
TOTAL	<u>\$ 11,083,018</u>	<u>100</u>	<u>\$ 10,054,854</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 21)	\$ 50,406	-	\$ 38,376	-
Notes payable (Note 16)	7,054	-	5,354	-
Notes payable - related parties (Notes 16 and 27)	780	-	600	-
Accounts payable (Note 16)	117,308	1	58,182	1
Accounts payable - related parties (Notes 16 and 27)	52,688	1	57,970	1
Other payables (Note 17)	3,221,860	29	2,430,712	24
Other payables - related parties (Note 27)	110,948	1	179,975	2
Current tax liabilities (Notes 4 and 23)	105,483	1	33,533	-
Lease liabilities - current (Notes 4 and 14)	6,861	-	7,003	-
Other financial liabilities - current (Notes 4 and 18)	689,566	6	738,814	7
Other current liabilities	25,559	-	7,002	-
Total current liabilities	<u>4,388,513</u>	<u>39</u>	<u>3,557,521</u>	<u>35</u>
NONCURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 23)	102,551	1	102,923	1
Lease liabilities - noncurrent (Notes 4 and 14)	5,372	-	4,276	-
Net defined benefit liabilities (Notes 4 and 19)	78,691	1	73,619	1
Guarantee deposits received	6,070	-	280	-
Total noncurrent liabilities	<u>192,684</u>	<u>2</u>	<u>181,098</u>	<u>2</u>
Total liabilities	<u>4,581,197</u>	<u>41</u>	<u>3,738,619</u>	<u>37</u>
EQUITY (Note 20)				
Share capital	1,274,743	12	1,274,743	12
Capital surplus	1,816,989	16	1,781,028	18
Retained earnings				
Legal reserve	1,132,078	10	1,037,835	11
Special reserve	25,117	-	30,984	-
Unappropriated earnings	2,608,227	24	2,630,355	26
Total retained earnings	3,765,422	34	3,699,174	37
Other equity	154,829	2	71,683	1
Treasury shares	(510,162)	(5)	(510,393)	(5)
Total equity	<u>6,501,821</u>	<u>59</u>	<u>6,316,235</u>	<u>63</u>
TOTAL	<u>\$ 11,083,018</u>	<u>100</u>	<u>\$ 10,054,854</u>	<u>100</u>

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

SOFT-WORLD INTERNATIONAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	2021		2020	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 21 and 27)	\$ 2,670,982	100	\$ 2,719,262	100
OPERATING COSTS (Notes 22 and 27)	<u>492,660</u>	<u>18</u>	<u>432,083</u>	<u>16</u>
GROSS PROFIT	<u>2,178,322</u>	<u>82</u>	<u>2,287,179</u>	<u>84</u>
OPERATING EXPENSES (Notes 22 and 27)				
Selling and marketing expenses	1,242,528	47	1,341,824	49
General and administrative expenses	185,832	7	188,209	7
Research and development expenses	39,853	1	27,671	1
Expected credit loss (Note 7)	<u>19,443</u>	<u>1</u>	<u>17,544</u>	<u>1</u>
Total operating expenses	<u>1,487,656</u>	<u>56</u>	<u>1,575,248</u>	<u>58</u>
OPERATING INCOME	<u>690,666</u>	<u>26</u>	<u>711,931</u>	<u>26</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 22)	19,488	1	20,146	1
Other income (Note 22)	20,753	1	17,505	1
Other gains and losses (Note 22)	(29,775)	(1)	40,101	1
Finance costs (Note 22)	(201)	-	(310)	-
Share of profit of subsidiaries and associates accounted for using the equity method	<u>280,187</u>	<u>10</u>	<u>325,425</u>	<u>12</u>
Total non-operating income and expenses	<u>290,452</u>	<u>11</u>	<u>402,867</u>	<u>15</u>
PROFIT BEFORE INCOME TAX	981,118	37	1,114,798	41
INCOME TAX EXPENSE (Notes 4 and 23)	<u>151,184</u>	<u>6</u>	<u>171,031</u>	<u>6</u>
NET PROFIT FOR THE YEAR	<u>829,934</u>	<u>31</u>	<u>943,767</u>	<u>35</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	(5,227)	-	(1,545)	-
Unrealized income (loss) on investments in equity instruments at fair value through other comprehensive income (Note 20)	85,260	3	(20,363)	(1)
Share of other comprehensive income (loss) of subsidiaries accounted for using the equity method	19,322	1	(16,932)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 23)	<u>1,045</u>	<u>-</u>	<u>309</u>	<u>-</u>
	<u>100,400</u>	<u>4</u>	<u>(38,531)</u>	<u>(1)</u>

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	2021		2020	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 20)	\$ (20,835)	(1)	\$ (21,533)	(1)
Share of other comprehensive loss of subsidiaries accounted for using the equity method (Note 20)	(2,792)	-	(1,782)	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 23)	<u>4,167</u>	<u>-</u>	<u>4,386</u>	<u>-</u>
	<u>(19,460)</u>	<u>(1)</u>	<u>(18,929)</u>	<u>(1)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>80,940</u>	<u>3</u>	<u>(57,460)</u>	<u>(2)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 910,874</u>	<u>34</u>	<u>\$ 886,307</u>	<u>33</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 6.84</u>		<u>\$ 7.76</u>	
Diluted	<u>\$ 6.80</u>		<u>\$ 7.72</u>	

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

(Concluded)

SOFT-WORLD INTERNATIONAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity	Subtotal	Treasury Shares	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2020	\$ 1,274,743	\$ 1,753,876	\$ 976,777	\$ 120,524	\$ 2,169,340	\$ (29,101)	\$ 156,907	\$ 127,806	\$ (449,303)	\$ 5,973,763
Appropriation of 2019 earnings (Note 20)										
Legal reserve	-	-	61,058	-	(61,058)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(509,897)	-	-	-	-	(509,897)
Reversal of special reserve	-	-	-	(89,540)	89,540	-	-	-	-	-
	-	-	61,058	(89,540)	(481,415)	-	-	-	-	(509,897)
Net profit in 2020	-	-	-	-	943,767	-	-	-	-	943,767
Other comprehensive loss in 2020, net of income tax	-	-	-	-	(1,337)	(18,929)	(37,194)	(56,123)	-	(57,460)
Total comprehensive income (loss) in 2020	-	-	-	-	942,430	(18,929)	(37,194)	(56,123)	-	886,307
Purchase of treasury shares (Note 20)	-	-	-	-	-	-	-	-	(43,492)	(43,492)
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	21,960	-	-	-	-	-	-	-	21,960
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	(171)	-	-	-	-	-	-	-	(171)
Changes in percentage of ownership interests in subsidiaries	-	5,363	-	-	-	-	-	-	-	5,363
Purchase of the Corporation's shares by subsidiaries (Note 20)	-	-	-	-	-	-	-	-	(17,598)	(17,598)
BALANCE AT DECEMBER 31, 2020	1,274,743	1,781,028	1,037,835	30,984	2,630,355	(48,030)	119,713	71,683	(510,393)	6,316,235
Appropriation of 2020 earnings (Note 20)										
Legal reserve	-	-	94,243	-	(94,243)	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(761,480)	-	-	-	-	(761,480)
Reversal of special reserve	-	-	-	(5,867)	5,867	-	-	-	-	-
	-	-	94,243	(5,867)	(849,856)	-	-	-	-	(761,480)
Net profit in 2021	-	-	-	-	829,934	-	-	-	-	829,934
Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	(3,840)	(19,460)	104,240	84,780	-	80,940
Total comprehensive income (loss) in 2021	-	-	-	-	826,094	(19,460)	104,240	84,780	-	910,874
Changes in other capital surplus	-	90	-	-	-	-	-	-	-	90
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	33,436	-	-	-	-	-	-	-	33,436
Changes in percentage of ownership interests in subsidiaries	-	2,435	-	-	-	-	-	-	231	2,666
Disposal of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	1,634	-	(1,634)	(1,634)	-	-
BALANCE AT DECEMBER 31, 2021	\$ 1,274,743	\$ 1,816,989	\$ 1,132,078	\$ 25,117	\$ 2,608,227	\$ (67,490)	\$ 222,319	\$ 154,829	\$ (510,162)	\$ 6,501,821

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

SOFT-WORLD INTERNATIONAL CORPORATION

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

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 981,118	\$ 1,114,798
Adjustments for:		
Income and expenses		
Depreciation expenses	14,138	13,935
Amortization expenses	11,053	12,830
Expected credit loss recognized on accounts receivable	19,443	17,544
Loss (gain) on financial assets at fair value through profit or loss	32,402	(44,190)
Finance costs	201	310
Interest income	(19,488)	(20,146)
Dividend income	(4,110)	(2,747)
Share of profit of subsidiaries and associates accounted for using the equity method	(280,187)	(325,425)
Others	1,706	2,583
Changes in operating assets and liabilities		
Notes receivable	1,070	626
Accounts receivable	(30,656)	8,264
Accounts receivable - related parties	10,800	(4,976)
Other receivables	71,983	175,476
Other receivables - related parties	(26,168)	6,946
Inventories	11,302	(17,639)
Other current assets	(96)	58,108
Contract liabilities	12,030	(98,353)
Notes payable	1,700	(3,468)
Notes payable - related parties	180	(44,286)
Accounts payable	59,126	29,304
Accounts payable - related parties	(5,282)	(2,265)
Other payables	791,139	(134,671)
Other payables - related parties	(69,027)	36,688
Other financial liabilities	(49,248)	103,650
Other current liabilities	18,557	(321)
Net defined benefit liabilities	(146)	(1,307)
Cash generated from operations	1,553,540	881,268
Interest received	19,512	20,739
Dividends received	180,165	48,298
Interest paid	(201)	(310)
Income tax paid	(81,580)	(109,689)
Net cash generated from operating activities	<u>1,671,436</u>	<u>840,306</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	-	(58,860)
Disposal of financial assets at fair value through profit or loss	51,588	-
Acquisition of investments accounted for using the equity method	-	(1,782)
Proceeds from sale of subsidiaries	425	345

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(In Thousands of New Taiwan Dollars)

	2021	2020
Payments for property, plant and equipment	\$ (3,077)	\$ (1,334)
Decrease (increase) in refundable deposits	(121)	1,058
Payments for intangible assets	(3,555)	(4,513)
Increase in other financial assets	<u>(81,528)</u>	<u>(657,959)</u>
Net cash used in investing activities	<u>(36,268)</u>	<u>(723,045)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in guarantee deposits received	5,790	(70)
Repayment of the principal portion of lease liabilities	(8,209)	(8,019)
Cash dividends distributed	(761,480)	(509,897)
Payments to acquire treasury shares	-	(43,492)
Disposal of ownership interests in subsidiaries without losing control	-	3,891
Unclaimed dividend	<u>90</u>	<u>-</u>
Net cash used in financing activities	<u>(763,809)</u>	<u>(557,587)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	871,359	(440,326)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,817,516</u>	<u>2,257,842</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 2,688,875</u>	<u>\$ 1,817,516</u>

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

(Concluded)

DECLARATION OF CONSOLIDATED FINANCIAL STATEMENTS OF AFFILIATES

The entities that are required to be included in the consolidated financial statements of affiliates of Soft-World International Corporation for the year ended December 31, 2021 under the “Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises” are the same as those included in the consolidated financial statements of parent and subsidiary companies prepared in conformity with International Financial Reporting Standard No. 10, “Consolidated Financial Statements”. In addition, relevant information required to be disclosed in the consolidated financial statements of affiliates has all been included in the consolidated financial statements of parent and subsidiary companies. Consequently, Soft-World International Corporation and its subsidiaries did not prepare a separate set of consolidated financial statements of affiliates.

Very truly yours,

Soft-World International Corporation

By

Wang, Chun - Po
Chairman

March 16, 2022

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Soft-World International Corporation

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

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

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2021 is described as follows.

Revenue Recognition - MyCard transactions

The Corporation is an agent in its exclusive card (MyCard) transactions. Net service revenue is recognized at the time customers use MyCard in exchange for game points. Please refer to Notes 4 and 23 to the consolidated financial statements for more details. We considered the risk of material misstatement of the recognition of revenue as the risk of incorrect calculation of the aforementioned game points and the amount needed to be transferred to the related game operators. Therefore, we focused on the accuracy of revenue recognized from MyCard transactions.

The main audit procedures performed by us included the following:

1. We understood and tested the operating effectiveness of the internal controls of the MyCard internet platform and the interface control between MyCard and the ERP system;
2. We implemented computer-assisted audit techniques to test the process by which MyCard points which are deposited, exchanged and consumed. We also verified the amount from MyCard points exchanged and needed to be transferred to the related game operators, and confirmed that the net service revenue amounts had been recorded appropriately.

Other Matter

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

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chen-Li Chen and Kai-Ning Hsu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 16, 2022

Notice to Readers

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

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

ASSETS	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 5,701,412	37	\$ 5,074,336	37
Contract assets - current (Note 4 and 23)	2,831	-	-	-
Notes receivable (Notes 4 and 7)	445	-	4,025	-
Accounts receivable, net (Notes 4, 7 and 31)	413,072	3	574,498	4
Other receivables (Notes 4, 7 and 31)	1,965,150	13	1,745,983	13
Current tax assets (Notes 4 and 25)	699	-	6,747	-
Inventories (Notes 4 and 8)	33,829	-	41,326	-
Other financial assets - current (Notes 9 and 32)	5,533,757	36	4,442,006	32
Other current assets	152,849	1	200,023	2
Total current assets	<u>13,804,044</u>	<u>90</u>	<u>12,088,944</u>	<u>88</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4 and 10)	19,060	-	103,050	1
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 11)	504,999	4	402,774	3
Investments accounted for using the equity method (Notes 4 and 13)	37,600	-	38,641	-
Property, plant and equipment (Notes 4, 14 and 32)	382,135	3	386,835	3
Right-of-use assets (Notes 4 and 15)	27,464	-	54,283	1
Investment properties (Notes 4 and 16)	38,337	-	42,219	-
Goodwill (Note 5)	457,621	3	457,621	4
Other intangible assets (Notes 4 and 17)	12,437	-	26,578	-
Deferred tax assets (Notes 4, 5 and 25)	41,793	-	36,040	-
Refundable deposits	31,245	-	28,219	-
Net defined benefit assets (Notes 4 and 21)	22,565	-	21,611	-
Other financial assets - noncurrent (Note 9)	30,445	-	25,389	-
Other noncurrent assets	629	-	1,562	-
Total noncurrent assets	<u>1,606,330</u>	<u>10</u>	<u>1,624,822</u>	<u>12</u>
TOTAL	<u>\$ 15,410,374</u>	<u>100</u>	<u>\$ 13,713,766</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Contract liabilities - current (Note 23)	\$ 229,101	2	\$ 202,293	2
Notes payable (Notes 18 and 31)	8,584	-	7,616	-
Accounts payable (Notes 18 and 31)	327,236	2	500,894	4
Other payables (Notes 19 and 31)	4,186,014	27	2,891,250	21
Current tax liabilities (Notes 4 and 25)	171,056	1	68,098	1
Lease liabilities - current (Notes 4 and 15)	22,053	-	35,951	-
Other financial liabilities - current (Notes 4 and 20)	2,446,788	16	2,207,710	16
Other current liabilities	43,025	-	30,424	-
Total current liabilities	<u>7,433,857</u>	<u>48</u>	<u>5,944,236</u>	<u>44</u>
NONCURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 25)	117,878	1	123,820	1
Lease liabilities - noncurrent (Notes 4 and 15)	5,406	-	18,534	-
Net defined benefit liabilities (Notes 4 and 21)	89,038	1	83,638	-
Guarantee deposits received	88,248	-	84,143	1
Total noncurrent liabilities	<u>300,570</u>	<u>2</u>	<u>310,135</u>	<u>2</u>
Total liabilities	<u>7,734,427</u>	<u>50</u>	<u>6,254,371</u>	<u>46</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 22)				
Share capital	1,274,743	8	1,274,743	9
Capital surplus	1,816,989	12	1,781,028	13
Retained earnings				
Legal reserve	1,132,078	7	1,037,835	8
Special reserve	25,117	-	30,984	-
Unappropriated earnings	2,608,227	17	2,630,355	19
Total retained earnings	3,765,422	24	3,699,174	27
Other equity	154,829	1	71,683	1
Treasury shares	(510,162)	(3)	(510,393)	(4)
Total equity attributable to owners of the Corporation	<u>6,501,821</u>	<u>42</u>	<u>6,316,235</u>	<u>46</u>
NON-CONTROLLING INTERESTS (Note 22)	<u>1,174,126</u>	<u>8</u>	<u>1,143,160</u>	<u>8</u>
Total equity	<u>7,675,947</u>	<u>50</u>	<u>7,459,395</u>	<u>54</u>
TOTAL	<u>\$ 15,410,374</u>	<u>100</u>	<u>\$ 13,713,766</u>	<u>100</u>

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

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

	2021		2020	
	Amount	%	Amount	%
NET OPERATING REVENUE (Notes 4, 23 and 31)	\$ 6,601,378	100	\$ 7,268,092	100
OPERATING COSTS (Notes 4, 24 and 31)	<u>3,285,751</u>	<u>50</u>	<u>3,529,205</u>	<u>49</u>
GROSS PROFIT	<u>3,315,627</u>	<u>50</u>	<u>3,738,887</u>	<u>51</u>
OPERATING EXPENSES (Notes 24 and 31)				
Selling and marketing expenses	1,605,000	24	1,903,295	26
General and administrative expenses	344,176	5	343,985	5
Research and development expenses	275,973	4	383,230	5
Expected credit loss (Note 7)	<u>36,822</u>	<u>1</u>	<u>860</u>	<u>-</u>
Total operating expenses	<u>2,261,971</u>	<u>34</u>	<u>2,631,370</u>	<u>36</u>
OPERATING INCOME	<u>1,053,656</u>	<u>16</u>	<u>1,107,517</u>	<u>15</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 24)	38,794	1	39,284	-
Other income (Note 24)	57,011	1	55,293	1
Other gains and losses (Note 24)	(38,534)	(1)	48,180	1
Finance costs (Note 24)	(944)	-	(1,900)	-
Share of loss of associates accounted for using the equity method	<u>(1,041)</u>	<u>-</u>	<u>(3,156)</u>	<u>-</u>
Total non-operating income and expenses	<u>55,286</u>	<u>1</u>	<u>137,701</u>	<u>2</u>
PROFIT BEFORE INCOME TAX	1,108,942	17	1,245,218	17
INCOME TAX EXPENSE (Notes 4 and 25)	<u>235,613</u>	<u>4</u>	<u>247,951</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>873,329</u>	<u>13</u>	<u>997,267</u>	<u>14</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	(4,940)	-	(2,366)	-
Unrealized income (loss) on investments in equity instruments at fair value through other comprehensive income (Note 22)	102,225	1	(41,884)	(1)
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 25)	<u>996</u>	<u>-</u>	<u>473</u>	<u>-</u>
	<u>98,281</u>	<u>1</u>	<u>(43,777)</u>	<u>(1)</u>

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

	2021		2020	
	Amount	%	Amount	%
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations (Note 22)	\$ (26,593)	-	\$ (25,394)	-
Income tax relating to items that may be reclassified subsequently to profit or loss (Note 25)	4,167	-	4,386	-
	<u>(22,426)</u>	<u>-</u>	<u>(21,008)</u>	<u>-</u>
Other comprehensive income (loss) for the year, net of income tax	<u>75,855</u>	<u>1</u>	<u>(64,785)</u>	<u>(1)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 949,184</u>	<u>14</u>	<u>\$ 932,482</u>	<u>13</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 829,934	12	\$ 943,767	13
Non-controlling interests	<u>43,395</u>	<u>1</u>	<u>53,500</u>	<u>1</u>
	<u>\$ 873,329</u>	<u>13</u>	<u>\$ 997,267</u>	<u>14</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 910,874	14	\$ 886,307	12
Non-controlling interests	<u>38,310</u>	<u>-</u>	<u>46,175</u>	<u>1</u>
	<u>\$ 949,184</u>	<u>14</u>	<u>\$ 932,482</u>	<u>13</u>
EARNINGS PER SHARE (Note 26)				
Basic	<u>\$ 6.84</u>		<u>\$ 7.76</u>	
Diluted	<u>\$ 6.80</u>		<u>\$ 7.72</u>	

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

(Concluded)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Corporation											
	Share Capital	Capital Surplus	Retained Earnings			Exchange Differences on Translating Foreign Operations	Other Equity		Treasury shares	Total	Non-controlling Interests	Total Equity
Legal Reserve			Special Reserve	Unappropriated Earnings	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		Subtotal					
BALANCE AT JANUARY 1, 2020	\$ 1,274,743	\$ 1,753,876	\$ 976,777	\$ 120,524	\$ 2,169,340	\$ (29,101)	\$ 156,907	\$ 127,806	\$ (449,303)	\$ 5,973,763	\$ 1,130,631	\$ 7,104,394
Appropriation of 2019 earnings (Note 22)	-	-	61,058	-	(61,058)	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	(509,897)	-	-	-	-	(509,897)	-	(509,897)
Cash dividends distributed by the Corporation	-	-	-	(89,540)	89,540	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	61,058	(89,540)	(481,415)	-	-	-	-	(509,897)	-	(509,897)
Cash dividends distributed by the subsidiaries (Note 22)	-	-	-	-	-	-	-	-	-	-	(10,642)	(10,642)
Net profit in 2020	-	-	-	-	943,767	-	-	-	-	943,767	53,500	997,267
Other comprehensive loss in 2020, net of income tax	-	-	-	-	(1,337)	(18,929)	(37,194)	(56,123)	-	(57,460)	(7,325)	(64,785)
Total comprehensive income (loss) in 2020	-	-	-	-	942,430	(18,929)	(37,194)	(56,123)	-	886,307	46,175	932,482
Purchase of treasury shares (Note 22)	-	-	-	-	-	-	-	-	(43,492)	(43,492)	-	(43,492)
Purchase of the Corporation's shares by subsidiaries (Note 22)	-	-	-	-	-	-	-	-	(17,598)	(17,598)	(11,496)	(29,094)
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	21,960	-	-	-	-	-	-	-	21,960	-	21,960
Difference between consideration and carrying amount of subsidiaries acquired or disposed of (Note 12)	-	(171)	-	-	-	-	-	-	-	(171)	-	(171)
Changes in percentage of ownership interests in subsidiaries	-	5,363	-	-	-	-	-	-	-	5,363	(5,363)	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(6,145)	(6,145)
BALANCE AT DECEMBER 31, 2020	1,274,743	1,781,028	1,037,835	30,984	2,630,355	(48,030)	119,713	71,683	(510,393)	6,316,235	1,143,160	7,459,395
Appropriation of 2020 earnings (Note 22)	-	-	94,243	-	(94,243)	-	-	-	-	-	-	-
Legal reserve	-	-	-	-	(761,480)	-	-	-	-	(761,480)	-	(761,480)
Cash dividends distributed by the Corporation	-	-	-	(5,867)	5,867	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	94,243	(5,867)	(849,856)	-	-	-	-	(761,480)	-	(761,480)
Cash dividends distributed by subsidiaries (Note 22)	-	-	-	-	-	-	-	-	-	-	(11,334)	(11,334)
Net profit in 2021	-	-	-	-	829,934	-	-	-	-	829,934	43,395	873,329
Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	(3,840)	(19,460)	104,240	84,780	-	80,940	(5,085)	75,855
Total comprehensive income (loss) in 2021	-	-	-	-	826,094	(19,460)	104,240	84,780	-	910,874	38,310	949,184
Changes in other capital surplus	-	90	-	-	-	-	-	-	-	90	-	90
Adjustments of capital surplus for the Corporation's cash dividends received by subsidiaries	-	33,436	-	-	-	-	-	-	-	33,436	-	33,436
Changes in percentage of ownership interests in subsidiaries	-	2,435	-	-	-	-	-	-	231	2,666	(2,666)	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	6,656	6,656
Disposal of investment in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	1,634	-	(1,634)	(1,634)	-	-	-	-
BALANCE AT DECEMBER 31, 2021	\$ 1,274,743	\$ 1,816,989	\$ 1,132,078	\$ 25,117	\$ 2,608,227	\$ (67,490)	\$ 222,319	\$ 154,829	\$ (510,162)	\$ 6,501,821	\$ 1,174,126	\$ 7,675,947

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

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,108,942	\$ 1,245,218
Adjustments for:		
Income and expenses		
Depreciation expenses	63,223	69,892
Amortization expenses	35,967	48,061
Expected credit loss recognized on accounts receivable	36,822	860
Loss (gain) on financial assets at fair value through profit or loss	32,402	(44,190)
Finance costs	944	1,900
Interest income	(38,794)	(39,284)
Dividend income	(4,405)	(2,977)
Share of loss of associates accounted for using the equity method	1,041	3,156
Gain on disposal of investments	-	(15,781)
Others	2,367	2,643
Changes in operating assets and liabilities		
Contract assets	(2,831)	-
Notes receivable	3,580	46
Accounts receivable	160,097	(195,246)
Other receivables	(271,855)	136,108
Inventories	5,777	(11,995)
Other current assets	47,174	103,741
Contract liabilities	26,808	(146,025)
Notes payable	968	(6,993)
Accounts payable	(173,658)	223,590
Other payables	1,294,755	(37,165)
Other financial liabilities	239,078	461,883
Other current liabilities	12,601	(4,089)
Net defined benefit liabilities	(485)	(1,737)
Cash generated from operations	2,580,518	1,791,616
Interest received	37,615	36,018
Dividends received	4,405	2,977
Interest paid	(944)	(1,900)
Income tax paid	(133,139)	(150,778)
Net cash generated from operating activities	<u>2,488,455</u>	<u>1,677,933</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	-	(58,860)
Proceeds from disposal of financial assets at fair value through profit or loss	51,588	-
Net cash inflow on acquisition of subsidiaries	-	3,183
Proceeds from disposal of subsidiaries	18,466	2,513
Payments for property, plant and equipment	(16,427)	(19,838)
Proceeds from disposal of property, plant and equipment	30	7,745
Increase in refundable deposits	(3,026)	(3,451)

(Continued)

SOFT-WORLD INTERNATIONAL CORPORATION AND SUBSIDIARIES

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

	2021	2020
Payments for intangible assets	\$ (21,826)	\$ (43,842)
Proceeds from disposal of intangible assets	-	2,476
Increase in other financial assets	(1,096,807)	(859,215)
Increase in other noncurrent assets	<u>-</u>	<u>(85)</u>
Net cash used in investing activities	<u>(1,068,002)</u>	<u>(969,374)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in guarantee deposits received	4,105	9,460
Repayment of the principal portion of lease liabilities	(39,042)	(38,439)
Cash dividends distributed	(728,044)	(487,937)
Payments to acquire treasury shares	-	(43,492)
Acquisition of the parent company's shares held by subsidiaries	-	(17,598)
Disposal of ownership interests in subsidiaries without losing control	-	3,891
Changes in non-controlling interests	(4,678)	(42,488)
Unclaimed dividend	<u>90</u>	<u>-</u>
Net cash used in financing activities	<u>(767,569)</u>	<u>(616,603)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES		
	<u>(25,808)</u>	<u>(19,385)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	627,076	72,571
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>5,074,336</u>	<u>5,001,765</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 5,701,412</u>	<u>\$ 5,074,336</u>

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

(Concluded)

Attachment 3

Soft-World International Corporation
Statement of Earnings Distribution
2021

Unit: NTD

Item	Amount	
	Subtotal	Total
The 2021 net income		829,934,439
The defined benefit plans re-measured amount is recognized in the “retained earnings” account.		(3,839,658)
Upon disposal of investments in equity instruments measured at fair value through other comprehensive income, the cumulative gain or loss is transferred directly to retained earnings.		1,633,600
Sum of net profit before tax of the current period plus other items other than net profit after tax of the current period recognized as undistributed retained earnings of the current year		827,728,381
Legal reserve appropriated (10%)		(82,772,838)
Earnings in 2021 Available for Distribution		744,955,543
Undistributed earnings - beginning		1,780,498,624
Accumulated earnings available for distribution at the end of 2021		2,525,454,167
Distribution		
Shareholders’ cash dividends (NT\$5.2/share)		659,949,326
Undistributed earnings - ending		1,865,504,841

- Note:**
1. The distribution of stock dividends is based on the 126,913,332 outstanding shares on March 16, 2022 (127,474,332 original outstanding shares, less 561,000 treasury stocks). If the number of outstanding shares is affected by repurchase of shares, transfer or cancellation of treasury stocks, exercise of employee option, additional cash capital, the Chairman shall be authorized to adjust the distribution rate per share.
 2. Based on the cash dividends distribution proposal resolved by the Board of Directors, the base date for dividends distribution and other related matters are to be formulated accordingly.
 3. Earnings in 2021 is distributed in priority.
 4. The total number of odd shares for less than NT\$1 is transferred to other income of the Company.

Chairman: WANG, CHIN-PO

Manager: WANG, CHIN-PO

Chief accountant: HUANG, YA-CHUAN

Attachment 4

Soft-World International Corporation

The comparison table of the Articles of Incorporation before and after amendments

Clause	Clauses after the amendment	Clauses before the amendment	Amendment's basis and reasons
Article 9	<p>The shareholders meeting is divided into a regular meeting and special meeting. The general meeting shall be held once a year and is convened by the board of directors within 6 months after the end of the fiscal year. Special sessions will be called for under law where necessary.</p> <p><u>The shareholders' meeting can be held by means of a visual communication network or other methods promulgated by the central competent authority, which is to be processed in accordance with the regulations of the securities' competent authority.</u></p> <p><u>In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.</u></p>	<p>The shareholders meeting is divided into a regular meeting and special meeting. The general meeting shall be held once a year and is convened by the board of directors within 6 months after the end of the fiscal year. Special sessions will be called for under law where necessary.</p>	<p>In response to the amendments to Article 172-2 of the Company Act announced, the relevant contents are added.</p>
Article 24	<p>This Articles of Incorporation was created on April 20, 1983; the 1st amendment was made on October 4, 1984; the 2nd amendment was made on November 26, 1988, ...(Omitted)... the 30th amendment was made on June 23, 2016; the 31st amendment was made on June 22, 2017; the 32nd amendment was made on June 18, 2019; the 33rd amendment was made on July 30, 2021; and <u>the 34th amendment was made on June 21, 2022.</u></p>	<p>This Articles of Incorporation was created on April 20, 1983; the 1st amendment was made on October 4, 1984; the 2nd amendment was made on November 26, 1988, ...(Omitted)... the 30th amendment was made on June 23, 2016; the 31st amendment was made on June 22, 2017; the 32nd amendment was made on June 18, 2019; and the 33rd amendment was made on July 30, 2021;</p>	<p>Add amendment date</p>

Attachment 5

Soft-World International Corporation Comparison Table of amendments to the Rules of Procedure for Shareholders Meetings

Clauses after the amendment	Original clause	Remark
<p>Article 2 The Company's meeting of shareholders shall be convened by the Board, unless otherwise provided by law. <u>Changes to the Company's convention of shareholders meetings shall be resolved by the board and before the Shareholders' meeting Notice is sent at the latest.</u> The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated. <u>The shareholder meeting agenda handbook and supplementary materials stated in the preceding paragraph should be made available for the reference of the shareholders at the meeting place as follows:</u> <u>1. The said data shall be made available for the shareholders to obtain and review at the physical shareholders' meeting place.</u> <u>2. The said data shall be made available for the shareholders to obtain and review at the hybrid shareholders' meeting place; also,</u></p>	<p>Article 2 The Company's meeting of shareholders shall be convened by the Board, unless otherwise provided by law. The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated <u>thereby as well as being distributed on-site at the meeting place.</u> The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form. Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p><u>the electronic files shall be uploaded to the virtual meeting platform.</u></p> <p>3. <u>The electronic files shall be uploaded to the virtual meeting platform at the virtual shareholders' meeting.</u></p> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions</p> <p>The election of directors has been set out in the notice as to the reasons for convening the shareholder meeting. The date of assumption of office is also stated, which cannot be changed by an extraordinary motion or any other method after the said election is completed in the shareholders' meeting. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of the Company may propose to the Company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. <u>In addition, the proposal proposed by shareholders that fall under the circumstances defined in Article 172-1, Paragraph 4 of the Company Act will not be processed by the Board of Directors.</u></p>	<p>status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions</p> <p>The election of directors has been set out in the notice as to the reasons for convening the shareholder meeting. The date of assumption of office is also stated, which cannot be changed by an extraordinary motion or any other method after the said election is completed in the shareholders' meeting. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda.</p> <p>Shareholders may propose the suggestive motions to urge the company to increase public interests or fulfill social responsibility. The procedures shall comply with Article 172-1 of the Company Act.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, correspondence or electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the</p>	

Clauses after the amendment	Original clause	Remark
<p>A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, <u>and no proposal containing more than one item will be included in the meeting agenda.</u></p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, correspondence or electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	<p>proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	
<p>Article 3: Shareholders may appoint a proxy to attend the shareholders' meeting through a letter of appointment printed by the Company, stating the scope of authorization to the proxy. <u>Each shareholder shall issue one proxy and entrust only one person as the proxy, and it shall be delivered to the Company five days before the shareholders' meeting. In the event of a duplicate proxy, the first one shall prevail.</u> <u>However, those who declare to revoke the previous proxy shall not be subject to this provision.</u> <u>After a proxy is served to the Company, any shareholder who wishes to attend the shareholders' meeting in person or exercise their voting rights in writing or electronically shall notify the Company in writing of</u></p>	<p>Article 3: Shareholders may appoint a proxy to attend the shareholders' meeting through a letter of appointment printed by the Company, stating the scope of authorization to the proxy.</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p><u>revocation of the proxy two days before the shareholders’ meeting; if the revocation notice is submitted after the specified time, the votes cast at the meeting by proxy shall prevail.</u></p> <p><u>After the power of attorney arrives in the Company, the shareholders who intend to attend the shareholders meeting through video conferencing shall send the notice of appointment cancellation to Company in writing 2 days before the shareholders meeting; for those who cancel after the deadline, the appointed proxies who attend and exercise their voting rights shall apply.</u></p> <p><u>The Company’s shall state the accepted shareholder, solicitor, or appointed proxy (hereinafter shareholder) reporting time, reporting venue, and other matters to note.</u></p> <p><u>The accepted shareholders should report at least 30 minutes before the meeting starts. The reception area shall be clearly labeled, and adequate and competent personnel shall be dispatched to engage in handling. 30 minutes before the shareholders meeting video conference, report to the video conferencing platform. Shareholders that have reported are deemed to having personally attended the shareholders meeting.</u></p> <p><u>Shareholders shall present the attendance cards, sign-in cards, or other certificates of attendance to attend the shareholders’ meeting.</u></p> <p><u>The Company may not add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p><u>The Company shall submit the Handbook for the Annual Meeting of Shareholders, annual report, speech note, vote, and other meeting data to the shareholders at the shareholders meeting. Those joining the director’s election, the ballot shall be enclosed.</u></p> <p><u>When the government or a juridical person is a shareholder, it may be represented by more than one representative at a shareholders’ meeting. When a juridical person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</u></p> <p><u>When a shareholders meeting is convened through video conferencing, shareholders who wish to attend through video conferencing</u></p>		

Clauses after the amendment	Original clause	Remark
<p><u>shall register at the Company two days before the shareholders meeting.</u></p> <p><u>When a shareholders meeting is convened through video conferencing, the Company shall at least upload the Handbook for the Annual Meeting of Shareholders, annual report, and other relevant data to the shareholders meeting video conference 30 minutes before the meeting starts and continue to disclose them until the meeting ends.</u></p>		
<p><u>Article 3-1:</u></p> <p><u>The convention of a shareholders meeting through video conferencing shall state the following matters in the Shareholders Meeting Notice:</u></p> <p><u>1. Shareholders participating in video conferencing meetings and the way of exercising rights.</u></p> <p><u>2. The malfunctions occurred to the virtual meeting platform or the difficulties of attending a meeting by virtual communication network due to calamities, incidents, or force majeure, shall be handled as follows:</u></p> <p><u>(1) If the above-mentioned obstacles persist and cannot be eliminated, resulting in postponement or continuation of meeting time and the dates of postponement or continuation.</u></p> <p><u>(2) Shareholders not registered to attend the original shareholders meeting shall not be allowed to take part in a postponed or continuation meeting.</u></p> <p><u>(3) For a virtual shareholders meeting convened, if the video conference cannot be continued, after deducting the number of shares attending the shareholders meeting through video conferencing, the shareholders meeting shall continue if the total number of attending shares reaches the statutory quota. For shareholders participating through video conferencing, the number of attending shares should be included in the total number of attending shares. All proposals at the said shareholders meeting shall be deemed a waiver.</u></p> <p><u>(4) If all proposal results have been announced, handle without extraordinary motions.</u></p>		A new clause enacted

Clauses after the amendment	Original clause	Remark
<p>3. <u>Convene a shareholders meeting and state alternative measures for shareholders who have difficulty attending the shareholders meeting through video conferencing.</u></p>		
<p>Article 4 The location of the shareholders' meeting shall be at the place of the Company or at a place easily accessible to shareholders and suitable for a shareholders' meeting. The start time of the meeting shall not be earlier than 9 a.m. or later than 3 p.m. The independent directors' opinions of the place and time of the meeting shall be fully considered. <u>At the time of the Company's convening a shareholders meeting through video conferencing, it shall not be bound by the convention venue in the preceding paragraph.</u></p>	<p>Article 4 The location of the shareholders' meeting shall be at the place of the Company or at a place easily accessible to shareholders and suitable for a shareholders' meeting. The start time of the meeting shall not be earlier than 9 a.m. or later than 3 p.m. The independent directors' opinions of the place and time of the meeting shall be fully considered.</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>
<p>Article 7 Proceedings of shareholders meetings of the Company shall be recorded in audio or video in their entirety. Such recordings shall be maintained for at least 1 year. However, for the litigation filed by the shareholders in accordance with Article 189 of the Company Act, it should be reserved until the end of the proceedings. <u>For shareholders meetings convened through video conferencing, the Company shall record and retain registration, registration, reporting, proposal, voting, and vote count result data. The Company shall continuously audio or video record the video conference. The data in the preceding paragraph and audio or video recording shall be properly retained throughout the Company's period of existence. The audio and video recordings shall be provided to the party commissioned to conduct video conferencing matters. If the Shareholders' Meeting is to be convened via videoconferencing, the Company shall conduct voice recording and videotaping on the back-end operation interface of the videoconference platform.</u></p>	<p>Article 7 Proceedings of shareholders meetings of the Company shall be recorded in audio or video in their entirety. Such recordings shall be maintained for at least 1 year. However, for the litigation filed by the shareholders in accordance with Article 189 of the Company Act, it should be reserved until the end of the proceedings.</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>
<p>Article 8 Attendance of the meeting of shareholders should be calculated in accordance with the shareholdings. The attending shares are calculated based on the shares in the signature book or the sign-in card submitted, <u>the number of shares reported to the video conferencing platform, and the</u></p>	<p>Article 8 Attendance of the meeting of shareholders should be calculated in accordance with the shareholdings. The shareholding attendance is based on the attendance registry or the signature cards submitted, plus the votes exercised in writing or by electronic means.</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p>voting shares exercised in writing or by means of electronic transmission.</p> <p>The chair shall call the meeting to order at the meeting time and at the same time announce the number of non-voting shares and the number of shares present and other related information. If the shareholding of the attending shareholders is not more than half of the total number of shares issued, the Chairman may announce the meeting postponed, which is limited to two postponements and for less than one-hour in total. If after two postponements, the attending shareholders still represent less than 1/3 of the total shares, the chairman may announce meeting adjournment; <u>if shareholders meetings are convened through video conferencing, the meeting adjournment shall be announced on the video conferencing platform for shareholders meetings.</u></p> <p>If after the two postponements in the preceding paragraph still fall short and that the shareholders representing more than 1/3 of total shares issues attend the meeting shall be stipulated as a tentative resolution in accordance with Paragraph 1, Article 175 of the Company Act. <u>If the shareholders meeting is convened through video conferencing, shareholders that wish to attend through video conferencing shall sign up again with the Company.</u></p> <p>If the shareholdings of the attending shareholders are more than one half of the total number of shares issued before the end of the meeting, the Chairman may have the pseudo-resolution presented again in the next meeting of the shareholders for resolution in accordance with Article 174 of the Company Act.</p>	<p>The chair shall call the meeting to order at the meeting time and at the same time announce the number of non-voting shares and the number of shares present and other related information. If the shareholding of the attending shareholders is not more than half of the total number of shares issued, the Chairman may announce the meeting postponed, which is limited to two postponements and for less than one-hour in total. If the shareholding of the attending shareholders remaining do not constitute more than one third of the total number of shares issued after the two postponements, the Chairman may announce to have the meeting aborted.</p> <p>If the shareholdings of the attending shareholders are not more than half of the total number of shares issued after two postponements but more than one third of the total number of shares issued, a pseudo-resolution can be resolved in accordance with Paragraph 1, Article 175 of the Company Act; also, shareholders should be informed regarding the pseudo-resolution with another meeting of shareholders to be convened within one month.</p> <p>If the shareholdings of the attending shareholders are more than one half of the total number of shares issued before the end of the meeting, the Chairman may have the pseudo-resolution presented again in the next meeting of the shareholders for resolution in accordance with Article 174 of the Company Act.</p>	
<p>Article 10</p> <p>Attending shareholders before speaking on the subject must fill out the speech slip, shareholder account number, and account name (or attendance pass number) in detail, and then the Chairman is to determine the order of speakers.</p> <p>Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is a discrepancy found between the text of the speech and the speech slip submitted, the contents of the</p>	<p>Article 10</p> <p>Attending shareholders before speaking on the subject must fill out the speech slip, shareholder account number, and account name (or attendance pass number) in detail, and then the Chairman is to determine the order of speakers.</p> <p>Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is a discrepancy found between the text of the speech and the speech slip submitted, the contents of the</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p>speech shall prevail. Each shareholder may not speak more than twice on the same motion for 5 minutes each time without the consent of the Chairman. However, the Chairman may have the speaking shareholders who violate the rules or speak beyond the scope of those issues silenced. Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholders. The Chairman will have the violating shareholders stopped. If the juridical person shareholder has more than two representatives assigned to attend the meeting of shareholders, only one of the two representatives may speak on the same proposal. The Chairman may reply to the speaking shareholders personally or by the designated personnel. <u>For shareholders meetings convened through video conferencing, shareholders that attend online may propose questions in text on the video conferencing platform for shareholders meetings from the start until the end of the meeting announced by the chairman. No more than two questions (not exceeding 200 words in length) are allowed for each proposal. The provisions from the first through the fifth paragraph shall not apply.</u> <u>Those whose questions in the preceding paragraph are not in violation of the provisions or not exceeding the scope of the proposal may disclose the questions at the video conferencing platform for shareholders meetings to be made known to all.</u></p>	<p>speech shall prevail. Each shareholder may not speak more than twice on the same motion for 5 minutes each time without the consent of the Chairman. However, the Chairman may have the speaking shareholders who violate the rules or speak beyond the scope of those issues silenced. Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholders. The Chairman will have the violating shareholders stopped. If the juridical person shareholder has more than two representatives assigned to attend the meeting of shareholders, only one of the two representatives may speak on the same proposal. The Chairman may reply to the speaking shareholders personally or by the designated personnel.</p>	
<p>Article 12 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. Shareholders who have their votes cast in</p>	<p>Article 12 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. Shareholders who have their votes cast in</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p>writing or by electronic means are deemed as attending the meeting in person. However, with respect to motions and original proposal amendments of the meeting of shareholders, it is deemed as a waiver; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p> <p><u>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company within two days before the date of the shareholders' meeting. Where a duplicate declaration of intent is delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</u></p> <p><u>After exercising voting rights in writing or by means of electronic transmission, shareholders that wish to attend the shareholders meeting in person or through video conferencing should withdraw the intention to exercise voting rights in the preceding paragraph through the same method. For those that withdraw past the deadline, the voting rights exercised in writing or by means of electronic transmission shall apply. Where a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</u></p> <p>For the resolution of proposals, unless otherwise provided in the Company Act and the Company Corporate Charter (Articles of Incorporation), the consent of a majority vote of the attending shareholders shall prevail. At the time of voting, the voting shall be conducted on a case-by-case basis. The result of vote for, against and abstention of the shareholders shall be entered into the MOPS on the same date after the shareholders meeting is held.</p> <p>When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly.</p> <p>Chairman is to appoint the scrutineers and counting officers who must be shareholders.</p> <p>The vote counting process of the shareholder's</p>	<p>writing or by electronic means are deemed as attending the meeting in person. However, with respect to motions and original proposal amendments of the meeting of shareholders, it is deemed as a waiver; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p> <p>For the resolution of proposals, unless otherwise provided in the Company Act and the Company Corporate Charter (Articles of Incorporation), the consent of a majority vote of the attending shareholders shall prevail. At the time of voting, the voting shall be conducted on a case-by-case basis. The result of vote for, against and abstention of the shareholders shall be entered into the MOPS on the same date after the shareholders meeting is held.</p> <p>When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly.</p> <p>Chairman is to appoint the scrutineers and counting officers who must be shareholders.</p> <p>The vote counting process of the shareholder's</p>	

Clauses after the amendment	Original clause	Remark
<p>balloting or election should be held openly at the meeting venue. The balloting result should be announced immediately at the meeting, including statistical weights, and it should be documented for record.</p> <p><u>For the Company’s shareholders meetings through video conferencing, shareholders that join through video conferencing shall vote on the various proposals and election proposals through the video conferencing platform after the chairman announced the start of the meeting. The voting shall be completed before the chairman announces the end of the voting. Those that vote after the time announced shall be deemed a waiver.</u></p> <p><u>For shareholders meetings convened through video conferencing, after the chairman announces the end of the voting, the votes shall be counted at once. The voting and election results shall also be announced.</u></p> <p><u>If shareholders who have registered to attend the hybrid shareholders’ meeting online in accordance with Article 3 decide to attend the physical shareholders meeting in person, they shall revoke their registration 2 days before the shareholders’ meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the hybrid shareholders’ meeting online.</u></p> <p><u>For those that exercise voting rights in writing and by electronic means and have not withdrawn intentions expressed, other than extraordinary motions, the exercise of voting rights on proposals or amendments to proposals shall not be allowed.</u></p>	<p>balloting or election should be held openly at the meeting venue. The balloting result should be announced immediately at the meeting, including statistical weights, and it should be documented for record.</p>	
<p>Article 14 Shareholder resolutions shall be recorded in minutes, affixed with the signature or seal of the chairman of the meeting and distributed to each shareholder within 20 days from the meeting. The preparation and distribution of the minutes of shareholders’ meeting can be processed electronically. The Company's minutes of shareholders’ meeting referred to above can be distributed by posting it on the MOPS. The minutes of meeting shall be prepared with the following information included: the year, month, and day of the meeting and place of the meeting, the name of the chairman, the</p>	<p>Article 14 Shareholder resolutions shall be recorded in minutes, affixed with the signature or seal of the chairman of the meeting and distributed to each shareholder within 20 days from the meeting. The preparation and distribution of the minutes of shareholders’ meeting can be processed electronically. The Company's minutes of shareholders’ meeting referred to above can be distributed by posting it on the MOPS. The minutes of meeting shall be prepared with the following information included: the year, month, and day of the meeting and place of the meeting, the name of the chairman, the</p>	<p>In response to the amendment of Article 172-2 of the Company Act</p>

Clauses after the amendment	Original clause	Remark
<p>method of adopting resolutions, the essential points of the proceedings, and the results of the voting (including the voting rights). When the election of directors is arranged, the number of votes received by each elected director should be disclosed. The minutes shall be retained for the duration of the existence of the Company.</p> <p><u>For the virtual shareholder meeting, in addition to the aforementioned information to be included in the shareholder meeting minutes, the duration of the meeting, the way the meeting is convened, the name of the chairman and clerk, how to handle the malfunctions occurred to the virtual meeting platform or the difficulties of attending a meeting by visual communication network due to calamities, incidents, or <i>force majeure</i> should also be stated.</u></p> <p><u>For shareholders meetings convened through video conferencing, in addition to handling according to the preceding paragraph, the alternative measures provided to shareholders who have trouble attending the shareholders meeting through video conferencing shall be recorded in the meeting minutes.</u></p>	<p>method of adopting resolutions, the essential points of the proceedings, and the results of the voting (including the voting rights). When the election of directors is arranged, the number of votes received by each elected director should be disclosed. <u>The recorded results should be kept permanently</u> throughout the duration of the Company.</p>	
<p><u>Article 17</u></p> <p><u>The number of shares obtained by the solicitor, the number of shares of appointed proxies, and the number of shares of attending shareholders in writing or by means of electronic transmission shall be compiled into a statistical table in the standard format, which shall be explicitly disclosed on the shareholders meeting venue. If a shareholder's video is to be held through a video conference, the Company should upload the aforementioned data to the video conferencing platform for shareholders meetings 30 minutes the meeting starts. Data shall continue to be disclosed until the end of the meeting.</u></p> <p><u>The Company shall convene shareholders meeting video conferences. When the start of the meeting is announced, the total number of shares of attending shareholders shall be disclosed on the video conferencing platform.</u></p> <p><u>The same shall apply if the total number of shares of shareholders and voting shares are separately tallied.</u></p> <p><u>If matters put to a resolution at a shareholders'</u></p>		<p>A new clause enacted</p>

Clauses after the amendment	Original clause	Remark
<p><u>meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the Market Observation Post System within the prescribed time period.</u></p>		
<p><u>Article 18</u> <u>If a shareholders meetings are convened through video conferencing, the Company shall disclose the proposal voting results and election results on the video conferencing platform at the end of voting. After the chairman announces meeting adjournment, the information will continue to be disclosed for at least 15 minutes.</u></p>		A new clause enacted
<p><u>Article 19</u> <u>At the time of convening a video conferencing, the chairman and record keeping personnel shall be in the same location in the country. The chairman shall announce the address of the location during the meeting.</u></p>		A new clause enacted
<p><u>Article 20</u> <u>The Company may provide a simple connection test to shareholders who attend the virtual shareholder meeting prior to the time the meeting commences, and provide relevant services immediately before and during the meeting to help handle technical communication problems.</u> <u>If a shareholders meeting is convened through video conferencing, the chairman at the time of announcing the meeting shall make a separate announcement: Other than events requiring no meeting postponement or continuation stipulated in Article 44-20, the Regulations Governing the Administration of Shareholder Services of Public Companies, the dates for meeting postponement or continuation due to obstacles on the video conferencing platform or attendance through video conference persisting for over 30 minutes due to natural disasters, incidents, or force of majeure shall be announced within five days after the chairman announces meeting adjournment. The provisions in Article 182 of the Company Act shall not apply.</u> <u>In case of meeting postponement or continuation in the preceding paragraph,</u></p>		A new clause enacted

Clauses after the amendment	Original clause	Remark
<p><u>shareholders not registered to attend the shareholders meeting via video conferencing shall not be allowed to attend the postponed or continued meeting.</u></p> <p><u>In accordance with meeting postponement or continuation provisioned in Paragraph 2, for shareholders who have signed up to attend the shareholders meeting via video conferencing, have reported to the meeting, but have not attended the postponed or continued meeting, their attending shares, voting rights exercised, and suffrage of attending shareholders in the postponement or continuation meeting shall be included in the total shares, number of voting rights, and suffrage.</u></p> <p><u>When the shareholder meeting is postponed or reconvened in accordance with the provisions of Paragraph 2, the voting and vote count completed and announced or the proposal regarding the list of elected directors need not be re-discussed or resolved.</u></p> <p><u>For the Company's convention of virtual shareholders meetings, if the video conference cannot continue following the occurrence in Paragraph 2, after deducting the attending shares at the shareholders meeting through video conferencing, if the total attending shares do not meet the statutory quorum for convening shareholders meetings, the meeting shall continue. Meeting postponement or continuation provisioned in the second paragraph shall not apply.</u></p> <p><u>In the event of meeting continuation in the preceding paragraph, the attending shares of shareholders that attend the shareholders meeting through video conferencing shall be included in the total attending shares.</u></p> <p><u>However, all the proposals at the said shareholders meeting shall be deemed a waiver.</u></p> <p><u>For meeting postponement or continuation provisioned in Paragraph 2, the Company shall handle related preparation work in accordance with Paragraph 7, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies and based on the original shareholders meeting date and related provisions.</u></p> <p><u>In accordance with the periods stipulated in the latter part of Article 12 and Paragraph 3 of Article 13, Regulations Governing the Use</u></p>		

Clauses after the amendment	Original clause	Remark
<u>of Proxies for Attendance at Shareholder Meetings of Public Companies, Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17, Regulations Governing the Administration of Shareholder Services of Public Companies, the Company's shareholders meeting postponement or continuation dates provisioned in the second subparagraph.</u>		
<u>Article 21</u> These Rules are implemented after approval by shareholders resolution. The same shall be applicable to any amendment.	Article 17 These Rules are implemented after approval by shareholders resolution. The same shall be applicable to any amendment.	Article number adjustment

Attachment 6

Soft-World International Corporation

The comparison table of the Operational Procedures for Acquisition and Disposal of Assets before and after amendments.

Clauses after the amendment	Original clause	Remark
<p>Article 3: 1~9. Omitted. 10. “Within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been announced or have obtained an appraisal report from a professional appraiser or a CPA’s opinion in compliance with the procedure or have been approved by the Board of Directors and recognized by the <u>Audit Committee</u> in accordance with the procedure need not be counted toward the transaction amount. 11. Omitted hereinafter</p>	<p>Article 3: 1~9. Omitted. 10. “Within the preceding year” as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been announced or have obtained an appraisal report from a professional appraiser or a CPA’s opinion in compliance with the procedure or have been approved by the Board of Directors and recognized by the <u>supervisors</u> in accordance with the procedure need not be counted toward the transaction amount. 11. Omitted hereinafter</p>	<p>In response to the establishment of an Audit Committee to replace the supervisory duties of the supervisors, the term “supervisors” and amendment date are deleted.</p>
<p>Article 8: The Evaluation Report for Real Estate or Equipment: In the event that the transaction amount for acquiring or disposing of real property, equipment, or its right-of-use assets reaches twenty percent (20%) of the paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of event occurrence from a professional appraiser and comply with the provisions below, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or its right-of-use assets held for business use. 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Transactions amounting to NTD1 billion or more should have two or more professional appraisers invited to appraise. 3. In case of any of the following appraisal results, unless the appraised value of the acquired asset is higher than the transaction amount, or the appraised value of the disposed asset is lower than the transaction value, an accountant should be engaged to express a specific opinion about such differences and the appropriateness of the transaction price.</p>	<p>Article 8: The Evaluation Report for Real Estate or Equipment: In the event that the transaction amount for acquiring or disposing of real property, equipment, or its right-of-use assets reaches twenty percent (20%) of the paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of event occurrence from a professional appraiser and comply with the provisions below, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or its right-of-use assets held for business use. 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Transactions amounting to NTD1 billion or more should have two or more professional appraisers invited to appraise. 3. If the professional appraiser’s appraisal results fall in one of the following circumstances, unless the valuation of the asset acquired is higher than the transaction amount or when the valuation of the asset disposed is lower than the transaction amount, a CPA should be contracted to have it processed <u>in accordance with the Statement of Auditing Standards (SFAS) No.</u></p>	<p>Amendment due to laws and regulations</p>

Clauses after the amendment	Original clause	Remark
<p>(1) The spread between the appraisal result and the transaction amount exceeds 20%</p> <p>(2) The appraisal spread between the two or more appraisers exceeds 10% of the transaction amount</p> <p>4. The difference between the reporting date of the professional appraiser and the contract date may not be more than three months. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.</p> <p>5. For assets acquired or disposed through court auctions, documentary proof issued by the court can be used in place of the valuation report or CPA's opinion.</p>	<p><u>20 of the ROC Accounting Research and Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation)</u> with an opinion issued on the reasons for the difference and the adequacy of the transaction price:</p> <p>(1) The spread between the appraisal result and the transaction amount exceeds 20%</p> <p>(2) The appraisal spread between the two or more appraisers exceeds 10% of the transaction amount</p> <p>4. The difference between the reporting date of the professional appraiser and the contract date may not be more than three months. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.</p> <p>5. For assets acquired or disposed through court auctions, documentary proof issued by the court can be used in place of the valuation report or CPA's opinion.</p>	
<p>Article 9: Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. The acquisition or disposal of real estate from and to the related party or right-of-use assets, or the acquisition or disposal of assets other than real estate from and to the related party for an amount exceeds 20% of the paid-in capital, 10% of the total assets, or NT\$300 million. this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Handling merger, division, acquisition or transfer of shares;</p> <p>3. Engaged in derivatives transaction with a loss up to the limit of the total or individual contract amount regulated in this procedure.</p> <p>4. Acquisition or disposal of equipment or its right-of-use assets for business operations from an unrelated party at a transaction amount meets any one of the following criteria:</p> <p>(1) Public companies with paid-in capital of less than NTD10 billion and amount of transaction exceeds NTD500 million.</p> <p>(2) For a public company whose paid-in capital is NT\$10 billion or more, the</p>	<p>Article 9: Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. The acquisition or disposal of real estate from and to the related party or right-of-use assets, or the acquisition or disposal of assets other than real estate from and to the related party for an amount exceeds 20% of the paid-in capital, 10% of the total assets, or NT\$300 million. this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Handling merger, division, acquisition or transfer of shares;</p> <p>3. Engaged in derivatives transaction with a loss up to the limit of the total or individual contract amount regulated in this procedure.</p> <p>4. Acquisition or disposal of equipment or its right-of-use assets for business operations from an unrelated party at a transaction amount meets any one of the following criteria:</p> <p>(1) Public companies with paid-in capital of less than NTD10 billion and amount of transaction exceeds NTD500 million.</p> <p>(2) For a public company whose paid-in capital is NT\$10 billion or more, the</p>	Amendment due to laws and regulations

Clauses after the amendment	Original clause	Remark
<p>transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds or <u>foreign government bonds that are with a sovereign rating not lower than the sovereign rating of the R.O.C.</u></p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds</u>, ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription <u>or redemption of securities investment trust funds</u> or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance</p>	<p>transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds</p> <p>(2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) The trade of RP/RS bonds and purchase/repurchase of money market funds that are issued by domestic securities investment trust enterprises</p>	

Clauses after the amendment	Original clause	Remark
<p>with the rules of the Taipei Exchange.</p> <p>(3) The trade of RP/RS bonds and purchase/repurchase of money market funds that are issued by domestic securities investment trust enterprises</p> <p>The transaction amount referred to above is calculated in accordance with the following methods:</p> <ol style="list-style-type: none"> 1. The amount of each transaction; 2. The cumulative amount of the acquisition or disposal of the same underlying subject with the same counterparty within one year; 3. The accumulated amount of the acquisition or disposal (itemized accumulation of acquisition and disposal) of real estate or its right-of-use assets of the same development project within one year 4. The cumulative amount of the same marketable securities acquired or disposed of (amount accumulated separately) within one year; <p>The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the competent authority by the 10th day of each month.</p> <p>When the items that are to be published by the Company in accordance with the regulations are found with errors or omissions at the time of publication, all the items should be published and reported again within 2 days from the date of learning of the discrepancy.</p> <p>The Company should have the contract, minutes of meeting, book, appraisal reports, the opinions of CPAs, attorneys, or underwriters related to the acquisition or disposal of assets ready at the Company’s premise for at least 5 years unless otherwise provided by law.</p>	<p>The transaction amount referred to above is calculated in accordance with the following methods:</p> <ol style="list-style-type: none"> 1. The amount of each transaction; 2. The cumulative amount of the acquisition or disposal of the same underlying subject with the same counterparty within one year; 3. The accumulated amount of the acquisition or disposal (itemized accumulation of acquisition and disposal) of real estate or its right-of-use assets of the same development project within one year 4. The cumulative amount of the same marketable securities acquired or disposed of (amount accumulated separately) within one year; <p>The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the competent authority by the 10th day of each month.</p> <p>When the items that are to be published by the Company in accordance with the regulations are found with errors or omissions at the time of publication, all the items should be published and reported again within 2 days from the date of learning of the discrepancy.</p> <p>The Company should have the contract, minutes of meeting, book, appraisal reports, the opinions of CPAs, attorneys, or underwriters related to the acquisition or disposal of assets ready at the Company’s premise for at least 5 years unless otherwise provided by law.</p>	
<p>Article 12:</p> <p>In the acquisition or disposition of property or right-of-use assets with related parties , or in the acquisition or disposition of assets other than property with related parties at 20% of the paid-in capital or 10% of the total assets of the Company, or exceeding NT\$300 million, the following materials must be provided to the Board for resolution and the ratification of the <u>Audit Committee</u> before entering into agreement on the transactions and effecting payment except for the trading of domestic government bonds, R/P bonds or reverse R/P bonds, or the subscription or redemption of domestic money market funds issued by domestic securities investment trust firms.</p>	<p>Article 12:</p> <p>In the acquisition or disposition of property or right-of-use assets with related parties , or in the acquisition or disposition of assets other than property with related parties at 20% of the paid-in capital or 10% of the total assets of the Company, or exceeding NT\$300 million, the following materials must be provided to the Board for resolution and the ratification of the <u>Supervisors</u> before entering into agreement on the transactions and effecting payment except for the trading of domestic government bonds, R/P bonds or reverse R/P bonds, or the subscription or redemption of domestic money market funds issued by domestic securities investment trust firms.</p>	<p>In response to the establishment of an Audit Committee to replace the supervisory duties of the supervisors, the term “supervisors” and amendment date are deleted.</p>

Clauses after the amendment	Original clause	Remark
<p>1. The purpose, necessity, and expected benefits of the acquisition or disposal of assets</p> <p>2. Reason for choosing the concerned party as trading counterpart</p> <p>3. With respect to the acquisition of real estate or right-of-use assets from a related party, it shall assess the relevant information for the reasonableness of the preliminary transaction terms in accordance with the procedure.</p> <p>4. The matters of the related party's original acquisition date and price, counterparty, and the relationship with the Company and the related party.</p> <p>5. Expected monthly cash income and expense statement within one year from the contracted month, and assessing the necessity of the transactions and the reasonableness of the funds application</p> <p>6. Obtain an appraisal report issued by a professional appraiser in accordance with the procedures or a CPA's opinion.</p> <p>7. Restrictive conditions and other important stipulations of the transaction</p> <p>When the transactions listed below are conducted between the Company and its parent company, subsidiaries, or between the subsidiaries that the Company directly or indirectly holds 100% of the issued shares or authorized capital, the Board of Directors may, pursuant to the procedure, delegate the Chairman to decide such matters first when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>2. Acquisition or disposal of real property or right-of-use assets thereof held for business use.</p> <p>Where the position of independent director has been created in accordance with the regulations, when reported to the Board for discussion in accordance with Paragraph 1, it should fully consider the views of the independent directors. The objections or reservations of independent directors, if any, should be stated in the minutes of the Board meeting.</p> <p><u>The matters set out in Paragraph 1 shall be subject to the consent of one-half or more of the entire membership of the Audit Committee and be submitted to the Board of Directors for a resolution; also, it is subject to the relevant regulations of the Procedures.</u></p> <p><u>When the Company or the Company's subsidiary that is not itself a public company in</u></p>	<p>1. The purpose, necessity, and expected benefits of the acquisition or disposal of assets</p> <p>2. Reason for choosing the concerned party as trading counterpart</p> <p>3. With respect to the acquisition of real estate or right-of-use assets from a related party, it shall assess the relevant information for the reasonableness of the preliminary transaction terms in accordance with the procedure.</p> <p>4. The matters of the related party's original acquisition date and price, counterparty, and the relationship with the Company and the related party.</p> <p>5. Expected monthly cash income and expense statement within one year from the contracted month, and assessing the necessity of the transactions and the reasonableness of the funds application</p> <p>6. Obtain an appraisal report issued by a professional appraiser in accordance with the procedures or a CPA's opinion.</p> <p>7. Restrictive conditions and other important stipulations of the transaction</p> <p>When the transactions listed below are conducted between the Company and its parent company, subsidiaries, or between the subsidiaries that the Company directly or indirectly holds 100% of the issued shares or authorized capital, the Board of Directors may, pursuant to the procedure, delegate the Chairman to decide such matters first when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>2. Acquisition or disposal of real property or right-of-use assets thereof held for business use.</p> <p>Where the position of independent director has been created in accordance with the regulations, when reported to the Board for discussion in accordance with Paragraph 1, it should fully consider the views of the independent directors. The objections or reservations of independent directors, if any, should be stated in the minutes of the Board meeting.</p> <p><u>Where an audit committee has been established according to the regulations, the matters that required recognition by the supervisor according to the first Paragraph shall first be approved by more than half of all audit committee members and then submitted to the Board of Directors for resolution, and shall apply the applicable regulations of</u></p>	

Clauses after the amendment	Original clause	Remark
<p><u>Taiwan has conducted any transactions as specified in Paragraph 1 for a transaction amount exceeding 10% of the Company's total assets, the Company shall have the information as stated in Paragraph 1 submitted to the shareholder meeting for approval before having the transaction contract signed and payment made. This does not apply, however, to transactions between the Company and its subsidiaries, or between its subsidiaries. The calculation of the transaction amounts referred to in Paragraph 1 and the preceding paragraph shall be made in accordance with the Procedures and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been resolved by the shareholders' meeting and Board of Directors; also, recognized by the Audit Committee need not be counted toward the transaction amount.</u></p>	<p><u>the Procedure.</u></p>	
<p>Article 14: Where the company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with uniformly lower than the transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with against the difference between the real property or right-of-use assets transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Public companies that account the Company as an investment using the equity method shall also recognize a portion of the Company's special reserves according to their respective shareholding percentages. 2. <u>Audit Committee shall comply with Article 218 of the Company Act.</u> 3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. The company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been 	<p>Article 14: Where the company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with uniformly lower than the transaction price, the following steps shall be taken:</p> <ol style="list-style-type: none"> 1. A special reserve shall be set aside in accordance with against the difference between the real property or right-of-use assets transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Public companies that account the Company as an investment using the equity method shall also recognize a portion of the Company's special reserves according to their respective shareholding percentages. 2. <u>Supervisors shall comply with Article 218 of the Company Act. Where an audit committee has been established in accordance with the provisions of the Act, the preceding part of this subparagraph shall apply mutatis mutandis to the independent director members of the audit committee.</u> 3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. The company that has set aside a special reserve under the preceding paragraph may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been 	<p>Amendment due to laws and regulations</p>

Clauses after the amendment	Original clause	Remark
restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent. The acquisition of real estate or its right-of-use assets by the Company from the related party that is evidenced not in compliance with general business practices should be handled in accordance with the preceding two sections.	restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent. The acquisition of real estate or its right-of-use assets by the Company from the related party that is evidenced not in compliance with general business practices should be handled in accordance with the preceding two sections.	
Article 15: The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. However, exceptions are made if the marketable securities are with a quote in an active market or it is otherwise regulated by the Financial Supervisory Commission.	Article 15: The Company for the acquisition or disposal of securities shall obtain prior to the date of event the underlying company's most recent financial statements audited, attested or reviewed by CPAs as reference in assessing the transaction price. In addition, for a transaction amount exceeding 20% of the paid-in capital or NTD300 million, a CPA should be contracted prior to the date of the event to express an opinion on the reasonableness of the transaction price. <u>The CPA that needs to adopt the report of an expert shall have it processed in accordance with the Statement of Auditing Standards (SFAS) No. 20 published by the Research and Development Foundation.</u> However, exceptions are made if the marketable securities are with a quote in an active market or it is otherwise regulated by the Financial Supervisory Commission.	Amendment due to laws and regulations
Article 16: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.	Article 16: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u>	Amendment due to laws and regulations
Article 17: For the appraisal report or the opinions obtained from the CPAs, attorney, or security underwriter by the Company, the professional appraisers and their appraising personnel, CPAs, attorneys and security underwriters, shall meet the following requirements: 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational	Article 17: For the appraisal report or the opinions obtained from the CPAs, attorney, or security underwriter by the Company, the professional appraisers and their appraising personnel, CPAs, attorneys and security underwriters, shall meet the following requirements: 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational	Amendment due to laws and regulations

Clauses after the amendment	Original clause	Remark
<p>crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>2. Not a related party or a <i>de facto</i> related party of a counterpart of a transaction.</p> <p>3. If an appraisal report must be issued by two or more professional appraisers, the two different professional appraisers or appraising personnel must be not related or <i>de facto</i> related parties to one another.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-regulatory rules issued by respective professional associations</u> and the following:</p> <p>1. Prudently assess own professional competencies, practical experience, and independence prior to undertaking assignments.</p> <p>2. When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	<p>crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>2. Not a related party or a <i>de facto</i> related party of a counterpart of a transaction.</p> <p>3. If an appraisal report must be issued by two or more professional appraisers, the two different professional appraisers or appraising personnel must be not related or <i>de facto</i> related parties to one another.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>1. Prudently assess own professional competencies, practical experience, and independence prior to undertaking assignments.</p> <p>2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>4. Make a statement attesting to the professional competency and independence of personnel preparing the report or opinion, and assuring that the information contained in the report or opinion has been evaluated and found to be reasonable <u>and accurate,</u> and related laws and regulations are complied with.</p>	
<p>Article 24: Implementation and Amendment The company’s “Procedures of Acquisition or Disposal of Assets” <u>and any amendment should be approved by the majority of the audit committee, and submitted to the general meeting for approval after resolved by the Board of Directors. Where Directors may have adverse opinions on record or in written declaration, the Company shall refer to the Audit Committee.</u> When a transaction involving the acquisition or disposal of assets is submitted for discussion to the board of directors, the board of directors shall take into full consideration each independent director's</p>	<p>Article 24: Implementation and Amendment The “Procedure for Acquisition or Disposition of Assets” of the Company shall <u>be passed by the Board, forwarded to all Supervisors, and reported to the Shareholders’ Meeting for ratification before coming into force. The same procedure is applicable to any amendment thereto. Where Directors may have adverse opinions on record or in written declaration, the Company shall refer to all Supervisors.</u> Besides, if the Company has established the independent directors, each independent director’s opinions shall be fully taken into account when the “Procedure for Acquisition and Disposal of</p>	<p>In response to the establishment of an Audit Committee to replace the supervisory duties of the supervisors, the term “supervisors” and amendment date are</p>

Clauses after the amendment	Original clause	Remark
<p>opinions <u>and any</u> recommendations and reasons for agreement or objection shall be recorded in the minutes of the board of directors meeting.</p> <p>In case where approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting.</p> <p>The entire body of members of the audit committee herein and the entire body of directors in <u>this article</u> shall be counted by the actual incumbents.</p>	<p>Assets” are reported to the Board of Directors for discussion. <u>Any objections or qualified opinions expressed by independent directors shall be recorded in the meeting minutes for the Board of Directors.</u></p> <p><u>Where an audit committee has been established in accordance with the provisions of the Act, when the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by more than half of all audit committee members and submitted to the board of directors for a resolution.</u> If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if 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 meeting.</p> <p>The terms "all audit committee members" in <u>paragraph 3</u> and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	<p>deleted.</p>
<p>Article 26: This Regulations was created on June 25, 2003; the 2nd amendment was made on June 23, 2006; the 3rd amendment was made on June 26, 2007; the 4th amendment was made on June 19, 2009, the 5th amendment was made on June 27, 2012; the 6th amendment was made on June 19, 2014; the 7th amendment was made on June 22, 2017; the 8th amendment was made on June 18, 2019 and the 9th amendment was made on June 21, <u>2022.</u></p>	<p>Article 26: This Regulations was created on June 25, 2003; the 2nd amendment was made on June 23, 2006; the 3rd amendment was made on June 26, 2007; the 4th amendment was made on June 19, 2009, the 5th amendment was made on June 27, 2012; the 6th amendment was made on June 19, 2014; the 7th amendment was made on June 22, 2017 and the 8th amendment was made on June 18, 2019.</p>	<p>Add the date of this amendment</p>

Appendix 1

Articles of Association of Soft-World International Corporation

Chapter 1 General rules

- Article 1: The Company is incorporated according to the Company Act, is named 智冠科技股份有限公司 and English as “SOFT-WORLD INTERNATIONAL CORPORATION”.
- Article 2: The Company's industry classifications are:
1. F218010 Retail Sale of Computer Software
 2. CC01110 Computers and Computing Peripheral Equipments Manufacturing
 3. F118010 Wholesale of Computer Software
 4. I301010 Software Design Services
 5. F113070 Wholesale of Telecom Instruments.
 6. I301030 Digital Information Supply Services
 7. E701010 Telecommunications Construction.
 8. F401010 International Trade.
 9. J303010 Magazine and Periodical Publication.
 10. I401010 General Advertising Services.
 11. J602010 Agents and Managers for Performing Arts, Entertainers, and Models.
 12. J305010 Audio Tape and Record Publishers.
 13. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles.
 14. F109070 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles.
 15. JZ99050 Agency Services.
 16. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3: The Company may provide the guarantee or reinvestment to external companies in the same industry due to the business requirement. In such event, the restriction for investment amount not to exceed 40% of the paid-in capital of the Company stipulated in Article 13 of the Company Act is not applicable.
- Article 4: The Company is located in Kaohsiung and may establish branches at home or abroad as necessary by the resolution of the board of the directors.
- Article 5: Deleted.

Chapter 2 Stock shares

- Article 6: The authorized capital of the Company is NT\$2,000 million, divided into 200 million shares with NT\$10 of par value. The total number of shares may be issued in installments. The unissued shares shall authorize the board of directors to resolve for issue according to actual demand.
- The total authorized capital in the first paragraph shall reserve NT\$50 million for the issue of share subscription warrant, bond with attached warrant or preferred stocks with attached warrants, totaling 5 million shares, and NT\$10 per share that may be issued in installments according to the resolution of the board of directors.
- The Company may transfer the shares to employees at a price lower than the average price of the actual buy back shares, or issue the employee stock warrant at an exercise price lower than market. However, it shall be approved by the shareholders meeting that is attended by the shareholders representing more than one-half of the total number of issued shares and be resolved by more than two-thirds of voting rights of the attending shareholders.
- The transferee of repurchased shares, employees eligible for employee stock options,

employees purchasing new capital stock, and employees eligible for new restricted shares, including employees of controlling companies and affiliates meeting certain conditions, such conditions shall be specified by the Board of Directors.

Article 7: The company is exempt from printing physical stocks. The company should register with the central deposit business institute and follow the regulations of such institute.

Article 8: The renaming and registration of the shareholder shall be suspended within 60 days prior to the convening date of the general shareholders meeting, or within 30 days prior to the convening date of the special shareholders meeting or within 5 days prior to the target date fixed by the company for distribution of dividends, bonus or other benefits.

Chapter Three Shareholders Meetings

Article 9: The shareholders meeting is divided into a regular meeting and special meeting. The general meeting shall be held once a year and is convened by the board of directors within 6 months after the end of the fiscal year. Special sessions will be called for under law where necessary.

Article 9-1: The shareholders meeting shall be convened by the board of directors and chaired by the chairman. In the absence of the chairman, the chairman shall appoint one of the directors to act on his behalf. If no one is appointed, one of the directors shall be elected to act instead. If convened by a person other than the board of directors, the convener shall act as chairman. And, if there are more than 2 conveners, the conveners shall elect one of them as chairman.

Article 10: When a shareholder is unable to attend the shareholders meeting for any reason, he or she may execute a power of attorney issued by the company, stating the scope of delegation, to appoint a proxy to attend the shareholders meeting. In addition, pursuant to Article 177 of the Company Act, the method of the shareholder's entrustment attendance shall be conducted in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies" announced by the governing authority.

Article 11: The resolution of the shareholders meeting, unless otherwise regulated by laws, shall be attended by the shareholders representing more than half of the total number of issued shares in person or by proxy, and approved by more than half of voting rights of the attending shareholders.

Article 11-1: The resolution of the shareholders meeting shall be made into meeting minutes and shall be conducted in accordance with Article 183 of the Company Act.

Article 12: Each shareholder of the Company has one vote per share, but there are no voting rights, in event of the occurrence of such events stated in Article 179 of the Company Act.

Chapter 4 Director and Audit committee

Article 13: The company should appoint five to eleven directors. The term of office should be three years. Each director may be reelected. Among the number of the directors in the preceding paragraph, the number of independent directors shall not be less than 3 persons, and shall not be less than one-fifth of the number of the directors.

Elections of the Company's directors shall proceed using the cumulative single-registered method. Each share is vested with voting rights equal to the number of directors to be elected. These voting rights may be concentrated on one candidate or spread across multiple candidates. Candidates receiving the highest number of votes are elected as directors.

The entire body of the directors shall be elected by the shareholders using the nomination system from the list of nominated candidates, with independent and non-independent directors elected at the same time, but in separately calculated numbers.

Pursuant to the preceding paragraph, the method of candidates' nomination and announcement shall be conducted in accordance with the applicable laws of the Company Act and the Securities and Exchange Act.

Article 13-1: The board of directors shall convene at least once a quarter. The convening shall be notified to all directors with detailed agenda 7 days before the meeting; however, the meeting can be

convened with shorter notice in case of any emergency.

The convening of the board of directors of the Company may be notified in writing, by e-mail or fax.

- Article 14: The directors construct the board of directors, with the attendance of more than two-thirds of the directors and the consent of more than one-half of the attending directors to appoint one of the directors to be chairman who will represent the Company in performing all business.
- Article 14-1: When the chairman is unable to perform the duties due to leave or other reasons, the acting chairman shall be decided in accordance with Article 208 of the Company Act.
- Article 14-2: For the directors to attend and entrust to attend the board of the directors, the entrustment shall be conducted in accordance with Article 205 of the Company Act.
- Article 15: When the vacancy of the directors reaches one-third, the board of directors shall convene the special shareholders meeting by law for by-election
- Article 16: Regardless of operating profit or loss, the board of directors may be authorized to determine the remuneration of all directors according to the general standard in the same industry.
- Article 17: The company set up the audit committee pursuant to Article 14-4 of the Securities and Exchange Act. The audit committee should consist of all independent directors. The audit committee or the committee members are responsible for performing the duties of supervisors under the Company Act, Securities and Exchange Act, and other laws.
- Article 17-1: The company may purchase director liability insurance to reduce the risks arising from the claim by shareholders or other stakeholders against the directors for their performance of statutory duties.

Chapter 5 Manager

- Article 18: The Company may set up one president, whose recruitment, dismissal and remuneration shall be pursuant to the applicable regulations of the Company Act.
- Article 19: The board of directors may employ CPAs and attorneys as consultants according to the demand of the business; their compensation shall be determined by the board of directors.

Chapter 6 Accounting

- Article 20: The Company stipulates that the fiscal year is from January 1st to December 31st of every year.
- Article 21: At the end of each fiscal year, the board of directors shall prepare the following reports, and they shall be submitted to the general shareholders meeting:
1. Business Report
 2. Financial statements
 3. Proposal for earnings distribution or loss offset
- Article 22: This company shall appropriate a minimum of 2% and a maximum of 2% of net earnings of profit as profit sharing for employees and directors respectively. The distribution proposal shall be submitted to AGM for approval. However, if the Company still has accumulated losses, the amount shall be retained for compensation, and then appropriated as remuneration to employees, directors based on the percentages mentioned above.
- The Board of Directors will resolve to distribute the preceding employees' compensation in the form of shares or in cash. The recipients may include employees of controlled companies or affiliates who have met certain conditions. Such conditions shall be specified by the Board of Directors.
- Article 22-1: The company should distribute surplus or compensate loss at the end of each quarter. If there is any surplus after the quarterly settlement, the amount shall be reserved for the estimated tax amount, compensation of loss, employees' compensation and directors' remuneration; then 10% appropriated for legal reserve unless the legal reserve has equaled the company's paid-in capital, in such case, the company shall recognize or

reverse special earnings. If there is any amount remaining, the Board of Directors shall prepare the proposal of distributing surplus, where the proposal shall be executed after resolution by the Board of Directors for cash distribution, or by the shareholders meeting for stock distribution.

If there is any surplus after the annual settlement, the amount shall be used to pay the tax, compensate loss, then 10% appropriated for legal reserve unless the legal reserve has equaled the company's paid-in capital, in such case, the company shall recognize or reverse special earnings. Any amount remained shall be deemed as distributable earnings, which may be distributed along with the distributable earnings at the beginning of the period. The Board of Directors shall prepare the earnings distribution plan according to the stock dividend policy, and distribute stock dividends after resolution of the shareholders meeting.

The company authorizes the Board of Directors pursuant to Article 240 of the Company Act to adopt the resolution by a majority of the directors present who represent two-thirds or more of the Board of Directors to distribute the distributable dividends and bonus, or all or part of the legal reserve and capital reserve under Article 241 of the Company Act in the form of cash, and report to the shareholders meeting.

In consideration of the need for future expansion and R&D and coordination with the macro environment and industry characteristics for sustainable development and long-term profits for shareholders, dividends are appropriated based on the accumulated distributable earnings, provided the amount shall not be lower than 15% of the distributable earnings of the year under our dividend policy. However, no dividend will be distributed when the amount of accumulated distributed earnings is lower than 25% of the amount of paid-in capital. Dividends are released in either cash or stock, provided the amount of cash dividend shall not be lower than 10% of the total amount of dividends.

Chapter 7 Appendix

Article 23: Any matters that are not mentioned herein shall be conducted according to the applicable laws and regulations.

Article 24: This Articles of Incorporation was created on April 20, 1983; the 1st amendment was made on October 4, 1984; the 2nd amendment was made on November 26, 1988; the 3rd amendment was made on December 11, 1989, the 4th amendment was made on August 15, 1994; the 5th amendment was made on June 25, 1996; the 6th amendment was made on September 20, 1996; the 7th amendment was made on October 5, 1997, the 8th amendment was made on November 20, 1997; the 9th amendment was made on July 11, 1998; the 10th amendment was made on July 31, 1998; the 11th amendment was made on June 21, 1999; the 12th amendment was made on June 16, 2000, the 13th amendment was made on June 15, 2001; the 14th amendment was made on June 18, 2002; the 15th amendment was made on June 18, 2002; the 16th amendment was made on June 25, 2003; the 17th amendment was made on June 25, 2003; the 18th amendment was made on June 4, 2004; the 19th amendment was made on June 4, 2004; the 20th amendment was made on June 22, 2005; the 21st amendment was made on June 22, 2005; the 22nd amendment was made on June 23, 2006; the 23rd amendment was made on June 26, 2007; the 24th amendment was made on June 26, 2007; the 25th amendment was made on June 19, 2008; the 26th amendment was made on June 19, 2009, the 27th amendment was made on June 17, 2010, the 28th amendment was made on June 17, 2011; the 29th amendment was made on June 27, 2012; the 30th amendment was made on June 23, 2016; the 31st amendment was made on June 22, 2017; the 32nd amendment was made on June 18, 2019; and the 33rd amendment was made on July 30, 2021.

Appendix 2

Soft-World International Corporation Rules of Procedure for Shareholder Meetings

Article 1: The Rules of Procedure for Shareholders Meetings is processed in accordance with the Rules, unless otherwise provided by law or Articles of Incorporation.

Article 2: The Company's meeting of shareholders shall be convened by the Board, unless otherwise provided by law.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions

The election of directors has been set out in the notice as to the reasons for convening the shareholder meeting. The date of assumption of office is also stated, which cannot be changed by an extraordinary motion or any other method after the said election is completed in the shareholders' meeting.

Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. Shareholders may propose the suggestive motions to urge the company to increase public interests or fulfill social responsibility. The procedures shall comply with Article 172-1 of the Company Act.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, correspondence or electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the

proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

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

Article 3: Shareholders may attend the meeting of shareholders by proxy that is printed and issued by the Company with the scope of authorization detailed.

Article 4: The shareholders meeting must be held at a location that is suitable and convenient for shareholders to attend. The meeting must not commence anytime earlier than 9AM or later than 3PM. Independent Directors' opinions must be fully taken into consideration when deciding the time and venue of the meeting.

Article 5: Shareholders meetings that are convened by the Board of Directors shall be chaired by the Chairmen. If the Chairman is unable to perform his/her duties due to leave of absence or any reasons, the Vice Chairman will take the Chairman's place. If the Vice Chairman is not appointed or the Vice Chairman is also on leave or is unable to perform his duties for certain reasons, the Chairman may appoint one of the directors to act on behalf. If no one is appointed, the remaining directors will appoint one among themselves to perform the Chairman's duties on behalf. If the shareholders' meeting is convened by any authorized party other than the Board of Directors, the convener will act as the meeting chairman. If there are two or more conveners, they shall appoint one among themselves to chair the meeting.

Article 6: The Company may assign the appointed attorney, CPA, or responsible personnel to attend the meeting of the shareholders.

Article 7: The Company should have the entire meeting of shareholders taped in audio or video recording and stored for at least one year. However, for the litigation filed by the shareholders in accordance with Article 189 of the Company Act, it should be reserved until the end of the proceedings.

Article 8: Attendance of the meeting of shareholders should be calculated in accordance with the shareholdings.

The shareholding attendance is based on the attendance registry or the signature cards submitted, plus the votes exercised in writing or by electronic means.

The chair shall call the meeting to order at the meeting time and at the same time announce the number of non-voting shares and the number of shares present and other related information. If the shareholding of the attending shareholders is not more than half of the total number of shares issued, the Chairman may announce the meeting postponed, which is limited to two postponements and for less than one-hour in total. If the shareholding of the attending shareholders remaining do not constitute more than one third of the total number of shares issued after the two postponements, the Chairman may announce to have the meeting aborted.

If the shareholdings of the attending shareholders are not more than half of the total number of shares issued after two postponements but more than one third of the total number of shares issued, a pseudo-resolution can be resolved in accordance with Paragraph 1, Article 175 of the Company Act; also, shareholders should be informed regarding the pseudo-resolution with another meeting of shareholders to be convened within one month.

If the shareholdings of the attending shareholders are more than one half of the total number of shares issued before the end of the meeting, the Chairman may have the pseudo-resolution presented again in the next meeting of the shareholders for resolution in accordance with Article 174 of the Company Act.

Article 9: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors and all relevant proposals shall be voted. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

If the meeting of shareholders is convened by an authorized person other than the Board, the provision referred to above is applicable.

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

Article 10: Attending shareholders before speaking on the subject must fill out the speech slip, shareholder account number, and account name (or attendance pass number) in detail, and then the Chairman is to determine the order of speakers.

Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is a discrepancy found between the text of the speech and the speech slip submitted, the contents of the speech shall prevail.

Each shareholder may not speak more than twice on the same motion for 5 minutes each time without the consent of the Chairman. However, the Chairman may have the speaking shareholders who violate the rules or speak beyond the scope of those issues silenced.

Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholders. The Chairman will have the violating shareholders stopped.

If the juridical person shareholder has more than two representatives assigned to attend the meeting of shareholders, only one of the two representatives may speak on the same proposal.

The Chairman may reply to the speaking shareholders personally or by the designated personnel.

Article 11: Resolutions of the meeting of shareholders should be based on their shareholdings.

For the resolutions in the meeting of shareholders, the shares of the shareholders without votes are not included in the calculation of outstanding shares.

Shareholders who have a conflict of interest with the proposals that are detrimental to the Company's interests shall not vote, and cannot vote by proxy on behalf of the other shareholders.

The shares without votes referred to above are not included in the calculation of the attending shareholders' votes.

Except for Trust agencies or stock agencies approved by the securities regulatory authorities, the votes of the representative delegated by two or more shareholders shall not exceed 3% of the total votes representing the total number of shares issued; also, the votes exceeding the threshold shall not be counted.

Article 12: Shareholders are entitled to one vote per share; except for those subject to restrictions or the non-voting matters illustrated in Paragraph 2, Article 179 of the Company Act.

When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. Shareholders who have their votes cast in writing or by electronic means are deemed as attending the meeting in person. However, with respect to motions and original proposal amendments of the meeting of shareholders, it is deemed as a waiver; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

For the resolution of proposals, unless otherwise provided in the Company Act and the Company Corporate Charter (Articles of Incorporation), the consent of a majority vote of the attending shareholders shall prevail. At the time of voting, the voting shall be conducted on a case-by-case basis. The result of vote for, against and abstention of the shareholders shall be entered into the MOPS on the same date after the shareholders meeting is held.

When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly.

Chairman is to appoint the scrutineers and counting officers who must be shareholders. The vote counting process of the shareholder's balloting or election should be held openly at the meeting venue. The balloting result should be announced immediately at the meeting, including statistical weights, and it should be documented for record.

- Article 13: If directors are elected in the shareholders' meeting, the election shall be governed by applicable election rules established by the Company and the results of the election shall be announced on site, including the list of elected directors and the number of votes received and those unelected as well as the numbers of votes that they obtained. Electoral ballots referred to above shall be sealed and signed by the scrutineers and reserved for at least one year. However, for the litigation filed by the shareholders in accordance with Article 189 of the Company Act, it should be reserved until the end of the proceedings.
- Article 14: Shareholder resolutions shall be recorded in minutes, affixed with the signature or seal of the chairman of the meeting and distributed to each shareholder within 20 days from the meeting. The preparation and distribution of the minutes of shareholders' meeting can be processed electronically. The Company's minutes of shareholders' meeting referred to above can be distributed by posting it on the MOPS. The minutes of meeting shall be prepared with the following information included: the year, month, and day of the meeting and place of the meeting, the name of the chairman, the method of adopting resolutions, the essential points of the proceedings, and the results of the voting (including the voting rights). When the election of directors is arranged, the number of votes received by each elected director should be disclosed. The recorded results should be kept permanently throughout the duration of the Company.
- Article 15: The staff responsible for organizing the meeting of shareholders shall wear identification badges or armbands. The Chairman may direct disciplinary personnel or security personnel to help keep the meeting place in order. The disciplinary personnel or security personnel that help keep the meeting place in order should wear an armband with "Marshal" affixed or an identification card. When the meeting place is equipped with amplifying equipment, the Chairman may stop shareholders who do not use the speaking device provided by the Company from speaking. The Chairman may instruct the disciplinary personnel or security personnel to have shareholders who violate the Rules of Procedure for Shareholder Meetings, disobey the instructions of the Chairman, intervene in the meeting proceedings and fail to comply with the disciplinary act escrowed to leave the meeting place.
- Article 16: The chairman may call the meeting into recess at a suitable time. In the event of a force majeure event, the chairman may decide to suspend the meeting temporarily and, as the case may be, announce the time to continue the meeting, or with the resolution of the shareholders meeting, continue the meeting within 5 days, exempted from the notice and announcement.
- Article 17: The Rule shall be approved by the shareholders meeting and then implemented afterwards. The amendment shall apply the same.

Appendix 3

Soft-World International Corporation Code of Ethical Conduct

Article 1

For the purpose of providing guidance to directors, supervisors and managerial officers of the Company in order to act in line with ethical standards, and to help interested parties better understand the ethical standards, the Company establishes this Code for compliance.

Article 2

The “Regulations” is applicable to the Company’s directors, supervisors and managerial officers, including general managers and equivalents, deputy general managers and equivalents, junior general manager and equivalents, financial department heads, accounting department heads and others who are responsible for the Company’s managerial affairs and who have the rights to sign company documents.

Article 3

Directors, supervisors and Managers of the Company shall handle official duties in an objective manner with efficiency, and shall not allow themselves, their spouses, parents, children or kindred within the 2nd tier under the Civil Code access to illicit benefits by making use of their job positions and functions.

For any loaning of funds, provision of guarantees, and major asset transactions or the purchase (or sale) of goods involving the affiliated enterprise at which a director, supervisor, or managerial officer works, relevant directors and managerial officers of the Company shall voluntarily explain whether there is any potential conflict between them and the Company.

Article 4

The company shall prevent its directors, supervisors or managerial officers from engaging in any of the following activities: 1. Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions; 2. Obtaining personal gain by using company property or information or taking advantage of their positions; 3. Competing with the company. When the company has an opportunity for profit, it is the responsibility of the directors, supervisors, and managerial officers to maximize the reasonable and proper benefits that can be obtained by the company.

Article 5

Directors, supervisors or managerial officers of the Company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its customers of purchase (sales), except when authorized or required by law to disclose such information. Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company and customers.

Article 6

Directors, supervisors, and managerial officers shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 7

The Company's directors, supervisors or managerial officers all have the responsibility to protect the Company's assets and ensure that they have been used effectively and legally in official business to avoid theft, negligence or waste that is detrimental to the Company's profitability.

Article 8

The Company's directors, supervisors or managerial officers shall comply with the Company's relevant policies, the Securities and Exchange Act and other laws and regulations.

Article 9

The Company shall have the directors, supervisors or managerial officers who have violated the code of ethics punished accordingly. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.

Article 10

The exemption of the directors, supervisors or managerial officers from complying with the "Regulations" must be with the approval of the Board of Directors. The approval date of the said exemption by the Board of Directors should be disclosed on the Market Observation Post System immediately, including the objection or reservation of the independent directors, the duration of the exemption, the reason for granting the exemption, the Regulations applicable to the exemption, etc., that enable shareholders to assess whether or not the resolutions made by the Board of Directors are appropriate in order to prevent arbitrary or suspicious exemptions from occurrence and to ensure that any exemption from compliance with the regulations is with the appropriate control mechanisms for the protection for the Company.

Article 11

This Code of Conduct shall be disclosed at the official website, annual reports, prospectus of the Company and MOPS. The same procedure is applicable to any amendment thereto.

Article 12:

The Company's code of ethical conduct, and any amendments to it, shall enter into force after it has been adopted by the board of directors, delivered to each supervisor, and submitted to a shareholders meeting.

The "Regulations" was adopted on March 22, 2017.

Appendix 4

Soft-World International Corporation Procedures for the Acquisition or Disposal of Assets

Article 1: Purpose: This Procedure is established for the purpose of strengthening asset management and achieving full disclosure.

Article 2: Applicable assets

1. Securities: include shares, government bonds, corporate bonds, bank debentures, securities that represent fund entitlements, depository receipts, call/put options, beneficiary securities and asset-backed securities.
2. Real estate (including land, building, investment properties, and construction inventory) and equipment.
3. Membership card
4. Intangible assets: include patents, copyrights, trademarks, licenses and other intangible assets.
5. Right-of-use assets.
6. Claims (including receivables, foreign exchange purchase discount and loans, and delinquent loans) of financial institutions.
7. Derivatives
8. The acquisition or disposal of assets by merger, spins-off, acquisition, or assignment of shares lawfully
9. Other important assets

Article 3: Terms and Definitions

1. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. II. The term “forward contracts” does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
2. The acquisition or disposal of assets by merger, spins-off, acquisition, or assignment of shares lawfully: Refers to the acquisition or disposal of assets by merger, spins-off, or purchase in accordance with the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act, or other laws, or, assignment of other company’s shares by issuing stock shares in accordance with Article 156-3 of the Company Act (hereinafter referred to as “assignment of shares”)
3. Related party and subsidiaries: It should be recognized in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Firms.
4. Professional appraiser: Refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.
5. Date of event: Refers to the transaction contract signing date, payment date, commission Closing Date, transfer date and the Board resolution date or the date the counterparty and transaction amount sufficiently determined whichever is earlier or sooner. For investments that are subject to the approval of the competent authorities, one of the dates of event referred to above or the date of approval by the competent authorities whichever is earlier or sooner shall prevail.

6. Investment in Mainland China: Refers to the investments engaged in Mainland China approved by the Investment Commission of the Ministry of Economic Affairs Investment or conducted in accordance with the Technical Cooperation Licensing Requirements.
7. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
8. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
9. Over-the-counter venue ("OTC venue", "OTC"): "Domestic OTC venue" refers to a venue for OTC trading provided by a securities firm in accordance with the Regulations Governing Securities Trading on the Taipei Exchange; "foreign OTC venue" refers to a venue at a financial institution that is regulated by the foreign competent authority and that is permitted to conduct securities business.
10. "Within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been announced or have obtained an appraisal report from a professional appraiser or a CPA's opinion in compliance with the procedure or have been approved by the Board of Directors and recognized by the supervisors in accordance with the procedure need not be counted toward the transaction amount.
11. The term "latest financial statements" mentioned here shall refer to the Company's audited/auditor-reviewed financial statements that were published prior to acquiring or disposing the assets.
12. The requirement of 10% of the total assets is based on the total assets in the latest proprietary or independent financial statements governed by the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Article 4: The Company's acquisition or disposal of the assets shall be conducted in accordance with this standard. Unless otherwise provided in the financial related law and regulations.

Article 5: The determining procedure and reference basis of transaction conditions for the acquisition or disposal of the assets by the Company shall be conducted based on the following situations.

1. Acquisition or disposal of securities that have been traded in the Stock Exchange Market or OTC shall be determined by the transaction amount at the time.
2. Acquiring or disposing of securities that are not traded in the Stock Exchange Market or OTC shall take into account their net worth per share, profitability, future development potential and reference to the transaction price at the time to make decision. In the case of a company whose shares have no par value or a par value other than NT\$10, for the calculation of transaction amounts of 20% of paid-in capital according to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, 10% of equity attributable to owners of the parent company shall be substituted. For the Regulations regarding transaction amounts relative to paid-in capital of NT\$10 billion, NT\$20 billion of equity attributable to owners of the parent company shall be substituted.
3. Acquiring or disposing of bonds that are not traded in the Stock Exchange

Market or OTC shall take into account the market interest rates at the time, bonds coupon rate, and the debtor's creditability to make decision.

4. Acquisition or disposal of real estate shall take into account the announced current value, the assessed value and the trading value of the adjacent real estate to make decision.
5. Acquisition or disposal of other fixed assets should be processed in accordance with parity, negotiations or tender.

The acquisition or disposal of the assets of the Company shall be decided by the authorized department within the scope of delegation:

1. For the acquisition or disposal of the long-term security investment and real estate, if the amount is NT\$30 million or less, it shall be approved by the Chairman. If the amount is between NT\$30 million and NT\$100 million (inclusive), it shall be decided by the Chairman for execution, but shall be reported to the latest Board of Directors meeting. If the transaction amount exceeds NT\$100 million, it shall be approved by the Board of Directors before implementation.
2. For the acquisition or disposal of the short-term security investment and other fixed assets, if the amount is NT\$30 million or less, it shall be approved by the presidents. If the amount is between NT\$30 million and NT\$100 million (inclusive), it shall be approved by the Chairman. If the transaction amount exceeds NT\$100 million, it shall be approved by the Board of Directors before implementation.

Article 6: The Company's acquisition or disposal shall be implemented by the financial management center, using department (real estate and other fixed assets) and related authorized departments.

Article 7: The limited amount for the Company's acquisition and disposal of the assets shall be pursuant to the following regulations:

1. The sum of real estate for non-business use shall not be higher than 20% of the net worth.
2. The sum of securities investment shall not be higher than the net worth.
3. The investment on a single security shall not be higher than 50% of the net worth.

Subsidiaries:

The limited amount for the subsidiaries who are public companies to acquire and dispose the assets shall be pursuant to the "Procedure of Acquisition or Disposal of the Assets" established by the subsidiaries.

The limited amount for the subsidiaries who are not public companies to acquire and dispose the assets shall be pursuant to the regulations of the Company, and the limited amount shall be calculated based on the net worth of the parent company.

Article 8: The Evaluation Report for Real Estate or Equipment:

In the event that the transaction amount for acquiring or disposing of real property, equipment, or its right-of-use assets reaches twenty percent (20%) of the paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of event occurrence from a professional appraiser and comply with the provisions below, except for transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or its right-of-use assets held for business use.

1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.

2. Transactions amounting to NTD1 billion or more should have two or more professional appraisers invited to appraise.
3. If the professional appraiser's appraisal results fall in one of the following circumstances, unless the valuation of the asset acquired is higher than the transaction amount or when the valuation of the asset disposed is lower than the transaction amount, a CPA should be contracted to have it processed in accordance with the Statement of Auditing Standards (SFAS) No. 20 of the ROC Accounting Research and Development Foundation (hereinafter referred to as the Accounting Research and Development Foundation) with an opinion issued on the reasons for the difference and the adequacy of the transaction price:
 - (1) The spread between the appraisal result and the transaction amount exceeds 20%
 - (2) The appraisal spread between the two or more appraisers exceeds 10% of the transaction amount
4. The difference between the reporting date of the professional appraiser and the contract date may not be more than three months. However, if it is subject to the announced present value of the same period and that is not more than six months away, an opinion can be issued by the original appraiser.
5. For assets acquired or disposed through court auctions, documentary proof issued by the court can be used in place of the valuation report or CPA's opinion.

Article 9: Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:

1. The acquisition or disposal of real estate from and to the related party or right-of-use assets, or the acquisition or disposal of assets other than real estate from and to the related party for an amount exceeds 20% of the paid-in capital, 10% of the total assets, or NT\$300 million. this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
2. Handling merger, division, acquisition or transfer of shares.
3. Engaged in derivatives transaction with a loss up to the limit of the total or individual contract amount regulated in this procedure.
4. Acquisition or disposal of equipment or its right-of-use assets for business operations from an unrelated party at a transaction amount meets any one of the following criteria:
 - (1) Public companies with paid-in capital of less than NTD10 billion and amount of transaction exceeds NTD500 million.
 - (2) For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.
5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.
6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and

allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT\$500 million.

7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million. this shall not apply to the following circumstances:
 - (1) Trading of domestic government bonds.
 - (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.
 - (3) The trade of RP/RS bonds and purchase/repurchase of money market funds that are issued by domestic securities investment trust enterprises

The transaction amount referred to above is calculated in accordance with the following methods:

1. The amount of each transaction.
2. The cumulative amount of the acquisition or disposal of the same underlying subject with the same counterparty within one year.
3. The accumulated amount of the acquisition or disposal (itemized accumulation of acquisition and disposal) of real estate or its right-of-use assets of the same development project within one year.
4. The cumulative amount of the same marketable securities acquired or disposed of (amount accumulated separately) within one year.

The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the competent authority by the 10th day of each month.

When the items that are to be published by the Company in accordance with the regulations are found with errors or omissions at the time of publication, all the items should be published and reported again within 2 days from the date of learning of the discrepancy.

The Company should have the contract, minutes of meeting, book, appraisal reports, the opinions of CPAs, attorneys, or underwriters related to the acquisition or disposal of assets ready at the Company's premise for at least 5 years unless otherwise provided by law.

Article 10: Timing of announcement and report

If the transactions reported and announced by the Company in accordance with the provision referred to above are found with any of the following circumstances, the Company should have the related information announced and reported on-line at the information network designated by the competent authorities within 2 days from the date of occurrence:

1. The originally signed trade contract is modified, terminated, or revoked.
2. Merger, spins-off, acquisition, or assignment of shares is not completed in accordance with the deadline stated in the contract signed.

3. Changes are made to the original announcement and report.

Article 11: When the company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised, if the transaction amount reaches 10 percent or more of the company's total assets, the company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with the provisions.

The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance with the procedures.

The legal form and the real relationship should be considered in determining whether the counterparty is a related party.

Article 12: In the acquisition or disposition of property or right-of-use assets with related parties, or in the acquisition or disposition of assets other than property with related parties at 20% of the paid-in capital or 10% of the total assets of the Company, or exceeding NT\$300 million, the following materials must be provided to the Board for resolution and the ratification of the Supervisors before entering into agreement on the transactions and effecting payment except for the trading of domestic government bonds, R/P bonds or reverse R/P bonds, or the subscription or redemption of domestic money market funds issued by domestic securities investment trust firms.

1. The purpose, necessity, and expected benefits of the acquisition or disposal of assets
2. Reason for choosing the concerned party as trading counterpart
3. With respect to the acquisition of real estate or right-of-use assets from a related party, it shall assess the relevant information for the reasonableness of the preliminary transaction terms in accordance with the procedure.
4. The matters of the related party's original acquisition date and price, counterparty, and the relationship with the Company and the related party.
5. Expected monthly cash income and expense statement within one year from the contracted month, and assessing the necessity of the transactions and the reasonableness of the funds application
6. Obtain an appraisal report issued by a professional appraiser in accordance with the procedures or a CPA's opinion.
7. Restrictive conditions and other important stipulations of the transaction

When the transactions listed below are conducted between the Company and its parent company, subsidiaries, or between the subsidiaries that the Company directly or indirectly holds 100% of the issued shares or authorized capital, the Board of Directors may, pursuant to the procedure, delegate the Chairman to decide such matters first when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property or right-of-use assets thereof held for business use.

Where the position of independent director has been created in accordance with the regulations, when reported to the Board for discussion in accordance with Paragraph 1, it should fully consider the views of the independent directors. The objections or reservations of independent directors, if any, should be stated in the minutes of the Board meeting.

Where an audit committee has been established according to the regulations, the matters that required recognition by the supervisor according to the first Paragraph shall first be approved by more than half of all audit committee members and then submitted to the Board of Directors for resolution, and shall apply the applicable regulations of the Procedure.

Article 13: Evaluation on reasonable cost of transactions

1. The Company should assess the reasonableness of the transaction costs for the acquisition of real property or right-of-use assets from the related party in accordance with the following methods:
 - (1) Based on the transactions price of the related party plus the necessary funds interest cost and buyer's cost by law The so-called necessary capital interest cost is calculated in accordance with the weighted average interest rate of the loans in the year the assets are acquired by the Company; however, it may not be higher than the non-financial industry maximum loan interest rate as announced by the Ministry of Finance.
 - (2) If the related party has the underlying subject used as collateral for a loan from financial institutions, the financial institutions are to assess the gross lending value of the subject matter. However, the actual accumulated lending value of the subject matter granted by the financial institutions should reach over 70% of the assessed gross lending value for a lending period over one year. However, it is not applicable if the financial institution and the counterparty are related to one another.

For the combined purchase or lease of the same underlying land and house, the transaction costs of land and house can be assessed by any of the methods referred to above.

When acquiring real property or right-of-use assets from related parties, property costs shall be evaluated according to Subparagraphs (1) and (2), Paragraph 1 of this Article. A certified public accountant shall also be engaged to verify and opine on the transaction.

The Company that acquires real estate or right-of-use assets from a related party shall evaluate the reasonableness of the transaction costs in accordance with the Article 12. If one of the following situations occurs, and shall not apply for the preceding 3 subparagraphs of the first Paragraph of this procedure:

- (1) The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
 - (2) Related party's contracting for the acquisition of real estate or its right-of-use assets is over five years from the date of the trade contract signed.
 - (3) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the company's own land or on rented land.
 - (4) The real property right-of-use assets for business use are acquired by the company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.
2. Subparagraphs (1) and (2), Paragraph 1 of this Article shall apply to real property or right-of-use assets acquired from related parties if the valuation methods described in this Article 14 both produce a value that is lower than the transaction price. However, as a result due to the following circumstances and with the objective evidence presented and an appraisal report collected from the professional real estate appraiser and a reasonable opinion issued by the CPAs, it is not subject to the limitations:
 - (1) Related party that has obtained prime land or rental land for construction must submit the proof of complying with the following conditions:
 1. The prime land is assessed in accordance with the methods referred to above. House is assessed in accordance with the sum of the construction costs and a reasonable profit exceeding the actual transaction price. The term "reasonable construction profit" is based on the average gross profit rate in the last three years of the related party's construction department or the latest gross profit rate of the construction industry

announced by the Ministry of Finance whichever is lower.

2. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
- (2) Where the company acquiring real property, or obtaining real property right-of-use assets through leasing, from a related party provides evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 14: Where the company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with uniformly lower than the transaction price, the following steps shall be taken:

1. A special reserve shall be set aside in accordance with against the difference between the real property or right-of-use assets transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Public companies that account the Company as an investment using the equity method shall also recognize a portion of the Company's special reserves according to their respective shareholding percentages.
2. Supervisors shall comply with Article 218 of the Company Act. Where an audit committee has been established in accordance with the provisions of the Act, the preceding part of this subparagraph shall apply mutatis mutandis to the independent director members of the audit committee.
3. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

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

The acquisition of real estate or its right-of-use assets by the Company from the related party that is evidenced not in compliance with general business practices should be handled in accordance with the preceding two paragraphs.

Article 15: The Company for the acquisition or disposal of securities shall obtain prior to the date of event the underlying company's most recent financial statements audited, attested or reviewed by CPAs as reference in assessing the transaction price. In addition, for a transaction amount exceeding 20% of the paid-in capital or NTD300 million, a CPA should be contracted prior to the date of the event to express an

opinion on the reasonableness of the transaction price. The CPA that needs to adopt the report of an expert shall have it processed in accordance with the Statement of Auditing Standards (SFAS) No. 20 published by the Research and Development Foundation. However, exceptions are made if the marketable securities are with a quote in an active market or it is otherwise regulated by the Financial Supervisory Commission.

Article 16: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 17: For the appraisal report or the opinions obtained from the CPAs, attorney, or security underwriter by the Company, the professional appraisers and their appraising personnel, CPAs, attorneys and security underwriters, shall meet the following requirements:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. Not a related party or a *de facto* related party of a counterpart of a transaction.
3. If an appraisal report must be issued by two or more professional appraisers, the two different professional appraisers or appraising personnel must be not related or *de facto* related parties to one another.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Prudently assess own professional competencies, practical experience, and independence prior to undertaking assignments.
2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. Make a statement attesting to the professional competency and independence of personnel preparing the report or opinion, and assuring that the information contained in the report or opinion has been evaluated and found to be reasonable and accurate, and related laws and regulations are complied with.

Article 18: When the Company is engaged in derivatives trading, it shall comply with the “Procedure for Derivatives Trading” of the Company.

Article 19: For the process of corporate merger, spins-off, acquisition, or assignment of shares, the Company should have a CPA, lawyer, or securities underwriter invited to comment on the reasonableness of the exchange ratio, acquisition price, cash

distributed to the shareholders, and the other assets and then presented in the board meeting for resolutions. For mergers between the public company and wholly-owned subsidiaries directly or indirectly, or for mergers between wholly-owned subsidiaries directly or indirectly, it is not necessary to obtain a reasonable opinion from the aforementioned experts.

The company participating in a merger, demerger, acquisition, or transfer of shares shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders meeting and include it along with the expert opinion referred to the preceding Article when sending shareholders notification of the shareholders meeting for reference in deciding whether to approve the merger, demerger, or acquisition. However, the corporate merger, spins-off, or acquisition that does not have to be resolved in the shareholders' meeting according to other governing regulations is not subject to the requirement.

If any participant of the business merger, divestment, or takeover is unable to convene a shareholder meeting, produce a resolution, or if the motion is voted down by shareholders due to insufficient attendants, minimum votes, or other legal restrictions, then the participants of the business merger, divestment, or acquisition shall immediately announce to the public the causes of the discontinuance, their follow-up actions, and the estimated date of the next shareholder meeting.

Article 20: For the merger, spins-off, or acquisition of a company, unless otherwise required by law or due to special factors must report to the competent authorities in advance, the board meeting and the shareholders' meeting should be convened in the same day to resolve the matters related to the corporate merger, spins-off, and acquisition.

For the assignment of shares of a company, unless otherwise required by law or due to special factors must report to the competent authorities in advance, the board meeting should be convened in the same day.

For the merger, spins-off, acquisition, or assignment of shares of a listed company or the company with stock traded at the securities business premise, the following information should be composed in writing and reserved for five years for inspection:

1. Personnel information: including the title, name, and identity card number (or passport number for foreigners) of the personnel involved in a merger, spins-off, acquisition, or assignment of shares, or, the plan executor.
2. Date of significant events: including the date of signing a letter of intent or memorandum, commissioning a financial or legal adviser, signing a contract, and convening a board meeting.
3. Important documents and minutes of meeting: including the documents of the merger, spins-off, acquisition, or assignment of shares plans, letters of intent or memorandum, important contracts, minutes of board meeting.

For the merger, spins-off, acquisition, or assignment of shares of a listed company or the company with stock traded at the securities business premise, the Company should have the information stated in Paragraph 1 and Paragraph 2 in the Section referred to above reported on-line to the competent authority for records in the designated format within 2 days after the resolution reached by the Board of Directors.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the preceding two paragraphs.

Article 21: For the Company's participating in the merger, spins-off, acquisition, or assignment of shares, the swap ratio or purchase price, except for in the following circumstances, shall not be changed arbitrarily; also, the tolerable changes of the swap ratio or purchase price should be detailed in the merger, spins-off, acquisition, or assignment

of shares contract:

1. Process cash capital increase and issue convertible bonds, stock dividends, bonds with stock option, preferred shares with stock option, stock options certificate, and other equity-type securities.
2. Disposal of major assets that affects the Company's financial operations
3. The occurrence of significant disasters and major changes in technology that affects the Company's shareholders' equity or securities price.
4. The adjustment of treasury stock repurchased lawfully by any company that participates in the merger, spins-off, acquisition, or assignment of shares.
5. Changes in the entity or number of companies involved in the merger, spins-off, acquisition, or assignment of shares.
6. The other conditions for tolerable changes are defined in the contract and have been publicly disclosed.

The agreement for the Company to engage the merger, demerger, acquisition, or transfer of shares shall comply with the regulations to specify the relevant items in order to protect the rights and benefits for participating companies.

After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends further to carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except that where the number of participating companies is decreased and a participating company's shareholders meeting has adopted a resolution authorizing the board of directors to alter the limits of authority, such participating company may be exempted from calling another shareholders meeting to resolve on the matter anew.

Article 22: Regulations governing a subsidiary's acquisition or disposal of assets:

1. The subsidiaries who are public companies shall comply with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" to establish the Procedures for Acquisition or Disposal of Assets and implement correspondingly.
2. For the acquisition or disposal of assets of the subsidiaries who are not public companies, they shall comply with the regulations of the parent company to establish the "Procedure for Acquisition and Disposal of Assets" and implement correspondingly. Their transaction amount shall be evaluated based on the authorized capital of the parent company.
3. For the subsidiaries who are not public companies, when the acquired or disposed assets reach the standards of announcement stipulated in the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", the parent company (the Company) shall conduct the announcement for its subsidiaries.

Under the announcement standards of the subsidiaries, the regulations for paid-in capital or total assets shall refer to the paid-in capital or total assets of the parent company (the Company).

Article 23: Penalty

When the Company's employees conduct the acquisition and disposal of the assets in violation of this procedure, such events shall be reported for appraisal regularly according to the personnel management policy and the employee handbook; and shall be punished based on the circumstances.

Article 24: Implementation and Amendment

The "Procedure for Acquisition or Disposition of Assets" of the Company shall be passed by the Board, forwarded to all Supervisors, and reported to the Shareholders' Meeting for ratification before coming into force. The same procedure is applicable to any amendment thereto. Where Directors may have

adverse opinions on record or in written declaration, the Company shall refer to all Supervisors. Besides, if the Company has established the independent directors, each independent director's opinions shall be fully taken into account when the "Procedure for Acquisition and Disposal of Assets" are reported to the Board of Directors for discussion. Any objections or qualified opinions expressed by independent directors shall be recorded in the meeting minutes for the Board of Directors.

Where an audit committee has been established in accordance with the provisions of the Act, when the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by more than half of all audit committee members and submitted to the board of directors for a resolution. If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if 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 meeting.

The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 25: Appendix

Any matter that is not mentioned in this procedure shall be conducted in accordance with the applicable laws and regulations.

Article 26: This Regulations was created on June 25, 2003; the 2nd amendment was made on June 23, 2006; the 3rd amendment was made on June 26, 2007, the 4th amendment was made on June 19, 2009, the 5th amendment was made on June 27, 2012; the 6th amendment was made on June 19, 2014; the 7th amendment was made on June 22, 2017 and the 8th amendment was made on June 18, 2019.

Appendix 5

Directors' Shareholding

Record date: April 23, 2022

Title	Name	Number of shares held on the date for suspension of share transfer	
		Quantity	Ratio of Shareholding
Chairman	WANG, CHIN-PO	21,594,350	16.94%
Director	WANG, CHIUNG-FEN	0	0
Director	SHIH, MING-HAO	11,110	0.01%
Director	CHIEN, CHIN-CHENG	0	0
Director	CHANG, HUNG-YUAN	0	0
Director	WU, AI-YUN	0	0
Independent director	HSU, SHOU-TE	0	0
Independent director	LIN, HSUAN-CHU	0	0
Independent director	CHUANG, PI-HUA	0	0
Total		21,605,460	16.95%

1. The number of shares issued by the Company is 127,474,332 shares as of April 23, 2022.
2. According to Article 2 of the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”, the minimum number of shares that the directors and supervisors of the Company shall hold is calculated at 80% of the regulation stated in the first Paragraph of Article 2. The minimum legal number of shares held by the entire body of directors is 8,000,000 shares.