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超豐電子股份有限公司
GREATEK ELECTRONICS INC.

2021 Annual Shareholders' Meeting Meeting Handbook



Time: 9:00 am on May 28, 2021

Venue: Basement, No. 136, Gongyi Rd., Zhunan Township,
Miaoli County (Greatek's Training Classroom)

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Greatek Electronics Inc.

Meeting Procedure of the 2021 Annual Shareholders' Meeting

- I. Calling the Meeting to Order
- II. Chairman's Opening Remarks
- III. Reporting Items
- IV. Ratification Items
- V. Discussions
- VI. Elections
- VII. Other Matters
- VIII. Extempore Motions
- IX. Adjournment

Greatek Electronics Inc.

Agenda for the 2021 Annual Shareholders' Meeting

Time: 9:00 am on Friday, May 28, 2021

Venue: Basement, No. 136, Gongyi Rd., Zhunan Township, Miaoli County (Greatek's Training Room)

- I. Chairman Calls the Meeting to Order
- II. Chairman's Opening Remarks
- III. Reporting Items
 - (1) 2020 Business Report.
 - (2) Review Report from the Audit Committee.
 - (3) Report on the Distribution of Employee Compensations and Director Remunerations for 2020.
- IV. Ratification Items
 - (1) Ratification of the 2020 Business Report and financial statements.
 - (2) Proposal for 2020 earnings distribution.
- V. Discussions
 - (1) Proposal to amend the Rules Governing the Election of Directors.
- VI. Elections

The 10th Election of Board Members.
- VII. Other Matters
 - (1) Proposal to release the newly elected Directors from the non-compete restrictions.
- VIII. Extempore Motions
- IX. Adjournment

Reporting Items

Proposal 1

Subject: Ratification of the 2020 Business Report.

Explanatory notes: Please refer to Attachment 1 on page 10 to 16 of this Handbook for Greatek's 2020 Business Report.

Proposal 2

Subject: The Audit Committee's Review Report.

Explanatory notes: Please refer to Attachment 2 on page 17 of this Handbook for Greatek's Review Report from the Audit Committee.

Proposal 3

Subject: 2020 Employee Compensation and Director Remuneration Distribution Report.

Explanatory notes:

- (1) In regards to the employees' compensations and Directors' remunerations in 2020, on February 26, 2021, the Board of Directors has appropriated NT\$359,412,032 and NT\$71,882,406 as employee compensations and Directors' remuneration respectively in accordance with the Company Act and the Articles of Incorporation.
- (2) The aforementioned employee compensations and remuneration distributions are of no difference with the number recorded in 2020 financial statements. All distributions were paid in cash.

Ratification Items

Proposal 1 (proposed by the Board of Directors)

Subject: Please ratify the 2020 Business Report and financial statements.

Explanatory notes:

- (1) The Board of Directors has approved the 2020 Business Report and financial statements in a Board Meeting convened on February 26, 2021. The financial statements, including Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity, and Cash Flow Statement, have been audited by the CPA Yu-Feng Huang and CPA Cheng-Chih Lin of Deloitte Taiwan, and an Independent Auditor's Report has been issued accordingly.
- (2) Please refer to Attachment 1 on page 10 to 16 of this Handbook for the 2020 Business Report, and refer to Attachment 3 and 4 on page 18 to 32 respectively for the Independent Auditor's Report and the financial statements.

Resolution:

Proposal 2 (proposed by the Board of Directors)

Subject: Please ratify the 2020 Earnings Distribution

Explanatory notes:

- (1) The Board of Directors has proposed a Table of Earnings Distribution in accordance with the Company Act and the Articles of Incorporation in a Board Meeting convened on February 26, 2021.
- (2) The Board of Directors is authorized to adjust the distribution if the number of shares outstanding is affected by subsequent amendments from the competent authority, repurchase of the Company's shares, transfer or requirement of treasury shares, or other factors, which lead to a change of shareholders' distribution rate.
- (3) Upon a resolution from the Shareholders' Meeting, the cash dividend is calculated based on the shares held by the shareholders recorded in the register of shareholders on the ex-dividend date and is rounded to the nearest NT dollar based on the distribution ratio. Any fractional amount will be aggregated and recognized as other income of the Company.
- (4) Please refer to Attachment 5 on page 33 of this Handbook for the 2020 Table of Earnings Distribution.

Resolution:

Discussions

Proposal 1 (proposed by the Board of Directors)

Subject: Please discuss the proposal to amend the Rules Governing the Election of Directors.

Explanatory notes:

- (1) Pursuant to Directive Letter No. 10900094681 issued by the Taiwan Stock Exchange Corporation (TWSE) on June 3, 2020 to amend the "Sample Template for XXX Co., Ltd. Procedures for Election of Directors", the Board of Directors has proposed to amend Greatek's Rules Governing the Election of Directors accordingly, and to rename such Articles as "Procedures for Election of Directors".
- (2) Please see Attachment 6 on page 34 to 36 of this Handbook for a Comparison Table for Amendments to the Rules Governing the Election of Directors.

Resolution:

Elections

(Proposed by the Board of Directors)

Subject: The 10th Election of Board Members.

Explanatory notes:

- (1) The term of office of Greatek's 9th Board will be completed on May 28, 2021. Upon resolution from the Board of Directors in line with the Company Act, an election for nine Directors, including three Independent Directors, will be held during this Shareholders' Meeting.
- (2) The newly elected Directors and Independent Directors will immediately assume his/her position after election, and his/her term will be for three years, beginning on May 28, 2021 and terminating on May 27, 2024.
- (3) In accordance with the Articles of Incorporation, the candidate nomination system is adopted for the election of Directors, and the shareholders shall elect from a list of candidates. Please see Attachment 7 on Page 37 to 38 of this Handbook for the list of Director Candidates and their educational background, experience, and other relevant information.

Election Results:

Other Matters

Proposal 1 (proposed by the Board of Directors)

Subject: Please discuss the proposal to release the newly elected Directors from the non-compete restrictions.

Explanatory notes:

- (1) Pursuant to Article 209 of the Company Act, a Director who does anything for himself/herself or on behalf of another person that is within the scope of the Company's business, shall explain to the Shareholders' Meeting the essential contents of such an act and secure its approval.
- (2) In accordance with applicable law, the Shareholders' Meeting is hereby asked to consent to release the 10th term of the Board of Directors from the non-compete business contents. Please refer to Attachment 7 on Page 37 to 38 of this Handbook for the Concurrent Positions of the Director and Independent Director Candidates.

Resolution:

Extempore Motions

Adjournment

Attachment 1

Greatek Electronics Inc.

2020 Business Report

In 2020, the global economy was severely affected by the COVID-19 pandemic. Economic activities were largely stopped by national lockdown or border control measures designed by each country to control the spread of the virus, leading to a slump in production activities of major countries and deferred procurements in supply chains. In addition, public consumption has also been affected. In January 2021, the International Monetary Fund (IMF) estimated that the global economy has shrunk by 3.5% in 2020. Nevertheless, in the semiconductor industry, the launch of 5G smartphones has driven up market demand. Moreover, the pandemic is fuelling the growth of the stay-at-home economy. The remote work and online courses trends have soared, leading to a boom in the demand for desktops, laptop computers, and data center-related equipment, and allowing the semiconductor market to grow against the tide in 2020. According to a December 2020 estimate by the World Semiconductor Trade Statistics (WSTS), the 2020 global semiconductor production output was valued at US\$433.1 billion, which showed an annual growth of 5.1%. In particular, the growth rate of logic chips was 6.5%. In November 2020, the Industry, Science and Technology International Strategy Center (ISTI) of Industrial Technology Research Institute (ITRI) estimated that Taiwan's integrated circuit (IC) production value has reached NT\$3,218.5 billion in 2020, showing an annual growth rate of 20.7%, while IC packaging and testing represented an annual growth rate of 9.4%.

Greatek's 2020 operating revenue reached a record-breaking peak of NT\$14.7 billion, and the annual revenue showed a 22.2% increase over that of 2019. The main contributions of this growth include effective pandemic control, continuous and sustainable operation in semiconductor industry, stay-at-

home economy and medical equipment demand driven by the pandemic, as well as new-tech applications introduced by 5G cellular network, artificial intelligence (AI) and the Internet of Things (IoT). On top of that, the benefits from our expanded production have also begun to show, leading operating margin to increase by 36.1% over 2019. Below is a summary of Greatek's operating performance in 2020 and the 2021 Business Plan:

I. Implementation results of the 2020 Business Report:

The 2020 operating revenue was NT\$14.7 billion, representing a 22.2% over the NT\$12.03 billion in 2019. Gross margin was 25.9%, showing a 2.6% increase from the 23.3% in 2019. In terms of earnings, the net income after tax was NT\$2.662 billion, representing a 40.4% increase from the NT\$1.896 billion in 2019. The earnings per share (EPS) was NT\$4.68, which was a 40.5% increase from the NT\$3.33 in 2019.

II. Budget implementation:

Greatek did not disclose its financial forecast in 2020.

III. Financial Revenue and Profitability Analysis:

Greatek's operating principles include robust growth, proactive innovations, and prudent investments. The 2020 capital expenditures amounted to approximately NT\$2.85 billion, and most of which went toward increasing packaging, testing, and die processing service (DPS) capacity and improving production efficiency and costs. Though capital expenditure has increased, the Company's ending cash balance as of December 31, 2020 was NT\$3.9 billion due to continued profitability and adequate financial income and expenditure controls. The current ratio was 289%, helping the Company to maintain sound and robust financial structure. Financial income and expenditure and profitability analysis are stated as follows:

1. Financial Income & Expenditure

Cash flows in 2020:

- (1) Net cash inflow from operating activities: NT\$5,089,435 thousand (mostly attributable to net profit and depreciation).
- (2) Net cash outflow from investing activities: NT\$(3,432,384 thousand), mostly attributable to acquisition of property, plant, and equipment.
- (3) Net cash outflow from financing activities: NT\$(1,309,397 thousand), mostly attributable to distribution of cash dividends.

2. Profitability Analysis

Item/Year	2020	2019
Return on asset (%)	12.97	9.89
Return on equity (%)	15.37	11.53
Net profit ratio (%)	18.11	15.76
Earnings per share (NT\$)	4.68	3.33

IV. Research & Developments

Greatek is committed to expanding the R&D department; on top of retaining industry-specific elites, we also continue to recruit talents to enhance R&D capacity, develop new products, and to improve production processes. Greatek's production skills and product developments are aligned with the demand in the electronic end product market and customer needs. In recent years, electronic products with characteristics of light-weighted, thin, short, small, high-efficiency, highly-integrated, safe, low-cost, and power-saving are much more preferred in the market. Therefore, the Company was devoted to developing RF testing, high-end testers, Extreme Thin QFN/DFN and LQFP 216L(EP) Stacked Die in 2020.

The R&D expense in 2020 was NT\$232 million, accounting for 1.6% of full year revenue.

V. Summary of the 2021 Business Plan

1. Operating Directions and Production and Marketing Policies

- (1) By upholding a customer and service-oriented approach, the Company will enhance its overall quality, technologies, and efficiency in order to provide professional services that satisfy its customers.
- (2) To actively expand product lines to satisfy market and customer needs in order to expand Greatek's market share.
- (3) To invest prudently and to fully utilize our facilities and equipment so as to realize the maximum benefits from our production capacity.
- (4) To actively research and develop new processes and new materials; to reduce costs; to achieve operating goals; and to generate profit.
- (5) Founded on integrity, Greatek will make lasting and stable profits for the Company and its customers and suppliers.
- (6) To establish a fair, reasonable and comprehensive system and to build an ideal work environment for the employees in order to build collective awareness, cohesion, and teamwork.
- (7) The Company will strengthen professional training, encourage lifelong learning, and train talents to achieve sustainable management.
- (8) To upgrade both software and hardware and to build effective preventive systems and management mechanisms; to actively protect Greatek's information security; and to provide a safe operating and production environment.

2. Sales Volume Estimate

Based on the industry outlook, future market demand, and Greatek's production capacity, the estimated sales volume of the Company in 2021 is as follows:

Sales item	Estimated sales volume
Packaging	Approx. 11.1 billion units
W/T testing	Approx. 770,000 units
F/T testing	Approx. 7.3 billion units
WLP	Approx. 210,000 units
WLCSP	Approx. 500 million units

3. Future Growth Strategies

- (1) To actively seize and maintain existing long-term partnerships with customers to increase the share of their demand allocation.
- (2) To actively expand to front-line customers and to strategically expand to world-class customers to strengthen our customer mix and to accelerate revenue growth.
- (3) To stay on top of market trends, to remain aligned to customers' new product development, and to actively plan and build new product capacity.
- (4) Research and develop packaging and testing technologies and skills that cater to market demand to achieve both technical and cost competitiveness.
- (5) To actively introduce relevant certifications that are of international recognitions and standards, in line with applicable laws and regulations to unlock more opportunities for the business.
- (6) To increase equipment automation, increase productivity and product quality, thereby reducing costs and enhancing profitability.

- (7) To strengthen information management and enhance the operating efficiency and quality in production and sales in order to provide better customer service.

The IMF's January 2021 "World Economic Outlook" has indicated that as COVID-19 vaccines are granted approval for launch, and as nations reinforce economic relief policies, economic recovery may be expected. The world economy is expected to resume its growth in 2021, and the IMF predicts that the global GDP in 2021 and 2022 will be 5.5% and 4.2%, respectively. However, IMF has also pointed out that the world would face a new round of COVID-19 attack, along with virus variants, and the crisis of national lockdown, casting a shadow over the economic outlook on the other hand.

Looking forward to 2021, booming industries, including semiconductor, electric vehicles, 5G, and remote needs, will drive demand in sectors such as silicon wafers, foundry, IC design, packaging and testing, Wi-Fi 6, automotive electronics, DRAM, passive components, and 5G equipment. In December 2020, the WSTS estimated that the global semiconductor market is projected to grow by 8.4% in 2021. In January 2021, IC Insights, a research and survey institution, has also estimated the semiconductor market is expected to grow by 12% in 2021. Currently, the biggest challenges are the tight production capacity of foundry and back-end packaging and testing, as well as the hike in raw material prices, incurring extra costs. The demand for end products may be impacted if the pandemic intensifies or if another lockdown is imposed, thereby posing potential threats to the semiconductor industry this year.

Greatek is always on top of the economic and industry changes, and executes the optimal response in terms of production and sales strategies. In addition to developing advanced processes and enhancing R&D capacity, the Company is also committed to developing new customers at home and abroad. Key development objectives in 2021 include: GaN Wafer Sawing, Fine Pitch

Sawing and Bonding, High Pin count BGA, Hybrid/High Thermal and RF Testing. In terms of capital expenditures, Greatek will continue to expand capacity in packaging, testing and WLP. As for cost control, the Company will enhance equipment productivity and continue to improve processes and raw materials. Greatek aspires to satisfy the needs of even more customers by relying on our excellent product quality, well-rounded service, and competitive edge in costs, so as to achieve new heights in operating revenues and profits.

Chairman: D.K. Tsai

President: Louis Ning

Accounting Manager: Mei-Ling Lin

Review Report from the Audit Committee

The Board of Directors has prepared Greatek's 2020 Business Report, financial statements and Proposal for Earnings Distribution, among which the financial statements have been audited by Deloitte Taiwan, by whom an Independent Auditor's Report has been issued accordingly. The aforementioned Business Report, financial statements, and Proposal for Earnings Distribution, have been examined and reviewed by the Audit Committee, and no irregularities were found. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this Report.

To

2021 Annual Shareholders' Meeting of Greatek Electronics Inc.

Greatek Electronics Inc.

Chairman of the Audit Committee:

Chu-Chien Feng

Published on February 26, 2021

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Greatek Electronics Inc.

Opinion

We have audited the accompanying balance sheets of Greatek Electronics Inc. (the "Corporation") as of December 31, 2020 and 2019, and the related statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying company only financial statements present fairly, in all material respects, the company only financial position of the Corporation as of December 31, 2020 and 2019, and the company only financial performance and the company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the financial statements of the Corporation for the year ended December 31, 2020, are described as follows:

Contract assets and revenue recognition

1. The sales revenue is material to the Corporation. Please refer to Note 19 to the accompanying financial statements for details on sales revenue. The major type of revenue is subcontract revenue. The types of subcontracting transactions include:
 - 1) Semiconductor assembly
 - 2) Semiconductor testing
 - 3) Wafer testing

2. Assembly services: Since the customers have ownership of the assets, assume significant risks and rewards of ownership of the assets, have the right to determine the disposal of the assets and can prevent the Corporation from obtaining the benefits of the assets, revenue should be recognized over time in accordance with the requirements of paragraph 35(b) of International Financial Reporting Standards No. 15.

3. Testing services: In accordance with the requirements of paragraph 35(a) of International Financial Reporting Standards No. 15. As the Corporation conducts testing services, the customers obtain and consume the benefits provided by the Corporation's testing services at the same time. Therefore, revenue should also be recognized over time as well.

4. The Corporation recognizes the contract assets and revenue of assembly and testing services at the end of each month based on the completion schedule. Since the above-mentioned process includes estimates and manual controls, there is a risk that contract assets and revenue may not be recognized correctly as a result of human error.
5. We reviewed the Corporation's revenue recognition policy, assessed the reasonableness of its contract assets and revenue recognition, and confirmed against relevant supporting documents and accounts records to verify the accuracy of the monetary amounts of contract assets and revenue recognition.

Capitalization of property, plant and equipment

1. The capital expenditure of the Corporation relating to property, plant and equipment is significant to its financial statements. Refer to Note 12 to the accompanying financial statements for details on property, plant and equipment.
2. To ensure the accuracy of the cost amounts, the requisition, purchasing, verification and recording of the Corporation's property, plant and equipment are all subject to appropriate sign-off procedures. The Corporation will regularly examine items that were not capitalized for more than three months after their purchase and ask the department using the item to explain the

circumstances surrounding why each item which should be capitalized has as of yet remained un-capitalized.

3. Because of the significance of such expenditure amounts, delays in capitalization or errors in cost amounts thereof may lead the financial statements to not be fairly presented.
4. We reviewed the Corporation's property, plant and equipment capital expenditure policy, assessed the reasonableness of the timing of capitalization, and conducted the following procedures:
 - 1) Selecting samples of newly acquired items from the lists of asset details of the year to verify whether the costs are recognized in the appropriate period.
 - 2) Selecting samples from the list of Advance Payments and Construction in Progress at the year end and perform on-site count to observe whether such items were not ready for their intended use.
 - 3) Selecting samples of items that were not capitalized over three months from the list of Advance Payments and Construction in Progress to examine whether the reasons of such items not capitalized explained by applicants or users were approved by supervisors.

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

Management is responsible for the preparation and fair presentation of the 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 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 Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 company only financial statements for the year ended December 31, 2020 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 Yu-Feng Huang and Cheng-Chih Lin.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 26, 2021

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. The English version have not audited by Deloitte & Touche. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

GREATEK ELECTRONICS INC.**BALANCE SHEETS****DECEMBER 31, 2020 AND 2019****(In Thousands of New Taiwan Dollars)**

ASSETS	2020		2019		LIABILITIES AND EQUITY	2020		2019	
	Amount	%	Amount	%		Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES				
Cash and cash equivalents (Notes 4 and 6)	\$ 3,934,707	18	\$ 3,618,463	18	Financial liabilities at fair value through profit or loss - current (Notes 4, 5 and 7)	\$ 5	-	\$ 26	-
Financial assets at fair value through profit or loss - current (Notes 4, 5 and 7)	129,296	1	54,221	-	Contract liabilities - current (Notes 4 and 19)	56,676	-	50,340	-
Financial assets at amortized cost - current (Notes 4, 5 and 9)	300,000	1	250,388	1	Notes payable	3,535	-	8,276	-
Contract assets - current (Notes 4, 19 and 25)	648,393	3	562,604	3	Accounts payable	957,905	4	805,324	4
Notes receivable (Notes 4, 5, 10 and 19)	119,529	-	63,517	-	Payables to equipment suppliers (Note 25)	320,723	2	356,303	2
Accounts receivable (Notes 4, 5, 10 and 19)	3,051,269	14	2,643,937	14	Accrued compensation to employees and remuneration to directors (Notes 4 and 20)	431,294	2	315,493	2
Receivables from related parties (Notes 4, 5, 19 and 25)	350,627	2	338,123	2	Current income tax liabilities (Notes 4 and 21)	448,165	2	256,584	2
Inventories (Notes 4 and 11)	772,626	4	533,376	3	Lease liabilities - current (Notes 4, 5 and 13)	1,229	-	1,208	-
Prepaid expenses and other current assets (Notes 4, 15 and 25)	<u>138,020</u>	<u>1</u>	<u>112,752</u>	<u>1</u>	Accrued expenses and other current liabilities (Notes 4, 16 and 25)	<u>1,043,124</u>	<u>5</u>	<u>816,981</u>	<u>4</u>
Total current assets	<u>9,444,467</u>	<u>44</u>	<u>8,177,381</u>	<u>42</u>	Total current liabilities	<u>3,262,656</u>	<u>15</u>	<u>2,610,535</u>	<u>14</u>
NON-CURRENT ASSETS					NON-CURRENT LIABILITIES				
Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 8)	585,533	3	264,470	1	Deferred income tax liabilities (Notes 4 and 21)	5,858	-	839	-
Financial assets at amortized cost - noncurrent (Notes 4, 5 and 9)	500,001	2	800,003	4	Lease liabilities - noncurrent (Notes 4, 5 and 13)	8,311	-	9,540	-
Property, plant and equipment (Notes 4, 12 and 25)	10,799,817	50	10,055,669	52	Guarantee deposits	16	-	16	-
Right-of-use assets (Notes 4, 5 and 13)	9,385	-	10,661	-	Net defined benefit liability - noncurrent (Notes 4, and 17)	<u>258,564</u>	<u>1</u>	<u>240,651</u>	<u>1</u>
Intangible assets (Notes 4 and 14)	63,037	-	80,668	-	Total non-current liabilities	<u>272,749</u>	<u>1</u>	<u>251,046</u>	<u>1</u>
Deferred income tax assets (Notes 4 and 21)	39,186	-	36,754	-	Total liabilities	<u>3,535,405</u>	<u>16</u>	<u>2,861,581</u>	<u>15</u>
Other noncurrent assets (Notes 4, 15 and 26)	<u>90,698</u>	<u>1</u>	<u>90,605</u>	<u>1</u>	EQUITY (Notes 4, 18 and 23)				
Total non-current assets	<u>12,087,657</u>	<u>56</u>	<u>11,338,830</u>	<u>58</u>	Capital stock				
					Common stock	5,688,459	27	5,688,459	29
					Capital surplus	2,154	-	1,997	-
					Retained earnings				
					Legal reserve	3,260,735	15	3,072,210	16
					Special reserve	-	-	46,429	-
					Unappropriated earnings	8,994,310	42	7,805,894	40
					Other equity	<u>51,061</u>	<u>-</u>	<u>39,641</u>	<u>-</u>
					Total equity	<u>17,996,719</u>	<u>84</u>	<u>16,654,630</u>	<u>85</u>
TOTAL	<u>\$ 21,532,124</u>	<u>100</u>	<u>\$ 19,516,211</u>	<u>100</u>	TOTAL	<u>\$ 21,532,124</u>	<u>100</u>	<u>\$ 19,516,211</u>	<u>100</u>

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

GREATEK ELECTRONICS INC.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2020		2019	
	Amount	%	Amount	%
NET SALES (Notes 4, 5, 19, 25 and 29)	\$ 14,701,682	100	\$ 12,030,481	100
OPERATING COSTS (Notes 11, 17, 20 and 25)	<u>10,892,042</u>	<u>74</u>	<u>9,231,137</u>	<u>77</u>
GROSS PROFIT	<u>3,809,640</u>	<u>26</u>	<u>2,799,344</u>	<u>23</u>
OPERATING EXPENSES (Notes 17, 20 and 25)				
Selling and marketing	57,773	-	48,018	-
General and administrative	217,439	2	187,321	2
Research and development	232,009	2	203,385	2
Expected credit loss	<u>56,326</u>	<u>-</u>	<u>21,400</u>	<u>-</u>
Total operating expenses	<u>563,547</u>	<u>4</u>	<u>460,124</u>	<u>4</u>
OPERATING INCOME	<u>3,246,093</u>	<u>22</u>	<u>2,339,220</u>	<u>19</u>
NONOPERATING INCOME AND EXPENSES (Notes 4 and 20)				
Interest income	27,811	-	40,062	-
Other income	68,545	-	43,515	1
Other gains and losses	<u>(39,198)</u>	<u>-</u>	<u>(25,732)</u>	<u>-</u>
Total nonoperating income and expenses	<u>57,158</u>	<u>-</u>	<u>57,845</u>	<u>1</u>
INCOME BEFORE INCOME TAX	3,303,251	22	2,397,065	20
INCOME TAX EXPENSE (Notes 4 and 21)	<u>640,940</u>	<u>4</u>	<u>501,166</u>	<u>4</u>
NET INCOME	<u>2,662,311</u>	<u>18</u>	<u>1,895,899</u>	<u>16</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income (Notes 4 and 18)	11,420	-	86,070	-
Remeasurement of defined benefit plans (Notes 4 and 17)	<u>(23,453)</u>	<u>-</u>	<u>(10,651)</u>	<u>-</u>
	<u>(12,033)</u>	<u>-</u>	<u>75,419</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 2,650,278</u>	<u>18</u>	<u>\$ 1,971,318</u>	<u>16</u>
EARNINGS PER SHARE (Note 22)				
Basic	<u>\$ 4.68</u>		<u>\$ 3.33</u>	
Diluted	<u>\$ 4.62</u>		<u>\$ 3.29</u>	

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

GREATEK ELECTRONICS INC.

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)**

	Share Capital Issued and Outstanding		Capital Surplus	Retained Earnings			Other Equity Unrealized Gain (Loss) on Investments in Equity Instruments Designated as at Fair Value Through Other Comprehensive Income	Total Equity
	Share (Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings		
BALANCE, JANUARY 1, 2019	568,846	\$ 5,688,459	\$ 1,865	\$ 2,834,665	\$ 319	\$ 7,740,185	\$ (46,429)	\$ 16,219,064
APPROPRIATION OF 2018 EARNINGS								
Legal reserve	-	-	-	237,545	-	(237,545)	-	-
Special reserve	-	-	-	-	46,110	(46,110)	-	-
Cash dividends to shareholders - NT\$2.7 per share	-	-	-	-	-	(1,535,884)	-	(1,535,884)
Capital surplus - donations from shareholders	-	-	132	-	-	-	-	132
Net income for the year ended December 31, 2019	-	-	-	-	-	1,895,899	-	1,895,899
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	-	(10,651)	86,070	75,419
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	-	1,885,248	86,070	1,971,318
BALANCE, DECEMBER 31, 2019	568,846	5,688,459	1,997	3,072,210	46,429	7,805,894	39,641	16,654,630
APPROPRIATION OF 2019 EARNINGS								
Legal reserve	-	-	-	188,525	-	(188,525)	-	-
Special reserve	-	-	-	-	(46,429)	46,429	-	-
Cash dividends to shareholders - NT\$2.3 per share	-	-	-	-	-	(1,308,346)	-	(1,308,346)
Capital surplus - donations from shareholders	-	-	157	-	-	-	-	157
Net income for the year ended December 31, 2020	-	-	-	-	-	2,662,311	-	2,662,311
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	(23,453)	11,420	(12,033)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	2,638,858	11,420	2,650,278
BALANCE, DECEMBER 31, 2020	568,846	\$ 5,688,459	\$ 2,154	\$ 3,260,735	\$ -	\$ 8,994,310	\$ 51,061	\$ 17,996,719

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

GREATEK ELECTRONICS INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Current income before income tax	\$ 3,303,251	\$ 2,397,065
Adjustments to reconcile income before income tax to net cash provided by operating activities:		
Depreciation	2,602,104	2,445,225
Amortization	27,599	25,181
Expected credit loss recognized on accounts receivables	56,326	21,400
Net gain on fair value change of financial instruments designated as at fair value through profit or loss	(25,807)	(3,426)
Finance costs	175	192
Premium amortization of financial assets at amortized cost	390	1,146
Interest income	(27,811)	(40,062)
Dividend income	(21,375)	(10,560)
Net gain on disposal of property, plant and equipment	(262)	(84)
Classification from property, plant and equipment to expenses	-	4
Recognition of inventory valuation and obsolescence losses	9,919	1,556
Net loss on foreign currency exchange	20,981	28,566
Changes in operating assets and liabilities:		
Increase in financial assets at fair value through profit or loss	(49,289)	-
Increase in contract assets	(85,789)	(91,579)
(Increase) decrease in notes receivable	(56,012)	14,520
Increase in accounts receivable	(447,664)	(157,124)
Increase in accounts receivable from related parties	(12,504)	(53,294)
(Increase) decrease in inventories	(249,169)	37,260
Increase in prepaid expenses and other current assets	(27,108)	(565)
Increase in contract liabilities	6,336	11,017
(Decrease) increase in notes payable	(4,741)	6,327
Increase in accounts payable	150,777	190,199
Increase (decrease) in accrued compensation to employees and remuneration to directors	115,801	(61,031)
Increase (decrease) in accrued expenses and other accounts payable	226,143	(50,981)
Decrease in net defined benefit liability	(5,540)	(5,532)
Net cash provided by operating activities	5,506,731	4,705,420
Interest received	29,651	41,432
Interest paid	(175)	(192)
Income tax paid	(446,772)	(585,444)
Net cash provided by operating activities	<u>5,089,435</u>	<u>4,161,216</u>

(Continued)

GREATEK ELECTRONICS INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019 (In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	\$ (309,643)	\$ (32,980)
Purchase of financial assets at amortized cost	-	(100,001)
Proceeds from financial assets at amortized cost	250,000	200,000
Acquisition of property, plant and equipment	(3,389,660)	(2,091,675)
Disposal of property, plant and equipment	925	298
(Increase) decrease in refundable deposits	(93)	156
Increase in intangible assets	(5,288)	(20,107)
Increase in non-current assets	-	(8,700)
Dividend received	<u>21,375</u>	<u>10,560</u>
Net cash used in investing activities	<u>(3,432,384)</u>	<u>(2,042,449)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in guarantee deposits	-	(74)
Repayment of the principal portion of lease liabilities	(1,208)	(1,188)
Cash dividends distributed	(1,308,346)	(1,535,884)
Donations from shareholders	<u>157</u>	<u>132</u>
Net cash used in financing activities	<u>(1,309,397)</u>	<u>(1,537,014)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES		
	<u>(31,410)</u>	<u>(7,233)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	316,244	574,520
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>3,618,463</u>	<u>3,043,943</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,934,707</u>	<u>\$ 3,618,463</u>

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

(Concluded)

Greatek Electronics Inc.**Table of Earnings Distribution**

	Year 2020	Unit: NT\$
Beginning undistributed profits	\$ 6,355,452,660	
Actuarial gains and (losses) included in retained earnings) (Description 1)	(23,454,090)	
Reversal of special reserve	0	
Add: net income for this period	2,662,311,346	
Distributable earnings for this period		\$ 8,994,309,916
Earnings distributions:		
Appropriation of legal reserve (Description 2)	(263,885,726)	
Shareholders' dividends (NT\$3.1 per share)	(1,763,422,356)	(2,027,308,082)
Ending retained earnings		\$ 6,967,001,834

Note 1: Pursuant to the Directive Letter No. 871941343 issued by the Ministry of Finance dated on April 30, 1998, the earnings distribution shall be calculated by using the specific identification method. The distribution principle of Greatek's earnings is to distribute the distributable earnings in 2020 first. If there are deficiencies, the undistributed earnings accumulated in previous years will be distributed in the order of last-in-first-out (LIFO) according to the year in which the earnings are generated.

Description 1. Remeasurement of defined benefits plan arising from adoption of IAS 19 (recognized in other comprehensive income or losses).

Description 2. Pursuant to the Explanatory Letter No. 10802432410 dated January 9, 2020 from the Ministry of Economic Affairs, for those using "net income after tax" as the basis for appropriating legal reserve, since preparing the earnings distribution for 2019 financial statements, the Company shall appropriate legal reserve based on the "net income after tax for the period, plus the amount of items other than net income after tax included in the undistributed earnings of the year".

Greatek Electronics Inc.

**Comparison Table for Amendments to the Rules Governing
the Election of Directors**

	Original Article	Amended Article	Description
	Rules Governing the Election of Directors	Procedures for Election of Directors	In reference to the amendment of "Sample Template for XXX Co., Ltd. Procedures for Election of Directors"
Article 1	Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of Directors shall be conducted in accordance with these Rules.	Except as otherwise provided by law and regulation or by the Company's Articles of Incorporation, elections of Directors shall be conducted in accordance with these Procedures.	Amended as Procedures for Election of Directors.
Article 2	The overall composition of the Board of Directors shall be taken into consideration in the election of the Company's Directors. (Omitted)	The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's Directors. (Omitted)	Wording change.
Article 8	<u>If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or legal entity, the name of the</u>	Deleted.	The Financial Supervisory Commission (FSC) has stipulated that since 2021, the election of Directors and Supervisors at all companies listed on the TWSE/TPEX shall adopt the candidate nomination system, and the shareholders shall select from a list of candidates. The shareholders shall

	Original Article	Amended Article	Description
	<p><u>governmental organization or legal entity shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or legal entity and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</u></p>		<p>have access to the information with regard to names, educational backgrounds and experiences of each nominee from the list of candidates prior to the Shareholders' Meeting has been convened, without the need to present either account number or ID number. The Company adopts the candidate nomination system for the election of Directors, and this Article has therefore been deleted.</p>
Article 8	<p>A ballot is invalid under any of the following circumstances:</p> <p>(1) The ballot was not prepared by the Board of Directors.</p> <p>(2) A blank ballot was placed into the ballot box.</p> <p>(3) The writing is illegible or has been altered.</p> <p>(4) If the candidate is a shareholder of the Company, the name, the shareholder's number filled in the ballot is inconsistent with the shareholders'</p>	<p>A ballot is invalid under any of the following circumstances:</p> <p>(1) The ballot was not prepared by a person with the right to convene.</p> <p>(2) A blank ballot was placed into the ballot box.</p> <p>(3) The writing is illegible or has been altered.</p> <p>(4) The candidate whose name is entered in the ballot does not conform to the Director candidate list.</p> <p>(5) Other words or marks are entered in addition to the number of</p>	<p>In line with the deletion of Article 8, numbering of this Article has been adjusted to Article 8. Pursuant to regulations in Article 173 of the Company Act, shareholders may, upon approval from the competent authority, convene a Meeting under special circumstances (for instance, when a notice that the Board of Directors will not convene a Meeting has been received). Paragraph 1 in this</p>

	Original Article	Amended Article	Description
	<p>register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is inconsistent.</p> <p>(5) Ballots with other written characters or symbols.</p> <p>(6) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.</p> <p>(7) Ballots not placed in the ballot box.</p> <p>(8) Two or more candidates have been selected on the same ballot.</p>	<p>voting rights allotted.</p>	<p>Article has therefore been amended accordingly. The Company adopts the candidate nomination system for its election of Directors. Shareholders shall elect the Directors among the list of Director candidates; therefore, Paragraphs 4 and 5 have been amended, and Paragraphs 6 through 8 have been deleted accordingly.</p>
Articles 9, 10, and 11	(omitted)	(omitted)	The numbering of Articles 10 through 12 has been adjusted to Articles 9 through 11.

Attachment 7

List of Director and Independent Director Candidates

Director Candidate	Education/Experience	Current Positions	Shareholding (shares)
Powertech Technology Inc. Representative: D.K. Tsai	Department of Industrial Engineering, National Taipei University of Technology General Manager of Kingston Technology Far East Corp. Chairman of Kingston Technology Far East Co., Ltd.	Chairman of Powertech Technology Inc. Chairman of Greatek Electronics Inc. Director of Powertech Holding (B.V.I.) Inc. Director of Powertech Technology (Singapore) Pte. Ltd. Director of PTI Technology (Singapore) Pte. Ltd. Director of Powertech Technology (Suzhou) Ltd. Director of Powertech Technology Akita Inc. Executive Director of Powertech Technology Japan Ltd. Director of Tera Probe, Inc. Independent Director of Compal Electronics, Inc. Independent Director of Chicony Power Technology Co., Ltd. Chairman of PTI Education Foundation	244,064,379
Powertech Technology Inc. Representative: Boris Hsieh	Executive MBA, National Chiao Tung University Vice President of Hon Hai Precision Industry Co., Ltd. President of Kingston Technology Far East Co., Ltd. Senior Vice President of Powertech Technology Inc. President of Chu Cheng Technology Ltd.	Chief Executive Officer of Powertech Technology Inc. Chief Executive Officer of Greatek Electronics Inc. Legal Representative Director of Powertech Technology Inc. Legal Representative Director of Greatek Electronics Inc.	244,064,379
Powertech Technology Inc. Representative: Louis Ning	Department of Physics, Chung Yuan Christian University Head of Manufacturing Department at Hua-Hsu Electronics Co., Ltd.	President of Greatek Electronics Inc. Legal Representative Director of Greatek Electronics Inc.	244,064,379
Powertech Technology Inc. Representative: J.S. Leu	Department of Mechanical Engineering, Feng Chia University Deputy Divisional Head, Packaging Production, Powerchip Semiconductor Corporation Senior Vice President of Powertech Technology Inc.	President and COO of Powertech Technology Inc. Director of Powertech Technology Inc. Legal Representative Director of Greatek Electronics Inc. Chairman of Powertech Technology (Suzhou) Ltd. Chairman of Powertech Semiconductor (Xian) Co., Ltd. Director of Powertech Technology (Singapore) Pte. Ltd. Director of PTI Technology (Singapore) Pte. Ltd.	244,064,379
Powertech Technology Inc. Representative:	Department of Industrial Engineering, Chung Yuan Christian University Manager of Powerchip	Vice President of Powertech Technology Inc.	244,064,379

Director Candidate	Education/Experience	Current Positions	Shareholding (shares)
Yu-Chin Chen	Semiconductor Corporation Divisional Head of Powertech Technology Inc. President of Powertech Semiconductor (Xian) Co., Ltd.		
Hung-Wei Venture Capital Co., Ltd. Representative: Jr-Neng Chang	Master Degree in Accounting, National Taiwan University Legal Representative Supervisor of Greatek Electronics Inc.	Senior Assistant Vice Presidents of Realtek Semiconductor Corporation Legal Representative Director of Greatek Electronics Inc. Director of Realtek Investment Singapore Private Limited	5,823,602

Independent Director Candidate	Education/Experience	Current Positions	Shareholding (shares)
Chi-Yung Wu	Department of Electrical Engineering, Feng Chia University Chairman of Holtek Semiconductor Inc.	Chairman of Holtek Semiconductor Inc. Chairman of Holtek Semiconductor (Xiamen) Inc. Chairman of Holtek Semiconductor (China) Inc. Chairman of BestComm RF Electronics Inc. Chairman of Best Solution Technology Inc. Chairman of Best Modules Corp. Chairman of Holtek Investment Co., Ltd. Director of Holtek Semiconductor (Suzhou) Inc. Director of Holtek Semiconductor Holding(BVI) Ltd. Director of Kingtek Semiconductor Holding (BVI) Ltd. Director of Bestcomm RF Electronics Inc. Independent Director of Greatek Electronics Inc.	0
Chu-Chien Feng	Executive MBA, National Chiao Tung University Chairman and President of Global View Co., Ltd. Chairman of Radiant Innovation Inc. Independent Director of Avita Corporation	Executive Assistant of the President of HiTi Digital, Inc. Supervisor of CHC Technology Inc. Independent Director of AMPAK Technology Inc. Independent Director of Greatek Electronics Inc.	0
M.J. Chuang	Department of Electrical Engineering, Musashi Institute of Technology Managing Director of Hikari Glass (H.K.) Limited President of Taiwan Business Division, HOYA Corporation President of Calin Technology Co., Ltd.	Executive Assistant of the Chairman, Overseas President and Representative of Taiwan Office of Union Optech (Zhongshan) Technology Co., Ltd. Independent Director of Greatek Electronics Inc.	0

Appendix 1

Greatek Electronics Inc.

Rules of Procedure for Shareholders' Meeting

Article 1: Shareholders' Meeting of the Company ("the Meeting") shall be conducted in accordance with these Rules except as otherwise specified in other relevant laws or regulations.

Article 2: Shareholders and their proxies (collectively, "shareholders") shall present the attendance cards issued by the Board and submit their corresponding sign-in cards for the purpose of signing in. Once the card is signed with the Company, the shareholder or the proxy is deemed to be in attendance, and the Company will not be liable for identifying the shareholder. The Chairman does not have to accept if a shareholder proposes to do a number counting of the attending shareholders. Attendance and voting at Shareholders' Meetings shall be calculated based on numbers of shares.

Article 3: The Chairman of the Board of Directors shall be the Chairman presiding at the Meeting. If, for any reason, the Chairman of the Board cannot preside at the Meeting, the Chairman shall appoint one of the Directors from the Board to preside. If there is no such designation, the Directors shall elect from among themselves one person by the means of a majority vote, to act on behalf of the Chairman at the Meeting.

Article 4: The Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the Chairman may postpone the time for the Meeting. The postponements shall be limited to two times at most, and the Meeting shall not be postponed for longer than one hour in aggregate. If after two

postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Article 175 of the Company Law. During the process of the Meeting, if the number of outstanding shares represented by the shareholders present at the Meeting becomes sufficient to constitute the quorum, the Chairman may submit the tentative resolutions to the Meeting for retroactive ratifications.

Article 5: The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.

Unless otherwise resolved at the Meeting, the Chairman cannot announce adjournment of the Meeting before all the discussion items (including extempore motions) listed in the agenda are resolved. After the Meeting is adjourned, the shareholders cannot designate any other person as Chairman and continue the Meeting in the same or other places.

Article 6: When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's account number (or the number of Attendance Card) and the name of the shareholder. The Chairman shall decide the order in which shareholders may speak.

If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the Chairman, each shareholder shall not speak for

more than two times on the same proposal.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought for and obtained the consent of both the Chairman and the shareholder in speaking; the Chairman shall stop any violation in that regard.

An attending shareholder may not exceed 5 minutes in a single speech. A speech may be extended by three minutes upon the consent of the Chairman. The extension is limited to one time only. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chairman may terminate the speech. After an attending shareholder has spoken, the Chairman may respond him/herself or direct relevant personnel to respond.

Article 7: When the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion to be closed and call for a vote.

Immediately after vote counting has been completed, the result of voting shall be announced at the Meeting and placed on record. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chairman. However, all monitoring personnel shall be the shareholders of the Company.

Article 8: Except otherwise specified in the Company Law and Articles of Incorporation, a resolution shall be adopted by more than half of the voting rights represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and the effect thereof is the same as a vote if no objection is voiced after solicitation by the Chairman.

Article 9: When there is an amendment or an alternative to a proposal, the Chairman shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further

voting shall be required.

Article 10: When a legal entity is appointed to attend as proxy, it may designate only one person to represent it in the Meeting. In case of two or more representatives are being appointed by the legal entity, only one of them may speak on the same proposal.

Article 11: When a Meeting is in progress, the Chairman may announce a break based on time considerations. If a force majeure event occurs, the Chairman may rule the Meeting temporarily suspended and announce a time when, in view of the circumstances, the Meeting will be either resumed, or may be reconvened at another time.

The effects of the resolutions made before the suspension of the Meeting mentioned in the preceding clause will not be impacted by the suspension.

Article 12: The Company may appoint its attorneys, certified public accountants, or any other related persons to attend the Meeting. Staff handling administrative affairs of the Meeting shall wear identification cards or arm bands.

Article 13: The Chairman may direct the disciplinary officers or security personnel to help maintain order at the Meeting place. When disciplinary officers or security personnel are on duty of maintaining order, they shall wear an armband bearing the word "Disciplinary Officer" for identification purpose. Shareholders shall heed calls to maintain order from the Chairman, disciplinary officers, or security personnel. When a person violates the rules of procedure and defies the Chairman's correction, obstructing the proceedings and refusing to heed calls to stop, the Chairman, disciplinary officers or security personnel may escort the person from the Meeting.

Article 14: The Shareholders' Meeting shall be recorded or videotaped in its entirety, and the recorded materials shall be retained for at least one year.

Article 15: These Rules shall take effect after having been submitted to and approved by the Shareholders' Meeting. Subsequent amendments thereto shall be effected in the same manner.

Greatek Electronics Inc.

Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company is incorporated in accordance with the regulations of the Company Act and registered under the name of Greatek Electronics Inc.

Article 2: The business scope of Greatek is as indicated as follows:

1. Manufacturing, testing, packaging, and trading of all types of integrated circuit (IC).
2. Design of the businesses in the preceding item.
3. Bidding, quotation, and distribution of the aforementioned products for both domestic and international manufacturers.
4. Import and export business related to the aforementioned products.
5. F401021 Restrained telecom radio frequency equipment and materials import.
6. All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company's head office is situated in Zhunan Township, Miaoli District. If necessary, the Company may set up domestic or international branches or offices upon the resolution of the Board of Directors and the approval of the competent authority.

Article 4: The Company may, as necessary in its business, invest outside the Company, and may, by resolution of the Board of Directors, be a shareholder of limited liabilities of other companies. The total amount of its investment may not be restricted by the amount of investment specified in Article 13 of the Company Act.

Article 4-1: The Company may act as a guarantor.

Chapter 2 Shares

- Article 5: The authorized capital of the Company is NT\$7 billion divided into 700 million shares. The par value of each share is NT\$10, and all shares are ordinary shares, of which the Board of Directors is authorized to issue the shares in separate installments. Within the aforementioned capital, 20,000,000 shares are reserved for the holders of employee stock warrants.
- Article 5-1: Transfer of shares to employees at prices below the Company's actual average repurchase price or issue of employee stock options below the market price (net worth per share) are subject to resolution from a Shareholders' Meeting which must be attended by more than one-half of the total number of outstanding shares, and voted in favor by more than two thirds of votes present.
- Article 6: The share certificates of the Company shall without exception be in registered form, signed by, or affixed with seals of, at least three Directors, and authenticated by the competent authority before issuance. The Company may issue shares without printing share certificates, which shall be registered with Taiwan Depository & Clearing Corporation.
- Article 7: The share certificates of the Company shall be name-bearing, and the shareholders shall submit his/her actual name and address to the Company to be recorded in a list of shareholders' register. A specimen of the shareholders' seals shall also be kept at the Company for verification, and the seal record shall be updated when the seal has been replaced. Shareholders shall apply the same seals used in the seal specimens when receiving dividends or exercising other rights of shareholders from the Company.
- Article 8: All entries in the shareholders' register due to share transfers shall be suspended for 60 days prior to an Annual Shareholders' Meeting;

for 30 days prior to an Interim Shareholders' Meeting; and for 5 days prior to the record date fixed for distributing dividends or other benefits.

Article 9: Deleted.

Article 10: Deleted.

Chapter 3 Shareholders' Meeting

Article 11: Shareholders' Meetings of the Company are of two kinds: Annual Shareholders' Meetings and Interim Shareholders' Meetings. Annual Meetings are convened on a yearly basis and within six months after the end of each fiscal year by the Board of Directors in accordance with the relevant regulations. Interim Shareholders' Meetings may be convened in accordance with applicable laws and regulations whenever necessary.

Article 12: A shareholder unable to attend the Shareholders' Meeting in person may appoint a proxy to attend the Meeting by using the proxy form issued by the Company and specifying the scope of proxy, and in line with the Company Act and the "Rules on Use of Letter of Entrustment for Attending Shareholders' Meeting at Public Listed Companies" announced by the competent authority. Electronic voting is one way in which the shareholders of the Company may exercise their voting rights. The relevant matters are specified in accordance with regulations from the competent authority.

Article 13: Unless otherwise regulated by the Company Act and restricted voting rights, each share of the Company is entitled to one vote per share.

Article 14: Except as otherwise provided by the Company Act, resolutions of a Shareholders' Meeting shall be adopted at a Meeting attended by shareholders representing more than half of the total number of issued shares, and at which more than half of the shareholders vote in favor of such resolutions.

Article 15: The Chairman of the Board of Directors shall be the Chairman presiding at the Meeting if the Meeting is convened by the Board. If, for any reason, the Chairman of the Board cannot preside at the Meeting, the Chairman shall appoint one of the Directors from the Board to preside. If there is no such designation, the Directors shall elect from among themselves one person to act on behalf of the Chairman at the Meeting. In cases where the Meeting is convened by any person who is also entitled to, other than the Board of Directors, the person shall preside at the Meeting as the Chairman. If there is more than one person convened, they shall elect from among themselves one person to act as the Chairman.

Article 16: Matters relating to the resolutions of a Shareholders' Meeting shall be recorded in the Meeting Minutes. The Meeting Minutes shall be signed or sealed by the Chairman of the Meeting and a copy distributed to each shareholder within 20 days after the conclusion of the Meeting.

The Meeting Minutes may be disseminated by way of public announcement.

Chapter 4 Directors and Audit Committee

Article 17: The Company shall have nine Directors to be elected from persons having legal capacity at a Shareholders' Meeting. Each Director shall hold office for a term of three years and is eligible for re-election.

Of the aforementioned number of Directors, three shall be Independent Directors.

The election of Directors is conducted based on a candidate

nomination system. The nomination of Directors of the Board shall be processed and announced in accordance with the Company Act, the Securities and Exchange Act and other applicable laws.

Pursuant to Article 14-4 of the Securities and Exchange Act, the Company has set up the Audit Committee, which shall consist of the entire Independent Directors. The Audit Committee and its members shall be responsible for the implementation of supervisors' duties under the Company Act, the Securities and Exchange Act, and other applicable regulations.

Article 18: The Board of Directors is formed by the Directors. The Chairman, who represents the Company externally, is selected by more than half of the votes of the Directors present at a Meeting of the Board attended by two-thirds or more of the Company's Directors. When the Chairman is on leave or unable to perform his/her duties, a designated proxy shall perform his/her duties in accordance with the provisions of Article 208 of the Company Act.

Article 19: The Board of Directors' Meeting shall be convened for at least once every quarter and the notice for the Meeting shall be sent to each Director in writing, email or fax, no less than seven days prior to the Meeting. However, in the event of an emergency, a Board Meeting may be held at any time. In case a Director cannot, for cause, attend the Meeting, he or she may appoint another Director as his/her proxy to attend on his/her behalf. If a Director uses video-calls as a means of participating the Meeting, he/she is also deemed as present.

Unless otherwise provided by the Company Act, resolutions of a Board Meeting shall be adopted by over half of votes of the Directors present at a Meeting attended by more than half of all Directors.

Article 20: When the Company's Directors perform their duties for the Company, the Company may pay remuneration regardless of whether the Company operates at a profit or loss. The Board of

Directors is authorized to decide the rates of such remuneration based on the extent of their performance at a level consistent with general practices in the industry domestic or abroad. Remuneration for Independent Directors is paid on a monthly basis and is not involved in the Directors' remuneration specified in Article 24.

Article 21: When the number of Directors falls short by one third of the total number prescribed in the Company's Articles of Incorporation, the Company shall call an Interim Shareholders' Meeting within a legally stipulated time period to hold a by-election to fill the vacancies. The term of office shall expire when the unexpired term of office of the predecessor is filled.

Chapter 5 Managers

Article 22: The Company may designate a Chief Executive Officer (CEO) and a President upon resolution from the Board of Directors. The appointment, dismissal, and remuneration of the CEO and President shall be handled in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 23: At the close of each fiscal year, the Board of Directors shall prepare the following statements and records: (1) Business Report, (2) financial statements, and (3) earnings distribution or deficit compensation proposal, which shall be presented at an Annual Shareholders' Meeting for ratification.

Article 24: The Company shall appropriate 9% to 15% of the net income before tax of the fiscal year as employees' compensations and no more than 3% as remuneration for Directors. In the event that the Company has accumulated losses, profit shall first be used to offset accumulated losses.

The preceding compensations for employees may be distributed in shares or cash, and employees may include the employees of the

Company's controlled companies meeting specific requirements set out by the Board. The remuneration to Directors may only be distributed in cash.

The preceding two paragraphs shall be determined by the resolution by the Board of Directors and reported to the Shareholders' Meeting.

Article 25: After the annual closing of books, if there is a net income after tax for this fiscal year, the Company shall distribute the earnings in the following order:

- I. Offset the accumulated losses (including adjusting undistributed earnings).
- II. After deducting the preceding amount, 10% will be deposited as legal reserve. However, this does not apply if the legal reserve has reached the amount of the Company's total paid-in capital.
- III. Appropriation or reversal of special reserve according to laws or competent authority regulations.
- IV. If undistributed earnings are still present after the preceding amounts, the Board shall draft a Proposal for Earnings Distribution in combination with any accumulated undistributed earnings, and submit it to the Shareholders' Meeting for resolution on the distribution of shareholder dividends.

The Company's dividend policy is based on a balanced dividends principle in line with the Articles of Incorporation. Fitting with the Company's long-term development plan, the overall business environment, and the industry growth status, the Company must take into account its capital needs and expansions as well as the shareholders' rights and interests. Considering all circumstances, a mix of cash and share dividends will be distributed, in which the cash dividend ratio shall be no less than 30% of the total dividends to be distributed.

Chapter 7 Supplemental Provisions

Article 26: Matters not addressed by these Articles of Incorporation shall be governed by the Company Act.

Article 27: These Articles of Incorporation were adopted on February 3, 1983. The first amendment was made on June 6, 1984. The second amendment was made on June 13, 1985. The third amendment was made on October 28, 1985. The fourth amendment was made on June 14, 1986. The fifth amendment was made on July 26, 1987. The sixth amendment was made on September 19, 1987. The seventh amendment was made on September 1, 1988. The eighth amendment was made on October 7, 1988. The ninth amendment was made on November 2, 1988. The tenth amendment was made on April 16, 1993. The eleventh amendment was made on September 29, 1995. The twelfth amendment was made on October 10, 1995. The thirteenth amendment was made on June 25, 1996. The fourteenth amendment was made on April 20, 1998. The fifteenth amendment was made on May 20, 1999. The sixteenth amendment was made on April 18, 2000. The seventeenth amendment was made on October 6, 2000. The eighteenth amendment was made on May 30, 2001. The nineteenth amendment was made on May 30, 2001. The twentieth amendment was made on June 3, 2002. The twenty-first amendment was made on June 3, 2003. The twenty-second amendment was made on June 1, 2004. The twenty-third amendment was made on June 13, 2005. The twenty-fourth amendment was made on June 12, 2006. The twenty-fifth amendment was made on June 11, 2007. The twenty-sixth amendment was made on June 13, 2008. The twenty-seventh amendment was made on June 10, 2009. The twenty-eighth amendment was made on June 14, 2010. The twenty-ninth amendment was made on April 3, 2012. The thirtieth amendment was made on June 28, 2012. The thirty-first amendment was made on June 10, 2013. The thirty-second amendment was made on June 11, 2014. The thirty-third amendment was made on June 10, 2015.

The thirty-fourth amendment was made on June 7, 2016. The thirty-fifth amendment was made on May 31, 2017. The thirty-sixth amendment was made on May 29, 2018.

Greatek Electronics Inc.

Chairman D.K. Tsai

Greatek Electronics Inc.

Rules Governing the Election of Directors

Article 1: Except as otherwise provided by laws and regulations or by this Company's Articles of Incorporation, elections of Directors shall be conducted in accordance with these Rules.

Article 2: The overall composition of the Board of Directors shall be taken into consideration in the election of the Company's Directors. Each Board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the Board as a whole are as follows:

- I. The ability to make judgments about operations.
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management ability.
- V. Knowledge of the industry.
- VI. An international market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

More than half of the Directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other Director. The qualification and election of the Company's Independent Directors shall comply with "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" and Article 24 of the "Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies".

Article 3: Elections of Directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. Shareholders shall select the number of Directors to be elected from the list of Director candidates. Independent and Non-independent Directors shall be elected at the same time but in separately calculated numbers in accordance with Article 198 of the Company Act.

Article 4: The cumulative voting method shall be used for election of the Directors at the Company. Each share will have voting rights in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates. The number of Directors will be as specified in the Company's Articles of Incorporation, with voting rights separately calculated for Independent and non-Independent Director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.

Article 5: The Board of Directors shall prepare ballots for Directors in numbers corresponding to the Directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the Shareholders' Meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 6: Before the election begins, the Chairman shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel.

Article 7: The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 8: If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or a legal entity, the name of the governmental organization or the legal entity shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or the legal entity and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 9: A ballot is invalid under any of the following circumstances:

- (1) The ballot was not prepared by the Board of Directors.
- (2) A blank ballot was placed into the ballot box.
- (3) The writing is illegible or has been altered.
- (4) If the candidate is a shareholder of the Company, the name, the shareholder's number of filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is inconsistent.
- (5) Ballots with other written characters or symbols.
- (6) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
- (7) Ballots not placed in the ballot box.
- (8) Two or more candidates have been selected on the same ballot.

Article 10: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as Directors and the numbers of votes with which they were elected, shall be announced by the Chairman.

The Board of Directors of the Company shall issue notifications to the persons elected as Directors.

Article 11: The ballots for the election shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 12: These Procedures, and any amendments hereto, shall be implemented after approval by a Shareholders' Meeting.

Appendix 4

Greatek Electronics Inc.
Shareholding Status of Directors

As of March 30, 2021

Position	Name	Shares held as of the closure of the shareholders' register
Chairman	Representative of Powertech Technology Inc. D.K. Tsai	244,064,379
Director	Representative of Powertech Technology Inc. Boris Hsieh	244,064,379
Director	Representative of Powertech Technology Inc. Louis Ning	244,064,379
Director	Representative of Powertech Technology Inc. J.S. Leu	244,064,379
Director	Representative of Powertech Technology Inc. Evan Tseng	244,064,379
Director	Representative of Hung-Wei Venture Capital Co., Ltd. Jr-Neng Chang	5,823,602
Independent Director	Chu-Chien Feng	0
Independent Director	Chi-Yung Wu	0
Independent Director	M.J. Chuang	0
Total		249,887,981

- I. Greatek's paid-in capital is NT\$5,688,459,210 and the number of issued shares is 568,845,921 shares.
- II. Pursuant to Article 26 of the Securities and Exchange Act and "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the minimum number of shares collectively held by all Directors of the Company shall be 4%, or 22,753,837 shares.
- III. The Company has elected three Independent Directors, and the share ownership of all non-Independent Directors shall be reduced to 80% of

the rate set in the preceding paragraph. Therefore, the minimum number of shares to be held by all non-Independent Directors shall be 18,203,069 shares.

IV. The Company has established the Audit Committee; therefore, there is no applicable legal requirement for Supervisor's shareholding.

Appendix 5

I. The Effect of the Current Fiscal Year's Dividend Distributions on the Company's Operational Performance and Earnings per Share:

Not applicable; the earnings distribution is all paid out in cash.

II. Reasons for Exclusion from the Shareholders' Meeting Agenda of Any Proposals Raised by Shareholders in Accordance with Article 172-1 of the Company Act:

Not applicable; Greatek did not receive any proposal raised by shareholders during the proposal acceptance period set forth from March 20, 2021 to March 30, 2021.