

Stock code: 2392



Cheng Uei Precision Industry Co., Ltd.

2021 Annual General Shareholders' Meeting
Meeting Agenda

June 18, 2021

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Cheng Uei Precision Industry Co., Ltd.

Meeting Procedures for the 2021 General Meeting of Shareholders

Meeting time: June 18, 2021 (Friday) at 9:00 AM

Meeting venue: No. 49, Sec. 4, Zhongyang Rd., Tu Cheng

Dist., New Taipei City (2F Conference Room)

- I. Report Attendance Rate**
- II. Call the Meeting to Order**
- III. Chairperson Remarks**
- IV. Matters to be Reported**
- V. Matters for Acknowledgment**
- VI. Extraordinary Motions**
- VII. Adjournment**

Cheng Uei Precision Industry Co., Ltd.

Agenda of the 2021 General Meeting of Shareholders

I. Chairman's Remarks

II. Matters to be Reported

1. 2020 business report of the Company.
2. Audit Committee's review report on the 2020 financial statements.
3. Report on the distribution of 2020 earnings and cash dividends of the Company.
4. Report on the distribution of 2020 remuneration for employees and directors of the Company.
5. Report on the first issue of 2020 guaranteed general corporate bonds of the Company.
6. Report on a proposed application by the Company's subsidiary Shinfox Energy Co., Ltd. for equity transfer before stock listing.

III. Matters for Acknowledgment

1. The 2020 business final account statement and profit distribution statement of the Company.

IV. Extraordinary Motions

V. Adjournment

Matters to be Reported

Proposal 1

Proposal: Report on the 2020 Business Report of the Company, submitted for approval.

Explanation: For the Business Report, please refer to Attachment 1. (p.10-15)

Proposal 2

Proposal: Report on the 2020 financial statements review by the audit Committee, submitted for approval.

Explanation: For the Audit Committee's Audit Report, please refer to Attachment 2. (p.16)

Proposal 3

Proposal: Report on the distribution of 2020 earnings and cash dividends of the Company, submitted for approval.

Explanation: 1. In accordance with the Company Act and the Articles of Incorporation of the Company, the Company's Board of Directors resolved to distribute a cash dividend of NTD 2.5 per share for the earnings of 2020 (calculated to the nearest NT Dollar and round the number, with the difference paid by the Company as expenses).

2. In this proposal, the chairperson is authorized to set the ex-dividend record date, distribution date, and other related matters. In the future, if the Company's number of common shares in circulation changes and this leads to a change in

the dividend rate, then the chairperson is also authorized to make adjustments in full.

Proposal 4

Proposal: Report on the 2020 distribution of remuneration for employees and directors of the Company, submitted for approval.

Explanation: In 2020, the Company distributed employee remuneration of NTD 220,000,000 and directors' remuneration of NTD 10,000,000 in accordance with the Company Act and the Company's Articles of Incorporation. Employee remuneration and directors' remuneration are to be paid in cash, and there is no difference between the numbers given by resolution above and the expenses recognized at the end of 2020.

Proposal 5

Proposal: Report on the first issue of 2020 of guaranteed general corporate bonds of the Company, submitted for approval.

Explanation: In order to repay loans from financial institutions to strengthen its financial structure, the Company issued the first guaranteed general corporate bond in 2020. The issuance status is as follows:

Period/Type	First issue of guaranteed general corporate bonds in 2020
Approval date	July 22, 2020
Issuance date	July 29, 2020
Total issuance	NTD 3.6 billion
Face value	NTD 1 million
Issuance period	Issued July 29, 2020, with maturity on July 29, 2025
Coupon rate	Fixed annual interest rate of 0.65%
Interest payment method	Simple interest calculation and interest payment once a year based on the coupon rate starting from the date of issuance.

Method of repayment	One-time principal repayment
Trustee institution	Bank Sinopac Company Limited
Repayment of principal and interest Agency	CTBC Bank Co., Ltd.
Implementation status of the planned use of funds	Full implementation as of the third quarter of 2020

Proposal 6

Proposal: Report on a proposed application by the Company's subsidiary Shinfox Energy Co., Ltd. for equity transfer before stock listing, submitted for approval.

Explanation: 1. In order to achieve the diversification standard for applying for stock listing of the Company's subsidiary Shinfox Energy Co., Ltd., and to motivate employees to retain talent in a timely manner, on June 11, 2020, the board of directors of Shinfox Energy Co., Ltd. approved a cash increase and issued 21,634,000 new shares at a price of NT\$13 per share. In addition to retaining 15% of the new shares in accordance with the law, i.e., 3,245,100 shares for employees to subscribe, the remaining 85% or 18,388,900 shares, were to be subscribed by the original shareholders in accordance with the shareholding ratio recorded in the shareholder register on the base date of subscription. The company's direct and indirect shareholding ratio decreased from 89.96% to 71.14%.

2. In November 2020, the Company coordinated with its subsidiary Shinfox Energy Co., Ltd. to register the latter company's shares on the Emerging Markets Board, allocating 1,901,000 shares for subscription by advisory recommending securities firms and the Securities and Futures Investors Protection Center. Its price was set based on Shinfox Energy Co., Ltd.'s operating performance and profitability as well as the market environment, future growth of the industry, and market conditions in the industry and negotiated with advisory recommending securities firms to be NTD 43 per share. The Company's direct and indirect

shareholding ratio thus decreased from 71.14% to 69.24%.

3. Based on the working capital requirements of Shinfox Energy Co., Ltd., on March 16, 2021, the board of directors approved a cash increase and issuance of 30,000,000 new shares and the price per share was NTD 86. In addition to retaining 10% of the new shares in accordance with the law, i.e., 3,000,000 shares for employees to subscribe to, the remaining 90% or 27,000,000 shares, were to be subscribed to by the original shareholders in accordance with the shareholding ratio recorded in the shareholder register on the base date of subscription. The decline in the Company's direct and indirect shareholding ratio will be calculated according to actual subscription conditions of the Company and its subsidiaries after the completion of the cash increase.
4. For the proposed application by Shinfox Energy Co., Ltd., for equity transfer before stock listing, please refer to Attachment 5. (p.18-19)

Matters for Acknowledgment

Proposal 1

Proposal: The 2020 business final account statement and profit distribution statement of the Company.

Explanation: 1. The Company's 2020 financial statements have been reviewed by PWC Taiwan. Together with the business report, it has also been reviewed by the Audit Committee and a written audit report was issued.

2. The 2020 profit distribution table was approved by the Board of Directors and sent to the Audit Committee for review.

3. Please refer to Attachments 1 through 4 for associated schedules (p.10-17).

Resolution:

Extraordinary Motions

Adjournment

Cheng Uei Precision Industry Co., Ltd. Business Report

Here, a report on the business status of the Company in 2020 is given as follows:

The Company's consolidated net operating revenues for 2020 came to NTD 89,552,100 thousand; compared with consolidated net operating revenue of NTD 97,820,336 thousand in 2019, this marked a decrease of 8.45%. Net profit after tax in 2020 was NTD 1,967,432 thousand and after-tax earnings per share came to NTD 4.06. This represented a slight decline of 1% from the net profit after tax of NTD 1,987,361 thousand or NTD 4.1 per share seen in 2019. Last year, due to the impact of the pandemic, the Company's revenue performance declined slightly from the previous year. However, its level of profitability was still the same as the prior year. We would hereby like to thank all our colleagues who have not feared the pandemic, sacrificed their holidays, and stood by their posts in the past year.

Following the outbreak of COVID-19 last year, countries around the world saw slowdowns and severe declines in their economic growth due to the need for pandemic prevention measures. However, Taiwan's economic growth was still able to achieve 2.98% last year due to the country's strong performance in pandemic prevention as well as development of the remote and stay-at-home economies in response to the virus. This ranked Taiwan among the best in the world with its growth rate the highest among developed countries. And this year, with the advent of vaccines and their widespread use, the global economy is expected to rebound from the bottom and head towards recovery. Commercial activities are also expected to see explosive growth. Nonetheless, in the follow-up we still need to observe the effectiveness of vaccine delivery and administration and whether the pandemic can be effectively slowed down and controlled. In addition, tensions between the United States and China have increased in recent years, and the strategic competition between the two countries has become increasingly obvious. This will impact the global and regional political and economic orders, and also forms a variable that cannot be ignored. In the past, Taiwan has always occupied a key position in the global technology supply chain. Recently, the global industrial division of labor has been reorganized due to the pandemic and the relationship between the US and China. If Taiwanese companies can accelerate their transformation and upgrade and develop towards innovation, intelligence, and high value, this will further

strengthen the key position of the country in the global supply chain system.

Cheng Uei has been committed to globalization in recent years so as to strengthen its competitiveness and to deepen its cooperation with customers. The Company expanded its production base in Chennai, India last year in line with customer needs, and will soon enter mass production and shipment this year. And this year, we will also launch our Southeast Asia Vietnam Investment Plan to add another overseas production base for the Company. In addition, the Company officially opened its newly-established "Research Base for Threefold Power Source Integration: Battery, Electric Motor and Electronic Control Module of Electric Vehicles, and Nano-Waterproof Technology" in Central Taiwan Science Park a few days beforehand. This will serve as an important R&D base for the Company's development of threefold electric integration systems for electric vehicles, and for nano-waterproof technology, while also engaging in the production of active electrical cables (AEC), sharing electrical bicycles, EV battery packs, grid-connected smart energy storage systems (ESS), and other products. In the future, the Company will focus on industrial fields such as electric vehicles, green energy, 5G cloud applications, and audio-visual consumer electronics products while actively developing related peripheral components and system products.

In order for the Company to grow and thrive on a continuous and stable basis, and create greater profits for shareholders, we must be prepared to face challenges and solve problems. We have absolute confidence to move toward the set goals, create best business performance for the Company, and go after maximum profits for shareholders. I also hope that all shareholders can continue to provide support and encouragement to the company. Finally, I wish all shareholders all the best and that all your hopes be fulfilled.

1. 2020 business results

(I) Business plan implementation results

Unit: NTD Thousand

Item	2020	2019	Growth rate
Operating revenue	69,135,238	73,856,717	-6.39%
Operating costs	65,741,027	72,044,994	-8.75%
Operating gross profit	3,394,211	1,811,723	87.35%
Operating Expenses	1,545,972	1,729,633	-10.62%
Operating profit	1,848,239	82,090	2,151.48%
Non-operating income and expenses	512,593	2,105,429	-75.65%
Net profit before tax	2,360,832	2,187,519	7.92%
Net profit for the period	1,967,432	1,987,361	-1.00%

Note: The above figures are from the parent company only financial statements

(II) Budget implementation

The Company did not prepare 2020 financial forecasts, so this is not applicable.

(III) Financial income and expenditure status

Unit: NTD Thousand

Item	2020	2019	Amount of change
Net cash inflow (outflow) from operating activities	2,964,835	2,676,027	288,808
Net cash inflow (outflow) from investing activities	(4,635,366)	(706,592)	(3,928,774)
Net cash inflow (outflow) from financing activities	1,890,143	(1,927,809)	3,817,952

Note: The above figures are from the parent company only financial statements

(IV) Profitability analysis

Year		2020	2019
Return on assets (%)		3.67	3.97
Return on shareholders' equity (%)		8.52	8.97
Contribution to paid-in capital Percentage (%)	Operating profit	36.08	1.60
	Net profit before tax	46.08	42.70
Net profit margin (%)		2.85	2.69

Earnings per share for the period (NTD) (Note)	4.06	4.10
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Note: The above ratios are based on parent company only financial statements. Earnings per share is calculated based on the number of shares after retrospective adjustment.

(V) Research and development status of the Company

The main research and development directions and strategies of the Company are:

1. Closely integrate technology into products to generate differentiated competitive advantages.
2. Integrate the technical fields of materials, machinery, electronics, optics, electroacoustics, etc.; e.g., through: optical inspection automation, engineering analysis capabilities, secondary processing electroplating technology, antenna design, and wire nano coating development.
3. Build professional laboratories for high frequency technology, electroacoustic technology, surface technology, and so on.
4. Lead and continue to develop various halogen-free, lead-free materials and application products that meet future environmental protection requirements.
5. Participate in the development process of customers' new products to provide them with various solutions and technical support.
6. Strengthen the ability to integrate existing technologies and evaluate and introduce new product development technologies.
7. Integrate the technology platform of electro-optic sound to expand products and market share.

II. Business plan summary for 2021

(I) Business strategy

1. Business purpose:

With core capabilities in molds, forms, stamping, secondary processing, and automation, integrate materials, machinery, electronics, optics, electroacoustics, energy, assembly, and R&D technology. Establish a global marketing and supply chain management network to provide customers with high-quality products in a timely manner, oriented by consumer electronics, information, communications, and automotive market demand; and create value for customers by combining digital content, environmental protection, and energy saving. Constantly seek to surpass ourselves based on concepts of sincerity, a holistic view, and conscientiousness, using our team spirit to create an optimal business performance for the enterprise.

2. Business philosophy:

(1) Sincerity: Simplicity and pragmatism, and being as good as one's word

Keeping promises is an important value to establish long-term cooperative relations with customers and suppliers, so as to take creation of long-term benefits for all three parties as a direction for our thinking.

(2) Holistic view: Great things can only be achieved with tolerance, and small beginnings yield major trends

By applying technological innovation, accumulating practical experience, and constantly pursuing self-transcendence and accumulated achievements, only then can the Company become a representative of the high-tech industry.

(3) Conscientiousness: Making an all-out effort, with a unity of knowledge and action

From the capital, technology, and human resources used to coordinate our plans and from execution to assessment, there is a complete and consistent operational system that demonstrates its performance in a wide range of work functions; and the results of these joint efforts have created the Company's core competitiveness.

(II) Expected sales volume and its basis

The Company's products are mainly components of communications and consumer electronics. With the active expansion of customers and the development of new products this year, it is expected that the sales volume of each product will reach a trend of steady growth.

(III) Important production and sales policies

Continuously improve internal management capabilities to reduce various production costs and provide customers with the best service and technical resources, establishing a good cooperative relationship with customers to achieve a win-win goal.

III. Future development strategy for the Company

1. The Company will position itself under the OEM, ODM, and JDM models as it commits to consumer electronics, computers, communications, automotive electronics, digital content, and other product markets.
2. We will utilize the Company's core capabilities: Development will center around molds, forms, stamping, secondary processing, and automation, and thereupon integrate technical fields encompassing materials, machinery, electronics, optics, electroacoustics, energy saving, and environmental protection. In this way, we can develop differentiated competitive advantages over our competitors.
3. We will use our customer orientation, closeness to market leaders, and joint development of new products to create value for the Company.
4. We will deeply cultivate existing customers, expand different product lines for current customers, and provide customers with diversified products and services.
5. From materials, parts, components to system products, we will leverage and strengthen the company's vertically-integrated manufacturing advantages to reduce manufacturing costs and enhance competitiveness.
6. We will establish development and mass production manufacturing capabilities for key components in order to obtain an irreplaceable competitive advantage.
7. We will develop the retail channel market, be close to consumers and grasp market demand and trends, and then combine the advantages of production and sales to develop a new niche for the Company. This will also establish an irreplaceable competitive advantage.

IV. Effects of the external competitive environment, regulatory environment, and overall business environment

Due to the instantaneous changes in the external environment and industry, the competition faced by the Company is no longer limited to Taiwan, but in all parts of the world. The targets of the Company's services are world-class customers, so it must be able to meet the global competitive environment and survival requirements. "Cost reduction" and "value creation" will be the most important issues for the Company's sustainability. The Company needs to be able to reduce costs in order to gain a competitive advantage, attracting new customers and expanding into new markets. At

the same time, we must be able to create product value, service value and differentiated value from this in order to retain customers and meet their various needs.

At the same time, in the retail channel market, it is necessary to be able to grasp the acceptance and preference of consumers for all kinds of new 3C products at any time. We must understand the consumption habits and tendencies of target consumers in various regions, so as to propose different sales strategies to respond. In addition, we should offer different services and product content from competitors to strengthen our competitive advantage.

Responsible person: T.C. Gou

Manager: T.C. Gou

Accountant in charge: Chen-Phan Pu

Audit Committee's Audit Report

The Company's Board of Directors has made a 2020 annual business report, financial statements, and profit distribution proposal. Among them, PWC Taiwan has audited the financial statements and issued an audit report. The above-mentioned business report, financial statements, and profit distribution proposal have been checked by the Audit Committee, and it believes there is no discrepancy. The reports are submitted for review in accordance with Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act.

Cheng Uei Precision Industry Co., Ltd.

Convener of the Audit Committee: Randy Lee

March 26, 2021

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 20000508

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Cheng Uei Precision Industry Co., Ltd. and its subsidiaries (the “Group”) as at December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report(s) of other auditors (please refer to the *Other matter* section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended, in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audit of the parent company only financial statements as of and for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China; and in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. Financial-Supervisory-Securities-Auditing-1090360805 issued by the Financial Supervisory Commission on February 25, 2020 and generally accepted auditing standards in the Republic of China for our audit of the parent company only financial statements as of and for the year ended December 31, 2019. 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 Company in accordance with the Norm of

Professional Ethics for Certified Public Accountants 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.

Emphasis of matter-significant unresolved litigation involving investments accounted for using equity method

As described in Notes 6(8) and 9(6) to the consolidated financial statements, Central Motion Picture Corporation, an equity-method investment of the Group, was determined to be an affiliate organization of the Kuomintang by the Ill-gotten Party Assets Settlement Committee (the “Ill-gotten Party”) in its written disposition issued on October 9, 2018. Under Article 16 of the Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organizations, Central Motion Picture Corporation may file an administrative litigation (an action for revocation) in the Taipei High Administrative Court within two months after the aforementioned written disposition was served. In addition, Central Motion Picture Corporation may file for a suspension of execution under Paragraph 2, Article 116 of the Administrative Litigation Act. On December 12, 2018, Central Motion Picture Corporation submitted a cause of action to the Taipei High Administrative Court, which ruled to approve the suspension of execution in January 2020. However, the Ill-gotten Party subsequently filed an appeal against the ruling, and it was dismissed by the High Administrative Court in February 2020. Meanwhile, Central Motion Picture Corporation filed a revocation action with the Taipei High Court, and it was pending approval as of January 14, 2020. As of the financial reporting date, the possible result of this litigation cannot be determined, therefore our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group’s 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group’s 2020 consolidated financial statements are stated as follows:

Valuation of Goodwill impairment

Description

Please refer to Note 4(19) for accounting policies on impairment loss on non-financial assets, Note 5(1) for the uncertainty of accounting estimates and assumptions applied to goodwill impairment valuation, and Note 6(12) for details of goodwill impairment valuation.

The amount of goodwill (including indefinite useful life trademarks) was derived from the acquisition of Power Quotient International Co., Ltd., Foxlink Image Technology Co., Ltd., Glory Science Co., Ltd. and DG Lifestyle Store Limited by the Company's subsidiary, FIT Holding Co., Ltd. The Group valued the impairment of goodwill (including indefinite useful life trademarks) through the discounted cash flow method, using the higher of value in use or fair value less costs to sell to measure the cash generating unit's recoverable amount. As the assumptions of expected future cash flows contained subjective judgement and involved a high degree of uncertainty which would cause a material impact on the valuation result, the valuation of goodwill impairment (including indefinite useful life trademarks) was identified as a key audit matter.

How our audit addressed the matter

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

- A. Obtained an understanding and assessed the reasonableness of valuation of goodwill impairment policies and procedures, including collection of internal and external data, operating forecast and industry changes.
- B. Obtained the external appraisal report on impairment valuation and performed the following procedures:
 - (a) We examined the external appraiser's qualification and assessed the independence, objectiveness and competence.
 - (b) We assessed that the valuation method used in the appraisal report was widely used and appropriate.
 - (c) We assessed the reasonableness of significant assumptions (including expected growth rate and discount rate) applied in the appraisal report.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(13) for accounting policies on inventory, Note 5(2) for the uncertainty of accounting estimates and assumptions applied to inventory valuation, and Note 6(7) for details of inventory.

The Group is primarily engaged in the manufacturing and sale of electronic components and parts. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or obsolescence due to economic depression or an excess of supply over demand. The Company's inventories are measured at the lower of cost and net realisable value, and individually assessed for those inventories over a certain age in order to identify obsolete or slow-moving inventories.

The industry technology is rapidly changing, and the net realisable value involves subjective judgement resulting in an uncertainty when assessing the obsolete or slow-moving inventories. Given that the inventory and allowance for inventory valuation losses were material to the financial statements, the assessment of allowance for inventory valuation losses was identified as a key audit matter.

How our audit addressed the matter

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

- A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Group's operation and industry.
- B. Obtained an understanding of the Group's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count event in order to assess the effectiveness of the management of inventory.
- C. Verified whether the systematic logic used in the Group's inventory aging report is appropriate and in line with its policies.

D. Inspected inventory valuation basis adequacy and verified the selected samples' information, for instance, purchase price and sale price. Also recalculated and evaluated the reasonableness of inventory allowance basis in order to verify that the inventory was measured at the lower of cost and net realisable value.

Other matter - Reference to the reports of other auditors

We did not audit the financial statements of certain subsidiaries which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in the financial statements and the information disclosed in Note 13 in respect of these subsidiaries, is based solely on the reports of the other auditors. Total assets of these subsidiaries amounted to NT\$ 430,857 thousand and NT\$ 414,617 thousand, constituting 0.52% and 0.57% of the consolidated total assets as at December 31, 2020 and 2019, respectively, and the operating revenue amounted to NT\$ 1,919,272 thousand and NT\$ 1,772,626 thousand, constituting 2.14% and 1.81% of the consolidated total operating revenue for the years then ended, respectively.

Other matter-Parent company only financial reports

We have audited and expressed an unqualified opinion with an *Other matters* section on the parent company only financial statements of Cheng Uei Precision Industry Co., Ltd. as at and for the years ended December 31, 2020 and 2019.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

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

- A. 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.
- B. 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.

- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.
- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Se-Kai

Liang, Yi-Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 26, 2021

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

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

ASSETS		Notes	December 31, 2020		December 31, 2019			
			AMOUNT	%	AMOUNT	%		
CURRENT ASSETS								
1100	Cash and cash equivalents		\$	10,993,540	13	\$	6,296,729	9
1110	Financial assets at fair value through profit or loss - current	6(2) and 12(3)		-	-		129,150	-
1136	Current financial assets at amortised cost	6(4) and 8		6,407,553	8		1,643,178	2
1140	Current contract assets			104,591	-		169,992	-
1150	Notes receivable, net			35,124	-		24,547	-
1170	Accounts receivable, net	6(5) and 12(2)		16,310,230	20		15,474,111	21
1180	Accounts receivable, net - related parties	7		603,705	1		430,979	1
1200	Other receivables	6(6)		203,599	-		359,717	1
1210	Other receivables - related parties	7		55,868	-		95,825	-
1220	Current income tax assets	6(30)		5,024	-		15,762	-
130X	Inventories	6(7)		13,276,324	16		11,218,741	15
1410	Prepayments			1,167,099	2		1,556,450	2
1470	Other current assets			127,649	-		22,440	-
11XX	TOTAL CURRENT ASSETS			49,290,306	60		37,437,621	51
1517	Financial assets at fair value through other comprehensive income-non-current	6(3) and 12(3)		986,704	1		936,755	1
1535	Non-current financial assets at amortised cost	6(4) and 8		146,394	-		127,584	-
1550	Investments accounted for under the equity method	6(8)		4,975,620	6		4,454,802	6
1600	Property, plant and equipment, net	6(9)		20,850,423	25		23,397,983	32
1755	Right-of-use assets	6(10) and 7		1,638,691	2		1,831,171	2
1760	Investment property, net	6(11)		584,072	1		591,774	1
1780	Intangible assets	6(12)		1,653,998	2		2,251,948	3
1840	Deferred income tax assets	6(30)		537,988	1		552,815	1
1915	Prepayments for business facilities			1,153,711	1		1,295,103	2
1990	Other non-current assets, others	8		444,195	1		418,848	1
15XX	TOTAL NON-CURRENT ASSETS			32,971,796	40		35,858,783	49
1XXX	TOTAL ASSETS		\$	82,262,102	100	\$	73,296,404	100

(Continued)

LIABILITIES AND EQUITY			December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
CURRENT LIABILITIES						
2100	Short-term borrowings	6(13)	\$ 4,341,582	5	\$ 2,038,744	3
2110	Short-term notes and bills payable	6(14)	387,222	1	374,942	-
2130	Current contract liabilities	6(23)	896,775	1	787,222	1
2150	Notes payable		155	-	3,273	-
2170	Accounts payable		17,521,270	21	14,712,215	20
2180	Accounts payable - related parties	7	160,726	-	230,091	-
2200	Other payables	6(15) and 7	4,778,465	6	5,870,986	8
2230	Current income tax liabilities	6(30)	660,933	1	372,824	1
2280	Current lease liabilities	7	199,445	-	226,420	-
2365	Current refund liabilities		234,170	-	457,475	1
2399	Other current liabilities, others	6(17)	1,082,022	2	1,200,506	2
21XX	TOTAL CURRENT LIABILITIES		<u>30,262,765</u>	<u>37</u>	<u>26,274,698</u>	<u>36</u>
NON-CURRENT LIABILITIES						
2530	Corporate bonds payable	6(16)	6,574,982	8	2,987,655	4
2540	Long-term borrowings	6(17)	12,323,297	15	12,038,454	16
2570	Deferred income tax liabilities	6(30)	868,521	1	795,899	1
2580	Non-current lease liabilities	7	218,089	-	294,317	-
2600	Other non-current liabilities	6(8)(18)	1,930,560	2	2,662,862	4
25XX	TOTAL NON-CURRENT LIABILITIES		<u>21,915,449</u>	<u>26</u>	<u>18,779,187</u>	<u>25</u>
2XXX	TOTAL LIABILITIES		<u>52,178,214</u>	<u>63</u>	<u>45,053,885</u>	<u>61</u>
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE PARENT						
	Capital stock	6(19)				
3110	Common stock		5,123,269	6	5,123,269	7
	Capital reserve	6(20)				
3200	Capital surplus		9,828,746	11	9,471,717	13
	Retained earnings	6(21)				
3310	Legal reserve		3,002,026	4	2,803,290	4
3320	Special reserve		2,334,534	3	1,609,901	2
3350	Unappropriated earnings		5,782,390	7	6,030,302	8
	Other equity	6(22)				
3400	Other equity interest		(2,036,346)	(2)	(2,334,535)	(3)
	Treasury shares	6(19)				
3500	Treasury shares		(272,066)	-	(272,066)	-
31XX	Equity attributable to owners of the parent		<u>23,762,553</u>	<u>29</u>	<u>22,431,878</u>	<u>31</u>
36XX	Non-controlling interests		<u>6,321,335</u>	<u>8</u>	<u>5,810,641</u>	<u>8</u>
3XXX	TOTAL EQUITY		<u>30,083,888</u>	<u>37</u>	<u>28,242,519</u>	<u>39</u>
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	TOTAL LIABILITIES AND EQUITY		<u>\$ 82,262,102</u>	<u>100</u>	<u>\$ 73,296,404</u>	<u>100</u>

		Years ended December 31			
		2020		2019	
Items	Notes	AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(23) and 7	\$ 89,552,100	100	\$ 97,820,336	100
5000 Operating costs	6(7)(28)(29) and 7	(79,778,673) (89)		(87,602,570) (89)	
5900 Gross profit		9,773,427	11	10,217,766	11
Operating expenses	6(28)(29)				
6100 Sales and marketing expenses		(1,706,404) (2)		(1,904,749) (2)	
6200 General and administrative expenses		(3,326,946) (4)		(3,596,566) (4)	
6300 Research and development expenses		(2,386,034) (2)		(2,442,560) (2)	
6450 Expected credit gain	12(2)	40,378	-	7,799	-
6000 Total operating expenses		(7,379,006) (8)		(7,936,076) (8)	
6900 Operating income		2,394,421	3	2,281,690	3
Non-operating income and expenses					
7100 Interest income	6(24)	105,872	-	106,993	-
7010 Other income	6(25) and 7	578,283	1	492,084	-
7020 Other gains and losses	6(26)	(382,175) (1)		(354,994)	-
7050 Finance costs	6(27)	(349,253)	-	(350,318)	-
7060 Share of profit of associates and joint ventures accounted for under equity method	6(8)	236,687	-	209,359	-
7000 Total non-operating income and expenses		189,414	-	103,124	-
7900 Income before income tax		2,583,835	3	2,384,814	3
7950 Income tax expense	6(30)	(699,467) (1)		(597,478) (1)	
8200 Net income		\$ 1,884,368	2	\$ 1,787,336	2

(Continued)

				Year ended December 31			
				2020		2019	
Items		Notes		AMOUNT	%	AMOUNT	%
Other comprehensive (loss) income, net							
Components of other comprehensive (loss) income that will not be reclassified to profit or loss							
8311	Loss on remeasurements of defined benefit plans	6(18)		(\$ 7,235)	-	(\$ 5,358)	-
8316	Unrealized gain on equity instrument at fair value through other comprehensive income	6(3)		(55,232)	-	(115,954)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss			2,866	-	146,285	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(30)		<u>1,035</u>	-	<u>51</u>	-
8310	Total components of other comprehensive (loss) income that will be reclassified to profit or loss			<u>(58,566)</u>	-	<u>25,024</u>	-
Components of other comprehensive (loss) income that will be reclassified to profit or loss							
8361	Exchange differences arising on translation of foreign operations			377,265	-	(1,084,614)	(1)
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss			21,923	-	(42,766)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(30)		<u>(82,675)</u>	-	<u>206,789</u>	-
8360	Total components of other comprehensive (loss) income that will be reclassified to profit or loss			<u>316,513</u>	-	<u>(920,591)</u>	<u>(1)</u>
8300	Other comprehensive (loss) income, net			<u>\$ 257,947</u>	-	<u>(\$ 895,567)</u>	<u>(1)</u>
8500	Total comprehensive income for the year			<u>\$ 2,142,315</u>	<u>2</u>	<u>\$ 891,769</u>	<u>1</u>
Net (loss) income attributable to:							
8610	Shareholders of the parent			\$ 1,967,432	2	\$ 1,987,361	2
8620	Non-controlling interests			<u>(83,064)</u>	-	<u>(200,025)</u>	-
	Total			<u>\$ 1,884,368</u>	<u>2</u>	<u>\$ 1,787,336</u>	<u>2</u>
Total comprehensive (loss) income attributable to:							
8710	Shareholders of the parent			\$ 2,254,491	2	\$ 1,256,389	1
8720	Non-controlling interests			<u>(112,176)</u>	-	<u>(364,620)</u>	-
	Total			<u>\$ 2,142,315</u>	<u>2</u>	<u>\$ 891,769</u>	<u>1</u>
Basic earnings per share (in dollars)							
9750	Total basic earnings per share	6(31)		<u>\$ 4.06</u>		<u>\$ 4.10</u>	
Diluted earnings per share (in dollars)							
9850	Total diluted earnings per share	6(31)		<u>\$ 4.02</u>		<u>\$ 4.05</u>	

Year ended December 31, 2019

Balance at January 1, 2019		\$ 5,123,269	\$ 9,430,462	\$ 2,742,480	\$ 1,508,296	\$ 4,980,234	(\$ 1,294,410)	(\$ 315,491)	(\$ 272,066)	\$ 21,902,774	\$ 6,044,460	\$ 27,947,234
Net income (loss) for the year		-	-	-	-	1,987,361	-	-	-	1,987,361	(200,025)	1,787,336
Other comprehensive income (loss)	6(22)	-	-	-	-	(6,338)	(785,046)	60,412	-	(730,972)	(164,595)	(895,567)
Total comprehensive income (loss)		-	-	-	-	1,981,023	(785,046)	60,412	-	1,256,389	(364,620)	891,769
Appropriation of 2018 earnings	6(21)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	60,810	-	(60,810)	-	-	-	-	-	-
Special reserve		-	-	-	101,605	(101,605)	-	-	-	-	-	-
Cash dividend		-	-	-	-	(768,490)	-	-	-	(768,490)	-	(768,490)
Changes in ownership interests in subsidiaries	6(20)	-	-	-	-	(50)	-	-	-	(50)	978	928
Cash dividends distributed to subsidiaries	6(20)	-	41,255	-	-	-	-	-	-	41,255	-	41,255
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	129,823	129,823
Balance at December 31, 2019		\$ 5,123,269	\$ 9,471,717	\$ 2,803,290	\$ 1,609,901	\$ 6,030,302	(\$ 2,079,456)	(\$ 255,079)	(\$ 272,066)	\$ 22,431,878	\$ 5,810,641	\$ 28,242,519

Year ended December 31, 2020

Balance at January 1, 2020		\$ 5,123,269	\$ 9,471,717	\$ 2,803,290	\$ 1,609,901	\$ 6,030,302	(\$ 2,079,456)	(\$ 255,079)	(\$ 272,066)	\$ 22,431,878	\$ 5,810,641	\$ 28,242,519
Net income (loss) for the year		-	-	-	-	1,967,432	-	-	-	1,967,432	(83,064)	1,884,368
Other comprehensive income (loss)	6(22)	-	-	-	-	(11,130)	349,333	(51,144)	-	287,059	(29,112)	257,947
Total comprehensive income (loss)		-	-	-	-	1,956,302	349,333	(51,144)	-	2,254,491	(112,176)	2,142,315
Appropriation of 2019 earnings	6(21)	-	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	198,736	-	(198,736)	-	-	-	-	-	-
Special reserve		-	-	-	724,633	(724,633)	-	-	-	-	-	-
Cash dividend		-	-	-	-	(1,280,818)	-	-	-	(1,280,818)	-	(1,280,818)
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(20)	-	121,169	-	-	(27)	-	-	-	121,142	(21,587)	99,555
Changes in net equity of associates and joint ventures accounted for under the equity method	6(20)	-	167,141	-	-	-	-	-	-	167,141	-	167,141
Changes in ownership interests in subsidiaries	6(20)	-	(38)	-	-	-	-	-	-	(38)	-	(38)
Cash dividends distributed to subsidiaries		-	68,757	-	-	-	-	-	-	68,757	-	68,757
Changes in non-controlling interest		-	-	-	-	-	-	-	-	-	644,457	644,457
Balance at December 31, 2020		\$ 5,123,269	\$ 9,828,746	\$ 3,002,026	\$ 2,334,534	\$ 5,782,390	(\$ 1,730,123)	(\$ 306,223)	(\$ 272,066)	\$ 23,762,553	\$ 6,321,335	\$ 30,083,888

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		\$	2,583,835	\$	2,384,814
Adjustments					
Adjustments to reconcile profit (loss)					
Gain on financial assests or liabilities at fair value through profit or loss	6(2)	(	8,472 )	(	5,507)
Depreciation (including investment property)	6(2)(9)(10)(11)(26)				
	(28)		3,223,064		3,731,024
Amortisation (including long-term prepaid rent amortisation)	6(12)(28)				
			119,825		109,263
Expected credit gain	12(2)	(	40,378 )	(	7,799)
Interest expense	6(27)		349,253		350,318
Interest income	6(24)	(	105,872 )	(	106,993)
Share of profit of associates accounted for using the equity method	6(8)	(	236,687 )	(	209,359)
Loss on disposal of property, plant and equipment	6(26)		71,752		13,204
Gain on disposal of investments	6(26)	(	250,764 )	(	24,693)
Goodwill impairment loss	6(26)		539,338		582,901
Changes in operating assets and liabilities					
Changes in operating assets					
Financial assets measured at fair value through profit or loss			137,622	(	123,643)
Contract assets			65,401		34,282
Notes receivable, net		(	10,577 )	(	135)
Accounts receivable		(	821,844 )	(	2,782,212)
Accounts receivable from related parties		(	172,726)		249,038
Other receivables			154,683		344,932
Other receivables from related parties			39,957	(	27,805)
Inventories		(	2,181,326)		1,966,163
Prepayments			164,481	(	50,097)
Other current assets		(	105,209)		29,543
Other non-current assets			43,519		248,808
Changes in operating liabilities					
Contract liabilities			109,553		162,935
Notes payable		(	3,118 )	(	169,793)
Accounts payable			2,837,260	(	706,112)
Accounts payables to related parties		(	69,365 )	(	96,811)
Other payables		(	383,626 )	(	184,667)
Refund liabilities		(	223,305)		437,791
Other current liabilities			248,779	(	45,935)
Other non-current liabilities			121,562		225,162
Cash inflow generated from operations			6,196,615		6,328,617
Interest received			105,872		106,993
Dividends received			82,280		93,420
Interest paid		(	326,057 )	(	337,187)
Income tax paid		(	405,611 )	(	506,666)
Net cash flows from operating activities			5,653,099		5,685,177

(Continued)

CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of financial assets at fair value through other comprehensive income	12(3)	(\$	41,910)	\$	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	12(3)		28,191		-
Current financial assets at amortised cost	6(4)	(	4,783,185 )	(	1,038,109)
Proceeds from acquisition of long - term equity investment - non - subsidiaries	6(8)	(	210,000)		-
Proceeds from capital reduction of investment accounted for under the equity method			342,528		-
Proceeds from disposal of subsidiaries(excluding cash)			441,275		-
Acquisition of subsidiary and other assets(excluding cash)	6(33)		-	(	279,811)
Acquisition of property, plant and equipment	6(35)	(	2,429,984 )	(	3,396,916)
Proceeds from disposal of property, plant and equipment	6(9)		165,412		366,523
Acquisition of intangible assets	6(12)	(	71,543 )	(	107,670)
Proceeds from disposal of intangible assets	6(12)		11,365		891
Increase in prepayments for business facilities		(	463,631 )	(	599,080)
Increase in refundable deposits		(	96,148)		-
Increase in prepayments for investments	6(8)	(	73,672 )	(	75,563)
Net cash flows used in investing activities		(	7,181,302 )	(	5,129,735)

CASH FLOWS FROM FINANCING ACTIVITIES

Increase in short-term borrowings	6(36)		38,795,921		18,957,383
Decrease in short-term borrowings	6(36)	(	36,493,084 )	(	18,376,663)
Increase (decrease) in short-term notes payable	6(36)		12,280	(	119,953)
Proceeds from issuance of bonds	6(36)		3,584,462		3,000,000
Increase in long-term borrowings	6(36)		24,851,016		6,721,575
Repayment of long - term borrowings	6(36)	(	23,946,230 )	(	8,670,858)
Repayment of lease liabilities	6(36)	(	233,619 )	(	324,094)
Cash flow of non-controlling interest			644,457		129,823
Cash dividends paid	6(21)	(	1,212,061 )	(	727,235)
Net cash flows from financing activities			6,003,142		589,978
Effect of change in exchange rates			221,872	(	971,542)
Net increase in cash and cash equivalents			4,696,811		173,878
Cash and cash equivalents at beginning of year	6(1)		6,296,729		6,122,851
Cash and cash equivalents at end of year	6(1)	\$	10,993,540	\$	6,296,729

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR 20000209

To the Board of Directors and Stockholders of Cheng Uei Precision Industry Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Cheng Uei Precision Industry Co., Ltd. (the "Company") as at December 31, 2020 and 2019, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report(s) of other auditors (please refer to the *Other matter* section), the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2020 and 2019, and its parent company only financial performance and its parent 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 audit of the parent company only financial statements as of and for the year ended December 31, 2020 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China; and in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. Financial-Supervisory-Securities-Auditing-1090360805 issued by the Financial Supervisory Commission on February 25, 2020 and generally accepted auditing standards in the Republic of China for our audit of the parent company only financial statements as of and for the year ended December 31, 2019. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountants 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.

Emphasis of matter-significant unresolved litigation involving investments accounted for under the equity method

As described in Notes 6(5) and 9(2) to the parent company only financial statements, Central Motion Picture Corporation, an equity-method investment of the Company, was determined to be an affiliate organization of the Kuomintang by the Ill-gotten Party Assets Settlement Committee (the “Ill-gotten Party”) in its written disposition issued on October 9, 2018. Under Article 16 of the Act Governing the Settlement of Ill-gotten Properties by Political Parties and Their Affiliate Organizations, Central Motion Picture Corporation may file an administrative litigation (an action for revocation) in the Taipei High Administrative Court within two months after the aforementioned written disposition was served. In addition, Central Motion Picture Corporation may file for a suspension of execution under Paragraph 2, Article 116 of the Administrative Litigation Act. On December 12, 2018, Central Motion Picture Corporation submitted a cause of action to the Taipei High Administrative Court, which ruled to approve the suspension of execution in January 2020. However, the Ill-gotten Party subsequently filed an appeal against the ruling, and it was dismissed by the High Administrative Court in February 2020. Meanwhile, Central Motion Picture Corporation filed a revocation action with the Taipei High Court, and it was pending approval as of January 14, 2020. As of the financial reporting date, the possible result of this litigation cannot be determined, therefore our opinion is not modified in respect of this matter.

Key audit matters

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

Key audit matters for the Company’s parent company only financial statements of the year ended December 31, 2020 are stated as follows:

Valuation of Goodwill impairment for the investments accounted for under the equity method / subsidiaries

Description

Please refer to Note 4(10) for accounting policies on investments accounted for under the equity method and Note 6(5) for details of investments accounted for under the equity method.

The amount of goodwill (including indefinite useful life trademarks) was derived from the acquisition of Power Quotient International Co., Ltd., Foxlink Image Technology Co., Ltd., Glory Science Co., Ltd., and DG Lifestyle Store Limited by the Company's subsidiary, FIT Holding Co., Ltd. The Company valued the impairment of goodwill (including indefinite useful life trademarks) through the discounted cash flow method, using the higher of value in use or fair value less costs to sell to measure the cash generating unit's recoverable amount. As the assumptions of expected future cash flows contained subjective judgement and involved a high degree of uncertainty which would cause a material impact on the valuation result, the valuation of goodwill impairment (including indefinite useful life trademarks) was identified as a key audit matter.

How our audit addressed the matter

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

- A. Obtained an understanding and assessed the reasonableness of valuation of goodwill impairment policies and procedures, including collection of internal and external data, operating forecast and industry changes.
- B. Obtained the external appraisal report on impairment valuation and performed the following procedures:
 - (a) We examined the external appraiser's qualification and assessed the independence, objectiveness and competence.
 - (b) We assessed that the valuation method used in the appraisal report was widely used and appropriate.
 - (c) We assessed the reasonableness of significant assumptions (including expected growth rate and discount rate) applied in the appraisal report.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(9) for accounting policies on inventory, Note 5 for the uncertainty of accounting estimates and assumptions applied to inventory valuation, and Note 6(4) for details of inventory. Please refer to Note 4(10) for accounting policies on investments accounted for under the equity method, and Notes 8 and 9 for details of investments accounted for under the equity method.

As of December 31, 2020, the balances of inventory and allowance for inventory valuation losses were NT\$1,585,688 thousand and NT\$40,017 thousand, respectively; and the balance of investments accounted for under the equity method was NT\$32,050,674 thousand.

Cheng Uei Precision Industry Co., Ltd. and subsidiaries are primarily engaged in the manufacturing and sale of electronic components and parts. As the electronic products' life cycles are relatively short and the market is highly competitive, there is a higher risk of incurring inventory valuation losses or obsolescence due to economic depression or an excess of supply over demand. The Company's inventories are measured at the lower of cost and net realisable value, and individually assessed for those inventories over a certain age in order to identify obsolete or slow-moving inventories.

The industry technology is rapidly changing, and the net realisable value involves subjective judgement resulting in an uncertainty when assessing the obsolete or slow-moving inventories. Given that the inventory and allowance for inventory valuation losses were material to the financial statements, the assessment of allowance for inventory valuation losses was identified as a key audit matter.

How our audit addressed the matter

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

- A. Assessed the reasonableness of policies and procedures on allowance for inventory valuation losses based on our understanding of the Company's operation and industry.
- B. Obtained an understanding of the Company's warehousing control procedures. Reviewed annual physical inventory count plan and participated in the annual inventory count event in order to assess the effectiveness of the management of inventory.

- C. Verified whether the systematic logic used in the Company's inventory aging report is appropriate and in line with its policies.
- D. Inspected inventory valuation basis adequacy and verified the selected samples' information, for instance, purchase price and sale price. Also recalculated and evaluated the reasonableness of inventory allowance basis in order to verify that the inventory was measured at the lower of cost and net realisable value.

Other matter- Reference to the reports of other auditors

We did not audit the parent company only financial statements of certain investees accounted for under the equity method which reflect the balance of investments of NT\$45,762 thousand and NT\$ 40,903 thousand as at December 31, 2020 and 2019, constituting 0.08% and 0.07% of total assets; total comprehensive income (including share of profit of subsidiaries, associates and joint ventures accounted for under the equity method, and share of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method) of NT\$4,847 thousand and NT\$ 9,653 thousand, for the years ended December 31, 2020 and 2019, constituting 0.21% and 0.77% of total comprehensive income, respectively. Those financial statements and the information disclosed in Note 13 were audited by other auditors whose report thereon have been furnished to us, and our opinion expressed herein is based solely on the reports of the other auditors.

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

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

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

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

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

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

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

- A. 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.
- B. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

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

Lin, Se-Kai

Liang, Yi-Chang

For and on behalf of PricewaterhouseCoopers, Taiwan

March 26, 2021

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

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

ASSETS			December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
CURRENT ASSETS						
1100	Cash and cash equivalents	6(1)	\$ 472,041	1	\$ 252,429	-
1150	Notes receivable, net		585	-	-	-
1170	Accounts receivable, net	6(2) and 12(2)	10,226,181	17	10,350,142	18
1180	Accounts receivable, net - related parties	7	3,312,220	5	2,632,739	5
1200	Other receivables	6(3)	103,883	-	132,316	-
1210	Other receivables - related parties	7	9,890,802	16	7,306,799	13
130X	Inventories	6(4)	1,545,671	3	2,740,083	5
1410	Prepayments	7	398,186	1	843,400	1
11XX	TOTAL CURRENT ASSETS		25,949,569	43	24,257,908	42
NON-CURRENT ASSETS						
1550	Investments accounted for under the equity method	6(5)	32,050,674	53	30,496,183	53
1600	Property, plant and equipment	6(6)	1,857,292	3	1,880,955	3
1755	Right-of-use assets	6(7)	99,887	-	68,664	-
1760	Investment property, net	6(8)	160,318	-	179,573	1
1780	Intangible assets	6(9)	11,771	-	14,522	-
1840	Deferred income tax assets	6(25)	214,905	1	294,005	1
1900	Other non-current assets	8	43,714	-	20,755	-
15XX	TOTAL NON-CURRENT ASSETS					
ASSETS			34,438,561	57	32,954,657	58
1XXX	TOTAL ASSETS		\$ 60,388,130	100	\$ 57,212,565	100

(Continued)

LIABILITIES AND EQUITY			December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
CURRENT LIABILITIES						
2130	Current contract liabilities	6(18)	\$ 352,463	1	\$ 377,423	1
2170	Accounts payable		588,181	1	455,119	1
2180	Accounts payable - related parties	7	7,876,954	13	10,899,495	19
2200	Other payables	6(10)(27) and 7	10,762,201	18	10,431,906	18
2230	Current income tax liabilities	6(25)	450,385	1	106,816	-
2280	Current lease liabilities		31,003	-	22,713	-
2365	Current refund liabilities		234,142	-	239,035	-
2399	Other current liabilities, others		7,910	-	507,266	1
21XX	TOTAL CURRENT					
	LIABILITIES		20,303,239	34	23,039,773	40
NON-CURRENT LIABILITIES						
2530	Corporate bonds payable	6(11)	6,574,982	11	2,987,655	5
2540	Long-term borrowings	6(12)	8,781,250	15	7,830,000	14
2570	Deferred income tax liabilities	6(25)	597,970	1	596,043	1
2580	Non-current lease liabilities		70,489	-	46,559	-
2600	Other non-current liabilities	6(12)	297,647	-	280,657	1
25XX	TOTAL NON-CURRENT					
	LIABILITIES		16,322,338	27	11,740,914	21
2XXX	TOTAL LIABILITIES		36,625,577	61	34,780,687	61
EQUITY						
	Capital stock	6(14)				
3110	Common stock		5,123,269	8	5,123,269	9
	Capital reserve	6(15)				
3200	Capital surplus		9,828,746	16	9,471,717	17
	Retained earnings	6(16)				
3310	Legal reserve		3,002,026	5	2,803,290	5
3320	Special reserve		2,334,534	4	1,609,901	3
3350	Unappropriated earnings		5,782,390	10	6,030,302	10
	Other equity	6(17)				
3400	Other equity interest		(2,036,346)	(4)	(2,334,535)	(4)
	Treasury shares	6(14)				
3500	Treasury shares		(272,066)	-	(272,066)	(1)
3XXX	TOTAL EQUITY		23,762,553	39	22,431,878	39
	Significant contingent liabilities and unrecognised contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	TOTAL LIABILITIES AND EQUITY		\$ 60,388,130	100	\$ 57,212,565	100

Years ended December 31

	Items	Notes	2020		2019	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(18) and 7	\$ 69,135,238	100	\$ 73,856,717	100
5000	Operating costs	6(4)(22)(23) and 7	(65,741,027)	(95)	(72,044,994)	(98)
5900	Gross profit		<u>3,394,211</u>	<u>5</u>	<u>1,811,723</u>	<u>2</u>
	Operating expenses	6(23)(24) and 7				
6100	Sales and marketing expenses		(130,194)	(1)	(142,086)	-
6200	General and administrative expenses		(660,488)	(1)	(777,892)	(1)
6300	Research and development expenses		(757,174)	(1)	(821,601)	(1)
6450	Expected credit gain	12(2)	<u>1,884</u>	<u>-</u>	<u>11,946</u>	<u>-</u>
6000	Total operating expenses		<u>(1,545,972)</u>	<u>(3)</u>	<u>(1,729,633)</u>	<u>(2)</u>
6900	Operating income		<u>1,848,239</u>	<u>2</u>	<u>82,090</u>	<u>-</u>
	Non-operating income and expenses					
7100	Interest income	6(19)	27,004	-	6,404	-
7010	Other income	6(8)(20) and 7	317,615	-	347,842	1
7020	Other gains and losses	6(21)	51,427	-	202,385	-
7050	Finance costs	6(22)	(241,029)	-	(262,372)	-
7070	Share of profit of the subsidiaries, associates and joint ventures accounted for under the equity method	6(5)	<u>357,576</u>	<u>1</u>	<u>1,811,170</u>	<u>2</u>
7000	Total non-operating income and expenses		<u>512,593</u>	<u>1</u>	<u>2,105,429</u>	<u>3</u>
7900	Income before income tax		<u>2,360,832</u>	<u>3</u>	<u>2,187,519</u>	<u>3</u>
7950	Income tax expense	6(25)	(393,400)	-	(200,158)	-
8200	Net income		<u>\$ 1,967,432</u>	<u>3</u>	<u>\$ 1,987,361</u>	<u>3</u>
	Other comprehensive (loss) income, net					
	Components of other comprehensive (loss) income that will not be reclassified to profit or loss					
8311	Loss on remeasurements of defined benefit plans	6(13)	(\$ 15,509)	-	(\$ 7,168)	-
8330	Share of other comprehensive income of the subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will not be reclassified to profit or loss		<u>1,277</u>	<u>-</u>	<u>59,808</u>	<u>-</u>
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(25)	<u>3,102</u>	<u>-</u>	<u>1,434</u>	<u>-</u>
8310	Total Components of other comprehensive (loss) income that will not be reclassified to profit or loss		<u>(11,130)</u>	<u>-</u>	<u>54,074</u>	<u>-</u>
8361	Exchange differences arising on translation of foreign operations		414,743	-	(940,266)	(1)
8380	Share of other comprehensive income of the subsidiaries, associates and joint ventures accounted for under the equity method, components of other comprehensive income that will be reclassified to profit or loss		(29,221)	-	(42,766)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	6(25)	<u>(87,333)</u>	<u>-</u>	<u>197,986</u>	<u>-</u>
8360	Total Components of other comprehensive (loss) income that will be reclassified to profit or loss		<u>298,189</u>	<u>-</u>	<u>(785,046)</u>	<u>(1)</u>
8300	Other comprehensive (loss) income, net		<u>\$ 287,059</u>	<u>-</u>	<u>(\$ 730,972)</u>	<u>(1)</u>
8500	Total comprehensive income for the year		<u>\$ 2,254,491</u>	<u>3</u>	<u>\$ 1,256,389</u>	<u>2</u>
	Basic earnings per share (in dollars)	6(26)				
9750	Basic earnings per share		<u>\$ 4.06</u>		<u>\$ 4.10</u>	
	Diluted earnings per share (in dollars)	6(26)				
9850	Diluted earnings per share		<u>\$ 4.02</u>		<u>\$ 4.05</u>	

Year ended December 31, 2019

Balance at January 1, 2019		<u>\$ 5,123,269</u>	<u>\$ 9,430,462</u>	<u>\$ 2,742,480</u>	<u>\$ 1,508,296</u>	<u>\$ 4,980,234</u>	<u>(\$ 1,294,410)</u>	<u>(\$ 315,491)</u>	<u>(\$ 272,066)</u>	<u>\$ 21,902,774</u>
Net income for the year		-	-	-	-	1,987,361	-	-	-	1,987,361
Other comprehensive (loss) income		-	-	-	-	(6,338)	(785,046)	60,412	-	(730,972)
Total comprehensive income (loss)		-	-	-	-	1,981,023	(785,046)	60,412	-	1,256,389
Appropriation of 2018 earnings	6(16)									
Legal reserve		-	-	60,810	-	(60,810)	-	-	-	-
Special reserve		-	-	-	101,605	(101,605)	-	-	-	-
Cash dividends		-	-	-	-	(768,490)	-	-	-	(768,490)
Changes in ownership interests in subsidiaries	6(15)	-	-	-	-	(50)	-	-	-	(50)
Cash dividends distributed to subsidiaries	6(15)	-	41,255	-	-	-	-	-	-	41,255
Balance at December 31, 2019		<u>\$ 5,123,269</u>	<u>\$ 9,471,717</u>	<u>\$ 2,803,290</u>	<u>\$ 1,609,901</u>	<u>\$ 6,030,302</u>	<u>(\$ 2,079,456)</u>	<u>(\$ 255,079)</u>	<u>(\$ 272,066)</u>	<u>\$ 22,431,878</u>

Year ended December 31, 2020

Balance at January 1, 2020		<u>\$ 5,123,269</u>	<u>\$ 9,471,717</u>	<u>\$ 2,803,290</u>	<u>\$ 1,609,901</u>	<u>\$ 6,030,302</u>	<u>(\$ 2,079,456)</u>	<u>(\$ 255,079)</u>	<u>(\$ 272,066)</u>	<u>\$ 22,431,878</u>
Net income for the year		-	-	-	-	1,967,432	-	-	-	1,967,432
Other comprehensive (loss) income		-	-	-	-	(11,130)	349,333	(51,144)	-	287,059
Total comprehensive income (loss)		-	-	-	-	1,956,302	349,333	(51,144)	-	2,254,491
Appropriation of 2019 earnings	6(16)									
Legal reserve		-	-	198,736	-	(198,736)	-	-	-	-
Special reserve		-	-	-	724,633	(724,633)	-	-	-	-
Cash dividends		-	-	-	-	(1,280,818)	-	-	-	(1,280,818)
Changes in ownership interests in subsidiaries	6(15)	-	(38)	-	-	-	-	-	-	(38)
Difference between proceeds from acquisition or disposal of subsidiary and book value	6(15)	-	121,169	-	-	(27)	-	-	-	121,142
Changes in net equity of associates and joint ventures accounted for under the equity method	6(15)	-	167,141	-	-	-	-	-	-	167,141
Cash dividends distributed to subsidiaries	6(15)	-	68,757	-	-	-	-	-	-	68,757
Balance at December 31, 2020		<u>\$ 5,123,269</u>	<u>\$ 9,828,746</u>	<u>\$ 3,002,026</u>	<u>\$ 2,334,534</u>	<u>\$ 5,782,390</u>	<u>(\$ 1,730,123)</u>	<u>(\$ 306,223)</u>	<u>(\$ 272,066)</u>	<u>\$ 23,762,553</u>

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before tax		\$	2,360,832	\$	2,187,519
Adjustments					
Adjustments to reconcile profit (loss)					
Depreciation (including investment property)	6(6)(7)(8)(21)(23)		145,054		140,724
Amortisation	6(9)(23)		9,131		13,090
Expected credit gain	12(2)	(	1,884 )	(	11,946)
Interest expense	6(22)		241,029		262,372
Amortisation of discounts on bonds payable	6(11)(27)	(	12,673 )	(	12,345)
Interest income	6(19)	(	27,004 )	(	6,404)
Gain on long-term equity investment accounted for under the equity method	6(5)	(	357,576 )	(	1,811,170)
Gain on disposal of property, plant and equipment	6(21)	(	3,912 )	(	200)
Loss from disposal of investments accounted for under the equity method	6(21)		15,849		-
Changes in operating assets and liabilities					
Changes in operating assets					
Notes receivable		(	585)		800
Accounts receivable			125,845	(	2,764,746)
Accounts receivable - related parties		(	679,481)		464,861
Other receivables			28,433		70,935
Other receivables - related parties			1,415,997	(	818,663)
Inventories			1,194,412		893,033
Prepayments			442,729	(	194,874)
Other non-current assets		(	22,959 )	(	3,961)
Changes in operating liabilities					
Current contract liabilities		(	24,960)		157,402
Accounts payable			133,062	(	190,568)
Accounts payable - related parties		(	3,022,541)		2,372,806
Other payables			1,205,016		1,195,194
Current refund liabilities		(	4,744)		5,564
Other current liabilities, others			495		562,692
Other non-current liabilities			1,483		28,928
Cash inflow generated from operations			3,161,048		2,541,043
Interest received			27,004		6,404
Interest paid		(	239,938 )	(	262,372)
Income tax paid		(	53,036 )	(	5,936)
Dividend received			69,757		396,888
Net cash flows from operating activities			2,964,835		2,676,027

CASH FLOWS FROM INVESTING ACTIVITIES

Increase in other receivables - related parties		(	4,000,000)		-
Acquisition of long-term equity investment- subsidiary		(	492,115 )	(	599,491)
Proceeds from liquidation of investments accounted for under the equity method			27,066		-
Prepayments for long-term investments	6(5)	(	73,672 )	(	78,235)
Acquisition of property, plant and equipment	6(27)	(	181,904 )	(	19,561)
Proceeds from disposal of property, plant and equipment and investment property			91,639		667
Acquisition of intangible assets	6(9)	(	6,380 )	(	9,972)
Net cash flows used in investing activities		(	4,635,366 )	(	706,592)

CASH FLOWS FROM FINANCING ACTIVITIES

Increase in other payables - related parties	6(28)	(	856,522 )	(	66,494)
Repayment of lease liabilities	6(28)	(	23,767 )	(	22,825)
Proceeds from issuance of bonds	6(11)		3,600,000		3,000,000
Repayment of long-term borrowings	6(28)	(	18,030,750 )	(	4,500,000)
Increase in long-term borrowings	6(28)		18,482,000		430,000
Cash dividends paid	6(16)	(	1,280,818 )	(	768,490)
Net cash flows from (used in) financing activities			1,890,143	(	1,927,809)
Net increase in cash and cash equivalents			219,612		41,626
Cash and cash equivalents at beginning of year	6(1)		252,429		210,803
Cash and cash equivalents at end of year	6(1)	\$	472,041	\$	252,429

Cheng Uei Precision Industry Co., Ltd.
SURPLUS EARNINGS DISTRIBUTION TABLE
2020

Unit: NTD

Item	Amount		Remarks
	Subtotal	Total	
Undistributed surplus earnings, beginning of the period		3,826,115,163	
Less: Adjustment for 2020 retained earnings	(11,156,606)		
Undistributed surplus earnings after adjustment		3,814,958,557	
Add: net profit after tax	1,967,431,797		
Less: Legal reserve	(195,627,519)		Allocated in accordance Paragraph 1, Article 237 of the Company Act
Add: Appropriation of the special reserve	298,187,505		
Distributable surplus earnings		5,884,950,340	
Distributable items:			
Cash dividend	(1,280,817,350)		NTD 2.5 per share
Undistributed retained earnings		4,604,132,990	

Note 1: In profit distribution for the current year, priority will be given to profit available for distribution in 2020.

Note 2: Dividend distribution is calculated based on the number of issued shares of 512,326,940 at the time of the resolution of the Board of Directors on March 26, 2021.

Note 3: Profit distribution shall be paid in cash in accordance with Article 26-1 of the Company's Articles of Incorporation, and the Board of Directors is authorized to adopt such by resolution.

Responsible person: T.C. Gou

Manager: T.C. Gou

Accountant in charge: Chen-Phan Pu

Plans to release shares of listed subsidiaries

Shinfox Energy Co., Ltd. (Stock code: 6806): hereafter designated as “Shinfox”

Date	2020/6	2020/11	2021/3
Purpose and method of share release	In response to working capital needs Capital increased by cash	Self-subscription by emerging markets board advisory recommending securities firms Transfer of shareholdings	In response to working capital needs Capital increased by cash
Issuing (transfer) price	NTD 13	NTD 43	NTD 86
Date approved by the Company's Audit Committee	2021/3/26	2021/3/26	2021/3/26
Date approved by the Company's Board of Directors	2021/3/26 (Note 1)	2021/3/26	2021/3/26
Date approved by the Company's Shareholders' Meeting	2021/6/18 (Provisional)	2021/6/18 (Provisional)	2021/6/18 (Provisional)
Equity transfer counterparties	Shinfox employees and original shareholders, employees of the Company and affiliated companies, and those who meet the foregoing constitute specific persons within the scope of subscription waivers	Lead co-organizing advisory recommending securities firms and Securities and Futures Investors Protection Center	Shinfox employees and original shareholders, employees of the Company and affiliated companies, and those who meet the foregoing constitute specific persons within the scope of subscription waivers
Total number of shares issued (transferred)	21,634,000 shares	1,901,000 shares	30,000,000 shares
Cheng Uei shareholding ratio before issue (transfer)	89.96%	71.14%	69.24%
Cheng Uei shareholding ratio after issue (transfer)	71.14%	69.24%	(Note 2)
Basis of evaluation for price	Price reasonableness opinion	Mutually agreed by emerging	Price reasonableness opinion

of share release	issued by accountant	markets board advisory recommending securities firms and Shinfox	issued by accountant
Impact on shareholder rights of the Company	Without prejudice to the rights and interests of the original shareholders	Without prejudice to the rights and interests of the original shareholders	Without prejudice to the rights and interests of the original shareholders

Note 1: Regarding the Company's subsidiaries FIT Holding Co., Ltd. and Power Quotient International Co., Ltd., the Board of Directors resolved on June 24, 2020 to abandon the subscription and contact the original shareholders of FIT Holding Co., Ltd. to subscribe.

Note 2: After completion of the cash capital increase, calculation is to be on the basis of the actual subscription conditions of the Company and its subsidiaries.

Cheng Uei Precision Industry Co., Ltd. Articles of Incorporation

Chapter I: General Provisions

Article 1: Organized in accordance with the provisions of the Company Act, the Company is named Cheng Uei Precision Industry Co., Ltd.

Article 2. Businesses of the Company are shown at left:

1. CA02010 Manufacture of Metal Structure and Architectural Components
2. CB01010 Mechanical Equipment Manufacturing
3. CB01030 Pollution Controlling Equipment Manufacturing
4. CB01990 Other Machinery Manufacturing
5. CC01020 Electric Wires and Cables Manufacturing
6. CC01030 Electrical Appliances and Audiovisual Electronic Products Manufacturing
7. CC01040 Lighting Equipment Manufacturing
8. CC01060 Wired Communication Equipment and Apparatus Manufacturing
9. CC01070 Telecommunication Equipment and Apparatus Manufacturing
10. CC01080 Electronics Components Manufacturing
11. CC01090 Manufacture of Batteries and Accumulators
12. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
13. CC01110 Computer and Peripheral Equipment Manufacturing
14. CC01990 Other Electrical Engineering and Electronic Machinery Equipment Manufacturing
15. CE01010 General Instrument Manufacturing
16. CE01030 Optical Instruments Manufacturing
17. CE01990 Other Photographic and Optical Instruments Manufacturing
18. CI01010 Rope, Cable and Net Manufacturing
19. CQ01010 Mold and Die Manufacturing
20. E601020 Electric Appliance Installation
21. E603090 Lighting Equipments Construction
22. E701010 Telecommunications Engineering
23. E801010 Indoor Decoration
24. F107990 Wholesale of Other Chemical Products
25. F111090 Wholesale of Building Materials
26. F113050 Wholesale of Computers and Clerical Machinery Equipment

27. F118010 Wholesale of Computer Software
28. F207990 Retail Sale of Other Chemical Products
29. F211010 Retail Sale of Building Materials
30. F213030 Retail Sale of Computers and Clerical Machinery Equipment
31. F218010 Retail Sale of Computer Software
32. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
33. G801010 Warehousing
34. I102010 Investment Consulting
35. I301010 Software Design Services
36. J101050 Environmental Testing Services
37. J101060 Wastewater (Sewage) Treatment
38. ZZ9999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: With the approval of the Board of Directors, the Company may provide endorsements/guarantees in light of business relationships. Such operations must be handled in accordance with the Company's implementation methods for endorsements and guarantees.

Article 4: The Company has established its headquarters in New Taipei City. When necessary, branches or subsidiaries may be established domestically and abroad by resolution of the Board of Directors. The Company engages in reinvestments domestically and abroad. When acting as a limited liability shareholder of a company, its total investment is not subject to the 40% restriction on paid-in share capital as per Article 13 of the Company Act.

Article 5: Announcement methods of the Company shall be handled in accordance with Article 28 of the Company Act.

Chapter II: Shares

Article 6: Total capital of the Company is NTD 7 billion divided into 700 million shares or 10 New Taiwan dollars per share and the Board of Directors is authorized to issue in installments as needed.

The capital amount in the preceding paragraph shall set aside NTD 500 million for the issuance of employee stock option certificates for a total of 50,000 shares at 10 New Taiwan Dollars per share. These may be issued in installments in accordance with the resolutions of the Board of Directors. In the event that the Company's shares are allowed to be repurchased by the Company in accordance with the law, the Board of Directors is authorized to do so in accordance with other corresponding regulations.

Article 6-1: For shares purchased by the Company, transfer counterparties may include employees of parents or subsidiaries of the company meeting

certain specific requirements. The Board of Directors is authorized to decide such conditions and methods of transfer.

Issuance of the Company's employee stock option certificates may be made to counter parties including employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board of Directors is authorized to decide such conditions and methods of issuance.

Issuance of the Company's new restricted employee shares may be made to counter parties including employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board of Directors is authorized to decide such conditions and methods of distribution.

The Company's cash capital increases and issuance of new shares reserved for employee purchase may be made to counter parties including employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board of Directors is authorized to decide such conditions and methods of purchase.

Article 7. The Company's stocks are all registered, signed or stamped by the Director representing the Company, and issued after obtaining certification according to law. Its shares are exempted from being in the form of printed stocks, but the centralized securities custodial institution must be contacted for registration.

Article 8: Except as otherwise provided by laws and regulations, the stock affairs of the Company should be handled in accordance with the guidelines for the handling of shares of publicly issued companies as issued by the competent authority.

Article 9. Entries in the register of shareholders shall be suspended within 60 days before the General Meeting of Shareholders, within 30 days before an interim shareholders meeting, or within 5 days before the base date when the Company has decided to distribute dividends and bonuses or other benefits.

Article 10. Shareholders' meetings of the Company are of two types, namely general meetings and interim meetings. The general meeting is to be held once a year by the Board of Directors in accordance with the law within six months after the end of each fiscal year. Interim meetings will be convened when necessary in accordance with relevant laws and regulations.

Article 11: The shareholders' meeting shall be presided over by the Chairperson of the Board of Directors of the Company as presiding chair. When the chairperson is absent, the chairperson shall appoint one of the directors to act as chair. If the such a representative is not appointed, the directors shall recommend one person from among themselves to act as chair. If the shareholders' meeting is convened by someone other than the Board of Directors, the convening party shall chair the meeting. When there are two or more conveners, one person from among them should serve as chair.

Article 12: If a shareholder is unable to attend the shareholders' meeting for any reason, a proxy may be entrusted to attend by executing a power of attorney issued by the Company and stating therein the scope of power authorized to the proxy. Except as provided by Article 177 of the Company Act, the means of shareholders' entrusted attendance shall be subject to the provisions of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies as issued by the competent authority.

Article 13: Shareholders of the company have one vote per share except as otherwise provided by laws and regulations.

Article 14. Unless otherwise stipulated by the Company Act, the resolutions of the shareholders' meeting shall be attended by shareholders representing more than half of the total number of issued shares, and shall be implemented with more than half of the voting rights of the shareholders present.

Shareholders of the Company may also exercise their voting rights electronically. Shareholders who exercise their voting rights electronically are deemed to have attended the shareholders' meeting in person; and relevant matters are to be handled in accordance with laws and regulations.

Article 15: The resolutions of a shareholders meeting shall be recorded in the meeting minutes, and the meeting minutes shall be signed or sealed by the chair of the meeting. Furthermore, a copy of the minutes shall be distributed to each shareholder within 20 days after the meeting; the distribution of the minutes of the shareholders' meeting can be done in

the form of announcements. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairperson, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be continually maintained throughout the existence of the Company.

Chapter IV: Directors and Audit Committee

Article 16. The Company shall have between 7 and 9 directors serving three-year terms. Adopting a candidate nomination system, the Board of Directors shall be elected by the shareholders' meeting from a list of director candidates and may be re-elected. Shares held by all directors shall not be below a certain percentage of the total issued shares of the Company. This percentage is to be in accordance with regulations set by the competent authority.

Among the number of directors in the preceding paragraph, the number of independent directors shall not be fewer than three. Adopting a candidate nomination system, the shareholders' meeting shall select them from a list of candidates for independent directors. Regarding independent directors' professional qualifications, shareholding, part-time restrictions, nomination and selection methods, and other compliance matters, they shall be handled in accordance with the relevant regulations of the securities authority.

Article 17. The Board of Directors is to be organized by the directors. The Board shall elect a chairperson from among the directors at a meeting attended by over two-thirds of the directors and approved by more than half of the directors present. In the event that the chairperson requests leave or is unable to exercise his or her powers for any reason, the chairperson shall designate a director to act as his or her proxy. If the chairperson does not designate such a stand-in, the directors will choose a representative from among themselves.

Article 18: Except for the first meeting of each newly elected Board of Directors or when convening in accordance with Article 203 of the Company Act, remaining meetings of the Board of Directors shall be convened by the chairperson and he or she shall concurrently serve as presiding chair. Unless otherwise specified by the Company, resolutions shall be attended by more than half of the directors and should require the consent of more than half of the directors present. When a director cannot attend the board of directors for some reason, then subject to the provisions of Article 205 of the Company Act a power of attorney may be issued entrusting another director to attend as representative. This shall be limited to appointment of

one such person as representative. In case a meeting of the board of directors is held via a visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

The notice of the convening of the Board of Directors can be done by written notification, fax, or electronically.

Article 19: The functions and powers of the Board of Directors are as follows:

1. Review of business policies and medium and long-term development plans; review and supervision of annual business plans.
2. Proposal of budgets and of final accounts.
3. Formulation of planned capital increases and decreases.
4. Proposals concerning profit distributions or covering of losses.
5. Proposals for important external contracts.
6. Proposals of amendments to the Company's Articles of Incorporation.
7. Compilation of organizational rules and important business rules for the Company.
8. Establishment and disestablishment of branches; drafting of reorganizations or dissolutions.
9. Appointment and removal of the President and of vice presidents of the Company.
10. Convening of meetings of shareholders.
11. Proposals of purchases and disposals of important property of the Company.
12. Compilation of external endorsements/guarantees and external investment cases of the Company.
13. Proposals for capitalization of dividend bonuses or capital reserves.
14. Functions and powers as stipulated by Article 202 of the Company Act.
15. Cash distributions of capital reserves in the form of profit distributions or legal reserves.

Article 20: When vacancies among directors reach one-third, the Board of Directors shall convene a by-election of the shareholders' meeting in accordance with the law. The corresponding term of office shall be limited to the time required to fulfill those of the original appointments.

Article 21: The proceedings of a meeting of the Board of Directors shall be recorded in the meeting minutes and the meeting minutes shall be signed or sealed by the chair of the meeting. Furthermore, a copy of the minutes shall be

distributed to each director within 20 days after the meeting. The minutes of the proceedings should record the date and place of the meeting, the name of the chair, the method of adopting resolutions, and a summary of the essential points of the proceedings and their results. The minutes shall be continually maintained throughout the existence of the Company.

Article 22: In case no election of new directors is effected after expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

The Company has set up an Audit Committee to replace the authority of supervisors in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall be composed exclusively of independent directors and its number not less than three. Among them, one should act as convener and the exercise of associated powers and related matters shall be handled in accordance with relevant laws and regulations, and shall be separately determined by the Board of Directors.

Article 23: In respect of the remuneration of all directors, the Board of Directors is authorized to reach agreement according to the usual standards of the industry. In addition, the Company may purchase liability insurance for directors, to mitigate the risk of directors being sued by shareholders or other related parties due to the execution of their duties in accordance with the law.

Chapter V: Managers

Article 24: The Company may have a number of presidents, vice presidents, chief executive officers, Business group general managers and deputy general managers. Their appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter VI: Accounting

Article 25: At the end of each fiscal year, the Company's Board of Directors shall prepare (1) a business report; (2) financial statements; and (3) various schedules such as profit distribution or loss off-setting proposals, etc.

Article 26: If the Company makes a profit during the year (referring to profit before tax minus the profit before the distribution of employee remuneration and director remuneration), it should allocate no less than 6% for employee remuneration and no more than 3% for directors' remuneration. However, when the Company has accumulated losses, the reserves for covering the losses shall be retained in advance.

Remuneration of employees as per the preceding paragraph can be made in stock or cash; payment counterparties may include employees of parents or subsidiaries of the Company meeting certain specific requirements. The Board of Directors is authorized to decide such conditions and methods of distribution. The remuneration of directors can only be paid in cash.

The preceding two items shall be implemented by resolutions of the Board of Directors and reported to the shareholders' meeting.

Article 26-1: If there is a surplus in the Company's annual final accounts, it shall first pay taxes to make up for the accumulated losses. A further 10% withdrawal is the legal reserve, but this is not the case when the legal reserve has reached the total paid-in capital of the Company. The remainder is subject to proposal by the Board of Directors as profit distributions and submitted to the shareholders' meeting for a resolution to distribute dividends to shareholders.

If distribution of the profit, legal reserve, and capital reserve in the preceding paragraph are to be issued in cash, they shall be authorized for distribution by resolution of Board of Directors with at least two-thirds of the directors present and more than half of the attending directors in agreement, and this shall be reported to the shareholders meeting.

The Company operates in information and communication-related industries, and is in the growth stage of the Company's life cycle. Therefore, in order to match the overall environment and the characteristics of industry growth, and to achieve the Company's goal of sustainable operations and stable operating performance, the Company's dividend policy directs that not more than 90% of the company's distributable earnings will be distributed to shareholders in the form of dividends. Furthermore, and in line with the future capital expenditure budget and capital demand situation, the cash dividend portion of the Company's dividends will not be less than 20%. When distributing profits, aside from the legal reserve stipulated by law, the Company shall abide by Paragraph 1, Article 41 of the Securities and Exchange Act in applying deduction amounts to shareholders' equity occurring in the current year (e.g., unrealized losses of financial products, cumulative conversion adjustments, etc.) Since the current year's after-tax profit and the previous period's undistributed profit would allocate the same amount of special reserve, no such distribution would be made. When reversals are made to deduction amounts applied to shareholders' equity, the reversal portion of the

profit may be distributed.

Chapter VII: Supplementary Provisions

Article 27. Matters not stipulated in these Articles of Incorporation shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 28: These Articles were established on June 17, 1986.

The first amendment to the Articles, July 1, 1986.

The second amendment to the Articles, June 6, 1987.

The third amendment to the Articles, March 16, 1990.

The fourth amendment to the Articles, December 17, 1995.

The fifth amendment to the Articles, January 9, 1996.

The sixth amendment to the Articles, April 12, 1996.

The seventh amendment to the Articles, September 16, 1996.

The eighth amendment to the Articles, January 17, 1997.

The ninth amendment to the Articles, May 28, 1997.

The tenth amendment to the Articles, June 11, 1998.

The eleventh amendment to the Articles, June 25, 1999.

The twelfth amendment to the Articles, June 2, 2000.

The thirteenth amendment to the Articles, June 8, 2001.

The fourteenth amendment to the Articles, May 30, 2002.

The fifteenth amendment to the Articles, May 30, 2003.

The sixteenth amendment to the Articles, June 3, 2004.

The seventeenth amendment to the Articles, June 10, 2005.

The eighteenth amendment to the Articles, June 14, 2006.

The nineteenth amendment to the Articles, June 13, 2007.

The twentieth amendment to the Articles, June 20, 2008.

The twenty-first amendment to the Articles, June 10, 2009.

The twenty-second amendment to the Articles, June 14, 2010.

The twenty-third anniversary to the Articles, June 17, 2011.

The twenty-fourth amendment to the Articles, June 12, 2012.

The twenty-fifth amendment to the Articles, June 11, 2013.

The twenty-sixth amendment to the Articles, June 12, 2014.

The twenty-seventh amendment to the Articles, June 8, 2016.

The twenty-eighth amendment to the Articles, June 8, 2017.

The twenty-ninth amendment to the Articles, June 12, 2019.

Cheng Uei Precision Industry Co., Ltd.
Rules of Procedure for Shareholders' Meetings

- I. Unless otherwise provided by laws and regulations, shareholders' meetings of the Company should be handled in accordance with these Rules.
- II. Shareholders' Meetings of the Company shall have a visitors' book for the attending shareholders to sign in, or the attending shareholders shall hand in sign-in cards instead. The number of attending shares is calculated based on the signature book or the handed in sign-in card.
- III. Attendance and voting at a shareholders meeting shall be calculated based on the number of shares.
- IV. The venue for TWSE and TPEX listed shareholders' meetings shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- V. If the shareholders meeting is convened by the Board of Directors, the chairperson shall be the presiding chair. When the chairperson of the board is on leave or for any reason unable to perform the duties of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

If the shareholders' meeting is convened by a convening party other than the Board of Directors, the convener shall be the presiding chair.
- VI. The Company may appoint the designated counsel, CPAs, or other related persons to attend the meeting.

Staff handling the administrative affairs of a shareholders meeting shall wear

identification cards or arm bands.

VII. The Company shall record or videotape the entire proceedings of the shareholders' meeting and keep it for at least one year.

VIII. When the meeting time has arrived, the presiding chair shall immediately announce the meeting. However, if the number of shareholders present does not represent more than half of the total issued shares, the presiding chair may announce a postponement of the meeting. The number of postponements is limited to two, and the total postponement time shall not exceed one hour. If the quorum is not met after two postponements, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1, Article 175 of the Company Act.

By the end of such meeting, if number of shares represented by the attending shareholders has already constituted more than one half of the outstanding shares, the presiding chair may put the tentative resolution to the vote at the general meeting again in accordance with Article 174 of Taiwan's Company Act.

IX. If the shareholders' meeting is convened by the Board of Directors, its agenda shall be set by the Board of Directors. The meeting shall be conducted according to the scheduled agenda, and shall not be changed without the resolution of the shareholders' meeting.

If the shareholders' meeting is convened by a convening party other than the Board of Directors, the provisions of the preceding paragraph shall apply.

The agenda set out in the previous two items shall not be declared adjourned by the presiding chair without a resolution before the proceedings are over (including extraordinary motions).

If the presiding chair announces the adjournment of the meeting in violation of the rules of procedure, then with the approval of more than half of the voting rights of shareholders present, one person may be elected as presiding chair to continue the meeting.

After the meeting is adjourned, shareholders may not elect a new presiding

chair to continue the meeting at the meeting site or at another venue.

- X. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the presiding chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the contents of the speech do not correspond to the subject given on the speaker's slip, the content of the speech shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violations.

- XI. Unless otherwise permitted by the chairperson, each shareholder shall not speak more than twice concerning the same item, and each speech shall not last more than 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
- XII. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

- XIII. After an attending shareholder has spoken, the presiding chair may respond in person or direct relevant personnel to make response.
- XIV. When the presiding chair is of the opinion that a proposal has been discussed sufficiently for voting to proceed, the presiding chair may announce the closure of the discussion and call for a vote.
- XV. The examiners and counting staff of votes on motions shall be appointed by the presiding chair, but the examiners should have shareholder status. The result of the voting shall be reported on the spot and recorded.
- XVI. During the meeting, the presiding chair may announce a break at his or her

discretion.

XVII. Except as otherwise provided in the Company Act and in the Company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of voting, if there is no objection after consultation by the presiding chair, then the measure shall be deemed as passed and its effect shall be the same as voting.

XVIII. When there is an amendment or alternative to a proposal, the chair 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.

XIX. The presiding chair may direct the pickets (or security personnel) to help maintain order at the meeting place. When pickets (or security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Picket."

Cheng Uei Precision Industry Co., Ltd.
Shareholdings of Directors

1. Minimum numbers of shares to be held by all directors and a detailed list of the numbers of shares held in the shareholder register

Unit: Shares

Position	Minimum number of shares to be held	Number of shares registered in the shareholder register
Director	16,394,462	103,745,849

2. Schedule of director shareholdings

Unit: Shares

Position	Account name	Number of shares registered in the shareholder register
Chairperson	Hsin Hung International Investment Co., Ltd. representative: T.C. Gou	100,535,228
Director	Hsin Hung International Investment Co., Ltd. representative: ChenPhan Pu	100,535,228
Director	Hsin Hung International Investment Co., Ltd. representative: T.C. Wang	100,535,228
Director	Foxlink International Investment Co., Ltd. representative: James Lee	3,210,621
Director	Foxlink International Investment Co., Ltd. representative: Eric Huang	3,210,621
Director	Foxlink International Investment Co., Ltd. representative: Jui-Hsia Wan	3,210,621
Independent Director	Randy Lee	0
Independent Director	Chien-Chung Fu	0
Independent Director	Jing-Mi Tang	0