

Chenbro Micom Co., Ltd.

2020 Annual Shareholders' Meeting Handbook

Stock Code: 8210

Time: 9:00 a.m., June 23, 2020

Place: B2, Building A, 726 Zhongzheng Road, Zhonghe District, New Taipei City
(Far East Century Plaza 1st Management Committee Management Service Center)

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Chenbro Micom Co., Ltd.

2020 Annual Shareholder's Meeting Agenda

Time: 9:00 a.m., June 23, 2020

Place: B2, Building A, 726 Zhongzheng Road, Zhonghe District, New Taipei City (Far East Century Plaza 1st Management Committee Management Service Center)

Meeting agenda:

1. Call Meeting to Order

2. Chairman's Address

3. Report Items:

(1) To report the business of 2019

(2) Supervisors review the report of the 2019 Financial Statements.

(3) To report 2019 employees' profit-sharing bonus and directors' compensation

(4) Explanation of why the shareholder proposal was not included in the Shareholders' Meeting.

(5) Status report on investments in China.

(6) Status report on loans to others, endorsement/guarantee, and execution.

(7) Revised "Guidelines for the Adoption of Codes of Ethical Conduct" report.

(8) Revised "Ethical Corporate Management Best Practice Principles" report.

(9) Revised "Corporate Social Responsibility Best Practice Principles" report

4. Proposed Resolutions

(1) To accept 2019 Business Report and Financial Statements.

(2) To accept the proposal for distribution of 2019 earnings.

5. Discussion Items

(1) Revised "Articles of Incorporation".

(2) Revised "The Procedures for Acquisition or Disposal of Assets".

(3) Revised "Capital Loan and Third-party Operating Procedures".

(4) Revised "Endorsement Guarantee Operating Procedure".

(5) Revised "Shareholders' Meeting Regulations".

(6) Revised "Board of Directors and Supervisor Election Measures".

(7) The Issuance of Restricted Stock Unit (RSU) announced by the Company.

6. Election Resolutions

Overall directors' election

7. Other Motion

To cancel the restriction of non-competition for new directors.

8. Other Business and Special Motion

9. Meeting Adjourned

Report Items

1. To report the business of 2019.

Explanatory Notes: Please refer to Attachment I page 13.

2. Supervisors review the report of 2019 Financial Statements.

Explanatory Notes: Please refer to Attachment II page 18.

3. 2019 employee compensation and distribution of Directors and Supervisors compensation report.

Explanatory Notes:

(1) In 2019, the employee compensation and the compensation of the Directors and Supervisors were approved by the Board on March 17, 2020. It was proposed to allocate 6.8% of earnings as employee's remuneration and 2% of earnings as Directors and Supervisors' compensation, all of which are to be paid in cash.

(2) The total employee compensation of this Company in 2019 was NTD 81,802,121.

(3) The total employee compensation of this Company in 2019 was NTD 24,059,447.

4. To explain the reasons why the shareholder proposal was not included in the Shareholders' Meeting.

Explanatory Notes: As of April 27, 2020 (the shareholders' proposal acceptance period was from April 17, 2020 to April 27, 2020), except for the motion passed during the third Board's meeting of the Company on May 12, 2020, and no other motions have been received by the Board.

5. To review the report on the status of the investments in China.

Explanatory Notes: Investments in China as of December 31, 2019 is as below:

Unit: thousands NTD		
Name of invested companies in China	Main business	Paid-up funds
Chenbro Micom (Shenzhen) Co., Ltd. (Note 1)	Trade and order processing	0
Chenbro Technology (Kunshan) Co, Ltd.	Production and processing of computer cases	\$ 299,800
Chenbro Micom (Beijing) Co., Ltd. (Note 1)	Technical services	0
Dongguan Procace Electronics Co., Ltd.	Production and processing of computer cases	\$ 376,009
ChenPower Information Technology (Shanghai) Co., Ltd.	Trade and order processing	\$ 62,958

Note 1: The Board dissolved Chenbro Micom (Shenzhen) Co., Ltd. and Chenbro Micom (Beijing) Co., Ltd. on January 19, 2017, and have accomplished liquidation on August and December 2019, respectively.

6. To review the report on status of the endorsement and loans to other parties.

Explanatory Notes:

- (1) The total amount of endorsement guaranteed by the Company as of December 31, 2019 is NTD 2,112,004,000 TWD (60% of company's net value). The endorsement limit of a single enterprise is NTD 704,001,000 (20% of the Company's net value). For the subsidiaries of which we hold more than 90% of shares, the endorsement guarantee amount is NTD 1,760,004,000 (50% of the Company's net value). Details on the actual situation is as follows:

Unit: thousands NTD

Endorsed guaranteed subject		Maximum endorsed guarantee balance this term	Term end endorsement guaranteed balance	Actual Movement amount	The ratio of the cumulative endorsement guarantee amount to the net value of the most recent financial statement
Company Name	Relationship				
Chenbro Micom (USA) Incorporation	Subsidiary of this company	123,600	59,960	0	2%
CLOUDWELL HOLDINGS, LLC	Subsidiary of this company	176,960	167,888	126,411	5%
Procace & Morex Corporation	Affiliated company 100% owned by subsidiary company	216,300	119,920	0	3%

- (2) This Company's total loans to others as of December 31, 2019 is zero.

7. To review the revised Guidelines for the Adoption of Codes of Ethical Conduct.

Explanatory Notes: The Company revises Guidelines for the Adoption of Codes of Ethical Conduct. Please refer to Attachment V page 44.

8. To review the revised Ethical Corporate Management Best Practice Principles.

Explanatory Notes: The Company revises Ethical Corporate Management Best Practice Principles. Please refer to Attachment VI page 50.

9. To review the revised Corporate Social Responsibility Code of Practice Principles.

Explanatory Notes: The Company revises Corporate Social Responsibility Code of Practice Principles. Please see the Attachment VII page 60.

Proposed Resolutions

1. Proposed by the Board of Directors

To accept 2019 Business Report and Financial Statements including individual and consolidated financial statements.

Explanatory Notes :

- (1) 2019 Financial Statements, including Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity, and Statements of Cash Flows, were audited by independent auditors.
- (2) 2019 Business Report, Independent Auditors' Report, and the aforementioned Financial Statements including individual and consolidated financial statements are attached hereto as Attachments I page 13, & III page 19.

Resolution:

2. Proposed by the Board of Directors

To accept the proposal for distribution of 2019 earnings.

Explanatory Notes :

- (1) Regarding the matter of earning distribution in 2019, the Board will formulate the 2019 earning distribution proposal according to the R.O.C. Company Act and the Articles of Incorporation.
- (2) The 2019 Earnings Distribution Proposal is attached hereto as Attachment IV page 43.
- (3) The cash dividends distributed this time are calculated at NTD 4.6 per share, according to the distribution ratio and are rounded off to the nearest dollar. The total zero amount of less than one dollar is included in the Company's other income.
- (4) The related affairs about the record date for cash dividends and the distribution of cash dividend per common share shall be authorized to the chairman with the full power to make decisions after the resolutions by Shareholders' Meeting.
- (5) Regarding cash dividend issuance per common share, after being approved by the Shareholders' Meeting, the Board is authorized to determine the ex-dividend benchmark date and other related matters. If share repurchase, inventory transfer and write off, conversion of convertible corporate bonds or exercise of employee share option certificates affect the total number of shares of the company in circulation, resulting in changes to the shareholder's dividend yield rate, and it should propose a request for the shareholders' meeting to authorize the chairman to adjust accordingly.
- (6) Proposed resolutions.

Resolution:

Discussion Items

1. Proposed by the Board of Directors

To revise the Company's Article of Incorporation.

Explanatory Notes : Set up Audit Committee instead of Supervisors to operate and amend practical affairs. Please refer to Attachment VIII page 64 for the amendment comparison for the Articles of Incorporation.

2. Proposed by the Board of Directors

To revise the Company's Procedures for Acquisition or Disposal of Assets.

Explanatory Notes : Set up Audit Committee instead of Supervisors to operate and amend practical affairs. Please refer to Attachment IX page 68 for the amendment comparison for the Articles of Incorporation.

3. Proposed by the Board of Directors

To revise the Company's Capital Loan and Third-party Operating Procedures

Explanatory Notes : Set up Audit Committee instead of Supervisors to operate and amend practical affairs. Please refer to Attachment X page 79 for the amendment comparison for the Articles of Incorporation.

4. Proposed by the Board of Directors

To revise the Company's Endorsement Guarantee Operating Procedure.

Explanatory Notes : Set up Audit Committee instead of Supervisors to operate and amend practical affairs. Please refer to Attachment XI page 82 for the amendment comparison for the Articles of Incorporation.

5. Proposed by the Board of Directors

To revise the Company's Shareholders' Meeting Regulations

Explanatory Notes :

- (1) Operate to comply with the Jin-guan-zhen-shen-tzi No. 10703452331 and Tai-cheng-chih-li-tzu No. 1080024221 issued by the Financial Supervisory Commission on December 19, 2018, according to the Company Act and Securities and Exchange Act.
- (2) Set up Audit Committee instead of Supervisors to operate and amend practical affairs. Please refer to Attachment XII page 85 for the amendment comparison for the Articles of Incorporation.

6. Proposed by the Board of Directors

To revise Board of Directors and Supervisor Election Measures.

Explanatory Notes : Set up Audit Committee instead of Supervisors to operate and amend practical affairs and rename this rule as Board of Directors Election Measures. Please refer to Attachment XIII page 91 for the amendment comparison for the Articles of Incorporation.

7. Proposed by the Board of Directors

To approve the Issuance of Restricted Stock Unit (RSU)

Explanatory Notes :

- (1) The Company issues the RSU for the first time in 2020, complied with Article 267-8 of the Company Act and Regulations Governing the Offering and Issuance of Securities by Securities Issuers of the Financial Supervisory Commission.
- (2) This proposed issue of RSU is complied with the regulations as listed and stated as follows:
 - I. Estimate total amount (shares) of issuance: The total amount of shares issued by the Company under this plan shall not exceed NTD 12,000,000, each share with a par value of NTD 10, for the number of 1,200,000 Common Shares.
 - II. Issue conditions:
 - A. Estimate issue price (per share): The current issue is gratuitous.
 - B. Vesting conditions:
 - i. Employees' continuous employment with the Company through the vesting date, i.e. the last record date of this RSU, and achievement of both personal performance criterion and the Company's operation objectives during the vesting period are required to receive the vested shares. The portions of the vesting shares with specific conditions are as follows:

Objective	Company's operation objective	Personal performance	The period (by year) for RSU deposited in appointed security trust account/Ratio	Remark
Supervisors	1. If EPS of previous year achieves the annual EPS target, which is approved by The Board, the portion is 100% 2. If EPS of previous year is between 4.6 and the annual EPS target, the portion is 60%. 3. If EPS of previous year is under 4.6, the portion is zero.	The last two appraisals were both above ST.	1 year/25% 2 years/25% 3 years/25% 4 years/25%	
General employees				1. Know-how technicians. 2. Personal performance made a major contribution to the Company. 3. Core recruits.

- ii. The Company will redeem the issued restricted stock units (RSUs) and cancel the full number of the shares in accordance with the terms of the issuance rules set by the Company.
- C. Share type: common share
- D. Measures to be taken when employees fail to meet the vesting conditions: The Company will redeem the issued restricted stock units (RSUs) and cancel the full number of the shares in accordance with the terms of the issuance rules set by the Company.

(3) Qualification requirements and granted shares for employees:

- I. This regulation is only applicable to the official employees of the Company and Subsidiaries according to the Company Act Article 369-2. The number of granted shares shall be determined by seniority, position, performance, overall contribution, special performance and other crucial factors for management. The results of shares distribution shall be reviewed by Chairman and obtain approval in the meeting of the Board. However, for employees who are managerial officers, the unit of such shares is subject to approval by the Compensation Committee.
- II. Complying with Article 56-1-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the Company issue the cumulative shares of employee subscription warrant to a single employee, plus his total number of RSU that shall not exceed three one-thousandths of the total number of outstanding shares. Moreover, according to the same Article, the Company issue the cumulative shares of employee subscription warrant to a single employee that shall not exceed one one-hundredth of the total number of outstanding shares.

(4) The reason that it is necessary to issue restricted stocks for employees:

The Company shall attract and retain talents, enhance employees' sense of loyalty and belonging in order to create the best benefits to the Company and its shareholders.

(5) Calculated expense amount, Dilution of EPS, and Other factors affecting shareholder's equity:

- I. Calculated expense amount: The Company shall value the shares' fair market value and record expenses during the vesting period annually. Based on the Company's closing price of Common Shares on 3/17/2020, NTD 69, the calculated expense amount is NTD 82,800,000 with the fulfillment of all vesting conditions. The amortized expense estimated to be in the amount of NTD 21,563,000, NTD 32,775,000, NTD 17,250,000, NTD 8,625,000, and NTD 2,587,000 for 2020, 2021, 2022, 2023 and 2024, respectively.
- II. Dilution of EPS: Based on the calculation of the Company's outstanding shares, 119,725,950 Common Shares as of 3/17/2020, the dilutions of the Company's EPS are estimated to be approximately in the amount of NTD 0.18, NTD 0.28, NTD 0.14, NTD 0.07 and NTD 0.02 for 2020, 2021, 2022, 2023 and 2024, respectively.
- III. Other factors affecting shareholder's equity:

There is no essential impact on existing shareholders' equity

(6) Please refer to Attachment XIV page 96 for RSU 2020.

(7) If some revision or adjustment has to be made due to the Competent authority's instruction, and amendment to the laws and regulations, it is proposed that Annual Shareholders' Meeting authorizes to the Board with full power and authority to handle all the issues regarding the issuance of RSU. If some revision or adjustment is required by the competent authority's instruction during the audit process, it is authorized Chairman to amend this regulation, and afterward the Board shall ratify to issue. With respect to the issuance of RSU and any other matters not set forth here shall be dealt with in accordance with the applicable laws and regulations.

Explanatory Notes :

Election Resolutions

To re-elect all Directors. "Proposed by the Board of Directors".

Explanatory Notes :

- (1) The term of office of the current Directors and Supervisors expires on 19 June 2020. Complying with the Company Act, it should be re-elected the Directors during the Annual Shareholder's Meeting, but as specified in Article 195, if there is no re-election, the extension of Directors' term of office shall be postponed till the re-election. The Company is complied to Securities and Exchange Act Article 14-4 "Appointment of Audit Committee or Supervisors", and the Board approves the related regulations of establishment for Audit Commitment in Article of Incorporation with stating that the Board shall have seven to eleven Directors, including one Independent Director, with the term of office for three years. There is no election for Supervisors.
- (2) The Directors shall be elected for nine including Independent Directors for four by adopting candidate nomination system, and is effective on this re-election with the term of office from 23 June 2020 to 22 June 2023 for three years.
- (3) Please refer to Attachment XV page 100 and Attachment XVI page 101 for the introduction of Directors and Independent Directors.
- (4) Please process the election by shareholders.

Voting by Poll:

Other Motion

To cancel the restriction of non-competition for new directors. “Proposed by the Board of Directors”

Explanatory Notes :

- (1) Complying with the Company Act Article 209, the Directors shall, for himself/herself or others, explain to Shareholders’ Meeting about his/her behaviors when operating the Company’s business, and gain the allowance from the Meeting.
- (2) If the new Directors of the Company invest or operate other similar companies, and are as Directors, only by their participation in the operation for the reasons including the demand of operation strategy for the Company’s multi-angled development, and without damaging the Company’s benefits, it is proposed to request the Shareholders’ Meeting to agree to relieve the restriction for non-compete of 2020 new Directors and his/her representatives.
- (3) To submit the relieving list for new Directors prohibited from this non-compete:

Company	Job Title	Mei-chi Chen	Tsun-yen Lee	Chung- pao Wu	Wen-cheng Huang	Te-feng Wu	Wei-shun Cheng
Chen-Source Inc.	Director	✓	✓				
Chen-Yueh Technology Inc	Chairman		✓				
Protech Information Co., Ltd	Chairman			✓			
Marketch International Corp	Independent Director			✓			
Trade-Van Information Co	Independent Director			✓			
Tung Thih Electronic Co., Ltd.	Director				✓		
ACES Electronics Co., Ltd.	Director of Corporate Presentative				✓		
Entire Technology Co., Ltd.	Independent Director				✓		
eland Information Co., Ltd.	Director				✓		
Innovation and Transformation	Chief Strategic Adviser					✓	
Shirre Lab Corp.	Director						✓
Daxin Materials Corp.	Independent Director						✓
Raydium Corp	Independent Director						✓

Other Business and Special Motion

Meeting Adjourned

Attachment

Letter to Shareholders

Dear Shareholders,

2019 was a year of important milestones for Chenbro. Through all-out effort of our teamwork with consecutive development of Cloud industry, we reach annual revenue NTD 6.835 billion and net operating income NTD 1.128 billion, increasing 4.8 percent and 35.8 percent from 2018.

In retrospect of 2019, the US-China trade tensions and several geopolitical events impacted the global economic development with many uncertainties, and damaged the demand growth momentum resulting in the negatives on manufacturing industry and service industry. This created regional trade barriers as well as trade protectionism as one of the technology manufacturing bore the brunt but we still delivered record revenue and profit concurrently.

It was predicted that the market gradually recovered as the negative effects of trade disputes were diluted in 2020. However, in response to the manufacturing shutdown of unexpected COVID-19 outbreak, it caused lack of parts and breakdown of industrial production chains, which ravaged global economics. This alerts us to be cautious in this rigorous UVCA era and keep positive, seize every opportunity in economic crisis, and reorganize a nimble efficient organization to get through this bumpy ride.

In the long term, with cloud service becoming ubiquitous and new applications, 5G and AIoT etc., continuously fueling, we believe the growth of ongoing megatrend. Hence, we will focus on enhancing the omni-channel market share of system integrators and standard products, and deepening the relationships with our customers and market deployment. Moreover, we keep refining the innovation and manufacture of our chassis, make trusted connection with our alliance including strengthening the industry integration, and create the platforms for mutual benefits to pursue the win-win with our partners. By committing as one of the worldwide leaders for integrated enclosure solutions provider in cloud industry, we offer an eco-harmonic, innovative and valuable integration platform. Highlights of Chenbro's accomplishments in 2019 and outlooks for 2020:

1. 2019 Operation Performance

1.1 Financial Performance

1.1.1 Outcome of Operation Plan

Unit: NT\$ thousands

Item	2019	2018	Increase (decrease) amount	Increase (decrease) amount %
Operating revenue	6,835,443	6,520,514	314,929	4.83
Gross profit from operations	2,096,126	1,714,748	381,378	22.24
Operating profit	1,128,923	831,399	297,524	35.79
Profit from operations before tax	1,153,406	870,732	282,674	32.46
Net profit	911,951	642,350	269,601	41.97

1.1.2 Internal Budget Execution Status

In accordance with the current regulations or provisions, Chenbro did not prepare 2019 financial estimates in public.

1.1.3 Financial & Profitability Analysis

Item		2019	2018
Financial structure (%)	Debt to total assets ratio	45.05	45.67
	Long-term capital to property, plant & equipment ratio	237.74	195.62
Solvency (%)	Current ratio	161.86	151.19
	Quick ratio	124.78	126.90
	Interest coverage folds (times)	13256.22	9340.50
Profitability (%)	Return on assets (%)	15.03	11.60
	Return on equity (%)	27.28	21.11
	Operating profit to pay-in-capital (%)	94.29	69.44
	PBT to pay-in-capital (%)	96.34	72.73
	Net margin (%)	13.34	9.85
	EPS (NT\$)	7.62	5.37

1.2 Research & Development

In 2019 Chenbro continued to invest NTD 227,302,000 in research and development, increasing 12.7% from 2018. With innovative spirit, we refine our R&D ability and develop new products as well as protect our intellectual property rights. As of end of 2019, Chenbro has accumulated 439 patent applications, and 363 patent grants in U.S., China, and Taiwan etc.

Especially in 2019, for new patents of various products, we applied 29 patents worldwide for invention, design and new models. These patents included unique designs of rackmount chassis architecture, storage device layout, smart cable routing, toolless components assembly, and system modularized

applications etc., which are breakthroughs in the product system planning, precision, support strength, stable energy saving, and easy operation etc. We continuously invest and expand the deployment of AI, AIoT, 5G, and cloud industry. Through the learning in cross-industry, and the refinement of our product system integration and validation capability, Chenbro is pursuing the maximization of common parts, massive reduction for the time frame of product development and validation, decrease of the mold development cost, fulfillment of small quantity but diversified market trends, and enhancement of the added value of products to remain our competitiveness by modularized design and manufacture flexibility.

2 2020 Business Plan Outline

2.1 Operation Guidance

Chenbro advocates and acts upon the principles of existing products optimization and core technology foundation to develop new products in accord with market demand. In the recent three years, implemented Lean Management has obvious improvement in workflow optimization, productivity enhancement, and inventory management etc. Additionally, Activity Value Management (AVM) system reviews overall operation cost, inventories all resource, internalizes the accountability concept by all our employees, and encourages an environment of positive communication and cooperation. Focusing on high standard with corporate governance and culture shaping, we strive for enhancing operation performance to create the most profitability.

- 2.1.1 Enlarge and deepen our products deployment in emerging markets. We anchor the production flexibility and differentiation to meet the development trend of technology.
- 2.1.2 Improve the quality of all-generation employees by their job functional training. Through Lean Management and accountability cultivation, we promote the Company's mission, vision and core values, strengthen and stabilize our business and financial management. Think globally, act locally.
- 2.1.3 Continue to simplify and digitize internal workflow. We enhance our response efficiently and nimbly to all the circumstances to build up the Company's stronger DNA.
- 2.1.4 Enhance corporate governance, the proactive supervision and management of Board of Directors and the internal audit. We seek to maximize the benefits of our shareholders, fulfill our corporate social responsibilities, and aim for sustainable development.

2.2 Sales Volume Forecast and Related Information

Main product	2019 sales (1000 units)
Personal computer case	380
Server chassis	1,460

2.3 Crucial Product Sales Strategy

2.3.1 Sales Strategy

By continuously strategic alliance with partners and customizing products to meet the customers' demand, Chenbro improves the products' function, quality and related service, and also provides all-in-one marketing and omni-channel integration solutions to broaden product diversity and built loyalty of customers. Through specific projects for specific customers, we increase our visibility and server market share. Apart from developing OEM and ODM business, in response to market trends, IoT, AI, 5G & Edge Computing etc., our R&D teams develop self-owned standard products, aiming to become the leader in white box server market. Additionally, strengthen alliance with different industries, improve our teams' professional service, take our advantage of rapid and small amount with variety for production, and create win-win sharing, altruized partnership.

2.3.2 Production Strategy

We keep to integrating our engineering and technical team to provide more flexible service; with high yield rate, it reduces massively time to market. By setting up a mold manufacturing center, we improve the manufacturing capability of steel mold and plastic mold to produce superior enclosure system. Moreover, through implementing CPS, it optimizes the workflow and operating modes from customers' demand to sale, such as crucial station and process automation to achieve quality, Inventory, delivery date and cost optimization. Furthermore, our factories develop intelligent manufacturing to transform as informatized and automized plants, aiming at simplification of logistics and intelligence flow, labor cost reduction to overcome manpower cost rising, and profitability improvement. Meanwhile, we expand the production capacity in Taiwan to diversify risk of supply chain.

2.3.3 R&D Strategy

For the future, the Company will expand the R&D center with non-stop R&D and flexible manufacturing capacity for related application markets including 5G, cloud datacenter, edging computing and AIoT etc. Apart from new products development and innovative patent breakthrough research, we work with superior alliance partners to provide more comprehensive and stable enclosure solutions by modularization, flexibility, going green with high efficiency. Developing North America and China customers, we continue to explore European, Indian, Korean and ASEAN etc. markets for broader and deeper development of global deployment.

3. Business Development Plans

In the prospect of 2020, the Company will continue to operate based on its core values of integrity, innovation, coprosperity and altruism, as well as its vision of the global leader for integrated enclosure solutions provider in cloud industry (5G/AI/AIoT). By the dedication to promoting new products, new technologies and services, increasing production efficiency, expanding into emerging markets or related

applications, and cultivating competency in talent of all ages, we provide an eco-harmonic, innovative, and valuable integration platform for enclosure solutions.

With the mature development of AI, IoT and the cloud server industries, Chenbro will adopt innovative commercial models and competitive products to focus on data centers, industrial computing, AI, IoT & 5G etc. applications. By actively deepening development of emerging markets, and expanding the market share of server, industrial computer and personal computer enclosure markets, the business deployment will be enhanced not only in America and China, but also European, Indian, Australian and ASEAN markets. We will strive ourselves to achieve these operational goals.

4 The Impact of External Competitive, Regulatory and Overall Management Environment

Chenbro has been through treacherous, changeable and competitive situations, and upheld the concept of enhancing R&D to compete. In response to the influence of regulations and the amendment of governmental laws, the Company has adopted appropriate measures, overall revised design specification, and related regulations. Regarding to the increasing cost of international raw materials and Mainland labor, and the rising price of resources impacted the cost structure, the Company has to establish an excellent reputation around the world, and strictly control cost to offer reasonable price for the best competitive advantage. Hence, flexible adjustment of production and sale, strict cost control, and the management of accounts reliable are important issues for the Company.

The pressure of external market pricing, new regulations issued by securities institutions, international environmental law, and the rapidly shifting global environment all impact on the revenue performance of the Company. In response to such situations, we have not only complied with new regulations issued by securities institutions, and international environmental law issued for the standard of suppliers' and our products, but also optimized the production process, expanded our production capacity to lower the cost, and monitored on our customers' orders to plan proper raw materials sourcing.

As noted above, there are 2019 Shareholders Report Operational Overview and 2020 Company Operational Outlook. We will continue to commit to world-class governance, sustainability, and good returns to our shareholders. We sincerely thank you for your trust and commitment to us, and look forward to a long profitable future together.

Respectfully,

CHEN MEI CHI
Chairman

CHEN YA NAN
General Manager

CHIH CHIA LIN
Accounting Supervisor

Supervisors Review Report

The Board of Directors has prepared the Company's 2019 Business Report, Financial Statements, and proposal for allocation of earnings, which have been reviewed and complied to the Article of Incorporation. According to relevant requirements of the Article of Incorporation Article 219, we hereby submit this report.

The 2020 Shareholders' Meeting

Chenbro Micom Co., Ltd.

Supervisor: Li-jung Huang

Supervisor: Chen-hsiang Chen

Supervisor: Ya-mi Li

March 17, 2020

REPORT OF INDEPENDENT ACCOUNTANTS

(19) PWCR19003465

To the Board of Directors and Shareholders of Chenbro Micom Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Chenbro Micom Co., Ltd. (the “Company”) as at December 31, 2019 and 2018, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and parent company only notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of the other auditors, as described in the Other Matters section of our report, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” 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 financial statements as of and for the year ended December 31, 2019 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 (ROC GAAS); and in accordance with the “Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants” and ROC GAAS for our audit of the financial statements as of and for the year ended December 31, 2018. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of the other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, 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 of the Company's parent company only financial statements of the current period are stated as follows:

Valuation of inventories

Description

Refer to Note 4(10) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(5) for description of allowance for inventory valuation losses. As of December 31, 2019, the Group's cost of inventory and allowance for market value decline and obsolete and slow-moving inventories amounted to NT\$244,392 thousand and NT\$51,549 thousand, respectively.

The Company is engaged in manufacturing and sales of computer peripheral equipment. As technology changes rapidly and the life cycle of electronic products is short, inventories may become obsolete within a short period. The Company measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. Any losses incurred due to obsolescence based on inventory aging and closeout inventory are examined by management periodically.

As the value of inventory is significant, the inventory items are numerous, and the accounting estimates are subject to management's judgement, we consider valuation of inventories a key audit matter.

How our audit addressed the matter

Our procedures in relation to valuation of inventories included:

1. Obtaining the provision policies on allowance for inventory valuation losses and comparing whether the policies applied on allowance for inventory valuation losses are consistent for all periods. Assessing the estimation determined by the management and relevant assumptions of allowance for inventory loss.
2. Matching information obtained in physical count of disposed and obsolete inventory against the list prepared by management and interviewing management and employees to examine the obsolete,

slow-moving or damaged inventories that were included in the list.

3. Assessing the reasonableness of obsolete loss based on the inventory aging and clearance of inventory individually identified by management, and obtaining evidences.
4. Verifying details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.

Reasonableness of revenue recognition

Description

The Company is primarily engaged in manufacturing and sales of computer peripheral equipment. The Company's trading counterparties are mostly world-renowned companies with which the Company has long-term business partnership. As the global demand for servers continues to increase, the Company is committed to increasing sales revenue. When comparing the lists of the Company's top 10 trading counterparties for the years ended December 31, 2019 and 2018, there were changes in the sales revenue breakdown which resulted to some trading counterparties being newly included in the top 10 list.

As the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the consolidated financial statements, we consider the reasonableness of sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties a key audit matter.

How our audit addressed the matter

Our procedures in relation to the reasonableness of revenue recognition included:

1. Assessing the revenue cycle and performing tests to determine whether the Company's revenue process is conducted in accordance with the internal control procedures.
2. Checking the related industry background in respect of the newly top 10 trading counterparties.
3. Obtaining and selecting samples to verify related vouchers of the sales revenue from the newly top 10 and significant changes in revenue of top 10 trading counterparties.

Other matter – Scope of the Audit

As stated in Note 6(6), we did not audit the financial statements of certain investees accounted for using equity method. The balance of these long-term equity investments amounted to NT\$116,512 thousand and NT\$117,491 thousand, constituting 2% and 3% of total assets as of December 31, 2019 and 2018, respectively, and comprehensive (loss) income was (NT\$979) thousand and NT\$2,830 thousand, constituting (0%) and 0% of total comprehensive income for the years then ended, respectively. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein insofar as it relates to the amounts included in these financial statements relative to these investees, is based solely on the audit reports of the other auditors.

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

Management is responsible for the preparation and fair presentation of the 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 supervisors, are responsible for overseeing the Company’s financial reporting process.

Auditor’s 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 ROC GAAS 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 ROC GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

Penny Pan

Audrey Tseng

For and on behalf of PricewaterhouseCoopers, Taiwan

March 17, 2020

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 report of independent accountants 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.

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 370,085	7	\$ 246,049	5
1170	Accounts receivable, net	6(3)	323,238	6	253,966	6
1180	Accounts receivable - related parties	7	1,001,058	20	785,049	17
1200	Other receivables	6(4)	14,678	-	26,813	1
1210	Other receivables - related parties	7	106,815	2	79,734	2
130X	Inventories	6(5)	192,843	4	104,234	2
1410	Prepayments		9,055	-	2,542	-
1470	Other current assets	8	3,555	-	2,217	-
11XX	Total current assets		2,021,327	39	1,500,604	33
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	28,458	1	25,389	1
1550	Investments accounted for using equity method	6(6)(16)	2,742,464	53	2,770,347	61
1600	Property, plant and equipment	6(7)	234,659	5	234,576	5
1780	Intangible assets	6(8)	3,214	-	3,199	-
1840	Deferred income tax assets	6(21)	47,732	1	23,521	-
1900	Other non-current assets	6(9)	54,485	1	4,854	-
15XX	Total non-current assets		3,111,012	61	3,061,886	67
1XXX	Total assets		\$ 5,132,339	100	\$ 4,562,490	100

(Continued)

CHENBRO MICOM CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 59,960	1	\$ 245,381	5
2130	Current contract liabilities	6(17)	957	-	1,959	-
2170	Accounts payable		231,916	5	191,013	4
2180	Accounts payable - related parties	7	844,891	17	565,704	13
2200	Other payables	6(11)	268,222	5	221,520	5
2220	Other payables - related parties	7	590	-	29,059	1
2230	Current income tax liabilities		171,187	3	97,923	2
2300	Other current liabilities		684	-	60	-
21XX	Total current liabilities		<u>1,578,407</u>	<u>31</u>	<u>1,352,619</u>	<u>30</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(21)	5,147	-	17,545	-
2600	Other non-current liabilities	6(12)	<u>28,778</u>	<u>-</u>	<u>27,346</u>	<u>1</u>
25XX	Total non-current liabilities		<u>33,925</u>	<u>-</u>	<u>44,891</u>	<u>1</u>
2XXX	Total liabilities		<u>1,612,332</u>	<u>31</u>	<u>1,397,510</u>	<u>31</u>
Equity						
Share capital		6(13)				
3110	Share capital - common stock		1,197,260	24	1,197,260	26
Capital surplus		6(14)				
3200	Capital surplus		48,209	1	48,209	1
Retained earnings		6(15)				
3310	Legal reserve		628,686	12	564,451	12
3320	Special reserve		213,156	4	175,154	4
3350	Unappropriated retained earnings		1,657,248	32	1,327,489	29
Other equity interest		6(16)				
3400	Other equity interest		(224,552)	(4)	(147,583)	(3)
3XXX	Total equity		<u>3,520,007</u>	<u>69</u>	<u>3,164,980</u>	<u>69</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant events after the balance sheet date		6(15) and 11				
3X2X	Total liabilities and equity		<u>\$ 5,132,339</u>	<u>100</u>	<u>\$ 4,562,490</u>	<u>100</u>

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

CHENBRO MICOM CO., LTD
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars, except earnings per share)

		Year ended December 31			
Items	Notes	2019		2018	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(17) and 7	\$ 4,798,463	100	\$ 3,581,542	100
5000 Operating costs	6(5)(20) and 7	(3,344,123)	(70)	(2,715,125)	(76)
5900 Net operating margin		<u>1,454,340</u>	<u>30</u>	<u>866,417</u>	<u>24</u>
5910 Unrealised profit from sales		(87,668)	(2)	(22,359)	(1)
5920 Realised profit on from sales		<u>22,746</u>	<u>1</u>	<u>32,929</u>	<u>1</u>
Net realised profit from sales	6(6)	(64,922)	(1)	<u>10,570</u>	-
5950 Net operating margin		<u>1,389,418</u>	<u>29</u>	<u>876,987</u>	<u>24</u>
Operating expenses	6(20) and 7				
6100 Selling expenses		(82,182)	(2)	(111,990)	(3)
6200 General and administrative expenses		(170,535)	(4)	(137,140)	(4)
6300 Research and development expenses		(168,852)	(3)	(144,633)	(4)
6450 Expected credit impairment gain	12(2)	<u>320</u>	-	<u>202</u>	-
6000 Total operating expenses		(421,249)	(9)	(393,561)	(11)
6900 Operating profit		<u>968,169</u>	<u>20</u>	<u>483,426</u>	<u>13</u>
Non-operating income and expenses					
7010 Other income	6(18) and 7	7,751	-	20,289	1
7020 Other gains and losses	6(19)	(26,212)	-	13,662	-
7050 Finance costs		(2,348)	-	(3,651)	-
7070 Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net	6(6)	<u>148,616</u>	<u>3</u>	<u>239,275</u>	<u>7</u>
7000 Total non-operating income and expenses		<u>127,807</u>	<u>3</u>	<u>269,575</u>	<u>8</u>
7900 Profit before income tax		<u>1,095,976</u>	<u>23</u>	<u>753,001</u>	<u>21</u>
7950 Income tax expense	6(21)	(184,025)	(4)	(110,651)	(3)
8200 Profit for the year		<u>\$ 911,951</u>	<u>19</u>	<u>\$ 642,350</u>	<u>18</u>
Other comprehensive income					
Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311 (Loss) gain on remeasurement of defined benefit plan	6(12)	(\$ 1,314)	-	\$ 571	-
8316 Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(2)(16)	-	-	(6,236)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(21)	<u>263</u>	-	(114)	-
8310 Other comprehensive loss that will not be reclassified to profit or loss		(1,051)	-	(5,779)	-
Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(16)	(95,597)	(2)	(46,044)	(1)
8399 Income tax relating to the components of other comprehensive income	6(16)(21)	<u>18,628</u>	-	<u>14,278</u>	-
8360 Other comprehensive loss that will be reclassified to profit or loss		(76,969)	(2)	(31,766)	(1)
8300 Other comprehensive loss for the year		(\$ 78,020)	(2)	(\$ 37,545)	(1)
8500 Total comprehensive income for the year		<u>\$ 833,931</u>	<u>17</u>	<u>\$ 604,805</u>	<u>17</u>
Earnings per share (in dollars)	6(22)				
9750 Basic earnings per share		<u>\$ 7.62</u>		<u>\$ 5.37</u>	
9850 Diluted earnings per share		<u>\$ 7.54</u>		<u>\$ 5.29</u>	

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

CHENBRO MICOM CO., LTD
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

		Capital Surplus			Retained Earnings			Other Equity Interest		
								Financial statements translation differences of foreign operations	Unrealised losses from financial assets measured at fair value through other comprehensive income	
	Notes	Share capital - common stock	Additional paid-in capital	Treasury stock transactions	Legal reserve	Special reserve	Unappropriated retained earnings			Total equity
<u>2018</u>										
Balance at January 1, 2018		\$ 1,197,260	\$ 41,987	\$ 6,222	\$ 518,907	\$ 142,624	\$ 1,121,934	(\$ 109,581)	\$ -	\$2,919,353
Profit for the year		-	-	-	-	-	642,350	-	-	642,350
Other comprehensive income (loss) for the year	6(16)	-	-	-	-	-	457	(31,766)	(6,236)	(37,545)
Total comprehensive income (loss)		-	-	-	-	-	642,807	(31,766)	(6,236)	604,805
Distribution of 2017 earnings	6(15)									
Legal reserve		-	-	-	45,544	-	(45,544)	-	-	-
Special reserve		-	-	-	-	32,530	(32,530)	-	-	-
Cash dividends		-	-	-	-	-	(359,178)	-	-	(359,178)
Balance at December 31, 2018		<u>\$ 1,197,260</u>	<u>\$ 41,987</u>	<u>\$ 6,222</u>	<u>\$ 564,451</u>	<u>\$ 175,154</u>	<u>\$ 1,327,489</u>	<u>(\$ 141,347)</u>	<u>(\$ 6,236)</u>	<u>\$3,164,980</u>
<u>2019</u>										
Balance at January 1, 2019		\$ 1,197,260	\$ 41,987	\$ 6,222	\$ 564,451	\$ 175,154	\$ 1,327,489	(\$ 141,347)	(\$ 6,236)	\$3,164,980
Profit for the year		-	-	-	-	-	911,951	-	-	911,951
Other comprehensive loss for the year	6(16)	-	-	-	-	-	(1,051)	(76,969)	-	(78,020)
Total comprehensive income (loss)		-	-	-	-	-	910,900	(76,969)	-	833,931
Distribution of 2018 earnings	6(15)									
Legal reserve		-	-	-	64,235	-	(64,235)	-	-	-
Special reserve		-	-	-	-	38,002	(38,002)	-	-	-
Cash dividends		-	-	-	-	-	(478,904)	-	-	(478,904)
Balance at December 31, 2019		<u>\$ 1,197,260</u>	<u>\$ 41,987</u>	<u>\$ 6,222</u>	<u>\$ 628,686</u>	<u>\$ 213,156</u>	<u>\$ 1,657,248</u>	<u>(\$ 218,316)</u>	<u>(\$ 6,236)</u>	<u>\$3,520,007</u>

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

CHENBRO MICOM CO., LTD
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Notes	2019	2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,095,976	\$ 753,001
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment gain	12(2)	(320)	(201)
Depreciation	6(7)(20)	11,062	17,220
Amortisation	6(8)(20)	1,520	2,496
Interest expense		2,348	3,651
Interest income	6(18)	(2,152)	(707)
Loss on disposal of property, plant and equipment	6(19)	289	315
Loss on disposal of investments accounted for using equity method	6(19)	6,418	-
Share of profit of subsidiaries, associates and joint ventures	6(6)	(148,616)	(239,275)
Net realised loss (profit) from sales	6(6)	64,922	(10,570)
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		(68,952)	34,758
Accounts receivable - related parties		(216,009)	(494,679)
Other receivables		12,146	3,431
Other receivables - related parties		(27,081)	47,585
Inventories		(88,609)	28,180
Prepayments		(6,513)	(325)
Other current assets		662	2,862
Changes in operating liabilities			
Current contract liabilities		(1,002)	1,959
Accounts payable		40,903	(49,364)
Accounts payable - related parties		279,187	311,920
Other payables (including related parties)		15,055	72,083
Other current liabilities		624	(2,203)
Other non-current liabilities		(179)	(13)
Cash inflow generated from operations		971,679	482,124
Interest received		2,141	707
Interest paid		(2,397)	(3,311)
Income tax paid		(128,479)	(46,699)
Net cash flows from operating activities		842,944	432,821
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in other current assets		(2,000)	-
Acquisition of investments accounted for using equity method	6(6)	(56,746)	-
Acquisition of property, plant and equipment	6(24)	(56,684)	(8,846)
Proceeds from disposal of property, plant and equipment		-	47
Acquisition of non-current financial assets at fair value through other comprehensive income	12(3)	(3,069)	-
Proceeds from disposal of investments accounted for using equity method	6(24)	65,130	-
Repatriation of subsidiary funds	6(6)	1,178	-
Acquisition of intangible assets	6(8)	(1,535)	(616)
(Increase) decrease in other non-current assets		(16)	250
Net cash flows used in investing activities		(53,742)	(9,165)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings		(185,421)	8,018
Repayment of principal portion of lease liabilities		(841)	-
Payments of cash dividends	6(15)	(478,904)	(359,178)
Net cash flows used in financing activities		(665,166)	(351,160)
Net increase in cash and cash equivalents		124,036	72,496
Cash and cash equivalents at beginning of year	6(1)	246,049	173,553
Cash and cash equivalents at end of year	6(1)	\$ 370,085	\$ 246,049

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

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

(19)PWCR 19003852

To the Board of Directors and Shareholders of Chenbro Micom Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Chenbro Micom Co., Ltd. and subsidiaries (the “Group”) as at December 31, 2019 and 2018, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors, as described in the Other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, 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 consolidated financial statements as of and for the year ended December 31, 2019 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 (ROC GAAS); and 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 (ROC GAAS) for our audit of the consolidated financial statements as of and for the year ended December 31, 2018. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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 consolidated financial statements of the current period are stated as follows:

Valuation of inventories

Description

Refer to Note 4(12) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(6) for description of allowance for inventory valuation losses. As of December 31, 2019, the Group's inventory cost and allowance for market value decline and obsolete and slow-moving inventories amounted to NT\$1,123,053 thousand and NT\$148,541 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. As technology changes rapidly and the life cycle of electronic products is short, inventories may become obsolete within a short period. The Group measures inventories at the lower of cost and net realisable value, and assesses whether the value of inventories has declined. Any losses incurred due to obsolescence based on inventory aging and closeout inventory are examined by management periodically. As the value of inventory is significant, the inventory items are numerous, and the accounting estimates are subject to management's judgement, we consider valuation of inventories a key audit matter.

How our audit addressed the matter

Our procedures in relation to valuation of inventories included:

1. Obtaining the provision policies on allowance for inventory valuation losses and comparing whether the policies applied on allowance for inventory valuation losses are consistent for all periods. Assessing the estimation determined by the management and relevant assumptions of allowance for inventory loss.

2. Matching information obtained in physical counts of disposed and obsolete inventory list prepared by management and interviewing management and employees to examine the obsolete, slow-moving or damaged inventories that were included in the list.
3. Assessing the reasonableness of obsolete loss based on the inventory aging and clearance of inventory individually identified by management, and obtaining evidences.
4. Verifying details of net realisable value of inventory and amount of obsolescence loss, recalculating the accuracy and comparing against historical data.

Reasonableness of revenue recognition

Description

The Group is primarily engaged in manufacturing and sales of computer peripheral equipment. The Group's trading counterparties are mostly world-renowned companies, with whom the Group has long-term business partnership. As the global demand for servers continues to increase, the Group is committed to increasing sales revenue. When comparing with the lists of the Group's top 10 trading counterparties for the years ended December 31, 2019 and 2018, there were changes in the sales revenue breakdown which resulted to some trading counterparties being newly included in the top 10 list.

As the newly top 10 and significant changes in revenue of top 10 trading counterparties are significant to the consolidated financial statements, we consider the reasonableness of sales revenue from the newly top 10 and significant changes in revenue of other top 10 trading counterparties a key audit matter.

How our audit addressed the matter

Our procedures in relation to the reasonableness of revenue recognition included:

1. Assessing the revenue cycle and performing tests to determine that the Group's revenue process is conducted in accordance with the internal control procedures.
2. Checking the related industry background in respect of the newly top 10 trading counterparties.
3. Obtaining and selecting samples to verify related vouchers of the sales revenue from the newly top 10 and significant changes in revenue of other top 10 trading counterparties.

Other matter – Scope of the Audit

We did not audit the financial statements of certain consolidated subsidiaries, which statements reflect total assets amounting to NT\$242,084 thousand and NT\$253,276 thousand, both representing 4% of the consolidated total assets as of December 31, 2019 and 2018, respectively, and total operating revenue both amounting to NT\$0, representing 0% of the consolidated total operating revenue for the years then ended, respectively. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in these financial statements, is based solely on the reports of other auditors.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of Chenbro Micom Co., Ltd. as at and for the years ended December 31, 2019 and 2018.

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 the supervisors, are responsible for overseeing the Group’s financial reporting process.

Auditor's 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 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 ROC GAAS 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 ROC GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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.

Penny Pan

Audrey Tseng

For and on behalf of PricewaterhouseCoopers, Taiwan

March 17, 2020

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 report of independent accountants 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.

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

Assets			December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 988,565	15	\$ 1,261,727	22
1136	Current financial assets at amortised cost, net	6(3)	672,955	11	156,450	3
1150	Notes receivable, net	6(4)	1,026	-	-	-
1170	Accounts receivable, net	6(4) and 7	1,636,213	26	1,649,735	28
1200	Other receivables	6(5) and 7	69,123	1	47,187	1
1220	Current income tax assets		611	-	5,116	-
130X	Inventories	6(6)	974,512	15	568,435	10
1410	Prepayments		21,837	-	25,785	-
1470	Other current assets	8	4,511	-	2,876	-
11XX	Total current assets		4,369,353	68	3,717,311	64
Non-current assets						
1517	Non-current financial assets at fair value through other comprehensive income	6(2)	28,458	1	25,389	-
1535	Non-current financial assets at amortised cost	6(3)	215,500	3	223,500	4
1600	Property, plant and equipment	6(7) and 8	1,558,811	24	1,721,274	30
1755	Right-of-use assets	6(8)	58,422	1	-	-
1780	Intangible assets	6(9)	10,335	-	11,700	-
1840	Deferred income tax assets	6(23)	66,660	1	38,548	1
1900	Other non-current assets	6(7)(10) and 8	97,916	2	88,197	1
15XX	Total non-current assets		2,036,102	32	2,108,608	36
1XXX	Total assets		\$ 6,405,455	100	\$ 5,825,919	100

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2019		December 31, 2018	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(11)	\$ 59,960	1	\$ 276,102	5
2130	Current contract liabilities	6(19)	6,624	-	7,379	-
2170	Accounts payable		1,751,374	27	1,412,759	24
2180	Accounts payable - related parties	7	4,612	-	6,008	-
2200	Other payables	6(13) and 7	665,487	11	639,544	11
2230	Current income tax liabilities		197,511	3	105,678	2
2280	Current lease liabilities		3,698	-	-	-
2300	Other current liabilities	6(12)	10,282	-	11,252	-
21XX	Total current liabilities		<u>2,699,548</u>	<u>42</u>	<u>2,458,722</u>	<u>42</u>
	Non-current liabilities					
2540	Long-term borrowings	6(12)	119,253	2	129,460	2
2570	Deferred income tax liabilities	6(23)	36,926	1	45,232	1
2580	Non-current lease liabilities		1,068	-	-	-
2600	Other non-current liabilities	6(14)	28,653	-	27,525	1
25XX	Total non-current liabilities		<u>185,900</u>	<u>3</u>	<u>202,217</u>	<u>4</u>
2XXX	Total liabilities		<u>2,885,448</u>	<u>45</u>	<u>2,660,939</u>	<u>46</u>
	Equity					
	Share capital	6(15)				
3110	Share capital - common stock		1,197,260	19	1,197,260	20
	Capital surplus	6(16)				
3200	Capital surplus		48,209	1	48,209	1
	Retained earnings	6(17)				
3310	Legal reserve		628,686	10	564,451	10
3320	Special reserve		213,156	3	175,154	3
3350	Unappropriated retained earnings		1,657,248	26	1,327,489	23
	Other equity interest	6(18)				
3400	Other equity interest		(224,552)	(4)	(147,583)	(3)
3XXX	Total equity		<u>3,520,007</u>	<u>55</u>	<u>3,164,980</u>	<u>54</u>
	Significant contingent liabilities and unrecorded contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		<u>\$ 6,405,455</u>	<u>100</u>	<u>\$ 5,825,919</u>	<u>100</u>

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2019 AND 2018

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2019		2018	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(19) and 7	\$ 6,835,443	100	\$ 6,520,514	100
5000 Operating costs	6(6)(22) and 7	(4,739,317)	(69)	(4,805,766)	(74)
5950 Net operating margin		<u>2,096,126</u>	<u>31</u>	<u>1,714,748</u>	<u>26</u>
Operating expenses	6(22) and 7				
6100 Selling expenses		(339,399)	(5)	(347,943)	(5)
6200 General and administrative expenses		(400,788)	(6)	(340,878)	(5)
6300 Research and development expenses		(227,302)	(3)	(201,732)	(3)
6450 Expected credit impairment gain	12(2)	<u>286</u>	<u>-</u>	<u>7,204</u>	<u>-</u>
6000 Total operating expenses		(967,203)	(14)	(883,349)	(13)
6900 Operating profit		<u>1,128,923</u>	<u>17</u>	<u>831,399</u>	<u>13</u>
Non-operating income and expenses					
7010 Other income	6(3)(20)	61,708	1	35,573	-
7020 Other gains and losses	6(21)	(28,458)	(1)	13,183	-
7050 Finance costs		(8,767)	-	(9,423)	-
7000 Total non-operating income and expenses		<u>24,483</u>	<u>-</u>	<u>39,333</u>	<u>-</u>
7900 Profit before income tax		1,153,406	17	870,732	13
7950 Income tax expense	6(23)	(241,455)	(4)	(228,382)	(3)
8200 Profit for the year		<u>\$ 911,951</u>	<u>13</u>	<u>\$ 642,350</u>	<u>10</u>

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2019 AND 2018

(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

Items	Notes	Year ended December 31			
		2019		2018	
		AMOUNT	%	AMOUNT	%
Other comprehensive income					
Components of other comprehensive income that will not be reclassified to profit or loss					
8311 (Loss) gain on remeasurement of defined benefit plan	6(14)	(\$ 1,314)	-	\$ 571	-
8316 Unrealised losses from investments in equity instruments measured at fair value through other comprehensive income	6(2)(18)	-	-	(6,236)	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	263	-	(114)	-
8310 Other comprehensive loss that will not be reclassified to profit or loss		(1,051)	-	(5,779)	-
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Financial statements translation differences of foreign operations	6(18)	(95,597)	(1)	(46,044)	(1)
8399 Income tax relating to the components of other comprehensive income	6(18)(23)	18,628	-	14,278	-
8360 Other comprehensive loss that will be reclassified to profit or loss		(76,969)	(1)	(31,766)	(1)
8300 Total other comprehensive loss for the year		(\$ 78,020)	(1)	(\$ 37,545)	(1)
8500 Total comprehensive income for the year		\$ 833,931	12	\$ 604,805	9
Profit attributable to:					
8610 Owners of the parent		\$ 911,951	13	\$ 642,350	10
Comprehensive income attributable to:					
8710 Owners of the parent		\$ 833,931	12	\$ 604,805	9
Earnings per share (in dollars)	6(24)				
9750 Basic earnings per share		\$ 7.62		\$ 5.37	
9850 Diluted earnings per share		\$ 7.54		\$ 5.29	

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

Equity attributable to owners of the parent									
	Capital Reserves			Retained Earnings			Other equity interest		
		Total capital surplus, additional paid-in capital	Treasury stock transactions			Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	
Notes	Share capital - common stock			Legal reserve	Special reserve				Total equity
<u>2018</u>									
Balance at January 1, 2018	\$ 1,197,260	\$ 41,987	\$ 6,222	\$ 518,907	\$ 142,624	\$ 1,121,934	(\$ 109,581)	\$ -	\$ 2,919,353
Profit for the year	-	-	-	-	-	642,350	-	-	642,350
Other comprehensive income (loss) for the year	6(18)	-	-	-	-	457	(31,766)	(6,236)	(37,545)
Total comprehensive income (loss)	-	-	-	-	-	642,807	(31,766)	(6,236)	604,805
Distribution of 2017 earnings	6(17)								
Legal reserve	-	-	-	45,544	-	(45,544)	-	-	-
Special reserve	-	-	-	-	32,530	(32,530)	-	-	-
Cash dividends	6(18)	-	-	-	-	(359,178)	-	-	(359,178)
Balance at December 31, 2018	<u>\$ 1,197,260</u>	<u>\$ 41,987</u>	<u>\$ 6,222</u>	<u>\$ 564,451</u>	<u>\$ 175,154</u>	<u>\$ 1,327,489</u>	<u>(\$ 141,347)</u>	<u>(\$ 6,236)</u>	<u>\$ 3,164,980</u>
<u>2019</u>									
Balance at January 1, 2019	\$ 1,197,260	\$ 41,987	\$ 6,222	\$ 564,451	\$ 175,154	\$ 1,327,489	(\$ 141,347)	(\$ 6,236)	\$ 3,164,980
Profit for the year	-	-	-	-	-	911,951	-	-	911,951
Other comprehensive loss for the year	6(18)	-	-	-	-	(1,051)	(76,969)	-	(78,020)
Total comprehensive income (loss)	-	-	-	-	-	910,900	(76,969)	-	833,931
Distribution of 2018 earnings	6(17)								
Legal reserve	-	-	-	64,235	-	(64,235)	-	-	-
Special reserve	-	-	-	-	38,002	(38,002)	-	-	-
Cash dividends	-	-	-	-	-	(478,904)	-	-	(478,904)
Balance at December 31, 2019	\$ 1,197,260	\$ 41,987	\$ 6,222	\$ 628,686	\$ 213,156	\$ 1,657,248	(\$ 218,316)	(\$ 6,236)	\$ 3,520,007

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

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,153,406	\$ 870,732
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit impairment gain	12(2)	(286)	(7,204)
Depreciation	6(7)(8)(22)	196,504	185,652
Amortization	6(9)(22)	4,995	5,774
Interest expense		8,767	9,423
Interest income	6(20)	(31,502)	(17,437)
(Gain) loss on disposal of property, plant and equipment	6(21)	(1,527)	1,899
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable, net		(1,026)	-
Accounts receivable		14,000	(169,989)
Other receivables		(11,776)	6,784
Inventories		(400,121)	68,985
Prepayments		3,948	27,106
Other current assets		365	8,675
Changes in operating liabilities			
Current contract liabilities		(755)	(2,431)
Accounts payable		338,615	170,528
Accounts payable - related parties		(1,396)	(2,771)
Other payables		23,936	49,139
Other current liabilities		(1,045)	(1,743)
Other non-current liabilities		(179)	(17)
Cash inflow generated from operations		1,294,923	1,203,105
Interest received		21,342	16,462
Interest paid		(8,794)	(9,122)
Income tax paid		(162,643)	(175,574)
Net cash flows from operating activities		<u>1,144,828</u>	<u>1,034,871</u>

(Continued)

CHENBRO MICOM CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2019 AND 2018
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in other current assets		(\$ 2,000)	\$ -
Acquisition of non-current financial assets at fair value through other comprehensive income	12(3)	(3,069)	-
Acquisition of property, plant and equipment	6(7)(26)	(131,538)	(247,430)
Proceeds from disposal of property, plant and equipment		2,805	952
Acquisition of intangible assets	6(9)	(3,894)	(8,693)
Acquisition of financial assets at amortised cost		(3,142,885)	(379,950)
Proceeds from disposal of financial assets at amortised cost		2,611,849	144,097
(Increase) decrease in other non-current assets		(4,631)	18
Net cash flows used in investing activities		(673,363)	(491,006)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings	6(27)	(215,989)	(27,002)
Decrease in guarantee deposits received		(22)	(13)
Repayment of long-term borrowings (including current portion)	6(27)	(6,273)	(6,124)
Payment of the principal of lease liabilities	6(8)	(4,334)	-
Payment of cash dividends	6(17)	(478,904)	(359,178)
Net cash flows used in financing activities		(705,522)	(392,317)
Effect on foreign exchange difference		(39,105)	(17,174)
Net (decrease) increase in cash and cash equivalents		(273,162)	134,374
Cash and cash equivalents at beginning of year	6(1)	1,261,727	1,127,353
Cash and cash equivalents at end of year	6(1)	\$ 988,565	\$ 1,261,727

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

Chenbro Micom Company Limited
Earnings Distribution Proposal
December 31, 2019

Unit: NT\$

Item	Amount	
	Subtotal	Total
Unappropriated Retained Earnings of Previous Years		746,348,513
Less: Other Comprehensive Income (Note 2)		-1,050,826
Plus:		
- 2019 Net Income (EPS\$7.62)		911,951,194
- Earnings in 2019 Available for Distribution		1,657,248,881
Less:		
- 10% Legal Reserve	-91,195,119	
- Special Reserve	-11,396,446	
- Distribution Item:		
■ Cash Dividends to Common Share Holders (outstanding shares 119,725,950)	-550,739,370	
■ NT\$4.60,		-653,330,935
Unappropriated Retained Earnings		1,003,917,946

Remarks:

- [Note 1] The 2019 net income is to be distributed with priority.
- [Note 2] The retained earnings account is adjusted due to the accounting treatment – defined benefit plan actuarial gains and losses.
- [Note 3] As other shareholders' equity (Exchange Differences on Translation of Foreign Financial Statements) was a minus item, it will be booked as special reserve with Jin-guan-zhen-shen-tzi No. 1010012865.
- [Note 4] The cash dividend will be distributed proportionally to the shareholding and rounded up to dollar. The total odd shares that are less than NT\$1 will be booked as other income of the Company.

CHEN MEI CHI
Chairman

CHEN YA NAN
General Manger

CHIH CHIA LIN
Accounting Supervisor

Chenbro Micom Co., Ltd.
Guidelines for the Adoption of Codes of Ethical Conduct
amendment comparison

Revised article	Current article	Reason for revision
Article 2/Applied objectives Directors, Supervisors and managers of the Company, including general managers and equivalents, deputy general managers and equivalent positions, associates and equivalents, finance department heads, accounting department heads, and others with the right to manage the Company and sign autographs.	Article 2/Applied objectives Directors, Supervisors and managers of the Company, including general managers and equivalents, deputy general managers and equivalent positions, associates and equivalents, finance department heads, accounting department heads, and others with the right to manage the Company and sign autographs.	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.
Article 3/ Preventing conflicts of interest 1. Directors, Supervisors and managers shall handle official duties in an objective and efficient manner, prevent conflicts of interest when personal interests are involved or may be involved in the overall interests of the Company, and avoid improper benefits to themselves, their spouses, parents, children or the second degree of relationship on the basis of their position in the Company. 2. The Company shall pay special attention to the relationship with the	Article 3/ Preventing conflicts of interest 1. Directors, Supervisors and managers shall handle official duties in an objective and efficient manner, prevent conflicts of interest when personal interests are involved or may be involved in the overall interests of the Company, and avoid improper benefits to themselves, their spouses, parents, children or the second degree of relationship on the basis of their position in the Company. 2. The Company shall pay special attention to the relationship with the	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.

Revised article	Current article	Reason for revision
<p>aforementioned persons of the enterprise funds loan or provide it with guarantees, major asset transactions, stocking (sale) goods exchanges.</p> <p>3.The Company shall provide channels for directors, Supervisors or managers to voluntarily state whether they have a potential conflict of interest with the Company.</p>	<p>aforementioned persons of the enterprise funds loan or provide it with guarantees, major asset transactions, stocking (sale) goods exchanges.</p> <p>3.The Company shall provide channels for directors, Supervisors or managers to voluntarily state whether they have a potential conflict of interest with the Company.</p>	
<p>Article 4/ Avoiding the opportunity for self-interest</p> <p>When the Company has a profit opportunity, it is the responsibility of directors, Supervisors or managers to increase the legitimate and legitimate benefits available to the Company and to The Directors and managers shall avoid the following:</p> <p>(1) The opportunity to profit self-interest through the use of Company property, information or by convenience of his/her position.</p> <p>(2) To obtain self-interest by using Company property, information or by convenience of his/her position.</p> <p>(3) Compete with the Company.</p> <p>When the Company has a profit</p>	<p>Article 4/ Avoiding the opportunity for self-interest</p> <p>When the Company has a profit opportunity, it is the responsibility of directors, Supervisors or managers to increase the legitimate and legitimate benefits available to the Company and to avoid the following:</p> <p>(1) The opportunity to profit self-interest through the use of Company property, information or by convenience of his/her position.</p> <p>(2) To obtain self-interest by using Company property, information or by convenience of his/her position.</p> <p>(3) Compete with the Company.</p> <p>When the Company has a profit opportunity, it is the responsibility of</p>	<p>In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.</p>

Revised article	Current article	Reason for revision
opportunity, it is the responsibility of Directors, Supervisors or managers to increase the legitimate benefits that the company shall obtain.	Directors, Supervisors or managers to increase the legitimate benefits that the company shall obtain.	
Article 5/ Confidentiality Information about Directors, Supervisors or managers about the Company itself or its customers who enter and sell goods, there is an obligation of confidentiality, except for disclosure by authorization or law. Information that shall be kept confidential includes all undisclosed information that may be used or disclosed by competitors to the Company or customers.	Article 5/ Confidentiality Information about Directors, Supervisors or managers about the Company itself or its customers who enter and sell goods, there is an obligation of confidentiality, except for disclosure by authorization or law. Information that shall be kept confidential includes all undisclosed information that may be used or disclosed by competitors to the Company or customers.	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.
Article 6/ Fair trade Directors, supervisors or managers shall treat the Company's in stock (sales) customers, competitors and employees fairly and shall not obtain improper benefits by manipulating, concealing or abusing information they have learned from their positions, making false statements about important matters or other unfair transactions.	Article 6/ Fair trade Directors, supervisors or managers shall treat the Company's in stock (sales) customers, competitors and employees fairly and shall not obtain improper benefits by manipulating, concealing or abusing information they have learned from their positions, making false statements about important matters or other unfair transactions.	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.
Article 7/ Protect and adopt company assets appropriately It is the responsibility of	Article 7/ Protect and adopt company assets appropriately It is the responsibility of	In accordance with establishment of the Audit Commitment instead of Supervisors on

Revised article	Current article	Reason for revision
Directors, Supervisors or managers to protect the Company's assets and to ensure that they are used effectively and lawfully in public service to avoid theft, negligence or waste that directly affects the Company's profitability.	Directors, Supervisors or managers to protect the Company's assets and to ensure that they are used effectively and lawfully in public service to avoid theft, negligence or waste that directly affects the Company's profitability.	2020.
Article 8/ Comply with regulations and rules Directors, Supervisors or managers shall follow and advocate Securities and Exchange Act and other regulations and rules.	Article 8/ Comply with regulations and rules Directors, Supervisors or managers shall follow and advocate Securities and Exchange Act and other regulations and rules.	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.
Article 9/ Encourage the reporting of any illegal or unethical conduct The Company shall enhance to promote the Code of Ethical Conduct and report to the Supervisors Audit Commitment , managers, internal audit head or other equivalent staff. The Company shall establish a reporting system and keep the identity of the reporters confidential without revenge and threat by others.	Article 9/ Encourage the reporting of any illegal or unethical conduct The Company shall enhance to promote the Code of Ethical Conduct and report to the Supervisors, managers, internal audit head or other equivalent staff. The Company shall keep the identity of the reporters confidential without revenge and threat by others.	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.
Article 10/Disciplinary measures When the Directors, Supervisors or managers are against the Code of Ethical Conduct, the Company shall establish policies to prevent conflicts of interest, and report to the Directors. The Company	Article 10/Disciplinary measures When the Directors, Supervisors or managers are against the Code of Ethical Conduct, the Company shall establish policies to prevent conflicts of interest, and report to the Directors. The Company	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.

Revised article	Current article	Reason for revision
shall immediate disclosure of the title, name, date of violation, cause of violation, violation of the Code, and response measures etc. If a disciplined person thinks the measure improper resulting in the infringement of his/her legitimate interests , he/she shall appeal under the complaint approach to relief.	shall immediate disclosure of the title, name, date of violation, cause of violation, violation of the Code, and response measures etc. If a disciplined person thinks the measure improper resulting in the infringement of his/her legitimate interests , he/she shall appeal under the complaint approach to relief.	In order to encourage employees to report violations of the guidelines, the Company has established a reporting system, so here comes the amendment.
Article 11/ Procedure for exemption If the Company wishes to exempt Directors, Supervisors or managers from the provisions of this Code of Ethical Conduct, it shall state whether there is any conflict or any influence with the interests of the Company and adopt it by resolution of the Board, and immediately disclose at the Public Information Observatory the title, name, date on which the Board adopts the waiver, objections or reservations of independent directors, period of exemption, reasons for the application of exemption, and the applicable guidelines for the application of the board of directors. To suppress the occurrence of arbitrary or suspicious exemptions in compliance with the Guidelines and to ensure that any exemptions follow the Guidelines with	Article 11/ Procedure for exemption If the Company wishes to exempt Directors, Supervisors or managers from the provisions of this Code of Ethical Conduct, it shall state whether there is any conflict or any influence with the interests of the Company and adopt it by resolution of the Board, and immediately disclose at the Public Information Observatory the title, name, date on which the Board adopts the waiver, objections or reservations of independent directors, period of exemption, reasons for the application of exemption, and the applicable guidelines for the application of the board of directors. To suppress the occurrence of arbitrary or suspicious exemptions in compliance with the Guidelines and to ensure that any exemptions follow the Guidelines with	In accordance with establishment of the Audit Commitment instead of Supervisors on 2020.

Revised article	Current article	Reason for revision
appropriate control to protect the Company.	appropriate control to protect the Company.	
Article 12/ Expose measures This Code of Ethics shall be is disclosed in the <u>Company website</u> , Annual Report, Public Statement and Public Information Observatory. The revision is the same.	Article 12/ Expose measures This Code of Ethics is disclosed in the Annual Report, Public Statement and Public Information Observatory. The revision is the same.	In accordance with the practical operation, the wordings are amended.
Article 13/ Implementation The Company complies with Guidelines for the Adoption of Codes of Ethical Conduct and implements after the approval of the Board, and reports to the Supervisors and Shareholders' Meeting. The revision is the same.	Article 13/ Implementation The Company complies with Guidelines for the Adoption of Codes of Ethical Conduct and implements after the approval of the Board, and reports to the Supervisors and Shareholders' Meeting. The revision is the same.	In accordance with the practical operation to amend.
Article 14/The Guidelines were first adopted on March 24, 2014. The 1 st revision came into effect on April 29, 2015. <u>The 2nd revision came into effect on May 12, 2020.</u> <u>The effective date was on June 23, 2020.</u>	Article 14/The Guidelines were first adopted on March 24, 2014. The 1 st revision came into effect on April 29, 2015.	Added revision dates

Chenbro Micom Co., Ltd.
Ethical Corporate Management Best Practice Principles
amendment comparison

Revised article	Current article	Reason for revision
Article 5/Policies The Company is based on integrity, transparent and responsible business philosophy, the formulation of integrity-based policies, <u>after the approval of the Board,</u> and the establishment of good corporate governance and risk control mechanisms to create a sustainable development of the business environment.	Article 5/Policies The Company is based on integrity, transparent and responsible business philosophy, the formulation of integrity-based policies, and the establishment of good corporate governance and risk control mechanisms to create a sustainable development of the business environment.	Revision of Reference No. 1080008378 by TWSE on issuing date of May 23, 2019.
Article 8/Commitment and implementation <u>The Company shall require the Shareholders and senior management to issue a statement that complies with Ethical Corporate Management Best Practice Principles, and the staff to comply with this Principles too.</u> The Company and its Group and organizations shall state its Ethical Corporate Management Best Practice Principles on the regulations and external documents and <u>Company website.</u> The Board and management shall undertake to actively implement, and in the internal management and external business	Article 8/Commitment and implementation The Company and its Group and organizations shall state its Ethical Corporate Management Best Practice Principles on the regulations and external documents. The Board and management shall undertake to actively implement, and in the internal management and external business activities.	Revision of Reference No. 1080008378 by TWSE on issuing date of May 23, 2019.

Revised article	Current article	Reason for revision
activities. <u>The Company for the first and second Principles shall write in documents and properly preserve about the policies, statements, commitments and implement.</u>		
Article 10/Prohibition of bribery and bribery The Company and its Directors, Supervisors , managers, employees, trustees and substantive controllers shall not, directly or indirectly, provide, promise, demand or receive any form of improper benefits, including kickbacks, commissions, facilitation payments or other offer, promise, demand or receive any form of improper benefit from customers, agents, contractors, suppliers, public officers or other interested third parties, in the misconduct of the business.	Article 10/Prohibition of bribery and bribery The Company and its Directors, Supervisors, managers, employees, trustees and substantive controllers shall not, directly or indirectly, provide, promise, demand or receive any form of improper benefits, including kickbacks, commissions, facilitation payments or other offer, promise, demand or receive any form of improper benefit from customers, agents, contractors, suppliers, public officers or other interested third parties, in the misconduct of the business.	In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.
Article 11/Prohibition of the provision of illegal political contributions The Company and its Directors, Supervisors , managers, employees, trustees, and substantive controllers who make direct or indirect contributions to political parties or organizations or individuals involved in political activities shall	Article 11/Prohibition of the provision of illegal political contributions The Company and its Directors, Supervisors, managers, employees, trustees, and substantive controllers who make direct or indirect contributions to political parties or organizations or individuals involved in political activities shall	In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.

Revised article	Current article	Reason for revision
comply with the Political Contributions Act and the internal Company operation procedures. This may not be used for commercial gain or trading advantage.	comply with the Political Contributions Act and the internal Company operation procedures. This may not be used for commercial gain or trading advantage.	
Article 12/ Prohibit improper charitable donation or sponsorship The Company and its Directors, Supervisors , managers, employees, trustees and substantive controllers shall comply with the relevant rules, regulations and internal operating procedures for charitable donations or sponsorships, which shall not pay bribes in disguise.	Article 12/ Prohibit improper charitable donation or sponsorship The Company and its Directors, Supervisors, managers, employees, trustees and substantive controllers shall comply with the relevant rules, regulations and internal operating procedures for charitable donations or sponsorships, which shall not pay bribes in disguise.	In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.
Article 13/ Prohibit unreasonable gifts, entertainment, or other improper benefits The Company and its Directors, Supervisors , managers, employees, trustees and substantive controllers shall not, directly or indirectly, provide or receive any unreasonable gift, entertainment or other improper benefit in order to establish commercial relations or influence business transactions.	Article 13/ Prohibit unreasonable gifts, entertainment, or other improper benefits The Company and its Directors, Supervisors, managers, employees, trustees and substantive controllers shall not, directly or indirectly, provide or receive any unreasonable gift, entertainment or other improper benefit in order to establish commercial relations or influence business transactions.	In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.
Article 14/ Organization and responsibility Directors, Supervisors , managers, employees, trustees and substantive controllers of the	Article 14/ Organization and responsibility Directors, Supervisors, managers, employees, trustees and substantive controllers of the	Revision of Reference No. 1080008378 by TWSE on issuing date of May 23, 2019.

Revised article	Current article	Reason for revision
<p>Company shall do their duty for the care of good management, urge the Company to prevent dishonest behavior, and keep the results of its implementation and continuous improvement under review to ensure the implementation of the integrity management policy.</p> <p>When necessary, the management unit shall be responsible for the formulation and supervision of the formulation and implementation of the integrity management policy and prevention program, and shall report to the Board.</p>	<p>Company shall do their duty for the care of good management, urge the Company to prevent dishonest behavior, and keep the results of its implementation and continuous improvement under review to ensure the implementation of the integrity management policy.</p> <p>When necessary, the management unit shall be responsible for the formulation and supervision of the formulation and implementation of the integrity management policy and prevention program, and shall report to the Board.</p>	
<p>Article 15/ The Act of Business Enforcement Directors, Supervisors, managers, employees, trustees and substantive controllers of the Company shall comply with the provisions of the Principles and the prevention program when carrying out their business.</p>	<p>Article 15/ The Act of Business Enforcement Directors, Supervisors, managers, employees, trustees and substantive controllers of the Company shall comply with the provisions of the Principles and the prevention program when carrying out their business.</p>	<p>In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.</p>
<p>Article 16 The Avoidance of the Interests of Directors and Managers The Company shall establish policies to prevent conflicts of interest and provide appropriate channels for</p>	<p>Article 16 The Avoidance of the Interests of Directors and Managers The Company shall establish policies to prevent conflicts of interest and provide appropriate channels for</p>	<p>In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>Directors and managers to proactively state whether they have potential conflicts of interest with the Company.</p> <p>The Directors, Supervisors, managers and other interests of attending or attending the Board, the person who has an interest in the motion listed by the Board and its own or the legal person represent, shall be stated by the current Board about the important content of its interest, such as harmful to the Company. When the Company interests are at risk, he/she shall not join the discussion and vote, and shall be avoided when discussing and voting, and may not exercise his right to vote on behest of other directors. Directors should also exercise self-discipline and have not to support each other.</p> <p>Directors, Supervisors, managers, employees, trustees and substantive controllers of the Company shall not use their positions or influence on the Company to obtain an improper advantage for themselves, their spouses, parents, children or any other person to obtain improper interest.</p>	<p>Directors and managers to proactively state whether they have potential conflicts of interest with the Company.</p> <p>The Directors, Supervisors, managers and other interests of attending or attending the Board, the person who has an interest in the motion listed by the Board and its own or the legal person represent, shall be stated by the current Board about the important content of its interest, such as harmful to the Company. When the Company interests are at risk, he/she shall not join the discussion and vote, and shall be avoided when discussing and voting, and may not exercise his right to vote on behest of other directors. Directors should also exercise self-discipline and have not to support each other.</p> <p>Directors, Supervisors, managers, employees, trustees and substantive controllers of the Company shall not use their positions or influence on the Company to obtain an improper advantage for themselves, their spouses, parents, children or any other person to obtain improper interest.</p>	

Revised article	Current article	Reason for revision
<p>Article 18/ Guide to operating procedures and behaviors</p> <p>The Company shall, in accordance with Article 6, establish guidelines for operating procedures and conduct, specifying the business precautions for directors, managers, employees staff and substantive controllers, which include the following:</p> <ol style="list-style-type: none"> 1.The offer or acceptance of benefits shall be in accordance with normal social etiquette and are occasionally not at risk of affecting specific rights and obligations. 2.The procedure for providing legitimate political contributions. 3.To provide proper charitable donations or sponsorship procedures and the amount of the standard. 4.To avoid conflicts of interest related to the job provisions, and its declaration and procedures. 5.Confidentiality and commercially sensitive information shall keep confidentially in business. 6.The norms and procedures for suppliers, customers and objects of business dealings that are involved in dishonest conduct. 	<p>Article 18/ Guide to operating procedures and behaviors</p> <p>The Company shall, in accordance with Article 6, establish guidelines for operating procedures and conduct, specifying the business precautions for directors, managers, employees and substantive controllers, which include the following:</p> <ol style="list-style-type: none"> 1. The offer or acceptance of benefits shall be in accordance with normal social etiquette and are occasionally not at risk of affecting specific rights and obligations. 2. The procedure for providing legitimate political contributions. 3. To provide proper charitable donations or sponsorship procedures and the amount of the standard. 4. To avoid conflicts of interest related to the job provisions, and its declaration and procedures. 5. Confidentiality and commercially sensitive information shall keep confidentially in business. 6. The norms and procedures for suppliers, customers 	<p>To comply with the regulation and rules, the wordings were amended.</p>

Revised article	Current article	Reason for revision
<p>7.To find violations of the business integrity code of procedures.</p> <p>8.Disciplinary action against violators.</p>	<p>and objects of business dealings that are involved in dishonest conduct.</p> <p>7. To find violations of the business integrity code of procedures.</p> <p>8. Disciplinary action against violators.</p>	
<p>Article 20/ Reporting system</p> <p>The Company shall provide a proper reporting channel and shall keep the identity of the reporters and their contents confidentially. <u>establish the specific reporting system and implement exactly including:</u></p> <p><u>1. Establish and announce the internal independent reporting mailbox, special line or entrust other external independent institutions to provide reporting letter boxes, special lines for use by internal and external personnel.</u></p> <p><u>2. The assignment of a dedicated person or unit for the handling of a reporter, involving a director or a senior management, shall be reported to an independent director or audit committee, and shall establish the category of reporting matters and the standard operating procedures for</u></p>	<p>Article 20/ Reporting system</p> <p>The Company shall provide a proper reporting channel and shall keep the identity of the reporters and their contents confidentially.</p> <p>The Company shall specify a disciplinary and complaint system for breaching the rules of integrity, and immediately disclose the violation of the person's title, name, date of violation, content and handling of the violation on the Company's internal website.</p>	<p>Revision of Reference No. 1080008378 by TWSE on issuing date of May 23, 2019.</p>

Revised article	Current article	Reason for revision
<p><u>the investigation to which they belong.</u></p> <p><u>3. After the investigation of the case of prosecution completed, if necessary, the follow-up measures shall be taken in accordance with the seriousness of the circumstances, and report to the competent authorities or transfer them to the judicial organs for investigation.</u></p> <p><u>4. Record and preserve of the acceptance of cases, the investigation process, the results of the investigation and the production of related documents.</u></p> <p><u>5. The identity of the reports and the confidentiality of his/her contents, and the disclosure of anonymous.</u></p> <p><u>6. Measures to protect the reports from being improperly disposed of as a result of the reporter.</u></p> <p><u>The Company shall, if it investigates a material breach or the Company is at risk of serious damage, make a report in writing to the independent director or audit committee when investigating a material violation or at risk of serious damage.</u></p> <p><u>The Company shall specify a disciplinary and complaint system for</u></p>		

Revised article	Current article	Reason for revision
breaching the rules of integrity, and immediately disclose the violation of the person's title, name, date of violation, content and handling of the violation on the Company's internal website.		
Article 22/ Amendments and review The Company should always pay attention to the development of relevant norms of integrity management at the domestic and abroad, and encourage Directors, managers and employees staff to make recommendations to review and improve the Ethical Corporate Management Best Practice Principles, in order to enhance the effectiveness of the Company's integrity management.	Article 22/ Amendments and review The Company should always pay attention to the development of relevant norms of integrity management at the domestic and abroad, and encourage Directors, managers and employees to make recommendations to review and improve the Ethical Corporate Management Best Practice Principles, in order to enhance the effectiveness of the Company's integrity management.	To comply with the regulation and rules, the wordings were amended.
Article 23/ Implementation The Company complies with Ethical Corporate Management Best Practice Principles and implements after the approval of the Board and reports to the Supervisors and Shareholders' Meeting . The revision is the same.	Article 23/ Implementation The Company complies with Ethical Corporate Management Best Practice Principles and implements after the approval of the Board and reports to the Supervisors and Shareholders' Meeting. The revision is the same.	In accordance with the practical operation to amend.
Article 24 This Principles was approved on March 24,	Article 24 This Principles was approved on March 24,	Added revision dates.

Revised article	Current article	Reason for revision
2014. The 2 nd revision came into effect on April 29, 2015. <u>The 3rd revision came into effect on May 12, 2020.</u> <u>The effective date was on June 23, 2020.</u>	2014. The 2 nd revision came into effect on April 29, 2015.	

Chenbro Micom Co., Ltd.
“Corporate Social Responsibility Best Practice Principles”
amendment comparison

Revised article	Current article	Reason for revision
<p>Article 7-1</p> <p>For the better management of corporate social responsibility, the Company shall set up a dedicated (adjunct) unit, <u>which is Chairman’s Office</u> to promote corporate social responsibility, responsible for the introduction and implementation of CSR policies, <u>or</u> systems or related management policies, specific promotion plans, and regularly report to the Board <u>by the leading of Chairman.</u></p> <p>The Company should <u>establishes</u> a reasonable pay policy to ensure that compensation plan is in line with the objectives of the organizational strategy and the interests of stakeholders.</p> <p><u>The Company's staff performance review system shall be through goal-oriented to stimulate the core competency of staff, and clearly define effective rewards and disciplinary system.</u></p>	<p>Article 7-1</p> <p>For the better management of corporate social responsibility, the Company shall set up a dedicated (adjunct) unit to promote corporate social responsibility, responsible for the introduction and implementation of CSR policies, systems or related management policies, specific promotion plans, and regularly report to the Board.</p> <p>The Company should establish a reasonable pay policy to ensure that compensation plan is in line with the objectives of the organizational strategy and the interests of stakeholders.</p>	<p>In accordance with the amendment of Article 9 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on February 13, 2020.</p>
<p>Article 12</p> <p>The Company should target at be-aware-of the impact of climate change on its operations, <u>and adopt standards or guidelines in accordance with the domestic and abroad to greenhouse gas emissions, water use and total</u></p>	<p>Article 12</p> <p>The Company should be aware of the impact of climate change on its operations in order to reduce the impact of its operations on the natural environment.</p>	<p>In accordance with the amendment of Article 17 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on</p>

Revised article	Current article	Reason for revision
<u>waste weight, and develop policies for energy conservation and carbon reduction</u> in order to reduce the impact of its operations <u>s activities</u> on the natural environment <u>climate change.</u>		February 13, 2020.
<p>Article 13 The Company shall comply with relevant regulations and International Bill of Human Rights, such as the rights to gender equality, the right to work and the prohibition of discrimination.</p> <p><u>The Company adheres to internationally recognized human rights in the field of labour, such as freedom of joining associations, the right to collective bargaining, care for vulnerable social groups, the prohibition of child labour, the elimination of all forms of forced labour, the elimination of discrimination in employment, and recognizes that its human resources use policy with non-gender, racial, social class, age, marriage and family status in order to implement equality and justice in employment, payment, benefits, training, evaluation and promotion opportunities.</u></p> <p><u>In the event of a risk to the rights and interests of the labour force, the Company provides an effective and appropriate complaint mechanism to ensure that appeals process is equal and transparent. This should be concise, convenient and smooth with appropriate respond.</u></p>	<p>Article 13 The Company shall comply with relevant regulations and International Bill of Human Rights, such as the rights to gender equality, the right to work and the prohibition of discrimination.</p>	<p>In accordance with the amendment of Article 18 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on February 13, 2020.</p>

Revised article	Current article	Reason for revision
<p>Article 14</p> <p>The Company should provides a safe and healthy working environment for staff, including the provision of necessary health, <u>safe</u> and first aid facilities, and makes <u>effort</u> to reduce risk factors to staff safety and health <u>such as implementing annual training for safety and health</u> in order to prevent occupational disasters.</p>	<p>Article 14</p> <p>The Company should provide a safe and healthy working environment for staff, including the provision of necessary health and first aid facilities, and make effort to reduce risk factors to staff safety and health in order to prevent occupational disasters.</p>	<p>In accordance with the amendment of Article 20 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on February 13, 2020.</p>
<p>Article 15</p> <p>The Company should creates an appropriate environment for the development of staff's careers and establish effective competency development training programs. The Company <u>sets up and implements reasonable staff benefits measures including compensation, vacation and others, and shall</u> reflects its business performance on the compensation policy of staff in order to the recruitment, retention and rewards to achieve its sustainable operation.</p>	<p>Article 15</p> <p>The Company should create an appropriate environment for the development of staff's careers and establish effective competency development training programs. The Company shall reflect its business performance on the compensation policy of staff in order to the recruitment, retention and rewards to achieve its sustainable operation.</p>	<p>In accordance with the amendment of Article 21 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on February 13, 2020.</p>
<p>Article 15-1</p> <p><u>The Company provides information to staff about the laws of labor in the country where be operated and the rights they deserve.</u></p>	<p>Added</p>	<p>In accordance with the amendment of Article 20 of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies on February 13, 2020.</p>
<p>Chapter 5</p> <p>Article 21</p> <p>The Company's Corporate Social Responsibility Best Practice Principles shall be approved and</p>	<p>Chapter 5</p> <p>Article 21</p> <p>The Company's Corporate Social Responsibility Best Practice Principles shall be approved and</p>	<p>In accordance with the establishment of the Audit Commitment instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
implemented by the Board., and sent to each Supervisor and reported to the Shareholders' Meeting. The revision shall be applied the same.	implemented by the Board, and sent to each Supervisor and reported to the Shareholders' Meeting. The revision shall be applied the same.	
Article 22 The Principle was approved firstly on April 29, 2015. 2nd revision came into effect on January 19, 2017. <u>3rd revision came into effect on May 12, 2020.</u> <u>The effective date was on June 23, 2020.</u>	Article 22 The Principle was approved firstly on April 29, 2015. 2nd revision came into effect on January 19, 2017.	Added revision dates.

Chenbro Micom Co., Ltd.

Articles of Incorporation amendment comparison

Revised article	Current article	Reason for revision
Chapter 4 The Directors and Supervisors <u>Audit Committee</u>	Chapter 4 The Directors and Supervisors	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
Article 15 The company has seven to eleven directors and two to three supervisors , each with a three-year term. The election of directors and supervisors are to be held in accordance with the candidate nomination system of article 192-1 of Corporation Act. Relevant matters such as the acceptance methods and announcements of the nominations of directors and supervisors shall be handled in accordance with the relevant laws and regulations of Corporation Act and the Securities and Exchange Act. Independent directors, and non-independent directors and supervisors shall conduct elections together to calculate the number of elected seats and with re-election. The total shareholding ratio of all directors and supervisors shall be in accordance with the provisions of the securities authority.	Article 15 The company has seven to eleven directors and two to three supervisors, each with a three-year term. The election of directors and supervisors are to be held in accordance with the candidate nomination system of article 192-1 of Corporation Act. Relevant matters such as the acceptance methods and announcements of the nominations of directors and supervisors shall be handled in accordance with the relevant laws and regulations of Corporation Act and the Securities and Exchange Act. Independent directors, non-independent directors and supervisors shall conduct elections together to calculate the number of elected seats and with re-election. The total shareholding ratio of all directors and supervisors shall be in accordance with the provisions of the securities authority.	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
Article 15-2 The company sets up an audit committee in accordance with the provisions of Article 14-4 of the securities transaction. The audit committee consists of all independent directors, one of whom is the convener, and at	Article 15-2 The company sets up an audit committee in accordance with the provisions of Article 14-4 of the securities transaction. The audit committee consists of all independent directors, one of whom is the convener, and at	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.

Revised article	Current article	Reason for revision
<p>least one of them shall have accounting or financial expertise. The provisions of the preceding paragraph shall apply from the full re-election of new directors by the shareholders' general meeting in 2020. From the date of the establishment of the audit committee, the audit committee shall replace the supervisor's authority and abolish the supervisor. Regarding the number of audit committee, term of office, authority, rules of procedure and other matters, in accordance with the relevant provisions of the Audit Committee of the public, the Company shall set up other functional committees and related committees under the competent authorities, depending on the situation of the Company's operation.</p>	<p>least one of them shall have accounting or financial expertise. The provisions of the preceding paragraph shall apply from the full re-election of new directors by the shareholders' general meeting in 2020. From the date of the establishment of the audit committee, the audit committee shall replace the supervisor's authority and abolish the supervisor.</p>	
<p><u>Delete</u></p>	<p>Article 20</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>
<p>Article 21 20 This company must purchase liability insurance for all directors and supervisors. When the directors and supervisors of the company perform their duties in the company, the company has to pay compensation regardless of whether the company makes profit or not. The board of directors is authorized to set the compensation by referring to the value of the company's operational participation and contribution, and is to consider the usual compensation level of</p>	<p>Article 21 This company must purchase liability insurance for all directors and supervisors. When the directors and supervisors of the company perform their duties in the company, the company has to pay compensation regardless of whether the company makes profit or not. The board of directors is authorized to set the compensation by referring to the value of the company's operational participation and contribution, and is to consider the usual compensation level of</p>	<p>In accordance with the establishment of the Audit Committee in 2020 instead of the Supervisors' authority and amending the article number.</p>

Revised article	Current article	Reason for revision
the industry.	the industry.	
Article 22 21	Article 22	Amend the article number.
<p>Article 23 22</p> <p>The company shall, at the end of each fiscal year, produce the following list by the board of directors, submit it to the supervisor for review 30 days before the meeting of the shareholders' meeting; comply with the legal compliance procedure then submit it to the shareholders' meeting for approval. 1. Business report 2. Financial statement 3. The proposal for earnings distribution or loss compensation, the distribution of the previous business report, financial statements and surplus distribution or loss compensation resolutions shall be handled by the shareholders in accordance with the provisions of The Corporation Act.</p>	<p>Article 23</p> <p>The company shall, at the end of each fiscal year, produce the following list by the board of directors, submit it to the supervisor for review 30 days before the meeting of the shareholders' meeting, then submit it to the shareholders' meeting for approval. 1. Business report 2. Financial statement 3. The proposal for earnings distribution or loss compensation, the distribution of the previous business report, financial statements and surplus distribution or loss compensation resolutions shall be handled by the shareholders in accordance with the provisions of The Corporation Act.</p>	In accordance with the establishment of the Audit Committee in 2020 instead of the Supervisors' authority and amending the article number.
<p>Article 22 23</p> <p>If the company is profitable in the year, it should not appoint less than 6 percent as employee compensation and no more than 3 percent as director and supervisor compensation. The board of directors decides whether to distribute earnings through stock or cash, and the employees' compensation shall include employees of the subordinate company that meet certain conditions. The certain conditions shall be determined by the board of directors. Employee compensation and distribution of compensation for</p>	<p>Article 24</p> <p>If the company is profitable in the year, it should be not appoint less than 6 percent as employee compensation and no more than 3 percent as director and supervisor compensation. The board of directors decides whether to distribute earnings through stock or cash, and the employees' compensation shall include employees of the subordinate company that meet certain conditions. The certain conditions shall be determined by the board of directors. Employee compensation and distribution of compensation for directors should</p>	In accordance with the establishment of the Audit Committee in 2020 instead of the Supervisors' authority and amending the article number.

Revised article	Current article	Reason for revision
directors should be mentioned in the shareholders report. However, if the company still has accumulated losses, it should retain the amount for loss compensation in advance, and then pay the directors' compensation and employees according to the proportion of the preceding paragraph.	be mentioned in the shareholders report. However, if the company still has accumulated losses, it should retain the amount for loss compensation in advance, and then pay the directors' compensation and employees according to the proportion of the preceding paragraph.	
Article 24 23-1	Article 24-1	Amend the article number.
Article 24 23-2	Article 24-2	Amend the article number.
Article 25 24	Article 25	Amend the article number.
Article 25 24-1	Article 25-1	Amend the article number.
Article 26 25	Article 26	Amend the article number.
Article 27 26 The 25 th revision on 23 June, 2020.	Article 27	Amend the article number and add the revised dates.

Chenbro Micom Co., Ltd.
The Procedures for Acquisition or Disposal of Assets
amendment comparison

Revised article	Current article	Reason for revision
<p>Article 6 Procedures for acquiring or disposing of real estate or other real properties, plants and equipment.</p> <p>1.</p> <p>2. Procedure for determining the trade terms and authorization limits</p> <p>2.1</p> <p>2.2</p> <p>2.3 With respect to the company's acquisition or disposal of assets that is subject to the approval of the board of directors under the company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each supervisor. In addition, if the position of independent director has been created in the company, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the regulations, the whole <u>Independent Directors shall be present the Board of Directors' Meeting. If someone is absent, the commission shall be represented by other Independent Director and</u> the board of directors shall take</p>	<p>Article 6 Procedures for acquiring or disposing of real estate or other real properties, plants and equipment.</p> <p>3.</p> <p>4. Procedure for determining the trade terms and authorization limits</p> <p>2.1</p> <p>2.2</p> <p>2.3 With respect to the company's acquisition or disposal of assets that is subject to the approval of the board of directors under the company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each supervisor. In addition, if the position of independent director has been created in the company, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the regulations, the board of directors shall take into full consideration from each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>into full consideration from each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p><u>The procedures for acquisition or disposal of assets, and essential assets or Financial Derivatives Transactions legislated or revised by the Company, they shall be approved by the half of the Audit Committees and by three-thirds of all Directors. This resolution of the Audit Committee shall be recorded on the Board's Meeting Minutes.</u></p> <p>3. 4.</p>	<p>minutes of the board of directors meeting.</p> <p>3. 4.</p>	
<p>Article 7 Processing procedures for acquiring or disposing of securities investment.</p> <p>1. 2. 2.1 2.2 2.3 As for the company' s acquisition or disposal of the assets that should be approved by the board of directors according to the prescribed procedures or other legal provisions, <u>it shall be processed in accordance with Article 6-2-3.-</u> if any director expresses his/her objection with any record or written statement, the company should send the information about the director' s objection</p>	<p>Article 7 Processing procedures for acquiring or disposing of securities investment.</p> <p>1. 2. 2.1 2.2 2.3 As for the company' s acquisition or disposal of the assets that should be approved by the board of directors according to the prescribed procedures or other legal provisions, if any director expresses his/her objection with any record or written statement, the company should send the information about the director' s objection to each supervisor. In addition, if the company has set</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>to each supervisor. In addition, if the company has set up independent directors and will submit the transactions of asset acquisition or disposal to the board of directors for discussions according to the rules, the opinions from the independent directors should be fully considered. If any of the independent directors has any objection or reserves his/her own opinions, such objections or reserved opinions should be stated in the minutes of BOD meeting.</p> <p>3. 4.</p>	<p>up independent directors and will submit the transactions of asset acquisition or disposal to the board of directors for discussions according to the rules, the opinions from the independent directors should be fully considered. If any of the independent directors has any objection or reserves his/her own opinions, such objections or reserved opinions should be stated in the minutes of BOD meeting.</p> <p>3. 4.</p>	
<p>Article 8 Processing procedure for trading with related parties.</p> <p>1. 2. Evaluation and operating procedure When the company intends to acquire or dispose of real-estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the</p>	<p>Article 8 Processing procedure for trading with related parties.</p> <p>1. 2. Evaluation and operating procedure When the company intends to acquire or dispose of real-estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and more than the half of Audit Committee, complying to Article 6-2 recognized by the supervisors:</p> <p>2.1~2.6 2.7</p> <p>Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 13, Item 1 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and the Audit Committee recognized by the—supervisors need not be counted toward the transaction amount. With respect to the acquisition or disposal of equipment thereof held for business use, when to be conducted between the company and its subsidiaries, the company's board of directors may pursuant to Article 6, Item 2, and delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting. Where the</p>	<p>company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</p> <p>2.1~2.6 2.7</p> <p>Restrictive covenants and other important stipulations associated with the transaction. The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 13, Item 1 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount. With respect to the acquisition or disposal of equipment thereof held for business use, when to be conducted between the company and its subsidiaries, the company's board of directors may pursuant to Article 6, Item 2, and delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting. Where the position of independent director has been created in accordance with the provisions,</p>	

Revised article	Current article	Reason for revision
<p>position of independent director has been created in accordance with the provisions, when a matter is submitted for discussion by the board of directors pursuant to the rules, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>3. Evaluation of the reasonableness of transaction costs</p> <p>3.1-3.4</p> <p>3.5 Where the company acquires real estate thereof from a related party and the results of appraisals conducted in accordance with the Item 3 Paragraph (1) and (2) of this Article are uniformly lower than the transaction price, the following steps shall be taken. Furthermore, if the company, as well as the publicly issued company that evaluates the company's investment in the equity method, has set aside a special reserve under the preceding paragraph, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate</p>	<p>when a matter is submitted for discussion by the board of directors pursuant to the rules, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>3. Evaluation of the reasonableness of transaction costs</p> <p>3.1-3.4</p> <p>3.5 Where the company acquires real estate thereof from a related party and the results of appraisals conducted in accordance with the Item 3 Paragraph (1) and (2) of this Article are uniformly lower than the transaction price, the following steps shall be taken. Furthermore, if the company, as well as the publicly issued company that evaluates the company's investment in the equity method, has set aside a special reserve under the preceding paragraph, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the</p>	

Revised article	Current article	Reason for revision
<p>compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p>1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of Securities and Exchange Act against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company .</p> <p>2. Supervisors the Audit Committee shall comply with Article 218 of the Corporation Act.</p> <p>3. Actions taken pursuant to Point 1 and Point 2 in Paragraph (5) in Item 3 of this Article shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p>	<p>FSC has given its consent.</p> <p>1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of Securities and Exchange Act against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company .</p> <p>2. Supervisors shall comply with Article 218 of the Corporation Act.</p> <p>3. Actions taken pursuant to Point 1 and Point 2 in Paragraph (5) in Item 3 of this Article shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p>	

Revised article	Current article	Reason for revision
3.6~3.7		
<p>Article 9 Procedures for acquisition or disposal of memberships or intangible assets</p> <ol style="list-style-type: none"> 1. Evaluation and operating procedure 2. Procedure for determining the trade terms and authorization limits <ol style="list-style-type: none"> 2.1~2.2 2.3 With respect to the company's acquisition or disposal of assets that is subject to the approval of the board of directors under the company's procedures or other laws or regulations, <u>it shall comply to Article 6-2-3.</u> if a director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each supervisor. In addition, if the position of independent director has been created in the company, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the regulations, the board of directors shall take into full consideration from each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. <p>3.~4.</p>	<p>Article 9 Procedures for acquisition or disposal of memberships or intangible assets</p> <ol style="list-style-type: none"> 1. Evaluation and operating procedure 2. Procedure for determining the trade terms and authorization limits <ol style="list-style-type: none"> 2.1~2.2 2.3 With respect to the company's acquisition or disposal of assets that is subject to the approval of the board of directors under the company's procedures or other laws or regulations, if a director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each supervisor. In addition, if the position of independent director has been created in the company, when a transaction involving the acquisition or disposal of assets is submitted for discussion by the board of directors pursuant to the regulations, the board of directors shall take into full consideration from each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. <p>3.~4.</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>Article 11</p> <p>Procedure for acquiring or disposing of derivative goods</p> <p>1. Trading principles and guidelines</p> <p>1.1~1.2</p> <p>1.3 Responsibilities</p> <p>1.31 Financial department</p> <p>1.311-1.313</p> <p>1.314 Derivative goods verification authority</p> <p>1.314A~1.314B</p> <p>1.314C The company acquisition or disposal of the assets should have the approval of the board of directors according to the prescribed procedures or other legal provisions, <u>complying to Article 6-2-3.</u></p> <p>If any directors express objection and have a record or written statement, the company shall send the directors' objection information to the supervisors. In addition, if the company has set up independent directors and will acquire or dispose of the asset transactions to the board of directors for discussion, it should fully consider the opinions of the independent directors. If the independent directors have any objections or reservations; they should be stated in the minutes of the board of directors meeting.</p> <p>1.32 Audit department Responsible for</p>	<p>Article 11</p> <p>Procedure for acquiring or disposing of derivative goods</p> <p>2. Trading principles and guidelines</p> <p>1.1~1.2</p> <p>1.3 Responsibilities</p> <p>1.31 Financial department</p> <p>1.311-1.313</p> <p>1.314 Derivative goods verification authority</p> <p>1.314A~1.314B</p> <p>1.314C The company acquisition or disposal of the assets should have the approval of the board of directors according to the prescribed procedures or other legal provisions. If any directors express objection and have a record or written statement, the company shall send the directors' objection information to the supervisors. In addition, if the company has set up independent directors and will acquire or dispose of the asset transactions to the board of directors for discussion, it should fully consider the opinions of the independent directors. If the independent directors have any objections or reservations; they should be stated in the minutes of the board of directors meeting.</p> <p>1.32 Audit department Responsible for understanding the</p>	<p>In accordance with the establishment of the Audit Committee in 2020 instead of the Supervisors' authority.</p>

Revised article	Current article	Reason for revision
<p>understanding the admissibility of internal control of derivative commodity transactions and checking the operating procedures of the trading department on a monthly basis, and analyzing the trading cycle, making audit reports, and notifying the supervisors the <u>Audit Commitment</u> in writing when there are major deficiencies.</p> <p>1.33~1.34</p> <p>2. Risk management measures 2.1~2.7</p> <p>3. Internal audit system 3.1 Internal auditors should regularly understand the admissibility of internal control of derivative commodity transactions, and check the compliance of the trading department on the transaction procedures for derivative commodity transactions and analyze the trading cycle on a monthly basis to make an audit report. If major violations are found, Written notice to the supervisors the <u>Audit Commitment</u></p> <p>3.2 The internal auditor shall report the audit report to the FSC in accordance with the annual audit of the internal audit work according to the time specified by the FSC, and report the abnormal situation improvement notice before the time specified by the FSC.</p> <p>4.~5.</p>	<p>admissibility of internal control of derivative commodity transactions and checking the operating procedures of the trading department on a monthly basis, and analyzing the trading cycle, making audit reports, and notifying the supervisors in writing when there are major deficiencies.</p> <p>1.33~1.34</p> <p>2. Risk management measures 2.1~2.7</p> <p>3. Internal audit system 3.1 Internal auditors should regularly understand the admissibility of internal control of derivative commodity transactions, and check the compliance of the trading department on the transaction procedures for derivative commodity transactions and analyze the trading cycle on a monthly basis to make an audit report. If major violations are found, Written notice to the supervisor.</p> <p>3.2 The internal auditor shall report the audit report to the FSC in accordance with the annual audit of the internal audit work according to the time specified by the FSC, and report the abnormal situation improvement notice before the time specified by the FSC.</p> <p>4.~5.</p>	

Revised article	Current article	Reason for revision
<p>Article 16</p> <p>Enforcement and revisions</p> <p>After the procedures are approved by <u>more than half of the Audit Commitment</u> and the board of directors, they are sent to the—supervisors and submitted to the shareholders' meeting for approval. The amendments are—also the same. If a director—expresses dissent and has a record or written statement, the company shall send the director's objection information to the supervisors. In— <u>If previous one is not approved by more than half of the Audit Commitment, it shall be approved by two-thirds of the Board, and the resolutions of the Audit Committee shall be recorded in the proceedings of the Board. All members of the Audit Committee and the Board are calculated in the actual incumbent.</u> will acquire or dispose of the asset transactions—to the board of directors for—discussion,— <u>In accordance with the provisions of the preceding paragraph, the operating procedures</u> is reported to the Board to discuss, it should fully consider the opinions of the independent directors. If the independent directors have any objections or reservations, they should be stated in the minutes of the board of directors meeting. This procedure came into effect on June 30, 2003.</p> <p>The 1st revision came into effect on April 24, 2007</p> <p>The 2nd revision came into effect on June 14, 2010.</p> <p>The 3rd revision came into effect</p>	<p>Article 16</p> <p>Enforcement and revisions</p> <p>After the procedures are approved by the board of directors, they are sent to the supervisors and submitted to the shareholders' meeting for approval. The amendments are also the same. If a director expresses dissent and has a record or written statement, the company shall send the director's objection information to the supervisors. In addition, if the company has set up independent directors and will acquire or dispose of the asset transactions to the board of directors for discussion, it should fully consider the opinions of the independent directors. If the independent directors have any objections or reservations, they should be stated in the minutes of the board of directors meeting.</p> <p>This procedure came into effect on June 30, 2003.</p> <p>The 1st revision came into effect on April 24, 2007</p> <p>The 2nd revision came into effect on June 14, 2010.</p> <p>The 3rd revision came into effect on May 27, 2011.</p> <p>The 4th revision came into effect on May 25, 2012.</p> <p>The 5th revision came into effect on June 20, 2013</p> <p>The 6th revision came into effect on June 20, 2014</p> <p>The 7th revision came into effect on June 21, 2015.</p> <p>The 8th revision came into effect on June 20, 2017.</p> <p>The 9th revision came into effect on June 25, 2019.</p>	<p>In accordance with the establishment of the Audit Committee in 2020 instead of the Supervisors' authority and added the revision dates.</p>

Revised article	Current article	Reason for revision
<p>on May 27, 2011.</p> <p>The 4th revision came into effect on May 25, 2012.</p> <p>The 5th revision came into effect on June 20, 2013</p> <p>The 6th revision came into effect on June 20, 2014</p> <p>The 7th revision came into effect on June 21, 2015.</p> <p>The 8th revision came into effect on June 20, 2017.</p> <p>The 9th revision came into effect on June 25, 2019.</p> <p><u>The 10th revision came into effect on June 23, 2020.</u></p>		

Chenbro Micom Co., Ltd.
Capital Loan and Third-party Operating Procedures
amendment comparison

Revised article	Current article	Reason for revision
<p>Article 6</p> <p>2.3 The internal auditors of the Company shall, at least quarterly, audit the funds and other people's operating procedures and their implementation, and make a written record. If a major violation is discovered, the supervisors-<u>Audit Commitment</u> shall be notified in writing.</p> <p>2.4 When the company changes its circumstances and the loan and balance exceeds the limit, the auditing unit shall urge the Finance Department to set a time limit for the overdue loan and funds to be recovered, and send the improvement plan to each-<u>supervisor Audit Commitment.</u></p>	<p>Article 6</p> <p>2.3 The internal auditors of the Company shall, at least quarterly, audit the funds and other people's operating procedures and their implementation, and make a written record. If a major violation is discovered, the supervisors shall be notified in writing.</p> <p>2.4 When the company changes its circumstances and the loan and balance exceeds the limit, the auditing unit shall urge the Finance Department to set a time limit for the overdue loan and funds to be recovered, and send the improvement plan to each supervisor.</p>	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
<p>Article 7</p> <p>3. The internal auditors of the subsidiaries shall also at least quarterly audit the funds and other people's operating procedures and their implementation, and keep written records. If any major violations are found, they shall immediately notify the auditing unit of the company in writing, and the auditing unit of the company shall send written information to the supervisors-<u>Audit Commitment</u></p>	<p>Article 7</p> <p>3. The internal auditors of the subsidiaries shall also at least quarterly audit the funds and other people's operating procedures and their implementation, and keep written records. If any major violations are found, they shall immediately notify the auditing unit of the company in writing, and the auditing unit of the company shall send written information to the supervisors.</p>	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
<p>Article 10</p> <p>Enforcement and revisions</p> <p>After the procedures are approved by <u>more than the half of Audit</u></p>	<p>Article 10</p> <p>Enforcement and revisions</p> <p>After the procedures are approved by the board of</p>	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and

Revised article	Current article	Reason for revision
<p><u>Commitment</u> and the Board, they are sent to the supervisors and submitted to the shareholders' meeting for approval. The amendments are also the same. <u>If the previous one is not approved by more than the half of Audit Commitment, it shall be approved by two-thirds of the Board and the resolutions of the Audit Committee shall be recorded in the proceedings of the Board. All members of the Audit Committee and the Board are calculated in the actual incumbent.</u> If a director expresses dissent and has a record or written statement, the company shall send the director's objection information to the supervisors. In addition, when the company has set up independent directors in accordance with the provisions of the preceding paragraph, the <u>operating</u> procedures should be submitted to the board of directors for discussion. The opinions of the independent directors should be fully considered and the reasons for their consent or objection should be included in the board records.</p> <p>The regulations come into effect on August 20, 1999.</p> <p>The 1st revision came into effect on March 28, 2002.</p> <p>The 2nd revision came into effect on June 30, 2003.</p> <p>The 3rd revision came into effect on June 26, 2009.</p> <p>The 4th revision came into effect on June 14, 2010.</p> <p>The 5th revision came into effect on May 15, 2012.</p> <p>The 6th revision came into effect on June 20, 2013.</p>	<p>directors, they are sent to the supervisors and submitted to the shareholders' meeting for approval. The amendments are also the same. If a director expresses dissent and has a record or written statement, the company shall send the director's objection information to the supervisors. In addition, when the company has set up independent directors, in accordance with the provisions of the preceding paragraph, the operating procedures should be submitted to the board of directors for discussion. The opinions of the independent directors should be fully considered and the reasons for their consent or objection should be included in the board records.</p> <p>The regulations come into effect on August 20, 1999.</p> <p>The 1st revision came into effect on March 28, 2002.</p> <p>The 2nd revision came into effect on June 30, 2003.</p> <p>The 3rd revision came into effect on June 26, 2009.</p> <p>The 4th revision came into effect on June 14, 2010.</p> <p>The 5th revision came into effect on May 15, 2012.</p> <p>The 6th revision came into effect on June 20, 2013.</p> <p>The 7th revision came into effect on June 20, 2017.</p> <p>The 8th revision came into effect on June 25, 2019.</p>	<p>added revision dates.</p>

Revised article	Current article	Reason for revision
<p>The 7th revision came into effect on June 20, 2017.</p> <p>The 8th revision came into effect on June 25, 2019.</p> <p><u>The 9th revision came into effect on June 23, 2020.</u></p>		

Chenbro Micom Co., Ltd.
Endorsement Guarantee Operating Procedure
amendment comparison

Revised article	Current article	Reason for revision
<p>Article 9</p> <p>Control procedures for the endorsement guarantee of subsidiaries</p> <p>1~2</p> <p>3. The internal audit staff of the subsidiaries shall at least every quarter audit endorsement guarantee the operating procedures and their implementation, and write in the document. If a major violation is disclosure, they shall immediately notify the audit unit of the Company in writing, which is sent to each supervisor. <u>Audit Commitment</u>.</p> <p>4.</p>	<p>Article 9</p> <p>Control procedures for the endorsement guarantee of subsidiaries</p> <p>1~2</p> <p>4. The internal auditors of the subsidiaries shall at least every quarter audit endorsement guarantee the operating procedures and their implementation, and write in the document. If a major violation is disclosure, they shall immediately notify the audit unit of the Company in writing, which is sent to each supervisor.</p> <p>4.</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>
<p>Article 10</p> <p>Notes on the handling of endorsement guarantee</p> <p>1. The internal auditors of the Company shall, at least every quarter, audit endorsement of the operating procedures and the implementation, and write in the document. If a major violation is disclosure, they shall notify the Supervisors and independent directors <u>the Audit Commiment</u> in writing.</p> <p>2. If the Company circumstances changes resulting in the company to the endorsement of the object originally in no accordance with the provisions of this procedure. When the amount of the guarantee dissension exceeds the limit set out in these measures as</p>	<p>Article 10</p> <p>Notes on the handling of endorsement guarantee</p> <p>1. The internal auditors of the Company shall, at least every quarter, audit endorsement of the operating procedures and the implementation, and write in the document. If a major violation is disclosure, they shall notify the Supervisors and independent directors in writing.</p> <p>2. If the Company circumstances changes resulting in the company to the endorsement of the object originally in no accordance with the provisions of this procedure. When the amount of the guarantee dissension exceeds the limit set</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p>

Revised article	Current article	Reason for revision
<p>a result of the change in the basis on which the limit is calculated, the auditors shall urge the Finance Department to make an improvement plan for the amount guaranteed by the object exceeding the limit as well as report this plan to Supervisors, Independent Directors <u>the Audit Commiment</u> and the Shareholders' Meeting.</p> <p>3.</p>	<p>out in these measures as a result of the change in the basis on which the limit is calculated, the auditors shall urge the Finance Department to make an improvement plan for the amount guaranteed by the object exceeding the limit as well as report this plan to Supervisors, Independent Directors and the Shareholders' Meeting.</p> <p>3.</p>	
<p>Article 12 Enforcement and revisions After the adoption of this procedure by the Board and more than one-second of the Audit Commiment, the notice shall be sent to the Supervisors and submitted to the Shareholders' Meeting for approval. If the Directors have objected with a record or written in the notice, the Company shall send them to the Supervisors and the Shareholders' Meeting for discussion. The revision is the same.</p> <p><u>If the preceding article is not approved by more than one-second of all members of the Audit Committee, it shall be agreed by more than two-thirds of all the Directors and shall be recorded in the proceedings of the Board as the resolution of the Audit Committee. All the members of the Audit Committee and all the Directors mentioned as they are counted by the actual incumbent.</u></p> <p>When the Company has set up an independent director, based on the previous guidelines, this shall be reported to the Board under the full options of the independent</p>	<p>Article 12 Enforcement and revisions After the adoption of this procedure by the Board, the notice shall be sent to the Supervisors and submitted to the Shareholders' Meeting for approval. If the Directors have objected with a record or written in the notice, the Company shall send them to the Supervisors and the Shareholders' Meeting for discussion. The revision is the same.</p> <p>When the Company has set up an independent director, based on the previous guidelines, this shall be reported to the Board under the full options of the independent directors. If independent directors have contradictory opinions or others, which shall be recorded in the proceedings of the Board. The regulations were approval on May 20, 2000. The 1st revision came into effect on June 30, 2003. The 2nd revision came into effect on June 23, 2006.</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and added revision dates.</p>

Revised article	Current article	Reason for revision
<p>directors. If independent directors have contradictory opinions or others, which shall be recorded in the proceedings of the Board.</p> <p>The regulations were approval on May 20, 2000.</p> <p>The 1st revision came into effect on June 30, 2003.</p> <p>The 2nd revision came into effect on June 23, 2006.</p> <p>The 3rd revision came into effect on June 26, 2009.</p> <p>The 4th revision came into effect on June 14, 2010.</p> <p>The 5th revision came into effect on May 25, 2012.</p> <p>The 6th revision came into effect on June 20, 2013.</p> <p>The 7th revision came into effect on June 25, 2019.</p> <p><u>The 8th revision came into effect on June 23, 2020.</u></p>	<p>The 3rd revision came into effect on June 26, 2009.</p> <p>The 4th revision came into effect on June 14, 2010.</p> <p>The 5th revision came into effect on May 25, 2012.</p> <p>The 6th revision came into effect on June 20, 2013.</p> <p>The 7th revision came into effect on June 25, 2019.</p>	

Chenbro Micom Co., Ltd. Shareholders' Meeting Regulations amendment comparison

Revised article	Current article	Reason for revision
<p>Article 3</p> <p>Shareholders meeting convention and meeting notification</p> <p>The board of directors meeting will be convened by the chairman of the board unless stated within the Articles of Incorporation. The company shall issue notice of shareholders' meeting, power of attorney, relevant recognition cases, discussion cases, election or dismissal of directors, supervisors, etc. 30 days before the shareholders' meeting or 15 days before the special shareholders' meeting. The information and description materials are produced into electronic files and transmitted to the Market Observation Post System. The shareholders' meeting handbook and the supplementary information of the meeting will be sent to the Market Observation Post System 21 days before the shareholders meeting or 15 days before the special shareholders' meeting. Fifteen days prior to the meeting of the shareholders' meeting, the shareholder meeting handbook and all supplementary information of the meeting shall be prepared and displayed on the company and the professional stock agency appointed by the company, and shall be distributed at the shareholders' meeting.</p> <p>The notification shall clearly state the reason of the convention. The notice may be obtained</p>	<p>Article 3</p> <p>Shareholders meeting convention and meeting notification</p> <p>The board of directors meeting will be convened by the chairman of the board unless stated within the Articles of Incorporation. The company shall issue notice of shareholders' meeting, power of attorney, relevant recognition cases, discussion cases, election or dismissal of directors, supervisors, etc. 30 days before the shareholders' meeting or 15 days before the special shareholders' meeting. The information and description materials are produced into electronic files and transmitted to the Market Observation Post System. The shareholders' meeting handbook and the supplementary information of the meeting will be sent to the Market Observation Post System 21 days before the shareholders meeting or 15 days before the special shareholders' meeting. Fifteen days prior to the meeting of the shareholders' meeting, the shareholder meeting handbook and all supplementary information of the meeting shall be prepared and displayed on the company and the professional stock agency appointed by the company, and shall be distributed at the shareholders' meeting.</p> <p>The notification shall clearly state the reason of the convention. The</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.</p> <p>In accordance with Article 172 amendment of Corporate Act.</p>

Revised article	Current article	Reason for revision
<p>electronically by the concerned party after prior approval. AOB cannot be used to offer proposals for the following matters: Selection or dissolution of directors, supervisors, reducing capital, applying for the cessation of public issuance, licensing of Directors' non-compete, conversion of surplus to capital, transfer of provident funds to capital increase, changes of the Articles of Incorporation, dissolution of the company, merger, division or the first paragraph of Article 185-1 of the Corporation Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, and matters detailed in Article 56-1 & 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and should instead be listed in the reason of convention <u>and state the main content without proposing during Special Motions. About the related content shall be uploaded to the websites designated by the security authorities or companies, and indicate the website addresses. The convening of the Shareholders' Meeting has stated the full reelection of the Directors and effective date. If this reelection has done, it shall not be appointed another effective date in the Special Motions or other measures.</u></p> <p>Shareholders holding more than one percent of the total number of issued shares were able to file a shareholder meeting with the Company in writing. However, if <u>there is</u> more than one item is raised, it is not included in the resolution. <u>However, the</u></p>	<p>notice may be obtained electronically by the concerned party after prior approval. AOB cannot be used to offer proposals for the following matters: Selection or dissolution of directors, supervisors, changes of the Articles of Incorporation, dissolution of the company, merger, division or the first paragraph of Article 185 of The Corporation Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, and matters detailed in Article 56-1 & 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and should instead be listed in the reason of convention. Shareholders holding more than one percent of the total number of issued shares were able to file a shareholder meeting with the Company in writing. However, if more than one item is raised, it is not included in the resolution. In addition, the shareholder's proposal has one of the circumstances of the fourth paragraph of Article 172-1-4 of The Corporation Act, and the board of directors may not be listed as a motion.</p> <p>The company shall announce the acceptance of the shareholders' proposal, the acceptance of the premises and the acceptance period before the suspension of the stock transfer before the shareholders' meeting. The acceptance period shall not be less than ten days.</p>	<p>In accordance with the Ching-Shang-Tzu-Ti 10702417500 by August 6, 2018.</p> <p>In accordance with Article 172-1 amendment of Corporate Act.</p>

Revised article	Current article	Reason for revision
<p><u>shareholder proposal is to urge the Company to promote the public benefits or take a good social responsibility, and the Boards still has to include the motion.</u> In addition, the shareholder's proposal has one of the circumstances of the fourth paragraph of Article 172-1-4 of The Corporation Act, and the board of directors may not be listed as a motion.</p> <p>The Company shall announce the acceptance of the shareholders' proposal, <u>in writing or electronic acceptance</u> the acceptance of the premises and the acceptance period before the suspension of the stock transfer before the shareholders' meeting. The acceptance period shall not be less than ten days.</p>		In accordance with Article 172-1-2 amendment of Corporate Act.
<p>Article 6 Preparation of documents such as signature books Shareholders; those who elect to elect directors or supervisors shall be accompanied by an election ticket. When a government or legal person is a shareholder, the representative attending the shareholders' meeting is not limited to one person.....</p>	<p>Article 6 Preparation of documents such as signature books Shareholders; those who elect to elect directors or supervisors shall be accompanied by an election ticket. When a government or legal person is a shareholder, the representative attending the shareholders' meeting is not limited to one person.....</p>	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
<p>Article 7 Chairman of the shareholders meeting, attending staff The shareholders' meeting convened by the board of directors shall be presided over by the chairman of the board of directors, and more than half of the Directors of the board of directors, at least one supervisor shall attend the meeting in person, and at least one</p>	<p>Article 7 Chairman of the shareholders meeting, attending staff The shareholders' meeting convened by the board of directors shall be presided over by the chairman of the board of directors, and more than half of the directors of the board of directors, at least one supervisor shall attend the meeting in person, and at least one</p>	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and added revision dates.

Revised article	Current article	Reason for revision
representative of all functional committee members shall attend and attend the shareholders' meeting.....	representative of all functional committee members shall attend and attend the shareholders' meeting.....	
<p>Article 10</p> <p>Resolution discussion</p> <p>If the shareholders' meeting is convened by the board of directors, <u>and the relevant motions including the provisional motion and the original amendments,</u> the agenda of the board of directors shall be determined by the board of directors. The meeting shall be conducted according to the scheduled agenda and may not be changed without the resolution of the shareholders' meeting. If the shareholders' meeting is convened by other convener other than the board of directors, the provisions of the preceding paragraph shall apply. Before the agenda of the first two items is scheduled to be closed (including the Any other business), the chairman may not announce the meeting without a resolution; if the chairman declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting. The Chairman shall give full explanation and discussion to the proposal and the amendments or temporary motions proposed by the shareholders. If it is considered to have reached the level of voting, it</p>	<p>Article 10</p> <p>Resolution discussion</p> <p>If the shareholders' meeting is convened by the board of directors, the agenda of the board of directors shall be determined by the board of directors. The meeting shall be conducted according to the scheduled agenda and may not be changed without the resolution of the shareholders' meeting. If the shareholders' meeting is convened by other convener other than the board of directors, the provisions of the preceding paragraph shall apply. Before the agenda of the first two items is scheduled to be closed (including the Any other business), the chairman may not announce the meeting without a resolution; if the chairman declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting. The Chairman shall give full explanation and discussion to the proposal and the amendments or temporary motions proposed by the shareholders. If it is considered to have reached the level of voting, it may announce that the discussion will and voting be suspended.</p>	<p>In accordance with the full adoption of electronic voting amendments by listed companies since 2018, and to implement the spirit of the case-by-case voting.</p>

Revised article	Current article	Reason for revision
may announce that the discussion will and voting be suspended to <u>process voting and arrange adequate voting time.</u>		
<p>Article 13</p> <p>.....When the company convened a shareholders meeting, it may adopt written or electronic means of voting rights (in accordance with the first paragraph of Article 177-1-1 of The Corporation Act, t The company should adopt electronic voting: when the company convened a shareholders meeting It shall be conducted electronically and in writing to exercise its voting rights in writing); when it exercises its voting rights in writing or electronically, its method of exercise shall be stated in the notice convened by the shareholders' meeting.....</p>	<p>Article 13</p> <p>.....When the company convened a shareholders meeting, it may adopt written or electronic means of voting rights (in accordance with the first paragraph of Article 177-1-1 of The Corporation Act, the company should adopt electronic voting: when the company convened a shareholders meeting It shall be conducted electronically and in writing to exercise its voting rights in writing); when it exercises its voting rights in writing or electronically, its method of exercise shall be stated in the notice convened by the shareholders' meeting.....</p>	In accordance with the full adoption of electronic voting amendments by listed companies since 2018.
<p>Article 14</p> <p>Election items</p> <p>When a shareholder elects a director or supervisor, the election should be held in accordance with the relevant selection rules set by the company, and shall announce the results of the election, including the list of elected directors and supervisors and their elected powers.....</p>	<p>Article 14</p> <p>Election items</p> <p>When a shareholder elects a director or supervisor, the election should be held in accordance with the relevant selection rules set by the company, and shall announce the results of the election, including the list of elected directors and supervisors and their elected powers.....</p>	In accordance with the establishment of Audit Commitment instead of Supervisors in 2020.
<p>Article 15</p> <p>.....The proceedings shall be recorded in accordance with the year, month, day, place, chairman's name, resolution method, the method of the resolution and the results of the <u>voting including weights of statistics. meeting, and</u> When a Director is elected, the number of votes obtained by each candidate shall be disclosed. This</p>	<p>Article 15</p> <p>.....The proceedings shall be recorded in accordance with the year, month, day, place, chairman's name, resolution method, the method of the resolution and the results of the meeting, and shall be kept forever during the company's existence.</p>	To implement the spirit of the case-by-case voting.

Revised article	Current article	Reason for revision
shall be kept forever during the company's existence.		
Article 20 <u>The 5th revision came into effect on June 23, 2020.</u>	Article 20The 4 th revision came into effect on June 20, 2017.	Added revision dates.

Chenbro Micom Co., Ltd.
Change “Board of Directors and Supervisor Election Measures” to
“Board of Directors Election Measures”
amendment comparison

Revised article	Current article	Reason for revision
Article 1 The Company elects the Directors and Supervisors by fair, impartial and publicly, and establishes this procedure in accordance with Article 21 and 41 “The regulations of practice for corporate governance of listed and OTC companies”	Article 1 The Company elects the Directors and Supervisors by fair, impartial and publicly, and establishes this procedure in accordance with Article 21 and 41 “The regulations of practice for corporate governance of listed and OTC companies”	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
Article 2 The election of the Board and Supervisors of the Company shall be processed in accordance with this procedure, except the articles or regulations have otherwise required.	Article 2 The election of the Board and Supervisors of the Company shall be processed in accordance with this procedure, except the articles or regulations have otherwise required.	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.
Article 4 delete	Article 4 The Company's Supervisors should be eligible for: 1. Integrity and solid. 2. Fair judgment. 3. Domain knowledge. 4. Abundant experience. 5. The ability to read financial statements. In addition to the requirements of the Company's Supervisors, at least one of the Supervisors shall be an accountant or financial professional. The setting of Supervisor shall refer to the provisions on independence in relation to the establishment of independent directors of the public issuance company and the measures to be followed, and select the appropriate supervisors to strengthen the risk	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020.

	<p>management, financial and operational control of the Company.</p> <p>Between the Supervisors or the Supervisors and the Directors shall have at least one seat or no kinship within the spouse or second relatives.</p> <p>The Supervisor shall not concurrently serve as a director, manager or other officer of the Company, and at least one of the Supervisors shall have a residence in the domestic to performance immediately for the supervisory function.</p>	
Article 5 4	Article 5	Article number revision.
<p>Article 6 5</p> <p>The election of Directors and Supervisors of the Company shall be conducted in accordance with the procedures for the nomination of candidates as stipulated in Article 192-1 of Corporation Act, and shall be subject to the examination of the qualifications of <u>Independent</u> Director and Supervisor candidates, the background of their studies and the availability of any other qualifications listed in Article 30 of Corporation Act. It shall not arbitrarily add supporting documents for other qualifications, and shall provide shareholder reference to elect the appropriate <u>Independent</u> directors and supervisors.</p> <p>The Company shall appoint the directors in the current Shareholders' Meeting if the directors are dismissed for some reason and less than five persons. However, if the number of Directors is one-third of the seats stipulated in the Articles of association, the</p>	<p>Article 6</p> <p>The election of Directors and Supervisors of the Company shall be conducted in accordance with the procedures for the nomination of candidates as stipulated in Article 192-1 of Company Act, and shall be subject to the examination of the qualifications of Director and Supervisor candidates, the background of their studies and the availability of any other qualifications listed in Article 30 of Corporation Act. It shall not arbitrarily add supporting documents for other qualifications, and shall provide shareholder reference to elect the appropriate directors and supervisors.</p> <p>The Company shall appoint the directors in the current Shareholders' Meeting if the directors are dismissed for some reason and less than five persons. However, if the number of Directors is one-third of the seats stipulated in the Articles of association, the Company shall</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and Article number revision.</p>

<p>Company shall convene a by-election of the provisional Shareholders' Meeting within 60 days from the date of the occurrence of the facts.</p> <p>The number of Independent Directors is less than Article 14-2-1 bis of the Securities Exchange Act, the relevant provisions of the prospectus or the relevant provisions of Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX or the specific determination criteria stipulated in Article 10-1 of the Securities Dealers' Business Office Review Guidelines, which shall be held by-election at the current Shareholders' Meeting. If the Supervisors are dismissed for some reason resulting in the number of persons who are less than stipulated in the articles of association of the Company, it shall be appropriate for the latest by-election of the Shareholders' Meeting. However, when all the Supervisors are relieved of their duties, they shall convene a by-election of the provisional Shareholders' Meeting within 60 days from the date of the occurrence of the facts.</p>	<p>convene a by-election of the provisional Shareholders' Meeting within 60 days from the date of the occurrence of the facts.</p> <p>The number of Independent Directors is less than Article 14-2-1 bis of the Securities Exchange Act, the relevant provisions of the prospectus or the relevant provisions of Taipei Exchange Rules Governing the Review of Securities for Trading on the TPEX or the specific determination criteria stipulated in Article 10-1 of the Securities Dealers' Business Office Review Guidelines, which shall be held by-election at the current Shareholders' Meeting. If the Supervisors are dismissed for some reason resulting in the number of persons who are less than stipulated in the articles of association of the Company, it shall be appropriate for the latest by-election of the Shareholders' Meeting. However, when all the Supervisors are relieved of their duties, they shall convene a by-election of the provisional Shareholders' Meeting within 60 days from the date of the occurrence of the facts.</p>	
<p>Article 7-6</p> <p>The election of Directors and Supervisors of the Company shall be based on a cumulative voting system, and each share shall have the same right to vote as the number of Directors or Supervisors to be elected, being elected centrally by one person or by the allocation of a number of elected persons.</p>	<p>Article 7</p> <p>The election of Directors and Supervisors of the Company shall be based on a cumulative voting system, and each share shall have the same right to vote as the number of Directors or Supervisors to be elected, being elected centrally by one person or by the allocation of a number of elected persons.</p>	<p>In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and Article number revision.</p>
<p>Article 8-7</p> <p>The Board of Directors shall prepare</p>	<p>Article 8</p> <p>The Board of Directors shall</p>	<p>In accordance with the establishment of the Audit</p>

election ballots with the same number of Directors and Supervisors to be elected, and add their weights, distribute the shareholders present at the Meeting, and the names of the electors to be able to print the number of attendance cards on the electoral votes.	prepare election ballots with the same number of Directors and Supervisors to be elected, and add their weights, distribute the shareholders present at the Meeting, and the names of the electors to be able to print the number of attendance cards on the electoral votes.	Committee instead of Supervisors in 2020 and Article number revision.
Article 9-8 The Directors and Supervisors of the Company shall, in accordance with the number of places fixed in the articles of association of the Company, calculate the voting rights of Independent Directors and Non-independent Directors respectively, and those who have more voting rights shall be elected in turn, and if there are more than two persons with the same number of power and exceed the prescribed number of places, the person who has the same number of powers shall be decided by drawing lots, and those who do not attend shall be drawn by the Chairman on behalf of the drawing of lots.	Article 9 The Directors and Supervisors of the Company shall, in accordance with the number of places fixed in the articles of association of the Company, calculate the voting rights of Independent Directors and Non-independent Directors respectively, and those who have more voting rights shall be elected in turn, and if there are more than two persons with the same number of power and exceed the prescribed number of places, the person who has the same number of powers shall be decided by drawing lots, and those who do not attend shall be drawn by the Chairman on behalf of the drawing of lots.	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and Article number revision.
Article 10-9	Article 10	Article number revision
Article 11-10	Article 11	Article number revision
Article 12-11	Article 12	Article number revision
Article 13-12 After the ballot is cast on the spot, the results shall be announced by the Chairman on the spot, including the list of Directors and Supervisors and their election weights. The electoral votes for the preceding election matters shall be sealed and signed by the supervisors, shall be kept properly, and kept for at least one year. However, those who have brought a lawsuit by the shareholders in accordance with	Article 13 After the ballot is cast on the spot, the results shall be announced by the Chairman on the spot, including the list of Directors and Supervisors and their election weights. The electoral votes for the preceding election matters shall be sealed and signed by the supervisors, shall be kept properly, and kept for at least one year. However, those who have brought	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and Article number revision.

Article 189 of the Corporation Act shall be kept until the conclusion of the proceedings.	a lawsuit by the shareholders in accordance with Article 189 of the Corporation Act shall be kept until the conclusion of the proceedings.	
Article 14 -13 The elected directors and—supervisors shall be issued Election Notice by the Board of Directors of the Company.	Article 14 The elected directors and supervisors shall be issued Election Notice by the Board of Directors of the Company.	In accordance with the establishment of the Audit Committee instead of Supervisors in 2020 and Article number revision.
Article 15 -14 Implementation and revision These Measures shall be implemented after the adoption of the Shareholders' Meeting and the revisions shall be the same. These regulations were established on September 27, 1999. 1 st revision came into effect on June 27, 2002. 2 nd revision came into effect on June 23, 2006 3 rd revision came into effect on May 25, 2012. 4 th revision came into effect on June 20, 2017. <u>5th revision came into effect on June 23, 2020.</u>	Article 15 Implementation and revision These Measures shall be implemented after the adoption of the Shareholders' Meeting and the revisions shall be the same. These regulations were established on September 27, 1999. 1 st revision came into effect on June 27, 2002. 2 nd revision came into effect on June 23, 2006 3 rd revision came into effect on May 25, 2012. 4 th revision came into effect on June 20, 2017.	Added revision dates and Article number revision

Chenbro Micom Company Limited
Regulations of the Board of Directors Approved the Issuance of
Restricted Stock Unit (RSU)

1. The aim of issuance:
To attract and retain talents, enhance employees' sense of loyalty and belonging to the Company, and foster the best benefits of the Company and its shareholders, so the Company sets the issuance rules according to the Company Act Article 267-8 and Regulations Governing the Offering and Issuance of Securities by Securities Issuers announced by Financial Supervisory Commission.
2. Issuance period
The chairman shall be authorized to issue one or more times, depending on the actual need, within one year after the declaration with effect of the competent authority.
3. Qualification requirements and granted shares for employees:
 - 3.1 This regulation is only applicable to the official employees of the Company and Subsidiaries according to the Company Act Article 369-2. The number of granted shares shall be determined by seniority, position, performance, overall contribution, special performance and other crucial factors for management. The results of shares distribution shall be reviewed by Chairman and obtain approval in the meeting of the Board of Directors. However, for employees who are managerial officers, the unit of such shares is subject to approval by the Compensation Committee.
 - 3.2 Complying with Article 56-1-1 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers, the Company issue the cumulative shares of employee subscription warrant to a single employee, plus his total number of RSU that shall not exceed three one-thousandths of the total number of outstanding shares. Moreover, according to the same Article, the Company issue the cumulative shares of employee subscription warrant to a single employee that shall not exceed one one-hundredth of the total number of outstanding shares.
4. Estimate total amount (shares) of issuance:
Estimate total amount (shares) of issuance: The total amount of shares issued by the Company under this plan shall not exceed NTD 12,000,000, each share with a par value of NTD 10, for the number of 1,200,000 Common Shares.
5. Issuance conditions:
 - 5.1 Estimate issue price: The current issue is gratuitous with an issuance value of NTD 0.
 - 5.2 Vesting conditions:
 - 5.2.1 Employees' continuous employment with the Company through the vesting date,

i.e. the last record date of this RSU, and achievement of both personal performance criterion and the Company's operation objectives during the vesting period are required to receive the vested shares. The portions of the vesting shares with specific conditions are as follows:

Objective	Company's operation objective	Personal performance	The period (by year) for RSU deposited in appointed security trust account/Ratio	Remark
Supervisors	1. If EPS of previous year achieves the annual EPS target, which is approved by The Board, the portion is 100% 2. If EPS of previous year is between 4.6 and the annual EPS target, the portion is 60%. 3. If EPS of previous year is under 4.6, the portion is zero.	The last two appraisals were both above ST.	1 year/25% 2 years/25% 3 years/25% 4 years/25%	
General employees				1. Know-how technicians. 2. Personal performance made a major contribution to the Company. 3. Core recruits.

5.2.2 The Company will redeem the issued restricted stock units (RSUs) and cancel the full number of the shares in accordance with the terms of the issuance rules set by the Company.

5.3 Share type: common share

5.4 Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance:

5.4.1 Regular leaving (resignation/retirement/being sacked/dismissal):

The Company will redeem the issued restricted stock units (RSUs) and cancel the full number of the shares in accordance with the terms of the issuance rules set by the Company.

5.4.2 Unpaid temporary leave:

The Company will defer the right of employees' RSU until the date of employees' reinstatement.

5.4.3 Death:

The Company will redeem the issued RSUs and cancel the full number of the shares in accordance with the terms of the issuance rules set by the Company.

5.4.4 Occupational accident

- 5.4.4.1 Employees fail to meet the vesting conditions with physical disability who are unable to continue in service due to occupational accident, it is complied with this Article and the achievement level for vesting conditions shall be based on the proportion of vesting conditions schedule.
 - 5.4.4.2 Employees fail to meet the vesting conditions but die due to occupational accident, it is complied with this Article and the heirs receive the RSUs based on the proportion of vesting conditions schedule, effective on the death date of such employees.
 - 5.4.5 Transfer:
If employees transfer to affiliated enterprises or other companies except Subsidiaries, the RSU shall comply with the measure of regular leaving. However, employees who are assigned to transfer by the Company, shall not be influenced and receive the original RSUs.
 - 5.4.6 Employees or heirs shall comply with security trust agreement to take the transfer shares under meeting vesting conditions.
- 6. Restricted rights before employees meet the vesting conditions:
 - 6.1 The RSU issued may be deposited in a security trust account under the name of the employee. Restricted rights before employees meet the vesting conditions are as follows:
 - 6.1.1 During the vesting period, employees may not sell, pledge, transfer, give to another person, create any encumbrance on, or otherwise dispose of, restricted stock units.
 - 6.1.2 Regarding to attendance, proposal, taking the floor, and voting of Annual Shareholders' meeting, it is executive by security trust account complied by the applicable laws and regulations and the issuance rules set by the Company.
 - 6.2 Except the previous regulation being restricted by security trust account, and the restricted rights before employees meet the vesting conditions, other rights include but do not limit within the allocated rights of dividends, profit sharing and capital surplus, the employees subscription right of issuance of common stock for cash, and the voting power etc. being the same equity with Common Stocked issued by the Company.
- 7. The procedures of employees meet the vesting conditions:
 - 7.1 When an employee is assigned RSUs, the Company shall post his/her number of shares on the register of shareholders. The Company shall deliver the new issued common stock or new share rights certificate by Book-entry operations transfer, and in accordance with the contract of the trust, these RSUs shall be entrusting assets to the Custodian Institution.
 - 7.2 The Company shall, in accordance with these Measures, issue new RSUs and handle the registration of changes in accordance with the regulation.
- 8. Other important stipulations:

- 8.1 If some revision or adjustment has to be made due to the competent authority's instruction, and amendment to the laws and regulations, it is proposed that Annual Shareholders' Meeting authorizes to the Board of Directors with full power and authority to handle all the issues regarding the issuance of RSU. If some revision or adjustment is required by the competent authority's instruction during the audit process, it is authorized Chairman to amend this regulation, and afterward the Board shall ratify to issue.
- 8.2 With respect to the issuance of RSU and any other matters not set forth here shall be dealt with in accordance with the applicable laws and regulations.

Attachment XV

Chenbro Micom Company Limited

Introduction to candidates for Directors for the nominating system

Name	Mei-chi Chen	Tsun-yen Lee	Chung-pao Wu	Yu-ling Tsai	Te-feng Wu
Education	●EMBA/NTU Department of Money and Banking/ National Chengchi University	Taipei Municipal Shilin High School of Commerce	Master of Intel' Business/NTU	College of Law/NTU	EMBA Program/NTU
Working Experience	●Chairman/Chenbro Micom Co., Ltd.	●Chairwoman of Ming-kwong Investment Co., Ltd	●Established Protech Systems Co., Ltd. in 1990 ●Representative of Director/APLEX Technology	●General Counsel/Greater China Region/IBM ●General Counsel/ Taiwan Region/IBM ●Judge of the district court for Taipei Shilin, Taoyuan & Changhua	●Deputy Director & Chief Strategist/PwC ●Chairman/EyesMedia
Current Occupation	●Director/Peng Wei Investment and Development Co., Ltd. ●Chairman/Lian-mei Investment Ltd. ●Director/Chen-source Inc	●Deputy Manager & Director/Chenbro Micom Co., Ltd. ●Chairman/Chung-chiao Capital Management Co. ●Director/Chen-source Inc. ●Chairman/Chin-yueh Technology Co. ●Independent Director/HIM International Music Inc. ●Chairman/Chung-hsin Development Co.	●Director/Chenbro Micom Co., Ltd. ●Chairman/Protech Systems Co., Ltd ●Independent Director/The Professional Technology Service Provider ●Independent Director/Trade-Van ●Independent Director/EVA Air ●Director/CPC Corporation, Taiwan	●Co-founder/Lee Tsai & Partners ●Chairman/Taiwan FinTech Association ●Chairman/Taiwan Women on Boards Association ●Director/CHLITINA Holding Ltd. ●Representative of Director/JPC Connectivity ●Member/Taipei Smart City Committee	●Honorary Chairman/Chunghwa Institute of Intl' Taxation ●Chief Strategic Adviser/INT ●Associate Professor/Department of Accounting/Dongwu University ●Associate Professor/Department of Business Administration/Cheng Yuan Christian University
Share Holding	9,656,009	5,296,029	0	0	0

Attachment XVI

Chenbro Micom Company Limited
Introduction to candidates for Independent Directors in the nominating system

Name	Weng-cheng Huang	An-pang Tsao	Wei-shun Cheng	Chung-hsing Huang
Education	<ul style="list-style-type: none"> ● MBA/NCCU ● Department of Mechanical Engineering/NCKU 	<ul style="list-style-type: none"> ● MBA, Illinois Institute of Technology, Chicago, USA 	<ul style="list-style-type: none"> ● Master of Accounting/Northern Illinois University 	<ul style="list-style-type: none"> ● Ph. D.of Business Administration /University of Texas-Austin
Working Experience	<ul style="list-style-type: none"> ● General Manager/CMC ● Vice CEO/Yue Loong Motor Co., Ltd. ● Chairman/ARTC 	<ul style="list-style-type: none"> ● CEO & General Manager/D-Link Corporation ● Sales Director/Asia Pacific Hong Kong region/DEC ● Head of e-commerce Channels/Asia Pacific Australia/IBM ● Specialist for Taiwan Region Sales Development/Head of Development Strategy Cooperation/IBM 	<ul style="list-style-type: none"> ● Chief Financial Officer & Executive Deputy General Manager/AU Optonics Corporation ● Director of Legal Representative/Darwin ● Representative of the Director/Lextar ● Chairman/Hsiang-ta Materials Co., Ltd. ● Vice Chairman/AUO Crystal Co., Ltd. ● Director of Legal Representative & General Manager/Kang-li Investment Co., Ltd. ● Director of Legal Representative & General Manager/Lung-li Investment Co., Ltd. 	<ul style="list-style-type: none"> ● Vice Dean/College of Management/National Taiwan University ● Guest professor/College of Management/Tunghai University ● Supervisor/Test Rite Internal Co., Ltd. ● Chairman/Dotcom Charity Foundation
Current Occupation	<ul style="list-style-type: none"> ● Chairman/Hung-ching International Investment Co., Ltd. ● Chairman/Kuo-fu 	<ul style="list-style-type: none"> ● Chairman/GGR Col, Ltd. ● Independent Director/Chenbro Micom Co., Ltd. 	<ul style="list-style-type: none"> ● Director/Shirre Lab Co. 	<ul style="list-style-type: none"> ● Independent Director/Ricoh ● Independent Director/Medical Imaging Corporation

	<ul style="list-style-type: none"> ● Management Consult Co., Ltd. ● Chairman/Hua-chun Technology Co., Ltd. ● Independent Director/YFY ● Director/TungThih Electronic Co., Ltd. ● Director of Legal Representative/ACES ● Independent Director/Fei-hung Technology Co., Ltd. ● Independent Director/Entire Technology Co., Ltd. ● Independent Director/Chenbro Micom Co., Ltd. ● Supervisor/ezTavel ● Representative of the Supervisor/ezTravle Travel Agent ● Director/eLand Cloud Service ● Director/Kuo-fu Investment Co, Ltd. ● Representative of the Director/Wei-hung Intl' Investment Co., Ltd. ● Representative of the Director/Feng-huang Startup Co. 			<ul style="list-style-type: none"> ● Independent Director/Avary Holding
Holding Share	0	0	0	0

Appendix

Chenbro Micom Co., Ltd.

Appendix I

Shareholders' Meeting Regulations

- Article 1 In order to establish a good shareholder meeting governance system, improve supervision functions and enhance the management functions of the Company, we will follow the provisions of Article 5 of the Corporate Governance Best-Practice Principles for TSEC/TPEX Listed Companies.
- Article 2 The company's shareholder meeting regulations shall be in accordance with the provisions of these rules, unless otherwise provided by laws or regulations.
- Article 3 Shareholders meeting convention and meeting notification
- The board of directors meeting will be convened by the chairman of the board unless stated within the Articles of Incorporation.
- The company shall issue notice of shareholders' meeting, power of attorney, relevant recognition cases, discussion cases, election or dismissal of directors, supervisors, etc. 30 days before the shareholders' meeting or 15 days before the special shareholders' meeting. The information and description materials are produced into electronic files and transmitted to the Market Observation Post System. The shareholders' meeting handbook and the supplementary information of the meeting will be sent to the Market Observation Post System 21 days before the shareholders meeting or 15 days before the special shareholders' meeting. Fifteen days prior to the meeting of the shareholders' meeting, the shareholder meeting handbook and all supplementary information of the meeting shall be prepared and displayed on the company and the professional stock agency appointed by the company, and shall be distributed at the shareholders' meeting.
- The notification shall clearly state the reason of the convention. The notice may be obtained electronically by the concerned party after prior approval.
- AOB cannot be used to offer proposals for the following matters: Selection or dissolution of directors, supervisors, changes of the Articles of Incorporation, dissolution of the company, merger, division or the first paragraph of Article 185 of The Corporation Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, and matters detailed in Article 56-1 & 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, and should instead be listed in the reason of convention.
- Shareholders holding more than one percent of the total number of issued shares were able to file a shareholder meeting with the Company in writing. However, if more than one item is raised, it is not included in the resolution. In addition, the shareholder's proposal has one of the circumstances of the fourth paragraph of Article 172-1-4 of The Corporation Act, and the board of directors may not be listed as a motion.
- The company shall announce the acceptance of the shareholders' proposal, the acceptance of the

premises and the acceptance period before the suspension of the stock transfer before the shareholders' meeting. The acceptance period shall not be less than ten days.

The proposal proposed by the shareholders is limited to 300 words. Those that exceed 300 words will not be included in the proposal; the shareholders of the proposal should attend the shareholders' meeting in person or authorize others to participate in the discussion of the proposal.

The company shall notify the processing results to the proposing shareholder before the date of the shareholder meeting, and the proposal stipulated in this article shall be included in the notice of the meeting. For shareholders' proposals that are not included in the proposal, the board of directors shall explain the reasons for not being included in the shareholders' meeting.

Article 4 A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney stating therein the scope of power authorized to the proxy. A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the company no later than 5 days prior to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later. After the service of the power of attorney of a proxy to the company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by way of electronic transmission, a proxy rescission notice shall be filed with the company two days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 5 Principle of the place and time of the shareholders' meeting
The place where the shareholders' meeting is convened shall be at the place where the company is located or where the convenience shareholders are present and suitable for the meeting of the shareholders' meeting. The meeting start time shall not be earlier than 9:00 am or 3:00 pm, and the place and time of the meeting shall be fully considered. Independent director's opinion.

Article 6 Preparation of documents such as signature books
The company shall indicate the time of receipt of the shareholders, the place of registration, and other matters needing attention in the notice of the meeting.
The time for the acceptance of the shareholders of the preceding paragraph shall be handled at least 30 minutes before the start of the meeting; the registration office shall be clearly marked and appropriate personnel shall be appointed to handle it.

Article 7 Chairman of the shareholders meeting, attending staff
When the shareholders' meeting is held, the chairman of the board of directors shall be the chairman. If the chairman of the board of directors asks for leave or fails to exercise his powers for any reason, the designated director shall act as chairman.
The chairman of the preceding paragraph is a managing director or a director of the board of directors who has served for more than six months and is a managing director or director of the company's financial operations. If the chairman is a representative of a legal director, the same is true.

The shareholders' meeting convened by the board of directors shall be presided over by the chairman of the board of directors, and more than half of the directors of the board of directors, at least one supervisor shall attend the meeting in person, and at least one representative of all functional committee members shall attend and attend the shareholders' meeting.

The chairman shall be the convener, and when there are one or more conveners, they shall nominate another each.

The company may assign lawyers, accountants or related personnel appointed to attend the shareholders' meeting.

Article 8 Audio recording or video recording of the shareholders' meeting

The company shall record audio and video of the entire shareholders' registration process, the process of the meeting, and the voting counting process from the time of acceptance of the shareholders' registration.

The audio-visual materials of the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of The Corporation Act, it shall be kept until the end of the lawsuit.

Article 9 The attendance of the shareholders' meeting shall be based on the shares. The number of shares attending is based on the signature book or the signed card, and the number of shares in the voting right is calculated in writing or electronically.

At the time of the meeting, the chairman shall announce the meeting. However, if the shareholders who have not represented more than half of the total number of shares in issue are present, the chairman may announce the postponement of the meeting. The number of delays shall be limited to two times, and the total time of the delay shall not exceed one hour. If the second delay is still insufficient to represent more than one-third of the total number of issued shares, the chairman can announce the meeting. If the second item of the preceding paragraph is still insufficient and the shareholders representing more than one-third of the total number of issued shares are present, they may make a false resolution in accordance with the first paragraph of Article 175 of The Corporation Act, and notify each of the Shareholders will convene a shareholders meeting within one month.

Before the end of the meeting, if the number of shares represented by the shareholders reaches more than half of the total number of shares in issue, the chairman may make a false resolution and re-submit it to the shareholders' meeting in accordance with the provisions of Article 174 of The Corporation Act.

Article 10 Resolution discussion

If the shareholders' meeting is convened by the board of directors, the agenda of the board of directors shall be determined by the board of directors. The meeting shall be conducted according to the scheduled agenda and may not be changed without the resolution of the shareholders' meeting.

If the shareholders' meeting is convened by other convener other than the board of directors, the provisions of the preceding paragraph shall apply.

Before the agenda of the first two items is scheduled to be closed (including the Any other business), the chairman may not announce the meeting without a resolution; if the chairman declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new

chairman of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the said meeting to continue the proceedings of the meeting. The Chairman shall give full explanation and discussion to the proposal and the amendments or temporary motions proposed by the shareholders. If it is considered to have reached the level of voting, it may announce that the discussion will and voting be suspended.

Article 11 Shareholders speech

Before making shareholder's speech, a statement must be included to state the keynote of the speech, the shareholder number (or attendance certificate number) and the account name. The chairman shall determine the order of the speech.

Those who attend the shareholders' speech yet do not speak are deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail.

Each shareholder of the same proposal shall not speak more than twice without the consent of the chairman, and may not exceed five minutes at a time. However, if the shareholder speaks in violation of the regulations or exceeds the scope of the issue, the chairman may stop their speech.

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

When a legal person shareholder appoints two or more representatives to attend the shareholders meeting, the same motion may only be pushed by one person.

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

Article 12 Calculation of the number of voting shares, avoidance system

The voting of the shareholders' meeting shall be based on the number of shares held.

The resolution of the shareholders' meeting, the number of shares of the non-voting shareholders, is not included in the total number of issued shares.

Shareholders shall not vote in the event of a meeting that has its own interests and is harmful to the interests of the company, and may not act on behalf of his shareholders to exercise their voting rights.

The number of shares that cannot be exercised by the voting in the preceding paragraph shall not be counted in the voting rights of the shareholders present.

Except for the trust companies or the stock agency approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting right of the agent shall not exceed 3 percent of the total voting rights of the issued shares, and if it exceeds the voting right, their vote is not calculated.

Article 13: Shareholders have one vote per share; however, those who are restricted or have no voting rights listed in the second paragraph of Article 179 of The Corporation Act are not subject to this restriction. When the company convened a shareholders meeting, it may adopt written or electronic means of voting rights (in accordance with the first paragraph of Article 177-1-1 of The Corporation Act, the company should adopt electronic voting: when the company convened a shareholders meeting It shall be conducted electronically and in writing to exercise its voting rights in writing); when it exercises its

voting rights in writing or electronically, its method of exercise shall be stated in the notice convened by the shareholders' meeting. Shareholders who exercise their voting rights in writing or electronically are deemed to be present in person at the shareholders' meeting. However, the interim motion of the shareholders' meeting and the amendment of the original proposal are deemed to be abstentions. Therefore, the company should avoid making amendments to the interim motion and the original motion.

Where the preceding paragraph is exercised in writing or electronically, the meaning of the voting shall be sent to the company two days before the meeting of the shareholders' meeting, if there is a repetition, whichever is first served. However, the person who stated before the statement was revoked is not to be included.

Article 14 Election items

When a shareholder elects a director or supervisor, the election should be held in accordance with the relevant selection rules set by the company, and shall announce the results of the election, including the list of elected directors and supervisors and their elected powers.

The election votes for the election items referred to in the preceding paragraph shall be sealed and signed by the voting supervisor and kept in good condition for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of The Corporation Act, it shall be kept until the end of the lawsuit.

Article 15 The resolutions of the shareholders' meeting shall be made into meeting minutes, signed or sealed by the chairman, and the minutes shall be distributed to the shareholders within 20 days after the meeting. The production and distribution of the proceedings can be made electronically. For the distribution of the proceedings in the preceding paragraph, the Company can choose to adopt the Market Observation Post System as the announcement method. The proceedings shall be recorded in accordance with the year, month, day, place, chairman's name, resolution method, the method of the resolution and the results of the meeting, and shall be kept forever during the company's existence.

Article 16 Public notice

The number of shares acquired by the solicitor and the number of shares represented by the entrusted agent shall be clearly disclosed in the shareholders' meeting at the date of the meeting of the shareholders meeting.

The resolutions of the shareholders' meeting, if there is a major information stipulated by the Act and the Taiwan Stock Exchange Co., Ltd. (the securities counter trading center of the Republic of China), the company shall transmit the contents to the Market Observation Post System within the specified time.

Article 17 Maintaining order during the meeting

The meeting personnel handling the shareholders' meeting should wear identification badges or armbands.

The chairman must direct the picket or security personnel to help maintain the order of the venue.

When the picket or security guard is present to help maintain order, the "picket staff" badge or identification card should be worn.

The chairman of the venue shall have the equipment for sound amplification. If the shareholder does not speak with the equipment configured by the company, the chairman shall stop it.

If the shareholder violates the rules of procedure and does not obey the chairman's rectification, and the obstruction of the meeting is not stopped, the chairman may direct the picket or security personnel to leave the venue. °

After the shareholders exercise their voting rights in writing or electronically, if they wish to attend the shareholders' meeting in person, they shall revoke the meaning of the exercise of voting rights in the preceding paragraph in the same manner as the exercise of voting rights two days before the meeting of the shareholders' meeting; the overdue revocation shall be exercised in writing or electronically. The voting rights shall prevail. If the voting rights are exercised in writing or electronically and the agent is entrusted to attend the shareholders' meeting by proxy, the voting rights of the entrusted agent to attend the exercise shall prevail.

The voting of the resolution, except for The Corporation Act and the articles of association of the company, is approved by a majority of the voting rights of the attending shareholders. At the time of voting, the chairman or his designee shall announce the total number of voting rights of the shareholders on a case-by-case basis. The shareholders shall vote on a case-by-case basis and, on the day after the shareholders' meeting, the results of the shareholders' consent, opposition and abstention shall be entered into the public information observatory.

When there is an amendment or an alternative to the same motion, the chairman shall decide the order of voting with the original case. If one of the cases has been passed, the other motions are deemed to be vetoed and no further votes are required.

The scrutineer and the counting person of the voting of the proposal shall be appointed by the chairman, but the scrutineer shall have the status of a shareholder.

The counting of votes of the shareholders' meeting or the election proposal shall be made public at the shareholders' meeting, and shall be announced on the spot after the completion of the counting of votes, including the weights of the statistics, and shall be recorded.

Article 18 Recess and meeting continuation

At the time of the meeting, the chairman may decide to rest at their discretion. When an unavoidable situation occurs, the chairman may decide to suspend the meeting temporarily and announce the time for the resumption of the meeting as appropriate.

Before the final meeting of the shareholders' meeting (including the Any other business), the venue of the meeting will not be used at that time. It is up to the shareholders' meeting to decide to continue the meeting.

The shareholders must decide to, in accordance with the provisions of Article 182 of The Corporation Act, defer or extend the assembly within five days.

Article 19 These rules are implemented after the approval of the shareholders' meeting, and the same applies when the revisions are made.

Article 20 The article came into effect on September 27, 1999.
The 1st revision came into effect on June 23, 2006.
The 2nd revision came into effect on June 20, 2013
The 3rd revision came into effect on June 11, 2015.
The 4th revision came into effect on June 20, 2017.

Chenbro Micom Co., Ltd.

Appendix II

Articles of Incorporation

Chapter 1 General

Article 1 The company is organized in accordance with the provisions of The Corporation Act, and is named as 勤誠興業股份有限公司, the English name is. CHENBRO MICOM CO.,LTD.

Article 2 The company's businesses are listed to the left:

- 1.J399010 Software publication
- 2.C805050 Industrial Plastic Products Manufacturing
- 3.C805990 Other Plastic Products Manufacturing
- 4.CC01080 Electronic Parts and Components Manufacturing
- 5.CC01110 Computers and Computing Peripheral Equipments Manufacturing
- 6.CC01120 Data Storage Media Manufacturing and Duplicating
- 7.CQ01010 Die Manufacturing
- 8.F113050 Wholesale of Computing and Business Machinery Equipment
- 9.F213030 Retail of Computing and Business Machinery Equipment
- 10.F401010 International trade
- 11.ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

The operation of the above businesses shall be handled in accordance with the relevant laws and regulations.

Article 3 The company must guarantee the external needs of its business operations.

Article 4 When the Company invests to become another company's shareholder of limited liability, all its total investment is not subject to the 40% of the paid-up share capital of Article 13 of The Corporation Act.

Article 5 The company is established in New Taipei city. The board of directors can vote to set up offices abroad when necessary.

Article 6 The company's notification method will be in accordance with article 28 of company laws.

Chapter 2 Shares

Article 7 The company's total capital is 1.5 billion TWD, divided into 150 million shares. Each share is valued at \$10 TWD. The board of directors is authorized to issue them separately.

Among the total capital mentioned in the preceding paragraph, 10 million TWD is reserved, divided into 1 million shares, and the denomination of each share is \$10 TWD. The company issues employee share

option certificates and authorizes the board of directors to issue the shares. The board of directors is authorized to issue the remaining unissued shares in accordance with the law.

The company purchases treasury shares in accordance with The Corporation Act, with the transferees including controlled or subordinate company employees who meet certain conditions.

The company's employee share option certificate transferees include control or subordinate company employees who meet certain conditions.

When the company issues new shares, the employees of the acquired shares include control or subordinate company employees who meet certain conditions.

The company's issuance of restrictions on employee rights of new shares is subject to certain conditions of control or subordinate company employees.

Article 7-1 If the company wants to cancel the public offering, it shall submit a resolution to the shareholders' meeting.

Chapter 3 Shareholder meeting

Article 8 The company's stock is signed or stamped by three or more directors in the form of a registered name. After the company publicly issues shares, it is exempted from printing stocks.

Article 9 The change of share name of the stock will be suspended within 30 days before the meeting of the shareholders' meeting, within 30 days before the meeting of the shareholders' meeting, or within five days before the date of the company's decision to distribute dividends and dividends or other benefits.

Article 10 The shareholders' meeting is divided into two types: regular meetings and special meetings. The regular meeting is held once a year and is convened by the board of directors within six months after the end of each fiscal year. The special meeting will be convened when necessary, and the shareholders meeting will be notified by the shareholders in either written or electronic form.

A shareholder holding a registered stock of less than one thousand shares, the notice of the convening of the preceding paragraph, can be disclosed through announcements.

Article 11 When the shareholders' meeting is held, the chairman of the board of directors shall be the chairman. If the chairman of the board of directors asks for leave or fails to exercise his powers for any reason, the designated director shall act as chairman.

If the chairman does not appoint an acting chairman, the directors will nominate one director among each other. When convened by persons other than the board of directors,

The chairman shall be the convener, and when there are one or more conveners, they shall nominate among one another.

Article 12 When a shareholder is unable to attend the shareholders' meeting for any reason, the company's power of attorney issued by the company shall specify the scope of authorization, and the signature and seal shall authorize the agent to attend. The method of entrusting the shareholders to attend, in addition to the provisions of Article 177 of The Corporation Act, shall be handled in accordance with the "Rules for the Use of Power of Attorneys by Public Issuance Companies at the Shareholders' Meeting" promulgated

by the competent authority.

Article 13 The shareholders of the company have one vote per share, but there is no voting right for individuals described by the provisions of Article 179 of The Corporation Act.

Article 14 The resolution of the shareholders' meeting shall, in addition to the provisions of The Corporation Act, be attended by representatives of more than half of the total number of issued shares. More than half of the shareholders' voting rights are agreed. According to the regulations of the competent authority, the shareholders of the company are also able to exercise their voting rights electronically. The shareholder is deemed to be present in person, and its related matters are handled in accordance with the law. The resolutions of the shareholders' meeting shall be made into meeting minutes, signed or sealed by the chairman, and the proceedings shall be recorded within 20 days after the meeting sent each shareholder. The proceedings shall be recorded in accordance with Article 183 of The Corporation Act and shall be kept forever during the existence of the company. The production and distribution of the previous proceedings shall be handled in accordance with The Corporation Act.

Chapter 4 Board of directors and supervisors

Article 15 The company has seven to eleven directors and two to three supervisors for a three-year term. The directors and supervisors election is in accordance with the candidate nomination system of article 192-1 of The Corporation Act. Relevant matters such as the acceptance methods and announcements of the nominations of directors and supervisors shall be handled in accordance with the relevant laws and regulations of The Corporation Acts and the Securities and Exchange Act. Independent directors, non-independent directors and supervisors shall conduct elections together to calculate the number of elected seats and re-election. The total shareholding ratio of all directors and supervisors shall be in accordance with the provisions of the securities authority. When the term of office of the directors expires and is not re-elected, their duties are extended until the election of the directors takes place. The board of directors of the company may set up various functional committees, and its membership, powers and related matters shall be handled in accordance with the relevant laws and regulations and shall be determined by the board of directors.

Article 15-1 In accordance with the provisions of Article 14-2 of the Securities Exchange Act, the number of independent directors of the above-mentioned directors of the Company shall not be less than two and not less than one-fifth of the number of directors. The candidates nomination system should be adopted for choosing the candidates. The shareholders' meeting then pick independent directors from the list of candidates. The professional qualifications, shareholdings, part-time restrictions, nomination and selection methods and other matters are to be complied by independent directors and they shall be subject to the relevant provisions of the securities authorities.

Article 15-2 The company sets up an audit committee in accordance with the provisions of Article 14-4 of the

securities transaction. The audit committee consists of all independent directors, one of whom is the convener, and at least one of them shall have accounting or financial expertise.

The provisions of the preceding paragraph shall apply from the full re-election of new directors by the shareholders' general meeting in 2020. From the date of the establishment of the audit committee, the audit committee shall replace the supervisor's authority and abolish the supervisor.

- Article 16 The board of directors is organized by the directors. More than two-thirds of the directors present and more than half of the directors agree to vote for each other. The chairman represents the company to the public.
- Article 17 The responsibilities of the board of directors are listed to the left:
1. Formulate a business plan
 2. Propose earnings distribution or loss compensation proposals
 3. Propose capital increase/decrease proposals
 4. Formulate important articles and company organizational structures.
 5. Appoint and dismissal the company's general manager, and managers who are required by decree to be approved by the Board of Directors.
 6. The establishment and abolition of organization branches.
 7. Set budget and final accounts.
 8. Other powers conferred by The Corporation Act or the resolution of the shareholders'
- Article 18 The board of directors meeting will be convened by the chairman of the board unless stated by Articles of Incorporation. Board meeting resolutions must be approved by more than half the board with more than half in attendance unless stated by Articles of Incorporation.
- Article 19 When the shareholders' meeting is held, the chairman of the board of directors shall be the chairman. If the chairman of the board of directors asks for leave or fails to exercise his powers for any reason, the designated director shall act as chairman. The directors shall attend the board of directors in person. If the directors are unable to attend due to any reason, they may entrust other directors to act. The agent of the preceding paragraph shall be limited to the entrustment of one person. Independent directors must attend in person or appoint another independent director to act as proxy.
- Article 20 The responsibilities of the supervisors are listed to the left:
1. Audit the company's financial situation.
 2. Audit the company's ledgers and documents.
 3. Inquire the company's business situation.
 4. Review budgets and final accounts.
 5. Review earnings distribution or loss compensation matters
 6. Other powers conferred by The Corporation Act or the resolution of the shareholders'
- Article 21 The company shall be responsible for the liability insurance of all directors and supervisors for the period of their terms.

When the directors and supervisors of the company perform their duties in the company has to pay compensation, regardless of whether the company makes profit or not. The board of directors is authorized to set the compensation by referring to the value of the company's operational participation and contribution, and is to consider the usual compensation level of the industry.

Chapter 5 Managers

Article 22 The company shall have one general manager, one deputy general manager, associates and a number of persons of equal rank. The appointment, dismissal and remuneration of the general manager shall be handled in accordance with the provisions of Article 29 of The Corporation Act.

Chapter 6 Accountants

Article 23 The company shall, at the end of each fiscal year, produce the following list by the board of directors, submit it to the supervisor for review 30 days before the meeting of the shareholders' meeting, then submit it to the shareholders' meeting for approval. 1. Business report 2. Financial statement 3. The proposal for earnings distribution or loss compensation, the distribution of the previous business report, financial statements and surplus distribution or loss compensation resolutions shall be handled by the shareholders in accordance with the provisions of The Corporation Act.

Article 24 If the company is profitable in the year, it should be not appointed less than 6 percent as employee compensation and no more than 3 percent as director and supervisor compensation.

The board of directors decides whether to distribute earnings through stock or cash, and the employees' compensation shall include employees of the subordinate company that meet certain conditions.

The certain conditions shall be determined by the board of directors. Employee compensation and distribution of compensation for directors should be mentioned in the shareholders report.

However, if the company still has accumulated losses, it should retain the amount for loss compensation in advance, and then pay the directors' compensation and employees according to the proportion of the preceding paragraph.

Article 24-1 If the company has surplus earnings after the annual final account, it will be distributed in the following priority:

1. Pay taxes
2. Compensate for losses
3. 10% is proposed as a statutory earnings reserve. However, this does not apply when the statutory earnings reserve has reached the total amount of capital.
4. To provide or revolve special earnings reserves by law or by the competent securities authority.
5. If there is still a remainder, and then accumulate undistributed surplus in the previous year, depending on the current year's capital status and economic development, the board of directors will retain or distribute dividends and submit it to the shareholders' meeting for resolution.

- Article 24-2 The company's dividend policy is based on the current year's profitability and consideration of future company growth, capital budget planning, measurement of capital needs and other factors, taking into account the interests of shareholders and the company's long-term financial planning, shareholder dividends can be allocated surplus, cash dividends. Or the way of stock dividends. However, the cash dividend shall not be less than 10% of the total dividend, and if the cash dividend is less than 0.20 per share, it will not be issued and the dividend will be distributed.
- Article 25 Since January 1, 2008, the company has transferred shares to employees at less than the average actual share repurchase price, or issued the employee share option certificate issued at a subscription price lower than the market price (net value per share) . The attendance should consist more than half of the total number of shares, with the approval of more than two-thirds of the voting rights of the shareholders. And it can be declared within one year from the resolution date of the shareholders' meeting.
- Article 25-1 The Company purchased the treasury shares and transferred them to the employees at an average price lower than the actual price of the shares purchased, subject to the relevant laws and regulations and the shareholders' meeting representing more than half of the total number of shares in issue, and more than two-thirds of the shareholders' voting rights and it can be declared in one year within one year from the resolution date of the shareholders' meeting.
- Article 26 The matters not covered in the Articles of Incorporation are handled in accordance with the provisions of The Corporation Act.

Chapter 7 Supplementary provisions

- Article 27 The chapter came into effect on November 21, 1983.
The 1st revision came into effect on May 10, 1984.
The 2nd revision came into effect on May 5, 1986.
The 3rd revision came into effect on November 5, 1986.
The 4th revision came into effect on November 20, 1987.
The 5th revision came into effect on October 2, 1989.
The 6th revision came into effect on December 16, 1989.
The 7th revision came into effect on March 9, 1990.
The 8th revision came into effect on January 3, 1990.
The 9th revision came into effect on June 30, 1998.
The 10th revision came into effect on June 10, 1999.
The 11th revision came into effect on October 20, 1999.
The 12th revision came into effect on June 26, 2000.
The 13th revision came into effect on June 27, 2002.

The 14th revision came into effect on June 30, 2003.
The 15th revision came into effect on June 21, 2005.
The 16th revision came into effect on June 23, 2006.
The 17th revision came into effect on June 22, 2007.
The 18th revision came into effect on June 27, 2008.
The 19th revision came into effect on June 26, 2009.
The 20th revision came into effect on June 14, 2010.
The 21st revision came into effect on May 25, 2012.
The 22nd revision came into effect on June 23, 2016
The 23rd revision came into effect on June 20, 2017
The 24th revision will come into effect on June 25, 2019

Chenbro Micom Company Limited
Board of Directors and Supervisors shareholding details

As of April 28, 2020

Title	Name	Number of Shares	Note
Chairman	Mei-chi Chen	9,656,009	
Director	Tsun-yen Lee	5,296,029	
Director	Chung-pao Wu	0	
Independent director	An-pang Tsao	0	
Independent director	Kuei-ying Hsu	0	
Independent director	Wen-cheng Huang	0	
Total		14,952,038	
Supervisor	Li-long Huang	801,9460	
Supervisor	Ya-mi Lee	181,334	
Supervisor	Jen-shyang Chen	126,224	
Total		1,109,504	
Total holding		16,061,542	

Note 1: The total number of issued shares by the Company as of the date of transfer suspension for this Shareholders' Meeting, April 28, 2020, was 119,725,950 shares.

Note 2: The Company's paid-in capital exceeds NT\$1 billion and is less NTD 2 billion, so in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the total amount of shares held by all Directors in bearer shares shall not be less than 7.5%, and all Supervisors shall not be less than 0.75%.

The minimum number of shares held by all Directors shall be 8,000,000 shares.

The minimum number of shares held by all Supervisors shall be 800,000 shares.

**The impact of the proposed issuance of bonus shares for this Shareholders' Meeting
on the Company's operating performance, earnings per share and Return on Equity:**

The Company did not have issuance of bonus shares this year, so it is not applicable.

CHEN MEI CHI
Chairman

CHEN YA NAN
General Manager

CHIH CHIA LIN
Accounting Supervisor