

Chenbro Micom Co., Ltd.

Meeting Minutes for 2021 Annual Meeting of hareholders

Disclaimer : For the convenience of readers, the procedure, agendas, attachments, resolutions, meeting minutes and appendixes of Chenbro Annual Shareholders' General Meeting have been translated into English from original Traditional Chinese version circulated in Taiwan, the Republic of China. If there is any conflict between English version and Traditional Chinese version or any differences within the interpretation, the Traditional Chinese version shall prevail.

Time and Date: 9:00 a.m., Friday, May 14, 2021

Venue : RF, No. 558, Zhongyuan Rd., Xinzhuang Dist., New Taipei City

Attending Directors : Chen Mei Chi, Chairman
Lee Tsun Yen, Director
Wu Chung Pao, Director
Taso An Pang, Independent Director
Huang Wen Cheng Independent Director
Cheng Wei Shun, Independent Director
Huang Chung Hsing, Independent Direct

(Total Seven Directors were present at the annual shareholders' general meeting, exceeding the half of the total Board Members, 9.)

Attendees : Chen Ya Nan, President
Penny Pan, CPA, PwC Taiwan
Wu Yu Hsueh, Lawyer, Jing-Yi Law Office

Chairperson : Chen Mei Chi, Chairman

Recorder : Chih Chia Lin

Total outstanding Chenbro shares : 120,910,950 shares

Total shares represented by shareholders present in person or by proxy :
78,820,717 shares (including the common shares present in person of 66,467,609 shares & votes present electronically of 12,353,108 shares)

Percentage of shares held by shareholders present in person or by proxy : 65.18%

Call the meeting to order :

the Chairperson called the meeting to order, since the aggregate shareholding of the shareholders present in person or by proxy constituted a quorum.

Chairperson remarks: omitted

1 [Reports]

Report 1

Subject: 2020 Business Reports.

Description: 2020 Business Report. (Please refer to Attachment 1.)

Report 2

Subject: Audit Committee's review report of 2020 financial statements.

Description: Audit Committee's review report .(Please refer to Attachment 2 .)

Report 3

Subject: Distribution of employee compensation and remuneration to director and supervisors for 2020

Description: 1. The employee compensation and the remuneration to directors and supervisors of the Company for 2020 was approved by the board of directors on March 23, 2021 to allocate 6% for employee compensation and 1.8% for the remuneration to directors and supervisors, both of which will be distributed in cash.

2. The total amount of the Company's employee compensation for 2020 is NT\$ 71,485,309.

3. The total amount of the Company's remuneration to directors and supervisors for 2020 is NT \$ 21,743,508.

Report 4

Subject: Explanation of the reason that shareholders' proposals are not included in the meeting agenda.

Description: As of March 17, 2021 (the acceptance period for shareholders' proposals was from March 8, 2021 to March 17, 2021), except for the resolutions passed by the third meeting of the board of directors on March 23, 2021, no proposal from the Company's shareholders had been received.

Report 5

Subject: Report on the Company's investment in mainland China.

Description: As of December 31, 2020, the Company's investment in mainland China is as follows:

Unit: NT\$ thousand

Name of investee	Main business	Paid-in capital
Chenbro Technology (Kunshan) Co, Ltd.	Computer case manufacturing and processing	\$ 284,800
Dongguan Procace Electronic Co., Ltd.	Computer case manufacturing and processing	\$ 357,196
ChenPower Information Technology (Shang Hai) Co., Ltd.	Trade and purchase order accepting	\$ 59,808

Report 6

Subject: Report on the status of endorsements/guarantees and funds loaned to others.

Description: 1. The aggregate amount of endorsements/guarantees provided by the Company as of December 31, 2020 should not exceed NT\$2,357,611 thousand (60% of the Company's net worth), and the limit of endorsements/guarantees to a single company is NT\$785,870 thousand (20% of the Company's net worth), and the aggregate amount of endorsements/guarantees to subsidiaries, in which the Company holds 90% or more of the equity, should not exceed NT\$1,964,676 thousand (50% of the Company's net worth). The actual implementation is as follows:

Unit: NT\$ thousand

Party being Endorsed/Guaranteed		The Highest Endorsement/ Guarantee Balance for the Current Period	Outstanding Endorsements/ Guarantees - Ending	Actual Drawdown	Ratio of Cumulative Endorsements/guarantees to the Net Equity Stated in the Latest Financial Statements
Company Name	Relationship				
Chenbro Micom (USA) Incorporation	Subsidiary of the Company	60,500	0	0	0%
Cloudwell Holdings, Llc.	Subsidiary of the Company	169,400	159,488	113,361	4%
Procace & Morex Corporation	Affiliated company, in which 100% of equity is held through subsidiaries	121,000	0	0	0%

2. The Company's loaning of funds to external parties as of December 31, 2020: None.

2 [Ratifications]

Proposal 1 (proposed by the board of directors)

Ratification of the 2020 Business Report and Financial Statements (including individual and consolidated financial statements).

Description: 1. The 2020 financial statements include the balance sheet, consolidated statements of comprehensive income, statements of changes in equity, and statements of cash flow, have been audited by certified public accountants (CPAs), who have issued an audit report containing the unqualified opinion alongside other items, as well as reviewed by the Audit Committee, who has issued the review report.

2. Please refer to [Attachment 1] and [Attachment 3] for the 2020 business report and financial statements (including individual and consolidated financial statements), as well as CPAs' audit report.

3. The proposal is hereby submitted to the shareholders' meeting for ratification.

Resolution: (the results of the vote in this case are as follows)

Voting Results	% of the total represented share present
Shares represented at the time of voting : 78,820,717 (including 12,353,108 shares of electronic attendances to exercise voting, and 66,467,609 shares to be present in person), 65.18% of our company' s total outstanding shares	
Approval votes : 78,433,080 votes (including 11,983,476 votes of being attended electronically)	99.51%
Disapproval votes : 31,529 votes (including 30,529 votes of being attended electronically)	0.04%
Invalid votes : none (including 0 vote of being attended electronically)	0.00%
Abstention votes/no votes : 356,108 votes (including 339,103 votes of being attended electronically)	0.45%
RESOLVED, that the original proposal hereby was approved as proposed.	

Proposal 2 (proposed by the board of directors)

Ratification of distribution of earnings for 2020.

- Description:
1. The board of directors has prepared an earnings distribution table for 2020 in accordance with the Company Act and the Company's Articles of incorporation for the proposal for the distribution of earnings for 2020.
 2. Please refer to [Attachment 4] for the distribution of earnings.
 3. The distribution of cash dividend is based on the ownership in the shareholders' register on the ex-dividend base date with NT\$4 distributed per share. The cash dividend is rounded off to the nearest NT Dollar, with the decimal places removed. The total rounded off amounts, are accounted for as other income in the Company's financial statements.
 4. The base date of distributing the cash dividend and relevant matters concerning the cash dividend are proposed to be determined and handled by the Chairperson after this proposal is resolved by the shareholders' meeting.
 5. The earnings distribution proposal is based on the number of outstanding shares on the date of the resolution of the board of directors of the Company. If any share is converted into ordinary shares, cash capital increase, redemption of the Company's shares, transfer or cancellation of treasury shares, or other reasons due to the execution of the employee stock warrants thereafter, affecting the number of outstanding shares and leading to a change in the percentage for shareholders' dividend, the Chairperson is authorized to adjust the amount of the cash dividend per share based on the amount of cash dividends resolved in this earnings distribution proposal and the actual number of outstanding shares on the record date of dividend distribution.
 6. The proposal is hereby submitted to the shareholders' meeting for ratification.

Resolution: (the results of the vote in this case are as follows)

Voting Results	% of the total represented share present
Shares represented at the time of voting : 78,820,717 (including 12,353,108 shares of electronic attendances to exercise voting, and 66,467,609 shares to be present in person), 65.18% of our company' s total outstanding shares	
Approval votes : 78,409,070 votes (including 11,959,466 votes of being attended electronically)	99.48%
Disapproval votes : 55,539 votes (including 54,539 votes of being attended electronically)	0.07%
Invalid votes : none (including 0 vote of being attended electronically)	0.00%
Abstention votes/no votes : 356,108 votes (including 339,103 votes of being attended electronically)	0.45%
RESOLVED, that the original proposal hereby was approved as proposed.	

3 [Discussions]

Proposal 1 (proposed by the board of directors)

Amendments to the Articles of Incorporation.

Description: 1. In response to the 2020 letter from the Ministry of Economic Affairs, The Company make text amendments in accordance with the provisions of Article 162 and Paragraph 3, Article 228-1 of the Company Act in compliance with the law.

2. The table of comparison of the provisions of Articles of Incorporation before and after the amendments, please refer to [Attachment 5] .

Resolution: (the results of the vote in this case are as follows)

Voting Results	% of the total represented share present
Shares represented at the time of voting : 78,820,717 (including 12,353,108 shares of electronic attendances to exercise voting, and 66,467,609 shares to be present in person), 65.18% of our company' s total outstanding shares	
Approval votes : 77,553,352 votes (including 11,103,748 votes of being attended electronically)	98.39%
Disapproval votes : 41,529 votes (including 40,529 votes of being attended electronically)	0.05%
Invalid votes : none (including 0 vote of being attended electronically)	0.00%
Abstention votes/no votes : 1,225,836 votes (including 1,208,831 votes of being attended electronically)	1.56%
RESOLVED, that the original proposal hereby was approved as proposed.	

Proposal 2 (proposed by the board of directors)

Amendments to the Company's Rules of Procedure for Shareholders' Meetings

Description: 1. In accordance with the Taiwan Stock Exchange Letter Tai-Zheng-Zhi-Li No. 1100001446 dated January 28, 2021, amendments to the Company's Rules of Procedure for Shareholders' Meetings are made.

2. The table of comparison of the provisions of the Rules of Procedure for Shareholders' Meetings before and after amendments, please refer to [Attachment 6] .

Resolution: (the results of the vote in this case are as follows)

Voting Results	% of the total represented share present
Shares represented at the time of voting : 78,820,717 (including 12,353,108 shares of electronic attendances to exercise voting, and 66,467,609 shares to be present in person), 65.18% of our company' s total outstanding shares	
Approval votes : 77,553,351 votes (including 11,103,747 votes of being attended electronically)	98.39%
Disapproval votes : 41,530 votes (including 40,530 votes of being attended electronically)	0.05%
Invalid votes : none (including 0 vote of being attended electronically)	0.00%
Abstention votes/no votes : 1,225,836 votes (including 1,208,831 votes of being attended electronically)	1.56%
RESOLVED, that the original proposal hereby was approved as proposed.	

Proposal 3 (proposed by the board of directors)

Amendments to the Company's Rules of Election of Directors

Description: 1. In accordance with the Taiwan Stock Exchange Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020, amendments to the Company's Rules of Election of Directors are made.

2. The table of comparison of the provisions of the Rules of Election of Directors before and after amendments, please refer to [Attachment 7] .

Resolution: (the results of the vote in this case are as follows)

Voting Results	% of the total represented share present
Shares represented at the time of voting : 78,820,717 (including 12,353,108 shares of electronic attendances to exercise voting, and 66,467,609 shares to be present in person), 65.18% of our company' s total outstanding shares	
Approval votes : 77,547,360 votes (including 11,097,756 votes of being attended electronically)	98.38%
Disapproval votes : 46,529 votes (including 45,529 votes of being attended electronically)	0.06%
Invalid votes : none (including 0 vote of being attended electronically)	0.00%
Abstention votes/no votes : 1,226,828 votes (including 1,209,823 votes of being attended electronically)	1.56%
RESOLVED, that the original proposal hereby was approved as proposed.	

4 [Extempore Motion]

No further questions and motions were raised upon the Chairperson request.

5 [Adjournment]

(Meeting was adjourned at 9:36AM on the same day.)

Attachments

Business Report

Dear Shareholders,

Looking back on 2020, the outbreak of the COVID-19 pandemic has had an unprecedented impact on global economy and trade. The lockdown of cities and countries caused not only forced factories to shut down but led to the disruption of supply chains, the plunge of people's daily consumption, and impact on tens of thousands of job opportunities and personal lives. Work patterns and business operating models have undergone tremendous changes. Digital transformation and cloud services have become inevitable trends. Remote work and various online services have become the new norm in daily life, accelerating the growth of the cloud industry.

Meanwhile, facing the fluctuations in the economic and trade environment and the crisis of supply chain disruption, the technology manufacturing industry is the first to bear the brunt. Localization and regionalization of supply chains is an inevitable strategy to reduce operational risks. As a result, Chenbro has accelerated a flexible layout of its production bases. Not only has it set up an NCT plant in the northern Taiwan to meet the needs for rapid proofing and a wide variety of products in a small number, but the new plant in Chiayi is also expected to start its contribution by the end of 2021. In addition to diversifying the risk of production site concentration, it strives to satisfy customers' demand for continuous growth, while following the development trends of the industry and capitalizing on its advantages of highly customized and flexible manufacturing.

Although 2020 was a year full of fear and anxiety, it was also a year of resilience and fearlessness. With the efforts of its team, Chenbro faced the severe test of the pandemic as a whole, completed the relocation to the new headquarters, and established a new manufacturing base, and took the initiative to release the Company's first sustainability report. It also hit a new high of NT\$7.54 billion in the annual revenue with an annual growth rate of 10.37%, which again demonstrated Chenbro's determination to make continuous breakthroughs and achieve sustainable development in all aspects.

Looking ahead to 2021, it will be a year of unbalanced recovery. Benefiting from the demand for cloud services, Chenbro is still optimistic about the growth trend of the industry, and will focus on increasing the market share of system integrators, standard products, and other omni-channels, while putting great emphasis on engagement with customers and market layout, to demonstrate Chenbro's core values. Furthermore, the Company will continue to optimize operational efficiency through lean management, invest in research and development (R&D) and innovation strategies, grasp business opportunities, and pursue a win-win outcome with partners, with the aim of becoming a leading business of electromechanical integration solutions in the global cloud industry. Chenbro will strive hard to provide a human compatible, innovative, and valuable integrated platform. The following is a summary of Chenbro's operating performance in 2020 and the 2021 outlook:

I. 2020 operating performance

(I) Financial results

1. Results of the business plan

Unit: NT\$ thousand

Description	2020	2019	Amount of increase (decrease)	Increase (decrease) (%)
Operating revenue	7,544,545	6,835,443	709,102	10.37
Gross income from operations	1,931,618	2,096,126	(164,508)	(7.85)
Operating income	963,193	1,128,923	(165,730)	(14.68)
Net income before tax	1,203,153	1,153,406	49,747	4.31
Net income	973,547	911,951	61,596	6.75
Net income attributable to owners of the parent company	976,857	911,951	64,906	7.12

2. Budget execution

According to the current laws and regulations, the Company did not prepare public financial estimates for 2020.

3. Financial income and expenditure and profitability analysis

Item		2020	2019
Capital structure (%)	Debt ratio	50.85	45.05
	Long-term funds to real estate, plants and equipment ratio	134.43	237.74
Liquidity (%)	Current ratio	115.68	161.85
	Quick ratio	78.28	124.78
	Interest guarantee (times)	12,078.82	13,256.22
Return on investment	Return on assets (ROA) (%)	13.64	15.03
	Return on equity (ROE) (%)	26.23	27.28
	Operating income to paid-in capital (%)	79.65	94.29
	Pre-tax income to paid-in capital (%)	99.49	96.34
	Net profit margin (%)	12.95	13.34
	Earnings per share (NTD)	8.16	7.62

(II) R&D

Adhering to the spirit of innovation, Chenbro continues to improve its R&D capabilities and develop new products, while attaching great importance to the protection of intellectual property rights. As of 2020, it has filed 496 patent applications and obtained 408 patents in Taiwan, the U.S., and mainland China.

In 2020, Chenbro was also engaged in development of and application for new patents for various products, and acquired a total of another 45 patents worldwide. The products range from rack-mounted chassis structures, storage structures, cable management structures, component fixed structures to system modularization application, etc. Chenbro has also made breakthroughs in new materials, barebone system planning, precision, support strength, stability and energy conservation, heat dissipation technology, and user-friendliness. Chenbro has continued to expand its layout in the AI, AIoT, 5G, and cloud industries, and continues to invest resources, learn and grow through many interdisciplinary exchanges, and improve product system integration and verification capabilities. Through modularized design, and enhancement of flexible design and manufacturing, it strives to pursue the maximum sharing of various parts and accessories, to greatly shorten the time for product development and verification, reduce the cost of customers' development molds, meet the market trends of a variety of products in a small number, and increase the added value of products so as to maintain market competitiveness.

II. Overview of 2021 Business Plan

(II) Management Principles

Looking ahead, Chenbro will continue to optimize the existing products and develop brand-new products that are in line with the market needs by means of its core technology. The lean management model introduced three years ago has led to significant improvements in process and productivity, as well as inventory reduction. Together with the value management system (AVM), the Company conducts a comprehensive review of operation costs, develops the ability for stock-taking, and continues to promote the concept of accountability, so as to create a positive work environment. With an equal focus on corporate governance and corporate culture, the Company aims to improve operational performance and creates maximum profits for the Company.

1. The expansion of emerging markets and application fields, expansion of the layout of product lines, flexible production, and differentiation will be the development trends of technology in the future. The Company will leverage its competitive technologies to consolidate its position.
2. The Company will enhance the competence of senior, middle-aged, and young talents, improve the quality of human resources, and promote the corporate mission, vision, and core values of the Company through lean management and the concept of accountability. The Company will enhance the corporate foundation and financial management, stabilize the operation to think globally while acting locally.

3. The Company will continue to optimize and digitize the business process to improve the speed and efficiency of internal and external feedback and response, while strengthening the corporate foundation.
4. The Company will strengthen corporate governance and, perform audits actively for supervision and management, seek to maximize shareholders' interests, and implement corporate social responsibility so as to move toward sustainable development.

(II) Sales volume forecast and basis

Main products	Sales volume in 2021 (thousand units)
Personal computer chassis	363
Server chassis	1,900

(III) Key production and sales policy

1. Sales strategy

Capitalizing on a diversified business model, Chenbro provides diversified services based on customer needs, and takes "R&D and design capabilities" as its core advantage. Adopting the three business models, namely ODM/JDM, OTS, and OEM Plus to expand the depth and breadth of customer cooperation is what differentiates Chenbro from other chassis manufacturers that only provide ODM services or white-label chassis products. Chenbro has unique positioning on the market and adopts flexible and diverse business models to serve customers of different regions and sizes. It also sells through different channels to become a leader in the white-label market while expanding the joint development and the ODM business to provide the best customized mechanical solutions. It also strengthens interdisciplinary alliances, improves professional service teams, and capitalizes on its fast advantages in manufacturing a variety of products in a small number, while deepening partnership with customers based on sharing, altruism, and win-win collaboration.

2. Production strategy

Chenbro integrates the manufacturing capabilities of each production base, applies customer-oriented strategies, provides more flexible delivery services, and cooperates with customers' product development and verification needs to ensure high quality and rapid response to meet customers' needs. The Company will also increase investment in the mold manufacturing center to further enhance mold development and manufacturing capabilities, to lay a foundation for manufacturing capabilities. Meanwhile, the Company will continue to implement lean management and AVM, continuously optimize operating procedures and reasonable working methods, and overcome hidden dangers of rising labor costs, all the while continuing to increase investment in key process automation to achieve the optimization of quality and cost. It will also implement the FAST strategy (flexibility, automation, speed, and transparency) thoroughly, and conduct in-depth improvement and optimization in terms of quality, safety, efficiency, cost, etc., and carry out smart manufacturing and transformation into information-oriented automated factories. The Company will strive to minimize costs through lean management and maximize profits with AVM, to achieve a win-win outcome with customers.

3. R&D strategy

Look ahead, in terms of research strategy, Chenbro will set up a forward-looking R&D center to train R&D technical talents, research high-strength, lightweight materials and efficient heat dissipation solutions, to get prepared for the advent of the 5G era, cloud data centers, edge computing, and AIoT, and other relevant applications. It will also continue to promote the growth of server demand, while making breakthroughs in the development of new products and innovative patented technologies, as well as researching and introducing the concept of concept engineering to develop products that better meet customers' needs. The Company will work to form strategic alliances with high-quality corporate partners to provide customers with more complete and suitable customized enclosure solutions. In the meantime, Chenbro will continue to move towards modularization, flexibility, and green and high-efficiency, with the aim of achieving automated production and assembly. In addition to in-depth development of customers in the U.S. and China, it will continue to expand and develop a wider global development layout in Europe and South Korea.

III. Future development strategy

Looking ahead to 2021, Chenbro will continue to adhere to its business philosophy of "diligence, humbleness, and honesty", with the vision of being "the leading business in electromechanical integration solutions in the global cloud industry". Building on the four core values of "integrity, innovation, consensus, and altruism", Chenbro will be committed to "launching new products and new technologies or services", "improving production efficiency", "expanding emerging markets or application fields", and "developing competence of senior, middle-aged, and young talents", to provide a human compatible, innovative, and valuable integrated platform.

With the mature development of artificial intelligence (AI), Internet of Things (IoT), and cloud server industries, Chenbro will focus on data centers, industrial personal computers (IPCs), AI, IoT, 5G applications, and other fields with innovative business models and competitive products. Chenbro will deepen the development of emerging markets, increase the market share of servers, storage servers, IPCs, and personal computer chassis products. In addition to further developing the two regional markets of China and the U.S, Chenbro will step into the markets of Europe, India, Australia and the ASEAN region, with the aim of achieving its business goals with the full dedication of the entire company's employees at home and abroad.

IV. Effect of external competition, the legal environment, and the overall business environment

Since its incorporation, Chenbro has been facing ever-changing and highly competitive competition, and it has made improvements constantly as it believes that only by improving the R&D capabilities will it mitigate the impact of the external competitive environment. In response to the legal impact and the amendment to government laws and regulations, Chenbro takes appropriate measures and relevant legal responses, and amends and designs regulations comprehensively. In terms of the overall business environment, the cost structure has been affected by the increase in international raw materials, labor costs in mainland China, and rising energy prices in recent years. Only by developing a good reputation and strictly controlling costs will it gain the most competitive advantage in the market using reasonable pricing. Therefore, flexible adjustment to the production and sales structure, strict cost control, and the control of accounts receivable are the most important issues for the Company.

The pressure of price competition in the market, new laws issued by competent securities authorities, international environmental protection laws, and the rapidly changing global business environment will all cause an impact on the Company's revenue performance. In response to the changes in the environment above, the Company prepare reports in compliance with the new laws issued by the competent securities authorities and requires suppliers and its products to comply with international environmental protection laws, improve production processes, and enhance production capacity to reduce production costs, and manages customers' needs in real time to plan for the purchase of raw materials so as to enhance the overall competitiveness.

What is mentioned above are the overview of the 2020 operating performance and the 2021 outlook. We sincerely appreciate your support and recognition. The Chenbro team as a whole will continue to strive for progress and create results to share with you.

Wish you good health and pleasure

Chairperson: Mei-chi

ChenPresident: Ya-nan Chen

Accounting Supervisor: Chia-lin Chih

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2020 Business Report, Financial Statements, and proposal for allocation of earnings. The CPA firm of PricewaterhouseCoopers Taiwan was retained to audit Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Chenbro Micom Co., Ltd. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

Chenbro Micom Co., Ltd.

Chairman of the Audit Committee:

Wei-Shun Cheng

March 23, 2021

Chenbro Micom Co., Ltd.
Distribution of Earnings
2020

Unit: NTD

Item	Amount	
	Subtotal	Total
Undistributed earnings, at the beginning of year		1,003,917,946
Add (Less): Other comprehensive income (Note 2)		(2,122,283)
Add: Net income after tax for 2020 (EPS: NT\$8.16)		976,856,955
Distributable earnings for the year		1,978,652,618
Less:		
Legal reserve	(97,473,467)	
Special reserve	(35,951,532)	
Distribution items		
Shareholders' dividend—cash (120,910,950 shares	(483,643,800)	
outstanding); NT\$4 allocated to each share		(617,068,799)
Undistributed earnings, at the end of year		1,361,583,819

Notes:

[Note 1] Priority will be given to the distribution of net income for 2020.

[Note 2] Item with retained earnings adjusted due to accounting treatments: Actuarial gains and losses on the defined benefit plan.

[Note 3] Because other shareholders' equity (exchange differences on translation of foreign financial statements) is listed as a net loss, an amount was appropriated from the special reserve in accordance with the FSC letter Jin-Guan-Zheng-Fa No. 1010012865.

[Note 4] The cash dividend distributed this time will be calculated according to the distribution ratio and rounded off to the nearest NT Dollar. The total rounded off amounts are accounted for in other income.

Chairperson: Mei-chi Chen

President: Ya-nan Chen

Accounting Supervisor: Chia-lin Chih

Chenbro Micom Co., Ltd.

Table of Comparison of Articles of Incorporation Before and After Amendment

Amended Provision	Current Provision	Reason for amendment
Article 8 The Company's shares shall be registered and bear the signatures or personal seals of at least three the directors, <u>who represent the Company</u> , and be issued upon certification in accordance with the law. After the Company publicly issues shares, it may be exempted from printing any share certificates for the shares issued.	Article 8 The Company's shares shall be registered and bear the signatures or personal seals of at least three directors, and be issued upon certification in accordance with the law. After the Company publicly issues shares, it may be exempted from printing any share certificates for the shares issued.	The text is amended as appropriate for compliance with the law in accordance with the provisions of Article 162 of the Company Act.
Article 23 Where the Company makes a profit at the end of the year, the company shall set aside no less than 63% ~ 12% of the balance as employee compensation ; , and no more than 3% of the balance as remuneration to directors. ...(omitted).	Article 23 Where the Company makes a profit at the end of the year, the company shall set aside no less than 6% of the balance as employee compensation, and no more than 3% as remuneration to directors. ...(omitted).	Amendment was made in accordance with the MOEA Letter Jing-Shang No. 10402413890 dated June 11, 2015 and Letter Jing-Shang 10402427800 dated October 15, 2015.
Article 23-1 If the Company has any earnings after the closing of the fiscal year, the company shall distribute the earnings in the following order: I. Pay taxes. II. Make up for accumulated deficit/loss. III. Set aside 10 percent for the legal reserve. However, where such legal reserve amounts to the total <u>paid-in</u> capital, this provision shall not apply. ...(omitted).	Article 23-1 If the Company has any earnings after the closing of the fiscal year, the company shall distribute the earnings in the following order: I. Pay taxes. II. Make up for accumulated deficit/loss. III. Set aside 10 percent for the legal reserve. However, where such legal reserve amounts to the total capital, this provision shall not apply. ...(omitted).	The text is amended as appropriate for compliance with the law in accordance with the provisions of Article 228-1 of the Company Act.
Article 26 ...(Omitted) <u>The 26th amendment was made on May 14, 2021.</u>	Article 26 ...(Omitted)	The date of amendment is added

Chenbro Micom Co., Ltd.

Table of Comparison of Provisions of the Rules of Procedure for Shareholders' Meetings Before and After Amendment

Amended Provision	Current Provision	Explanation
<p>Article 3 (Convention and Notice of Shareholders' Meeting)</p> <p>(Omitted)</p> <p>Election or dismissal of directors, change of Articles of Incorporation, reduction of capital, application for cessation of public offering, cancellation of non-compete duty for directors, capital increase from earnings, surplus transferred to common stock, company dissolution, merger, demerger, or any listed in Paragraph1, Article 185 of the Company Act shall be listed and specified in the convening reason, and shall not be proposed as an extempore motion; the main contents shall be placed on the website designated by the competent securities authority or the Company, and the website address shall be stated in the notice.</p> <p>(Omitted)</p>	<p>Article 3 (Convention and Notice of Shareholders' Meeting)</p> <p>(Omitted)</p> <p>Election or dismissal of directors, change of Articles of Incorporation, reduction of capital, application for cessation of public offering, cancellation of non-compete duty for directors, capital increase from earnings, surplus transferred to common stock, company dissolution, merger, demerger, or any listed in Paragraph1, Article 185 of the Company Act shall be listed and specified in the convening reason, and shall not be proposed as an extempore motion; the main contents shall be placed on the website designated by the competent securities authority or the Company, and the website address shall be stated in the notice.</p> <p>(Omitted)</p>	<p>Handled in accordance with letter Tai-Zheng-Zhi-Li No. 1100001446 dated January 28, 2021</p>
<p>Article 9 (Attendance at Shareholders' Meeting)</p> <p>(Omitted)</p> <p>The chair shall call the meeting to order at the time scheduled for the meeting, <u>as well as announce information, such as the number of shares without voting right and shares present.</u></p> <p>In the event that the meeting is attended by shareholders representing less than half of the total issued shares, the chair may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour. In</p>	<p>Article 9 (Attendance at Shareholders' Meeting)</p> <p>(Omitted)</p> <p>The chair shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be convened for a lack of quorum. In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be</p>	<p>Handled in accordance with letter Tai-Zheng-Zhi-Li No. 1100001446 dated January 28, 2021</p>

Amended Provision	Current Provision	Explanation
the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be convened for a lack of quorum. (Omitted)	convened for a lack of quorum. (Omitted)	
Article 14 (Election Matters) The election of directors at the shareholders' meeting, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected directors and the numbers of votes they obtained, <u>as well as the list of unelected directors and the number of votes they received.</u> (Omitted)	Article 14 (Election Matters) The election of directors at the shareholders' meeting, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected directors and the numbers of votes they obtained. (Omitted)	Handled in accordance with letter Tai-Zheng-Zhi-Li No. 1100001446 dated January 28, 2021
Article 20 (Omitted) <u>The sixth amendment was made on May 14, 2021.</u>	Article 20 (Omitted) The 5th amendment was made on June 23, 2020.	The date of amendment is added

Chenbro Micom Co., Ltd.

Revision of the Title of the Rules of Election of Directors to "Director Election Procedures" and Table of Comparison Before and After Amendment

Amended Provision	Current Provision	Reason for amendment
Article 1: To ensure a just, fair, and open election of Directors, the Company has formulated the Procedures pursuant to Articles 21 <u>and 41</u> of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.	Article 1: To ensure a just, fair, and open election of Directors, the Company has formulated the Procedures pursuant to Article 21 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.	Amendment is made in accordance with TWSE Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020
Article 3: (Omitted) The board of directors of the Company shall consider adjusting its composition based on the results of performance evaluation.	Article 3: (Omitted)	Amendment is made in accordance with TWSE Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020
Article 5: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system as stipulated in Article 192-1 of the Company Act. The Company shall review the qualifications, education and experience, as well as the existence of any other matters set forth in Article 30 of the Company Act with respect to the independent director candidates, while may not arbitrarily add requirements for documentation of other qualifications, and shall provide shareholders with the review results for their reference, so as to elect qualified independent directors. In the event that a director is dismissed for some reason, bringing the number of directors to be fewer than five, the board of directors shall hold a by-election in the next shareholders'	Article 5: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system as stipulated in Article 192-1 of the Company Act. The Company shall review the qualifications, education and experience, as well as the existence of any other matters set forth in Article 30 of the Company Act with respect to the independent director candidates, while may not arbitrarily add requirements for documentation of other qualifications, and shall provide shareholders with the review results for their reference, so as to elect qualified independent directors. In the event that a director is dismissed for some reason, bringing the number of directors to be fewer than five, the board of directors shall hold a by-election in the next shareholders' meeting to fill the vacancy.	Amendment is made in accordance with TWSE Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020

Amended Provision	Current Provision	Reason for amendment
<p>meeting to fill the vacancy.</p> <p>However, in the event the number of vacancies reaches one-third of the number of directors specified in the Articles of Incorporation, the Company shall call an extraordinary shareholders' meeting to hold a by-election within 60 days from the date of the event.</p> <p>In the event that the number of independent directors falls below that required by Paragraph 1, Article 14-2 of the Securities and Exchange Act and relevant regulations of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings; a by-election shall be held at the next shareholders' meeting. In the event that the independent directors are dismissed en masse, an extraordinary shareholders' meeting shall be called to hold a by-election within 60 days from the date of the event.</p>	<p>However, in the event the number of vacancies reaches one-third of the number of directors specified in the Articles of Incorporation, the Company shall call an extraordinary shareholders' meeting to hold a by-election within 60 days from the date of the event.</p> <p>In the event that the number of independent directors falls below that required by Paragraph 1, Article 14-2 of the Securities and Exchange Act and relevant regulations of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, a by-election shall be held at the next shareholders' meeting. In the event that the independent directors are dismissed en masse, an extraordinary shareholders' meeting shall be called to hold a by-election within 60 days from the date of the event.</p>	
<p>Article 10:</p> <p>This article is deleted.</p>	<p>Article 10:</p> <p>In the event that a candidate is a shareholder of the Company, the voters voting for such candidate shall fill in such candidate's account name and shareholder account number in the "candidate" column on the ballot. In the event that the candidate is not a shareholder of the Company, the voters voting for such candidate shall fill in such candidate's name and national ID number in the "candidate" column on the ballot. However, in the event that the candidate is a government or a corporate shareholder, the voters voting for such candidate shall fill in the name of such government or corporate shareholder in the "candidate" column</p>	<p>Amendment is made in accordance with TWSE Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020</p>

Amended Provision	Current Provision	Reason for amendment
	on the ballot, and shall fill in the names of the government or corporate shareholder and its representative when there are multiple representatives, the name of each representative shall be entered separately.	
<p>Article 10 11:</p> <p>A ballot is deemed void if any of the following circumstances occurs:</p> <p>I. A ballot that is not prepared <u>by a person with the right to convene</u> by the board of directors.</p> <p>II. Any blank ballot that is cast.</p> <p>III. Any ballot with illegible handwriting rendering it indecipherable, or any ballot that is altered.</p> <p>IV. Where any candidate entered on the ballot and any candidate on the list of director candidates is a shareholder, his/her account name and shareholder account number are inconsistent with those on the shareholder register; where any candidate entered on the ballot is not a shareholder, his/her name and ID number do not match after verification.</p> <p>V. A ballot with other words or marks are entered in addition to the number of voting rights allocated. Any ballot with words other than the candidate's account name (name) or shareholder account number (ID number) and the number of voting rights allocated.</p> <p>VI. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or ID number is provided in the ballot to identify such individual.</p>	<p>Article 11:</p> <p>A ballot is deemed void if any of the following circumstances occurs:</p> <p>1. A ballot that is not prepared by the board of directors.</p> <p>II. Any blank ballot that is cast.</p> <p>III. Any ballot with illegible handwriting rendering it indecipherable, or any ballot that is altered.</p> <p>Where any candidate entered on the ballot is a shareholder, his/her account name and shareholder account number are inconsistent with those on the shareholder register; where any candidate entered on the ballot is not a shareholder, his/her name and ID number do not match after verification.</p> <p>V. Any ballot with words other than the candidate's account name (name) or shareholder account number (ID number) and the number of voting rights allocated.</p> <p>VI. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or ID number is provided in the ballot to identify such individual.</p>	<p>Amendment is made in accordance with TWSE Letter Tai-Zheng-Zhi-Li No. 1090009468 dated June 3, 2020</p>
Article 11 12 :	Article 12:	The text is amended and

Amended Provision	Current Provision	Reason for amendment
<p>Ballots shall be counted on the spot upon completion of casting the ballots, and the elected directors including the number of votes they obtained shall be announced by the chair.</p> <p>The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.</p>	<p>Ballots shall be counted on the spot upon completion of casting the ballots, and the election results shall be announced by the chair; elected directors and the number of votes they obtained.</p> <p>The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.</p>	<p>the article number is adjusted in accordance with laws and regulations</p>
<p>Article 1213 (Omitted)</p>	<p>Article 13 (Omitted)</p>	<p>Article number is adjusted</p>
<p>Article 1314 (Omitted)</p> <p><u>The sixth amendment was made on May 14, 2021.</u></p>	<p>Article 14</p>	<p>The date of amendment is added and the article number is adjusted</p>

Annexes

Rules of Procedure for Shareholders' Meetings

- Article 1 To establish a strong governance system and sound supervisory capabilities for this Company's shareholders' meetings, and to strengthen management capabilities, the Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2 Unless otherwise provided by laws or the Company's Articles of Incorporation, the Company shall duly convene the shareholders' meeting in accordance with the Rules.
- Article 3 (Convention and notice of shareholders' meeting)
Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the board of directors.
The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the causes of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) prior to 30 days before the date of an annual general meeting or prior to 15 days before the date of an extraordinary general meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS prior to 21 days before the date of an annual general meeting or prior to 15 days before the date of an extraordinary general meeting.
Prior to 15 days before the date of a shareholders' meeting, the Company shall have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time, and display them in the Company and the professional stock affairs agency appointed by the Company, while shall distribute it at the shareholders' meeting on-site.
The cause or subject of a meeting of shareholders to be convened shall be indicated in the individual notice to be given to shareholders; and the notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior consent from the recipient thereof.
Election or dismissal of directors, change of Articles of Incorporation, reduction of capital, application for cessation of public offering, cancellation of non-compete duty for directors, capital increase from earnings, surplus transferred to common stock, company dissolution, merger, demerger, or any listed in Paragraph 1, Article 185 of the Company Act shall be listed and specified in the convening reason, and shall not be proposed as an extempore motion; the main contents shall be placed on the website designated by the competent securities authority or the Company, and the website address shall be stated in the notice.
Where the notice of the reasons for convening the shareholders' meeting already specifies the election of all directors and the date of elected directors taking office, once the election is completed in the shareholders' meeting, the date of the elected directors taking office may not be changed by motions or other methods in the same meeting.
A shareholder holding 1 percent or more of the total number of issued shares may submit a proposal to the Company for discussion at an annual general meeting, and shall only submit one

proposal; any proposal in excess of one shall not be included in the agenda. However, a shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the agenda. In addition, when the circumstances specified in any subparagraph of Paragraph 4, Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before an annual general meeting is held, the Company shall publicly announce that it will accept shareholder proposals, in written or by electronic means, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Each shareholder proposal is limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting and take part in discussion of the proposal.

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

- Article 4 For each shareholders' meeting, a shareholder may issue a proxy in the form printed by the Company to expressly stipulate the scope of authority to authorize a representative to attend the shareholders' meeting on his/her behalf.
- A shareholder shall issue one proxy and entrust one proxy only, and shall deliver the proxy to the Company five days before the shareholders' meeting; if more than one proxy is delivered, the earliest one received by the Company shall prevail. However, a statement to revoke an earlier proxy is not subject to the aforementioned rule. After the delivery of a duplicate proxy to the Company is postponed, the shareholder intends to personally attend the shareholders' meeting or exercised voting rights by correspondence or electronic means after delivering a proxy to the Company, the shareholder shall provide, two (2) days before the date of the shareholders' meeting, a written notice to the Company for rescinding said proxy. Where the period for rescinding the proxy has expired, the voting right exercised by the proxy entrusted at the meeting shall prevail.

- Article 5 (Principles determining time and place of shareholders' meeting)
- The venue for a shareholders' meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Rules of Procedure for Shareholders' Meetings

Article 6 (Preparation of documents, including the sign-in book)

The Company shall, in the notice of the shareholders' meeting, specify the time and place for shareholder sign-in, and other important matters to be noted.

Registration for shareholders referred to in the preceding paragraph shall begin at least thirty minutes before the meeting. The sign-in place shall be clearly marked and sufficiently and adequately staffed.

The shareholders themselves or proxies entrusted by them (hereinafter referred to as shareholders) shall attend the shareholders' meeting with the attendance card, attendance sign-in card, or other certificates. The Company shall not arbitrarily add requirements for provision of other certificates in addition to said documents. The proxy solicitors shall come with an ID certificate for verification.

The Company shall provide a sign-in book for shareholders to sign in, or require the attending shareholders to submit their sign-in cards in lieu of sign-in.

The Company shall deliver the handbook, annual report, attendance card, speaker's slip, votes, and other meeting materials to each shareholder attending the shareholders' meeting; if there are directors to be elected, ballots shall also be provided.

When a government or a juridical person is a shareholder, it may have more than one representative to attend the shareholders' meeting. In the event that a juridical person is entrusted to attend a shareholders' meeting, the juridical person may appoint only one representative to participate in the meeting.

Article 7 (The chair and non-voting participants of a shareholders' meeting)

If a shareholders' meeting is convened by the board of directors of the Company, the Chairperson of the board shall preside over such meeting. If the Chairperson is on leave or unable to exercise his/her powers and duties for some reason, the Vice Chairperson shall preside over such meeting. The Chairperson shall designate a managing director to act on his/her behalf if a Vice Chairperson is not appointed, or if the Vice Chairperson is on leave or unable to exercise his powers and duties for some reason. If no managing director of the Company is appointed, the Chairperson shall designate a director to preside as the chair. If the Chairperson fails to designate a chair for the meeting, the managing directors or the directors shall nominate one from among themselves to preside over the meeting.

The managing director or director who is designated as the chair for the meeting pursuant to the preceding paragraph shall have held office for at least six months and be familiar with the financial and business condition of the Company. The same requirements shall apply if the chair for the meeting is a representative of a corporate director.

For a shareholders' meeting convened by the board of directors, it is advised that the Chairperson should chair the meeting in person, that a majority of directors attend the meeting in person, and that at least one member of each functional committee attends the meeting as a representative. Attendance details shall be recorded in the minutes of the shareholders' meeting. Where the shareholders' meeting is convened by a convener other than the board of directors, the convener shall chair the meeting in person. Where there are two or more conveners, they

shall elect one from among themselves to chair the meeting.

The Company may appoint the retained attorney(s), certified public accountant(s), or relevant personnel to participate in a shareholders' meeting in a non-voting capacity.

The Company shall, in the notice of the shareholders' meeting, specify the time and place for shareholder sign-in, and other important matters to be noted.

Registration for shareholders referred to in the preceding paragraph shall begin at least thirty minutes before the meeting. The sign-in place shall be clearly marked and sufficiently and adequately staffed.

Article 8 (Documentation of shareholders' meeting by audio or video)

The Company shall record, by audio or video means, the entire process, from shareholder sign-in, the meeting process to the voting and vote counting continuously and uninterruptedly.

The aforementioned audio and video recordings shall be kept for at least one (1) year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.

Article 9 The participation by shareholders shall be based on the number of shares they hold. The calculation of the number of shares present shall be based on the attendance book or sign-in cards submitted by the shareholders and those shares whose votes are exercised by mail or electronic means.

The chair shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be convened for a lack of quorum. In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements, the chair may announce that the meeting fails to be convened for a lack of quorum.

In the event that the meeting is still attended by shareholders representing less than one-third of the total issued shares after two postponements as in the preceding paragraph, a tentative resolution may be passed in accordance with Article 175 of the Company Act, while notifying all shareholders of the tentative resolution to convene another shareholders' meeting within one month.

In the event that the total number of shares represented by attending shareholders reaches a majority of the total issued shares before the same shareholder meeting is adjourned, the chair may bring the tentative resolution(s) so adopted into the shareholders' meeting anew to be duly resolved in accordance with Article 174 of the Company Act.

Article 10 (Discussion of proposals)

The agenda for the shareholders' meeting shall be set by the board of directors if such meeting is convened by the board of directors. Relevant proposals (including extempore motions and revision of original proposals) shall be voted on a case-by-case basis. Unless otherwise resolved by resolution at the meeting, the meeting shall be carried out in accordance with the scheduled agenda.

Rules of Procedure for Shareholders' Meetings

The preceding paragraph shall apply mutatis mutandis to meetings convened by any person, other than the board of directors, with the right to convene such meeting.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda stated in the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules and procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with the statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders; where the chair is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote and arrange sufficient time for voting.

Article 11 (Shareholder speech)

An attending shareholder shall issue and submit a speech slip before having a floor at the shareholders' meeting. The speech slip shall expressly describe the subject of the speech and his/her shareholder account number (or the attendance card number) so that the chair may determine the order of the speech.

An attending shareholder who submits a speech slip but does not speak at the meeting is deemed to have not spoken. In the event of any inconsistency between the contents of a shareholder's speech and those recorded on the slip, the contents of shareholder's speech shall prevail.

On the same proposal, each shareholder shall not take the floor more than twice and shall not speak for more than five minutes for each round unless agreed upon by the chair. However, where a shareholder's speech violates the regulations or exceeds the scope of the topic, the chair may stop his/her speech.

When an attending shareholder is speaking at the meeting, no other shareholder shall interrupt the speech unless otherwise permitted by the chairperson and such shareholder making a speech; the chairperson shall stop any such violations.

In the event that a juridical person (corporate) shareholder appoints two or more representatives to participate in a shareholders' meeting, only one representative may speak on the same proposal.

After a shareholder speaks on the floor; the chair may answer either in person or designate relevant personnel to respond.

Article 12 (Calculation of voting shares and recusal system)

The voting by shareholders shall be duly calculated based on the number of shares they hold.

With respect to the resolutions of a shareholders' meeting, the number of shares held by a shareholder without voting rights shall not be counted toward the total number of issued shares.

When a shareholder is an interested party in relation to an item on the agenda, and there is the likelihood that such a relationship would prejudice the interests of the Company, such a shareholder shall not vote on that item, and shall not exercise voting rights as a proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be counted toward the voting rights represented by attending shareholders. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the counting.

Article 13 A shareholder shall have one voting right in respect of each share; however, this limit is not applicable to those who are restricted, or who do not have the right to vote under Paragraph 2, Article 179 of the Company Act.

When the Company convenes a shareholders' meeting, shareholders may exercise their voting rights in writing or by electronic means; the method of exercising their voting rights shall be specified in the shareholders' meeting notice. A shareholder who exercises his/her voting rights at a shareholders' meeting in writing or by electronic means shall be deemed to have attended said shareholders' meeting in person. However, the shareholder shall be regarded to have abstained for extempore motions or for revision of the original proposals. Thus, it is advised that the Company shall avoid proposing extempore motions or revising the original proposals. A shareholder intending to exercise voting rights by correspondence or electronic transmission under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail. However, when a declaration is made to cancel an earlier declaration of intent is not subject to the limits.

After the shareholders exercise their voting rights in writing or electronic means, if they want to attend the shareholders' meeting in person, they shall cancel the intent of exercising voting rights in the preceding paragraph in the same manner as exercising the voting rights two days before the shareholders' meeting; if it is canceled after the time limit, voting rights exercised in writing or via electronic means shall prevail. If the voting rights are exercised in writing or via electronic means and a proxy is entrusted to attend the shareholders' meeting by a power of attorney, the voting rights exercised by the attending entrusted proxy shall prevail.

Unless otherwise provided by laws and the Company's Articles of Incorporation, proposals at a shareholders' meeting shall be resolved and adopted by a majority vote of the shareholders attending the meeting. When voting on each proposal, the chair or personnel designated by the chair shall announce the total voting rights of the shareholders present on a case-by-case basis, and the shareholders shall vote on a case-by-case basis. On the day after the shareholders' meeting is held, the results of shareholders' resolutions, including the number of votes for, votes against, and abstentions, shall be uploaded to the Market Observatory Post System (MOPS).

Rules of Procedure for Shareholders' Meetings

In the event that an amendment or an alternative to the same proposal, together with the original one, the chair shall determine the order in which they will be put to a vote. When anyone among them is passed, the other proposal(s) will then be deemed rejected, and no further voting shall be required.

Scrutineers and vote counting personnel for the voting on a proposal shall be appointed by the chair, provided that all scrutineers shall be shareholders of the Company.

Vote counting for proposals at a shareholders' meeting or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 (Election matters)

The election of directors at the shareholders' meeting, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected directors and the numbers of votes they obtained.

The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.

Article 15

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the number of votes counted), and the number of votes each candidate obtains shall be disclosed in the case of an election of directors. The records shall be kept for the duration of the existence of the Company.

Article 16 (Public disclosure)

The Company shall generate, on the date of the shareholders' meeting, a table in a prescribed format for the number of shares obtained by solicitors through solicitation and number of shares represented by proxies, and shall clearly disclose said table at the place of the shareholders' meeting.

For any shareholders' meeting resolution that relates to statutory regulations or to material information as specified by the Taiwan Stock Exchange Corporation (or Taipei Exchange), the Company shall upload, within the specified time limit, said resolution to the MOPS.

Article 17 (Maintaining order at the meeting place)

Staff at the shareholders' meetings shall wear ID badges or arm badges.

The chair may direct proctors or security personnel to assist in maintaining the order of the meeting. The proctors or security personnel shall wear arm badges or ID badges marked

Rules of Procedure for Shareholders' Meetings

"Proctor" while assisting in maintaining the order of the meeting.

There is amplification equipment at the meeting place, if a shareholder makes a speech with amplification equipment not provided by the Company, the chair may stop it.

In the event that a shareholder violates the rules of procedure, defies the chair's order, or obstructs progress of the meeting, and refuses to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting

Article 18 (Recess and resumption of a shareholders' meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extempore motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19 The Rules shall be implemented after approval by the shareholders' meeting, and the same shall apply to any amendment thereto.

Article 20 The Rules were formulated on September 27, 1999.

The 1st amendment was made on June 23, 2006.

The 2nd amendment was made on June 20, 2013.

The 3rd amendment was made on June 11, 2015.

The 4th amendment was made on June 20, 2017.

The 5th amendment was made on June 23, 2020.



Chenbro Micom Co., Ltd.

Articles of Incorporation

Chapter I General Provisions

- Article 1 The Company is incorporated in accordance with the Company Act. The name of the Company is 勤誠興業股份有限公司 in Chinese and Chenbro Micom Co., Ltd. in English.
- Article 2 The main business operated by the Company is as follows:
1. J399010 Software Publishing
 2. C805050 Industrial Plastic Products Manufacturing
 3. C805990 Other Plastic Products Manufacturing
 4. CC01080 Electronic Components Manufacturing
 5. CC01110 Computer and Peripheral Equipment Manufacturing
 6. CC01120 Data Storage Media Manufacturing and Duplicating
 7. CQ01010 Mold and Die Manufacturing
 8. F113050 Wholesale of Computers and Clerical Machinery Equipment
 9. F213030 Retail Sale of Computers and Clerical Machinery Equipment
 10. F401010 International Trade
 11. All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company may act as a guarantor for the needs of its business.
- Article 4 When the Company becomes a shareholder of limited liability in other companies, the total amount of its investments in such other companies is exempted from the restriction that such investment shall not exceed 40 % of the paid-in capital as specified in Article 13 of the Company Act.
- Article 5 The Company is located in New Taipei City, Taiwan. The Company may establish branches or subsidiaries in Taiwan or overseas if necessary upon resolution by the board of directors of the Company.
- Article 6 The Company's announcement method is handled in accordance with the provisions of Article 28 of the Company Act.

Chapter II Shares

- Article 7 The Company's total registered capital is NT\$1.5 billion, divided into 150 million shares, with a par value of NT\$10 per share, and the board of directors is authorized to issue the shares in tranches. Of the total registered capital in the preceding paragraph, an amount of NT\$10 million is retained, divided into one million shares, with a par value of NT\$10 per share, which are for the Company's employee stock warrants, which the board of directors is authorized to issue said shares in tranches. The board of directors is authorized to issue the remaining shares unissued in tranches according to law.
- The Company's treasury shares purchased in accordance with the Company Act shall be transferred to recipients that include employees of controlling or subordinate companies who meet the criteria.
- The Company's employee stock warrants are issued to recipients that include employees of controlling or subordinate companies who meet the criteria.
- Where the Company issues new shares, the employees eligible for share subscription shall include employees of controlling or subordinate companies who meet the criteria.
- The Company's employee restricted shares are issued to recipients that include employees of controlling or subordinate companies who meet the criteria.

Chenbro Micom Co., Ltd.

Articles of Incorporation

- Article 7-1 Where the Company intends to apply for de-listing, it shall be proposed to a shareholders' meeting for adoption.

Chapter III Shareholders' Meetings

- Article 8 The Company's shares shall be registered and bear the signatures or personal seals of at least three directors, and be issued upon certification in accordance with the law. After the Company publicly issues shares, it may be exempted from printing any share certificates for the shares issued.
- Article 9 Registration of share transfer shall be completed within 60 days before the date of each annual general meeting, 30 days before the date of each extraordinary meeting, or five (5) days before the date at which dividends, bonus, or any other distributions will be paid or made by the Company.
- Article 10 Shareholders' meetings are divided into annual general meetings and extraordinary general meetings; the annual general meeting shall be convened once a year by the board of directors within six (6) months after the end of each fiscal year. The extraordinary general meeting is convened when necessary. The shareholders' meeting notice may be issued in writing or by electronic means after approved by shareholders.
For shareholders holding less than one thousand registered shares, the notice stated in the preceding paragraph can be delivered in the form of a public announcement.
- Article 11 The shareholders' meeting shall be duly chaired by the Chairperson. If the Chairperson is on leave or unable to exercise his/her power and authority for any cause, the Chairperson shall designate one person to act on his/her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chair of the board of directors. If the meeting is convened by a person with the power to convene other than the board of directors, such person shall chair the meeting; if there are more than one person with the power to convene, they shall elect from among themselves to chair the meeting.
- Article 12 A shareholder who is unable to attend a shareholders' meeting may authorize another person to attend as a proxy using the form provided by the Company, with the shareholder's signature and seal affixed, which sets forth the scope of the authorization. The proxy process is governed by Article 177 of the Company Act and the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies promulgated by the competent authority.
- Article 13 Each share of the Company held by shareholders is entitled to one voting right, but where circumstances specified in Article 179 of the Company Act apply, it shall be non-voting shares.
- Article 14 Unless otherwise provided by the Company Act, resolutions shall be adopted by a majority vote at a meeting that is attended by shareholders who represent a majority of the total issued shares. The Company's shareholders may exercise their voting rights at a shareholders' meeting by electronic means as stipulated by the competent authority. Voting by electronic means is deemed to be attended in person. Relevant matters shall be handled in accordance with the relevant regulations.
The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes shall be kept in accordance with Article 183 of the Company Act and shall be kept permanently during the existence of the Company.
The meeting minutes mentioned in the preceding paragraph shall be duly produced and distributed in accordance with the Company Act.

Chenbro Micom Co., Ltd.

Articles of Incorporation

Chapter IV Directors and Supervisors

- Article 15 The Company shall appoint 7 to 11 directors for a term of three years. The Company's election of directors is based on the candidate nomination system in accordance with Article 192-1 of the Company Act. Director candidate nomination acceptance method, announcement, and other relevant matters shall be handled according to the Company Act, Securities and Exchange Act, and other relevant regulations. The election of independent directors and non-independent directors shall be held concurrently, provided that the number of independent directors and non-independent directors elected are calculated separately, and said directors are eligible for renewal of term if elected. As for the percentage of ownership by all directors, the rules of the competent securities authorities shall prevail.
- When a director's term expires and another director cannot be elected in time, he/she shall extend his/her term until a newly elected director takes office.
- The board of directors of the Company may set up various functional committees, and the qualifications, exercise of powers, and relevant matters shall be handled in accordance with relevant laws and regulations, and shall be prescribed by the board of directors.
- Article 15-1 In compliance with Article 14-2 of the Securities and Exchange Act, Company shall have at least two independent directors among the number of directors referred to in the preceding paragraph, and the independent directors shall represent at least one-fifth of the board. The independent directors shall be elected at a shareholders' meeting using the candidate nomination system and from among a list of candidates. The restrictions on professional qualifications, share ownership, concurrent positions held, the manner of nomination, the election of the independent directors, and other relevant matters shall comply with applicable laws and regulations prescribed by the competent securities authority.
- Article 15-2 The Company establishes an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The audit committee is composed of all independent directors. The Company shall formulate the audit committee charter to govern the number of audit committee members, terms of office, powers and responsibilities, and rules of procedure in accordance with the Regulations Governing the Exercise of Powers by Audit Committees of Public Companies. The Company may set up other functional committees according to the needs of business operations, and the establishment and powers and responsibilities of the relevant committees shall be handled in accordance with the regulations of the competent authority.
- Article 16 The board of directors is composed of directors, and the Chairperson of the board shall be elected with the consent of a majority of the directors at a meeting attended by more than two-thirds of the directors. The Chairperson is the representative of the Company.
- Article 17 The powers and responsibilities of the board of directors are as follows:
- I. To provide business plans.
 - II. To put forth proposals for earnings distribution or loss compensation.
 - III. To put forth proposals for capital increase or reduction.
 - IV. To formulate material rules and the Company's organizational charters.
 - V. To appoint and dismiss the Company's general managers and managers who are required by law to be approved by the board of directors.
 - VI. To set up and shut down branches.
 - VII. To prepare budgets and final accounts
 - VIII. Other powers and duties conferred by the Company Act or by the resolution adopted at the shareholders' meeting.

Chenbro Micom Co., Ltd.

Articles of Incorporation

- Article 18 Unless otherwise provided by law or regulations, the Company's board meetings shall be convened by the Chairperson. Except otherwise provided by the Company Act, resolutions of the board of directors shall be adopted by at least a majority of the directors present at a meeting attended by at least a majority of the directors holding office.
- Article 19 Chairperson serves as the chair of board meetings. If the Chairperson is on leave or unable to exercise his/her power and authority for any cause, the Chairperson shall designate one person to act on his/her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chair. The directors shall attend board meetings in person. If a director is unable to attend a meeting for any reason, he/she may entrust another director to act on their behalf. The aforementioned proxy shall be limited to act on behalf of one person. Independent directors shall attend board meetings in person, or entrust other independent directors to act on their behalf.
- Article 20 The Company may purchase liability insurance for directors to protect them against potential liabilities arising from exercising their duties during their tenure.
When performing duties for the Company, the directors shall receive remuneration from the Company regardless of its gain or loss; the board is authorized to determine the remuneration according to their individual participation in the Company's operations and the value of their contribution, while taking into account the general standard in the industry.

Chapter V Managers

- Article 21 The Company shall have one general manager and several deputy general managers, assistant deputy general managers, and others in equivalent positions. The employment, dismissal, and remuneration of the general manager shall be conducted in accordance with Article 29 of the Company Act.

Chapter VI Accounting

- Article 22 At the end of each fiscal year, the Company's board of directors shall prepare the following list of documents, which shall be submitted to the annual general meeting for ratification. I. Business report; II. Financial statements; III. Earnings distribution or loss compensation proposals. The distribution of the business report, financial statements, and earnings distribution or loss compensation proposals in the preceding paragraph to each shareholder shall be handled in accordance with the provisions of the Company Act.
- Article 23 If the Company has earnings at the end of a year, it shall set aside 6% of the balance as employee compensation and no greater than 3% of the balance as remuneration to directors.
The board of directors determines the dividend distribution in stocks or cash, and the employee compensation may also be distributed to employees of subordinate companies who meet certain criteria. Said criteria are set by the board of directors. The distribution of employee compensation and remuneration to directors shall be reported to the shareholders' meeting.
However, where the Company still has accumulated losses, it shall reserve an amount to compensate the losses in advance, and then distribute remuneration to directors and employee compensation based on the percentages specified in Article 21.

Chenbro Micom Co., Ltd.

Articles of Incorporation

- Article 23-1 If the Company has any earnings after the closing of the fiscal year, it shall distribute the earnings in the following order:
- I. Pay taxes.
 - II. Make up for accumulated deficit/loss.
 - III. Set aside 10 percent for the legal reserve. However, where such legal reserve amounts to the total capital, this provision shall not apply.
 - VI. Appropriate or reverse special reserves according to laws or the regulations of the competent securities authority.
 - V. If there is still a balance, the board of directors shall decide whether to retain or distribute the undistributed earnings, together with the accumulated undistributed earnings from previous years, to shareholders as dividends based on the capital status and economic development of the current year, while submitting it to the shareholders' meeting for resolution.
- Article 23-2 The Company's dividend policy is based on the current year's profitability and consideration for the Company's future growth, capital budget planning, capital needs, and other factors, while the interests of shareholders and the Company's long-term financial planning are considered. Shareholder dividends are appropriated from distributable earnings, in the form of cash or stock dividends. However, the cash dividends shall not be less than 10% of the total dividends. If the cash dividend per share is less than NT\$0.20, it will not be distributed and will be distributed as stock dividend instead.
- Article 24 From January 1, 2008, the Company may transfer its shares to employees at a price lower than the average price of the shares actually redeemed or issue employee stock warrants at a subscription price lower than the market price (net value per share), which shall only be implemented with the consent of attending shareholders representing two-thirds of the voting rights present at a shareholders' meeting attended by a majority of shareholders. The Company may file applications for implementation of said matter multiple times within one year from the date of the shareholders' resolution.
- Article 24-1 When the Company repurchases treasury shares, it may transfer shares to employees at a price lower than the average actual price of share repurchase, which shall only be implemented with the consent of attending shareholders representing two-thirds of the voting rights present at a shareholders' meeting attended by a majority of shareholders while in accordance with relevant laws. The Company may file applications for implementation of said matter multiple times within one year from the date of the shareholders' resolution.
- Article 25 Matters not specified in the Articles of Incorporation shall be governed by the Company Act.

Supplementary Provisions

- Article 26 The Articles of Incorporation was formulated on November 21, 1983.
The 1st amendment was made on May 10, 1984.
The 2nd amendment was made on May 5, 1986.
The 3rd amendment was made on November 5, 1986.
The 4th amendment was made on November 20, 1987.
The 5th amendment was made on October 2, 1989.
The 6th amendment was made on December 16, 1989.
The 7th amendment was made on March 9, 1990.
The 8th amendment was made on January 3, 1990.



Chenbro Micom Co., Ltd. Articles of Incorporation

The 9th amendment was made on June 30, 1998.

The 10th amendment was made on June 10, 1999.

The 11th amendment was made on October 20, 1999.

The 12th amendment was made on June 26, 2000.

The 13th amendment was made on June 27, 2002.

The 14th amendment was made on June 30, 2003.

The 15th amendment was made on June 21, 2005.

The 16th amendment was made on June 23, 2006.

The 17th amendment was made on June 22, 2007.

The 18th amendment was made on June 27, 2008.

The 19th amendment was made on June 26, 2009.

The 20th amendment was made on June 14, 2010.

The 21st amendment was made on May 25, 2012.

The 22nd amendment was made on June 23, 2016.

The 23rd amendment was made on June 20, 2017.

The 24th amendment was made on June 25, 2019.

The 25th amendment was made on June 23, 2020.



Chenbro Micom Co., Ltd. Rules of Election of Directors

- Article 1: To ensure a just, fair, and open election of Directors, the Company has formulated the Procedures pursuant to Article 21 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.
- Article 2: Unless otherwise provided by relevant laws and regulations or the Company's Articles of Incorporation, the directors of the Company shall be duly elected in accordance with the Rules specified herein.
- Article 3: The overall composition of the board of directors shall be taken into consideration in the selection of this Company's directors. The Company shall diversify the composition of the board and develop guidelines on diversity based on the operations, nature of business activities, and development needs of the Company, including but not limited to the following two aspects:
- I. Basic requirements and values: Gender, age, nationality, and culture.
 - II. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience.
- All members of the board shall have the knowledge, skills, and experience necessary to perform their duties, and the entire board of directors shall possess the following abilities:
- I. Business judgment ability.
 - II. Accounting and financial analysis ability.
 - III. Business management ability.
 - IV. Crisis management ability.
 - V. Knowledge of the industry.
 - VI. International market perspective.
 - VII. Leadership.
 - VIII. Decision-making ability.

Over a majority of the total number of the seats of directors shall not have a spousal relationship or the second degree of kinship with another director.

- Article 4: The qualifications of the independent directors of the Company shall be in accordance with the provisions of Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
- The selection of the independent directors of the Company shall comply with the provisions of Article 5, Article 6, Article 7, Article 8 and Article 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best Practice Principles for TWSE & TPEx Listed Companies.

Chenbro Micom Co., Ltd.

Rules of Election of Directors

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- Article 5: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system as stipulated in Article 192-1 of the Company Act. The Company shall review the qualifications, education and experience, as well as the existence of any other matters set forth in Article 30 of the Company Act with respect to the independent director candidates, while may not arbitrarily add requirements for documentation of other qualifications, and shall provide shareholders with the review results for their reference, so as to elect qualified independent directors.
- In the event that a director is dismissed for some reason, bringing the number of directors to be fewer than five, the board of directors shall hold a by-election in the next shareholders' meeting to fill the vacancy.
- However, in the event the number of vacancies reaches one-third of the number of directors specified in the Articles of Incorporation, the Company shall call an extraordinary shareholders' meeting to hold a by-election within 60 days from the date of the event.
- Where the number of independent directors falls below that required by Paragraph 1, Article 14-2 of the Securities and Exchange Act and relevant regulations of the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, a by-election shall be held at the next shareholders' meeting. When the independent directors are dismissed en masse, an extraordinary general meeting shall be called within 60 days from the date of occurrence to hold a by-election.
- Article 6: The Company's directors shall be duly elected by means of cumulative voting. Each share is entitled to the same number of voting rights as the number of directors to be elected, which may be concentrated on one candidate or distributed to different ones.
- Article 7: The board of directors shall prepare ballots for directors in a number corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders' meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 8: The number of directors will be as specified in the Company's Articles of Incorporation; the number of voting rights for non-independent directors and independent directors are counted separately. Candidates who receive ballots represent the prevailing number of voting rights shall be deemed elected in the descending order. Where two or more candidates receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner; the chair will draw lots on behalf of those not present.
- Article 9: Before the beginning of an election, the chair shall designate a number of shareholders to be scrutineers and vote counter personnel and to carry out relevant duties. The board of directors shall set up a ballot box, which shall be examined in public by scrutineers, before the ballots are cast.

Chenbro Micom Co., Ltd.

Rules of Election of Directors

- Article 10: In the event that a candidate is a shareholder of the Company, the voters voting for such candidate shall fill in such candidate's account name and shareholder account number in the "candidate" column on the ballot. In the event that the candidate is not a shareholder of the Company, the voters voting for such candidate shall fill in such candidate's name and national ID number in the "candidate" column on the ballot. In the event that a candidate is a government or a corporate shareholder, the voters voting for such candidate shall fill in the name of such government or corporate shareholder or the name of such government or corporate shareholder together with the name of such government's or corporate shareholder's representative in the "candidate" column on the ballot; when there are multiple representatives, the names of all representatives shall be listed.
- Article 11: A ballot is deemed void if any of the following circumstances occurs:
- I. A ballot that is not prepared by the board of directors.
 - II. Any blank ballot that is cast.
 - III. Any ballot with illegible handwriting rendering it indecipherable, or any ballot that is altered. Where any candidate entered on the ballot is a shareholder, his/her account name and shareholder account number are inconsistent with those on the shareholder register; where any candidate entered on the ballot is not a shareholder, his/her name and ID number do not match after verification.
 - V. Any ballot with words other than the candidate's account name (name) or shareholder account number (ID number) and the number of voting rights allocated.
 - VI. The name of a candidate written on the ballot is identical to that of another shareholder, but no shareholder account number or ID number is provided on the ballot to identify such individual.
- Article 12: Ballots shall be counted on the spot upon completion of casting the ballots, and the election results shall be announced by the chair, including elected directors and the number of votes they obtained. The ballots shall be sealed and signed off by the scrutineers and be kept for at least a year. In the event of a lawsuit filed by any shareholder under Article 189 of the Company Act, said ballots shall be kept until the conclusion of the lawsuit.
- Article 13 The Company's board of directors shall issue a letter of advice to the directors elected.
- Article 14 Implementation and amendment
- The Rules shall be implemented after being approved by the shareholders' meeting, and the same shall apply to any amendment thereto.
- The Rules were formulated on September 27, 1999.
- The 1st amendment was made on June 27, 2002.
- The 2nd amendment was made on June 23, 2006.
- The 3rd amendment was made on May 25, 2012.
- The 4th amendment was made on June 20, 2017.
- The 5th amendment was made on June 23, 2020.

Chenbro Micom Co., Ltd.
Ownership by Directors

March 16, 2021

Title	Name	Shares	Notes
Chairperson	Mei-chi Chen	9,656,009	
Director	Tsun-yen Lee	5,306,029	
Director	Chung-pao Wu	0	
Director	Te-feng Wu	0	
Director	Yu-ling Tsai	0	
Independent Director	Wen-cheng Huang	0	
Independent Director	An-pang Tsao	0	
Independent Director	Chung-hsing Huang	0	
Independent Director	Wei-shun Cheng	0	
Total		14,962,038	

Note 1: The number of shares above is the number of the Company's shares as of the book closure date for the annual general meeting (March 16, 2021). The Company's cancellation of 15,000 restricted employee shares to reduce capital was registered, with MOEA Letter Jing-Shou-Shang No. 11001039260 received on March 15, 2021, while the declaration to the Taiwan Depository & Clearing Corporation was completed on March 19, 2021. Therefore, the total number of outstanding shares as of March 23, 2021 was 120,910,950 shares.

Note 2: The Company's paid-in capital exceeds NT\$1 billion and is less than NT\$2 billion. Therefore, in accordance with the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the percentage of registered shares held by all directors shall not be less than 7.5%.

Required minimum shares held by all directors: 8,000,000 shares

Impact of the proposed stock dividend payment by the shareholders' meeting on the Company's business performance, earnings per share, and return on shareholders' equity:

Not applicable as no stock dividend was distributed this year.

Chairperson: Mei-chi Chen

President: Ya-nan Chen

Accounting Supervisor: Chia-lin Chih