

Stock No.: 6789



# **VisEra Technologies Company Ltd.**

Handbook for the 2022 Annual Meeting of  
Shareholders  
(Translation)

May 24, 2022

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# VisEra Technologies Company Ltd.

## Procedure for the 2022 Annual Shareholders' Meeting

- I. Chairman Address
- II. Report Items
- III. Matters for Ratification
- IV. Discussions
- V. Extemporaneous Motions
- VI. Adjournment

# VisEra Technologies Company Ltd.

## Agenda of the 2022 Annual Shareholders' meeting (Translation)

Time: 09:00 a.m., May 24, 2022

Location: 2F, No. 1, Gongye E. 2nd Rd., Hsinchu City, Hsinchu Science Park  
(Einstein Hall, Science Park Life Hub)

Meeting type : Physical shareholders' meeting

Attendance: All shareholders and equity representatives

Chairman: Chairman Robert Kuan

- I. Chairman Address
- II. Report Items
  - (I) 2021 Business Report
  - (II) Audit Committee's Review Report
  - (III) 2021 Allocation of remuneration to directors and employees
- III. Matters for Ratification
  - (I) Adoption of the 2021 Business Report and Financial Statements
  - (II) Adoption of 2021 Earnings Distribution
- IV. Discussions
  - (I) Approval of amendments to Articles of Incorporation of the Company
  - (II) Approval of amendments to Procedures for the Acquisition or Disposal of Assets of the Company
- V. Extemporaneous Motions
- VI. Adjournment

## Report Items

I. 2021 Business Report.

Explanation: Please refer to Attachment 1 on page 6~7 of the Handbook for the 2021 Business Report.

II. Audit Report of the Audit Committee.

Explanation: Please refer to Attachment 2 on page 8 of the Handbook for the Audit Report of the Audit Committee.

III. 2021 Allocation of remuneration to directors and employees

Explanation: (1) The proposal for 2021 allocation of the remuneration to employees and directors has been approved per the resolution of the Board of Directors on February 23, 2022. Said remuneration will be allocated in cash in whole.

(2) The remuneration to employees in cash totals NTD 433,055,921 to be allocated in cash in whole, which is not different from those recognized in the books of 2021.

(3) The remuneration to directors in cash totals NTD 2,673,870 to be allocated in cash in whole, decreasing by NTD 26,130 from that estimated in the financial statements of 2021, which is considered the difference in accounting estimation and will be stated as the change in accounting estimation in the next year.

## Matters for Ratification

I. Adoption of the 2021 Business Report and Financial Statements. (Proposed by the board of directors)

Explanation: (1) The 2021 financial statements of the company include the balance sheet, statement of comprehensive income, statement of changes in equity, and cash flow statement, which were audited by Shang-Chih Lin and Ming-Yuan Chong, CPA of Deloitte Taiwan.

(2) Please refer to Attachment 1 on page 6~7 and Attachment 3 on page 9~16

of the Handbook for the 2021 Business Report, CPA audit report and the aforementioned financial statements.

Resolution:

II. Adoption of 2021 Earnings Distribution. (Proposed by the board of directors)

Explanation: (1) The Company's distributable retained earnings in 2021 were NTD 1,948,751,646. NTD 586,712,238 of the retained earnings are to be distributed as common share cash dividend. The Company has issued 293,356,119 common shares on January 31, 2022, so the cash dividend for each share is NTD 2.

(2) Please refer to Attachment 4 on page 17 of the Handbook for the 2021 Earnings Distribution Table.

(3) The current cash dividends are calculated and truncated to the nearest NTD at the distribution ratio. The fractional amount less than NTD 1 is summed up and recognized by the Company as other revenue.

(3) Upon approval of the cash dividend to be distributed by the shareholders' meeting, the Chairman of the Board is authorized by the Board to set the record date for the distribution of dividends, and the actual date for the distribution of cash dividends. If the Company buys back the Company's shares, transfers or cancels treasury stocks, issues new shares due to employees' exercise of stock warrant, issues or recalls restricted share awards (RSAs) and issues new shares upon capital increase in cash, and engages in any other activities, in any other way, causes changes to the number of the Company's outstanding shares on a later date, the Board of Directors shall authorize the Chairman of Board to adjust the distribution ratio per share and other relevant matters.

Resolution:

## **Discussions**

I. Approval of amendments to Articles of Incorporation of the Company (proposed by the Board of Directors)

Explanation: (1) The amendments to certain provisions of the Company's Articles of Incorporation are proposed in response to the amendments to Article 172-2 of the Company Act.

(2) The amendments are made in order to add the requirements that a shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

(3) Please refer to Attachment 5 on page 18 of the Handbook for the comparison tables of the existing and amended provisions.

Resolution:

II. Approval of amendments to Procedures for the Acquisition or Disposal of Assets of the Company

Explanation: (1) The amendments to the Company's "Procedures for the Acquisition or Disposal of Assets" are proposed in response to the amendments to certain provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

(2) Please refer to Attachment 6 on page 19~25 of the Handbook for the comparison tables of the existing and amended provisions.

Resolution:

## **Extemporary Motions**

## **Adjournment**

## 2021 Business Report

In 2021, industrial production and consumer confidence gradually recovered and so the economy conspicuously revived, owing to the increasing COVID-19 vaccination rate worldwide, eased lockdown measures, and support from full-fledged government stimulus policy. IMF forecasted the global economic growth rate for 2021 to be 5.9%. In addition, the pandemic substantially changed the life pattern worldwide. Online operation became normal for enterprises, individuals, education, and the government, sending the semi-conductor industry into an upward spiral. Driven by robust semi-conductor demands, an interrupted supply chain, and increased average selling price, the production value increased by 26% year on year, making 2021 a year of booming growth, opportunities, and challenges for Taiwan's semiconductor industry.

Looking back at 2021, VisEra's operating performance constantly grew, thanks to the universal presence of 5G smartphones, substantial improvement in performance and resolution of the photo-taking function a mobile phone has, expansion of market share of light sensors for mobile application, and sales growth in the market for security and automotive applications. In response to the already tight capacity and yet increasing business opportunities coming from customers, VisEra has commenced the construction of a new fab in Longtan, which is expected to start phase 1 mass production in 2022 and in doing so, inject long-term business momentum.

### Financial Performance

VisEra's revenues in 2021 were NTD 9.029 billion, an increase of 30% compared to NTD 6.946 billion in the previous year; the gross profit was 40%, a decrease of 5% compared to the previous year, mainly due to the upfront CAPEX and depreciation incurred by the capacity expansion; profit after tax was NTD 2.165 billion, an increase of 4% compared to NTD 2.091 billion in the previous year. The earnings per share was NTD 7.41.

### Technology Development

VisEra has relentlessly been devoted to advanced technology development with respect to CMOS image sensors (CIS) and Micro-optics element to consolidate its role as a market leader. In 2021, it had successfully massively produced 0.61 $\mu$ m CIS with 0.2 billion pixels, the CIS with the highest resolution in the global market. It moved forward to pursue more shrinking pixel sizes to develop 0.56 $\mu$ m CIS. Meanwhile, it also engaged in the development of several key technologies, including 1) developing narrow band optical multi-film technology, which is used for the application of different spectral bands; 2) developing micro-optics elements, which are developed using advanced optical display technology, so as to help customers improve their display performance; and 3) developing metasurface technologies to support AR/VR applications that require thinner optical components, so as to maintain the momentum for long-term technology development.

### Future Outlook

Although COVID-19 is expected to continue through 2022, the wide availability of vaccines and oral medication will help ease the pandemic. Despite the presence of some uncertainties, e.g. inflation,



interest rate spike, political factors of China, the restructured supply chain and robust consumption demands are likely to maintain the global economic growth. Looking forward, benefiting from thriving new sensing applications for both human and machine vision driven by 5G, VisEra is in an advantageous position in the megatrend. Its core technology with respect to wafer-level optics integration has helped customers realize product innovation. In the future, it will advance its critical competency to create a sustainable corporate value for shareholders.

We wish you good health and good luck

Chairman: Robert Kuan

Manager: S.C. Hsin

Accounting Supervisor: Kevin Tsai

## **Audit Committee's Review Report**

The Board of Directors prepared the 2021 Business Report, Financial Statements, and earning distribution proposal of the Company. The Financial Statements have been audited by the CPA of Deloitte & Touche, who presented the independent auditors' report. After audit, the Audit Committee believes the aforementioned Business Report, Financial Statements and earnings distribution proposal are prepared in good faith. Therefore, the Audit Committee's Review Report is so generated pursuant to the Securities and Exchange Act and the Company Act.

VisEra Technologies Company Ltd.

Convener of the Audit Committee: Laura Huang

February 23, 2022

## **INDEPENDENT AUDITORS' REPORT**

The Board of Directors and Shareholders  
VisEra Technologies Company Ltd.

### **Opinion**

We have audited the accompanying financial statements of VisEra Technologies Company Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

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

### **Basis for Opinion**

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

### **Key Audit Matters**

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

Key audit matter of the Company's financial statements for the year ended December 31, 2021 is stated as follows:

#### Contract Assets and Revenue Recognition

The majority of the Company's revenue is generated from color filter and optical coating, which are manufactured according to the customized specifications agreed in the contractual agreement. The customers have obtained control over the products during manufacturing process. As such, revenue and contract assets are recognized over time in accordance with the requirements under paragraph 35(b) of IFRS 15. Refer to Notes 4, 5 and 17 to the accompanying financial statements for the details of the

accounting policies related to the contract assets and revenue recognition. The Company recognizes contract assets and revenue at the end of each month based on progress towards completion. Since the abovementioned process involves estimates and manual controls, there is a risk that contract assets and revenue may not be recognized correctly. Thus, the Company's contract assets and revenue recognition was identified as a key audit matter.

Our audit procedures performed in respect of the above key audit matter included the following:

1. We obtained an understanding and tested the effectiveness of the design and implementation of key internal controls over contract assets and revenue recognition.
2. We obtained an understanding and evaluated the reasonableness of management's assumption and policy over contract assets and revenue recognition.
3. We evaluated the reasonableness of the underlying data used in calculations for the percentage of completion.
4. We performed a retrospective review of management's standard cost estimates.

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

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

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

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

### **Auditors' Responsibilities for the Audit of the Financial Statements**

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

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

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

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

The engagement partners on the audits resulting in this independent auditors' report are Shang-Chih Lin and Ming-Yuan Chung.

Deloitte & Touche  
Taipei, Taiwan  
Republic of China

February 23, 2022

#### Notice to Readers

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

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

**VISERA TECHNOLOGIES COMPANY LTD.**

**BALANCE SHEETS**

(In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2021		December 31, 2020		LIABILITIES AND EQUITY	December 31, 2021		December 31, 2020	
	Amount	%	Amount	%		Amount	%	Amount	%
<b>CURRENT ASSETS</b>					<b>CURRENT LIABILITIES</b>				
Cash and cash equivalents (Note 6)	\$ 3,232,624	21	\$ 2,537,344	22	Financial liabilities at fair value through profit or loss - current (Note 7)	\$ 86	-	\$ 29	-
Financial assets at fair value through profit or loss - current (Note 7)	6,003	-	9,128	-	Contract liabilities - current (Note 17)	9,994	-	5,823	-
Contract assets - current (Notes 5, 17 and 25)	248,248	2	137,376	1	Accounts payable (Note 25)	335,527	2	199,739	2
Accounts receivable, net (Notes 5 and 8)	1,196,432	8	730,474	6	Lease liabilities - current (Notes 11 and 22)	71,982	1	75,325	1
Accounts receivable from related parties (Notes 5, 8 and 25)	117,823	1	188,516	2	Accrued profit sharing bonus to employees and compensation to directors (Note 18)	435,756	3	418,109	3
Other receivables	35,639	-	28,760	-	Payables to equipment suppliers	621,268	4	560,277	5
Other receivables from related parties (Note 25)	-	-	1,643	-	Current tax liabilities (Note 19)	365,775	2	438,674	4
Inventories (Note 9)	96,207	1	85,450	1	Long-term liabilities-current portion (Notes 13 and 22)	166,666	1	-	-
Prepayments and other current assets	67,957	-	48,316	-	Accrued expenses and other current liabilities (Notes 14, 17 and 25)	618,042	4	527,274	4
<b>Total current assets</b>	<b>5,000,933</b>	<b>33</b>	<b>3,767,007</b>	<b>32</b>	<b>Total current liabilities</b>	<b>2,625,096</b>	<b>17</b>	<b>2,225,250</b>	<b>19</b>
<b>NON-CURRENT ASSETS</b>					<b>NON-CURRENT LIABILITIES</b>				
Property, plant and equipment (Notes 5 and 10)	9,773,826	65	7,617,347	65	Long-term borrowings (Notes 13 and 22)	3,309,131	22	1,967,611	17
Right-of-use assets (Note 11)	244,038	2	319,065	3	Deferred tax liabilities (Note 19)	21,560	-	11,399	-
Intangible assets (Note 12)	24,874	-	9,096	-	Lease liabilities - non-current (Notes 11 and 22)	177,417	1	247,215	2
Deferred tax assets (Note 19)	21,014	-	36,763	-	Deferred revenue - non-current (Note 13)	34,203	1	32,389	-
Other non-current assets (Note 26)	24,490	-	22,490	-	Guarantee deposits (Note 25)	5,193	-	5,069	-
<b>Total non-current assets</b>	<b>10,088,242</b>	<b>67</b>	<b>8,004,761</b>	<b>68</b>	<b>Total non-current liabilities</b>	<b>3,547,504</b>	<b>24</b>	<b>2,263,683</b>	<b>19</b>
					<b>Total liabilities</b>	<b>6,172,600</b>	<b>41</b>	<b>4,488,933</b>	<b>38</b>
					<b>EQUITY (Note 16)</b>				
					Capital stock	2,932,991	19	2,911,531	25
					Capital surplus	732,799	5	703,493	6
					Retained earnings				
					Appropriated as legal reserve	994,635	7	785,581	7
					Unappropriated earnings	4,256,150	28	2,882,230	24
						5,250,785	35	3,667,811	31
					<b>Total equity</b>	<b>8,916,575</b>	<b>59</b>	<b>7,282,835</b>	<b>62</b>
<b>TOTAL</b>	<b>\$ 15,089,175</b>	<b>100</b>	<b>\$ 11,771,768</b>	<b>100</b>	<b>TOTAL</b>	<b>\$ 15,089,175</b>	<b>100</b>	<b>\$ 11,771,768</b>	<b>100</b>

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

## VISERA TECHNOLOGIES COMPANY LTD.

### STATEMENTS OF COMPREHENSIVE INCOME

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

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 5, 17 and 25)	\$ 9,029,178	100	\$ 6,946,349	100
OPERATING COSTS (Notes 9, 18 and 25)	<u>5,460,206</u>	<u>60</u>	<u>3,835,451</u>	<u>55</u>
GROSS PROFIT	<u>3,568,972</u>	<u>40</u>	<u>3,110,898</u>	<u>45</u>
OPERATING EXPENSES (Notes 18 and 25)				
Sales and marketing	69,189	1	59,148	1
General and administrative	279,052	3	161,236	2
Research and development	<u>542,020</u>	<u>6</u>	<u>366,794</u>	<u>5</u>
Total operating expenses	<u>890,261</u>	<u>10</u>	<u>587,178</u>	<u>8</u>
OTHER OPERATING INCOME AND EXPENSES, NET (Notes 10, 18 and 25)	<u>28,551</u>	<u>-</u>	<u>32,720</u>	<u>-</u>
PROFIT FROM OPERATIONS	<u>2,707,262</u>	<u>30</u>	<u>2,556,440</u>	<u>37</u>
NON-OPERATING INCOME AND EXPENSES (Notes 18 and 25)				
Interest income	7,232	-	12,477	-
Other income	1,723	-	566	-
Other gains and losses	12,224	-	48,194	1
Foreign exchange loss, net	(11,981)	-	(57,105)	(1)
Finance costs	<u>(12,514)</u>	<u>-</u>	<u>(5,221)</u>	<u>-</u>
Total non-operating income and expenses	<u>(3,316)</u>	<u>-</u>	<u>(1,089)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	2,703,946	30	2,555,351	37
INCOME TAX EXPENSE (Note 19)	<u>538,666</u>	<u>6</u>	<u>464,806</u>	<u>7</u>
NET INCOME	<u>2,165,280</u>	<u>24</u>	<u>2,090,545</u>	<u>30</u>
TOTAL COMPREHENSIVE INCOME	<u>\$ 2,165,280</u>	<u>24</u>	<u>\$ 2,090,545</u>	<u>30</u>
EARNINGS PER SHARE (Note 20)				
Basic earnings per share	<u>\$ 7.41</u>		<u>\$ 7.18</u>	
Diluted earnings per share	<u>\$ 7.24</u>		<u>\$ 6.77</u>	

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

**VISERA TECHNOLOGIES COMPANY LTD.**

**STATEMENTS OF CHANGES IN EQUITY**  
**(In Thousands of New Taiwan Dollars)**

	<u>Capital Stock - Common Stock</u>		Capital Surplus	<u>Retained Earnings</u>			Total Equity
	Stock (In Thousands)	Amount		Legal Reserve	Unappropriated Earnings	Total	
BALANCE, JANUARY 1, 2020	291,153	\$ 2,911,531	\$ 696,675	\$ 724,197	\$ 853,069	\$ 1,577,266	\$ 5,185,472
Appropriation of earnings							
Legal reserve	-	-	-	61,384	(61,384)	-	-
Donation from shareholders	-	-	205	-	-	-	205
Compensation cost of employee share options	-	-	6,613	-	-	-	6,613
Net profit and total comprehensive income for the year ended December 31, 2020	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,090,545</u>	<u>2,090,545</u>	<u>2,090,545</u>
BALANCE, DECEMBER 31, 2020	291,153	2,911,531	703,493	785,581	2,882,230	3,667,811	7,282,835
Appropriation of earnings							
Legal reserve	-	-	-	209,054	(209,054)	-	-
Cash dividends	-	-	-	-	(582,306)	(582,306)	(582,306)
Employee share options exercised	2,146	21,460	21,112	-	-	-	42,572
Donation from shareholders	-	-	406	-	-	-	406
Compensation cost of employee share options	-	-	7,788	-	-	-	7,788
Net profit and total comprehensive income for the year ended December 31, 2021	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,165,280</u>	<u>2,165,280</u>	<u>2,165,280</u>
BALANCE, DECEMBER 31, 2021	<u>293,299</u>	<u>\$ 2,932,991</u>	<u>\$ 732,799</u>	<u>\$ 994,635</u>	<u>\$ 4,256,150</u>	<u>\$ 5,250,785</u>	<u>\$ 8,916,575</u>

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



# VISERA TECHNOLOGIES COMPANY LTD.

## STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Income before income tax	\$ 2,703,946	\$ 2,555,351
Adjustments for:		
Depreciation expense	1,949,486	754,300
Amortization expense	8,971	6,166
Finance costs	12,514	5,221
Interest income	(7,232)	(12,477)
Compensation cost of employee share options	7,788	6,613
Gain on disposal of property, plant and equipment, net	(1,003)	(428)
Impairment loss recognized on property, plant and equipment	-	10,159
Foreign exchange gain, net	(3,796)	(7,316)
Changes in operating assets and liabilities:		
Financial instruments at fair value through profit or loss	3,182	(945)
Contract assets	(110,872)	(35,711)
Accounts receivable, net	(465,958)	(185,381)
Receivables from related parties, net	70,693	(66,944)
Other receivables	(5,931)	(23,089)
Other receivables from related parties	1,643	1,079
Inventories	(10,757)	(28,347)
Prepayments and other current assets	(19,641)	(4,348)
Contract liabilities	4,171	3,284
Accounts payable	135,788	69,353
Accrued profit sharing bonus to employees	17,647	295,355
Accrued expenses and other current liabilities	89,743	153,984
Cash generated from operations	<u>4,380,382</u>	<u>3,495,879</u>
Income taxes paid	<u>(585,655)</u>	<u>(125,316)</u>
Net cash generated from operating activities	<u>3,794,727</u>	<u>3,370,563</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for property, plant and equipment	(3,957,499)	(6,036,304)
Proceeds from disposal of property, plant and equipment	1,003	3,238
Increase in refundable deposits	(2,000)	(118)
Decrease in refundable deposits	-	148
Payments for intangible assets	(24,749)	(5,010)
Increase in other current assets	-	(2,562)
Interest received	<u>6,284</u>	<u>16,858</u>
Net cash used in investing activities	<u>(3,976,961)</u>	<u>(6,023,750)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	1,510,000	2,000,000
Guarantee deposits received	176	1,151
Guarantee deposits refunded	(52)	(614)
Repayment of the principal portion of lease liabilities	(75,876)	(75,331)
Cash dividends	(582,306)	-

(Continued)

## VISERA TECHNOLOGIES COMPANY LTD.

### STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

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	2021	2020
Employee share options exercised	\$ 42,572	\$ -
Interest paid	(17,406)	(6,047)
Donation from shareholders	<u>406</u>	<u>205</u>
Net cash generated from financing activities	<u>877,514</u>	<u>1,919,364</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	695,280	(733,823)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,537,344</u>	<u>3,271,167</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,232,624</u>	<u>\$ 2,537,344</u>

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

(Concluded)

[Attachment 4]

## VisEra Technologies Company Ltd.

### 2021 Earnings Distribution Table

Unit: NTD

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<b>2021 Net Profit</b>	<b>2,165,279,607</b>
Less:	
- Distribution of 10% as legal reserve	(216,527,961)
<b>2021 Distributable Retained Earnings</b>	<b>1,948,751,646</b>
Plus:	
- Undistributed retained earnings in the past years	2,090,868,742
<b>Distributable Retained Earnings as of December 31, 2021</b>	<b>4,039,620,388</b>
<b>Distribution Items:</b>	
- Common share cash dividend (NTD 2 per share)	(586,712,238)
<b>Undistributed retained earnings</b>	<b>3,452,908,150</b>

Chairman: Robert Kuan

Manager: S.C. Hsin

Accounting Supervisor: Kevin Tsai

**VisEra Technologies Company Ltd.**  
**The Articles of Incorporation**  
**Comparative Table of Amended Provisions**

Article No.	Existing Provision	Amended Provision
Article 8	Shareholders' meetings of the Company have two kinds: regular shareholders' meetings and extraordinary shareholders' meetings. The regular shareholders' meetings are convened once per year within six months from the close of the fiscal year. The extraordinary shareholders' meetings may be convened in accordance with applicable laws and regulations whenever necessary.	Shareholders' meetings of the Company have two kinds: regular shareholders' meetings and extraordinary shareholders' meetings. The regular shareholders' meetings are convened once per year within six months from the close of the fiscal year. The extraordinary shareholders' meetings may be convened in accordance with applicable laws and regulations whenever necessary. <a href="#"><u>Shareholders' meetings of the Company can be held by means of visual communication network or other methods promulgated by the central competent authority.</u></a>
Article 20	These Articles of Incorporation were resolved on November 19, 2003. The first amendment was made on June 10, 2005, the second amendment was made on May 26, 2006, the third amendment was made on October 13, 2006, the fourth amendment was made on June 11, 2008, the fifth amendment was made on June 5, 2009, the sixth amendment was made on June 29, 2016, the seventh amendment was made on June 19, 2020, the eighth amendment was made on March 4, 2021.	These Articles of Incorporation were resolved on November 19, 2003. The first amendment was made on June 10, 2005, the second amendment was made on May 26, 2006, the third amendment was made on October 13, 2006, the fourth amendment was made on June 11, 2008, the fifth amendment was made on June 5, 2009, the sixth amendment was made on June 29, 2016, the seventh amendment was made on June 19, 2020, the eighth amendment was made on March 4, 2021, and <a href="#"><u>the ninth amendment was made on May 24, 2022.</u></a>

**VisEra Technologies Company Ltd.**  
**Procedures for the Acquisition or Disposal of Assets**  
**Comparative Table of Amended Provisions**

Article No.	Before Amendment	After Amendment
Article 4	<p>Under any of the following circumstances, the Company shall publicly announce and report the relevant information in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NTD 300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Mergers, demergers, acquisitions, or transfer of shares.</p> <p>3. Where an asset transaction other than any of those referred to in the preceding two subparagraphs reaches 20 percent of the Company's paid-in capital or NTD 300 million. However, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds.</p> <p>(2) Trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(3) Where equipment or right-of-use assets for business use are acquired or disposed of, the trading counterpart is not a related party, and the transaction amount is less than NTD 500 million.</p>	<p>Under any of the following circumstances, the Company shall publicly announce and report the relevant information in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NTD 300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Mergers, demergers, acquisitions, or transfer of shares.</p> <p>3. Where an asset transaction other than any of those referred to in the preceding two subparagraphs reaches 20 percent of the Company's paid-in capital or NTD 300 million. However, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds, <u>or international bonds issued by a foreign central government with a sovereign rating not lower than the sovereign rating of the ROC.</u></p> <p>(2) Trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(3) Where equipment or right-of-use assets for business use are acquired or disposed</p>

Article No.	Before Amendment	After Amendment
	<p>(4) Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the trading counterpart is not a related party, and the transaction amount is less than NTD 500 million (subject to the amount the Company expects to invest).</p> <p>The amount of transactions referred to in the preceding paragraph shall be calculated as follows:</p> <ol style="list-style-type: none"> <li>1. The amount of any individual transaction.</li> <li>2. The cumulative transaction amount of acquisitions or disposals of the same type of underlying asset with the same trading counterpart within the preceding year.</li> <li>3. The cumulative transaction amount of acquisitions or disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</li> <li>4. The cumulative transaction amount of acquisitions or disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</li> </ol> <p>"Within the preceding year," as used in the preceding paragraph, refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedure need not be counted toward the transaction amount.</p>	<p>of, the trading counterpart is not a related party, and the transaction amount is less than NTD 500 million.</p> <p>(4) Where land is acquired under an arrangement of engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, furthermore the trading counterpart is not a related party, and the transaction amount is less than NTD 500 million (subject to the amount the Company expects to invest).</p> <p>The amount of transactions referred to in the preceding paragraph shall be calculated as follows:</p> <ol style="list-style-type: none"> <li>1. The amount of any individual transaction.</li> <li>2. The cumulative transaction amount of acquisitions or disposals of the same type of underlying asset with the same trading counterpart within the preceding year.</li> <li>3. The cumulative transaction amount of acquisitions or disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</li> <li>4. The cumulative transaction amount of acquisitions or disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</li> </ol> <p>"Within the preceding year," as used in the preceding paragraph, refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the Procedure need not be counted toward the transaction amount.</p>
Article 6	<p>The evaluation procedure for the assets acquired or disposed of by the Company:</p> <ol style="list-style-type: none"> <li>1. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-</li> </ol>	<p>The evaluation procedure for the assets acquired or disposed of by the Company:</p> <ol style="list-style-type: none"> <li>1. In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-</li> </ol>

Article No.	Before Amendment	After Amendment
	<p>in capital or NTD 300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances, it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.</p> <p>(3) Where the transaction amount is NTD 1 billion or more, appraisals from two or more professional appraisers shall be obtained. Where the discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public</p>	<p>in capital or NTD 300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) Where due to special circumstances, it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant <del>shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20</del> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.</p> <p>(3) Where the transaction amount is NTD 1 billion or more, appraisals from two or more professional appraisers shall be obtained. Where the discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public</p>

Article No.	Before Amendment	After Amendment
	<p>accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.</p> <p>2. When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price. If the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NTD 300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. If the CPA needs to use an expert's report as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the regulatory authorities.</p> <p>3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships. The transaction amount reaches 20 percent or more of paid-in capital or NTD 300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public</p>	<p>accountant <del>shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20</del> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price.</p> <p>(4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.</p> <p>2. When acquiring or disposing of securities, the Company shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price. If the dollar amount of the transaction is 20 percent of the Company's paid-in capital or NTD 300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <del>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20.</del> However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the regulatory authorities.</p> <p>3. Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships. The transaction amount reaches 20 percent or more of paid-in capital or NTD 300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public</p>



Article No.	Before Amendment	After Amendment
	<p>accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price. The CPA shall comply with the provisions of Statement of Auditing Standards No. 20.</p> <p>4. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>5. Professional appraisers and their officers, certified public accounts, attorneys-at-law, or securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney-at-law opinions, or underwriter's opinions shall meet the applicable laws and ordinances.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Paragraph 2 of Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained pursuant to the Procedures need not be counted toward the transaction amount.</p>	<p>accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.<del>The CPA shall comply with the provisions of Statement of Auditing Standards No. 20.</del></p> <p>4. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> <p>5. Professional appraisers and their officers, certified public accounts, attorneys-at-law, or securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney-at-law opinions, or underwriter's opinions shall meet the applicable laws and ordinances.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Paragraph 2 of Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained pursuant to the Procedures need not be counted toward the transaction amount.</p>
Article 7	<p>The operating procedure for acquisition or disposal of assets between the Company and related parties:</p> <p>1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised pursuant to Article 6 herein, if the transaction amount reaches more than 10% of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion pursuant to Article 6 herein.</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of</p>	<p>The operating procedure for acquisition or disposal of assets between the Company and related parties:</p> <p>1. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised pursuant to Article 6 herein, if the transaction amount reaches more than 10% of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion pursuant to Article 6 herein.</p> <p>2. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of</p>

Article No.	Before Amendment	After Amendment
	<p>assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NTD 300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee members and then approved upon resolution by the Board of Directors:</p> <p>(1) The purpose, necessity, and expected benefits of the acquisition or disposal of assets.</p> <p>(2) The reasons for selecting the related party as the trading counterpart.</p> <p>(3) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal on the reasonableness of the preliminary transaction terms in accordance with the competent authority's requirements.</p> <p>(4) The matters of the related party's original acquisition date and price, trading counterpart and the relationship between the Company and the related party.</p> <p>(5) The monthly cash income and expense forecast within the year from the month of the contract signing; also, assess the necessity of the trade and the reasonableness of the use of funds.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding subparagraph.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>3. When the Company's acquisition or disposal of assets from or to a related party</p>	<p>assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NTD 300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee members and then approved upon resolution by the Board of Directors:</p> <p>(1) The purpose, necessity, and expected benefits of the acquisition or disposal of assets.</p> <p>(2) The reasons for selecting the related party as the trading counterpart.</p> <p>(3) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal on the reasonableness of the preliminary transaction terms in accordance with the competent authority's requirements.</p> <p>(4) The matters of the related party's original acquisition date and price, trading counterpart and the relationship between the Company and the related party.</p> <p>(5) The monthly cash income and expense forecast within the year from the month of the contract signing; also, assess the necessity of the trade and the reasonableness of the use of funds.</p> <p>(6) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding subparagraph.</p> <p>(7) Restrictive covenants and other important stipulations associated with the transaction.</p> <p>3. When the Company's acquisition or disposal of assets from or to a related party</p>

Article No.	Before Amendment	After Amendment
	<p>is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Paragraph 2 of Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to and approved by the Board of Directors pursuant to the Procedures need not be counted toward the transaction amount.</p>	<p>is submitted for discussion by the Board of Directors, the Board of Directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the Board of Directors meeting.</p> <p><u>4. When the Company engages in the transactions referred to in subparagraph 2, Paragraph 1 herein, if any, and the transaction amount reaches more than 10% of the Company's total assets, the Company may not proceed to enter into a transaction contract or make a payment until the matters prescribed in the subparagraph 2, Paragraph 1 herein have been approved by the shareholders' meeting. However, this requirement does not apply to transactions between the Company and its parent or subsidiaries, or between its subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Paragraph 2 of Article 4 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to and approved by the Board of Directors <u>and a shareholders' meeting</u> pursuant to the Procedures need not be counted toward the transaction amount.</p>

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**VisEra Technologies Company Ltd.**

**Rules of Procedure for Shareholder  
Meetings**

## **Rules of Procedure for Shareholder Meetings**

- Article 1 Shareholder meetings of the company shall be conducted in accordance with these Rules of Procedure. Matters not specified in the Rules shall be conducted in accordance with related laws and regulations.
- Article 2 Attended shareholders shall turn in attendance cards to replace sign-in. The number of attended shares shall be calculated based on the attendance cards turned in.
- Article 3 The venue for a shareholder meeting shall be the premises of the company, or a place easily accessible to shareholders and suitable for a shareholder meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 4 If a shareholder meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the company shall designate another director as the meeting chairperson in accordance with Article 208 of the Company Act. If a shareholder meeting is convened by a party with power to convene other than the board of directors, the convening party shall chair the meeting.
- Article 5 The Company may appoint its attorneys, certified public accountants, or related persons to attend the meeting in a non-voting capacity. Staff handling administrative affairs of a shareholder meeting shall wear identification cards or armbands.
- Article 6 The shareholder meeting shall have uninterrupted recording of audio and video, and such recording shall be retained for at least one year.
- Article 7 The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, are made. If the quorum is not met after two postponement, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to the provision of the Company Act. The execution of the tentative resolution shall be conducted in accordance with the Company Act. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative

resolution for a vote by the shareholders meeting pursuant to the provision of the Company Act.

Article 8 If a shareholder meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in accordance with the agenda, which may not be changed without a resolution of the meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholder meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberations on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

After the meeting is adjourned, shareholders shall not elect another chair and resume the meeting at the same venue or a different venue. If the chair declares the adjournment of the meeting in a manner in violation of such rules governing the proceedings of meetings, a new chair of the meeting may be elected by a resolution to be adopted by a majority of the voting rights represented by the shareholders attending the meeting to continue the proceedings of the meeting.

Article 9 Attending shareholders are obliged to abide by the meeting rules and resolutions, and maintain the order of the venue.

Article 10 When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 11 Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, their shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend the meeting, only one of the representatives appointed may speak on the same proposal. After an attending shareholder has spoken, the chair may respond or direct relevant personnel to respond.

- Article 12 When the chair deems that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.
- Article 13 Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the company. The result of a vote shall be reported on the spot and be recorded accordingly.
- Article 14 Unless otherwise provided in the Company Act and the company's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. If the chair solicits and receives no dissent, the motion is deemed passed, with the same effect as a resolution by vote. According to the regulations of the competent authorities, after company's shares have been listed on the Taiwan Stock Exchange (TWSE), the company's shareholders may exercise the voting power at a shareholder meeting by way of electronic transmission. A shareholder who exercises their voting power at a shareholder meeting by way of electronic transmission shall be deemed to have attended the shareholder meeting in person, and the relevant matters shall be conducted in accordance with applicable laws and regulations.
- Article 15 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 or to defer or resume the meeting within five days in accordance with the resolution adopted by the shareholder meeting without notice and announcement.
- Article 16 When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article 17 The chair may direct disciplinary officers or security guards to help maintain order at the meeting place. Such disciplinary officers or security guards shall wear armbands marked with "Disciplinary Officers" for identification purposes.

Article 18 These Rules of Procedure, and any amendments hereto, shall be implemented from the date they are adopted by the shareholder meeting.

Article 19 These Rules of Procedure were stipulated on June 5, 2009. The first amendment was made on June 19, 2020, and the second amendment was made on March 4, 2021.



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**Articles of Incorporation of VisEra  
Technologies Company Ltd.**

## **Articles of Incorporation**

### **Chapter 1 General Principles**

- Article 1 The Company is incorporated in accordance with the Company Act and is named 采鈺科技股份有限公司; the English name of the Company is VisEra Technologies Company Ltd.
- Article 2 The scope of business of the Company is as follows:  
1. CC01080 Electronic parts and components manufacture.  
2. I501010 Product design.  
3. F401010 International trade.  
Research, design, development, manufacture, and sale of:  
(1) Color Filter  
(2) Image sensing components and modules  
(3) LED components and modules  
(4) Packaging and testing of the above products  
Import and export trade business related to the Company's business.
- Article 3 The Company is headquartered in the Hsinchu Science Park, and may establish branches abroad if necessary, subject to the resolution of the Board of Directors and approval of the competent authority.
- Article 4 The total amount of investments in other companies by the Company may exceed 40% of its own paid-in capital. The Board of Directors is authorized to make operational decisions for such investments.
- Article 4-1 The Company may provide guarantee to other companies.

### **Chapter 2 Shares**

- Article 5 The total capital amount of the Company is four billion New Taiwan Dollars, divided into four hundred million shares, at ten New Taiwan Dollars each and may be issued in installments. The Company may issue employee stock options. Among the aforementioned total capital stock, 20,000,000 shares should be reserved for issuing employee stock options.
- Article 6 The Company are exempted from issuing any share certificate. In the event the Company issues share certificates, such certificates shall be registered and issued in accordance with the Company Act of the Republic of China and other relevant laws and regulations.

### **Chapter 3 Shareholders' Meetings**

- Article 7 Share assignment/transfer shall be recorded in accordance with Article 165 of the Company Act and other relevant laws and regulations.
- Article 8 Shareholders' meetings of the Company are of two types, regular meetings and special meetings. Regular meetings shall be convened at least once every year within six months after the end of each fiscal year, while special meetings shall be convened whenever necessary.

- Article 9 Unless otherwise provided in the Company Act, each share of stock shall be entitled to one vote.
- Article 10 If a shareholder is unable to attend a shareholders' meeting, he/she may appoint a proxy to attend it and exercise his/her rights in accordance with Article 177 of the Company Act.
- Article 10-1 After listing of stocks on TWSE, shareholders of the Company may also exercise voting rights via an electronic voting system pursuant to regulations by the competent authority. A shareholder who exercises his/her/its voting rights via an electronic voting system shall be deemed as attending the shareholders' meeting in person, while related matters shall be conducted in accordance with the laws and regulations.

#### **Chapter 4 Directors**

- Article 11 The Company shall have five to seven directors who shall be elected from among the persons with disposing capacity by the shareholders' meeting. The term of office of a director shall be three years and shall be eligible for re-election. The aforesaid Board of Directors must have at least three Independent Directors. Election of directors shall be conducted in accordance with Article 192-1 of the Company Act where the system of candidate nomination shall be adopted. The relevant implementations shall be governed by the Company Act, Securities and Exchange Act, and other relevant laws and regulations.
- Article 12 In case no election of new directors is effected after the expiry of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office. However, the competent authority may, ex officio, order the Company to elect new directors within a given time limit. If no re-election is effected after expiry of the given time limit, the directors shall be discharged ipso facto from such expiration date.
- Article 13 The Board of Directors shall be formed by elected directors. The directors shall elect a Chairman of the Board from among themselves by a majority vote at a meeting attended by over two-thirds of the directors.
- Article 13-1 The Company shall establish an audit committee. The Company may also establish other functional committees in accordance with the laws and regulations.
- Article 14 Unless otherwise provided in the Company Act, the Chairman of the Board shall be the chairman of shareholders' meetings and meetings of the Board of Directors, and shall represent the Company. In case the Chairman is absent or otherwise cannot perform his/her duty for any reason, his/her proxy shall be appointed in accordance with Article 208 of the Company Act.
- Article 15 Save for the first meeting of each term of the Board of Directors which shall be convened by the director who received the ballots representing the largest number of votes at the election of directors, meetings of the Board of Directors shall be convened by the Chairman of the Board pursuant to the Company Act. Unless otherwise provided in the Company Act, each director shall attend the meeting of the Board of Directors in person. A Director may appoint other directors as proxy to attend the meetings of the Board of Directors on his/her behalf with a written proxy, stating therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may only be

appointed to act as a proxy by one other director. Resolutions at meetings of the Board of Directors shall be made in accordance with the Company Act.

Article 15-1 The Board of Directors is authorized to determine the remuneration for the Chairman and directors based on the extent of their participation in the business operations and the level of contribution to the Company and with reference to the international or domestic industrial standards.

### **Chapter 5 Managers**

Article 16 The Company may have managers whose appointment, discharge and remuneration shall be decided in accordance with Article 29 of the Company Act.

### **Chapter 6 Accounting**

Article 17 After the end of each fiscal year, the Board of Directors shall prepare the business report, financial statements, and proposal concerning the distribution of earnings or covering of losses and submit the same to the regular shareholders' meeting for acceptance.

Article 18 The Company shall not pay dividends or bonuses to shareholders when there are no earnings. For distribution of earnings, the Company shall first estimate and reserve the taxes to be paid, the losses to be covered, and the legal reserve to be set aside which will be 10% of such earnings after including items other than the net profit after tax in the undistributed surplus earnings for the year; however, this restriction does not apply if the accumulated legal reserve has reached the amount of the Company's paid-in capital. Then the Company set aside a special reserve in accordance with the laws and regulations or as requested by the authorities in charge. Before paying dividends or bonuses to shareholders, the Company shall set aside not more than 2% of its profits of the period for which the Company distributes the earnings as remuneration to its directors and not less than 1% as profit sharing bonuses to its employees; provided, however, that the Company shall have reserved a sufficient amount to offset its accumulated losses. Employees' profit sharing bonuses are resolved by a majority vote at a meeting of Board of Directors attended by at least two-thirds of the total number of directors and shall be reported to the shareholders' meeting. After the Company set aside the reserve pursuant to paragraphs 1 and 2 of this Article, in case of any balance left over, together with the retained earnings from previous years, the Board of Directors shall prepare a surplus earnings distribution proposal and submit the same to the shareholders' meeting for review and approval by a resolution for distributing the dividends and bonuses. Earnings may be distributed in total after taking into consideration the financial, business and operational factors. Earnings of the Company may be distributed by way of cash dividend and/or stock dividend and preferably by way of cash dividend. Distribution of earnings may also be made by way of stock dividend, provided however, the ratio for stock dividend shall not exceed 50% of total dividend distributed. In case there are no earnings for distribution, or the earnings are far less than the actual earnings previously distributed by the Company, or considering the financial, business or operational factors of the Company, the Company may allocate a portion or all of its reserves for distribution in accordance with relevant laws or regulations or the orders of the competent authorities. When the reserves are to be distributed in cash, the distribution may be approved by the Board of Directors in accordance with Article 241 of the Company Act and reported to the shareholders' meeting, instead of being submitted to the shareholders' meeting for acceptance.

## **Chapter 7 Supplementary Provisions**

Article 19 These Articles of Incorporation is effective upon the approval for registration. Any matters not provided in these Articles of Incorporation shall be conducted in accordance with the Company Act and other relevant laws and regulations.

Article 20 These Articles of Incorporation were resolved on November 19, 2003. The first amendment was made on June 10, 2005, the second amendment was made on May 26, 2006, the third amendment was made on October 13, 2006, the fourth amendment was made on June 11, 2008, the fifth amendment was made on June 5, 2009, the sixth amendment was made on June 29, 2016, the seventh amendment was made on June 19, 2020, and the eighth amendment was made on March 4, 2021.

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**VisEra Technologies Company Ltd.**

**Shareholding of All Directors**

### Shareholding of All Directors

Position	Name	No. of shares held
Director/Chairman	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: Robert Kuan	213,619,000 shares
Directors	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: George Liu	
Directors	Taiwan Semiconductor Manufacturing Co., Ltd. Representative: Diane Kao	
Independent Director	Laura Huang	0 shares
Independent Director	Emma Chang	0 shares
Independent Director	Peng-Heng Chang	0 shares
Total		213,619,000 shares

- Note: 1. The number of issued shares of the company between the book closure date of the shareholder meeting and March 26, 2022, is 293,456,119.
2. The minimum required combined shareholding of all directors: 12,000,000 shares. (5%)
3. The Company has an Audit Committee. As such, the application of the number of shares held by the Supervisor provided by law does not apply.