

Stock Code: 6196

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<https://mops.twse.com.tw>

Company Website:

<https://www.micb2b.com>

 Marketech International Corp.

Handbook for the 2022 Annual General Meeting of Shareholders

Time : May 27th, 2022 (Friday) at 9:00 a.m.

Venue: 3F.,No.3, Yuancyu St., Nangang Dist., Taipei City

DISCLAIMER

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2022 ANNUAL GENERAL MEETING (THE “HANDBOOK”) OF MARKETECH INTERNATIONAL CORP. (THE “COMPANY”). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Handbook for the 2022 Annual General Meeting of Shareholders
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I. Meeting Procedures

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Marketch International Corp.

Handbook for the 2022 Annual General Meeting of Shareholders

II. Meeting Agenda

Method: Physical meeting

Time : May 27th, 2022 (Friday) at 9:00 a.m.

Venue: 3F.,No.3, Yuancyu St., Nangang Dist., Taipei City

1. Chairman to announce the commencement of meeting

2. Chairman's Remarks

3. Matters to Report

- (1) Employees' Compensation and Directors' Remuneration in 2021
- (2) Business Report in 2021
- (3) Audit Committee's Review Report in 2021
- (4) Investments in Mainland China in 2021
- (5) Status of implementing the provision of endorsements and guarantees to others in 2021
- (6) Status of implementation of the 4th domestic unsecured convertible bonds in 2021
- (7) Other reports

4. Matters for Ratification

- (1) To ratify Business Report and Financial Statements in 2021
- (2) To ratify Earnings Distribution in 2021

5. Matters for Discussion

- (1) Comparison Table of Amendments to the "Articles of Incorporation"
- (2) Comparison Table of Amendments to the "Procedures for Acquisition or Disposal of Assets"

6. Directors Election

- (1) To elect directors

7. Other Matters

- (1) To release of non-competition restrictions on the newly elected directors

8. Extempore Motion

9. Adjournment

III. Matters to Report

Item 1: (proposed by the Board of Directors)

Description: Please refer to the Company's Directors' Remuneration and Employees' Compensation in 2021

Explanation: The directors' remuneration in 2021 is NT\$21,390,612 and employees' compensation is NT\$213,906,120, please refer to "Appendix 6" (page 61) of this handbook.

Item 2: (proposed by the Board of Directors)

Description: Please refer to the Company's Business Report in 2021

Explanation: Regarding the Company's Business Report and Financial Statements in 2021, please refer to "Annex 1" (page 7-9) and "Annex 2" (page 10-36) of this handbook.

Item 3: (proposed by the Board of Directors)

Description: Please refer to the Audit Committee's Review Report on the Business Report, Financial Statements and Earnings Distribution in 2021

Explanation: Regarding the Company's Audit Committee's Review Report on the Business Report, Financial Statements and Earnings Distribution in 2021, please refer to "Annex 3" (page 37) of this handbook.

Item 4: (proposed by the Board of Directors)

Description: Please refer to the Company's Report of investing in Mainland China in 2021.

Explanation: Regarding the Company's Report of investing in Mainland China in 2021, please refer to "Annex 4" (page 38-41) of this handbook.

Item 5: (proposed by the Board of Directors)

Description: Please refer to the Company's Report of implementing Endorsements and Guarantees to outside parties in 2021

Explanation: Regarding the Company's Report of implementing Endorsements and Guarantees to outside parties in 2021, please refer to "Annex 5" (page 42-43) of this handbook.

Item 6: (proposed by the Board of Directors)

Description: Please refer to the Company's Implementation Report on the execution of the 4th Domestic Unsecured Convertible Bonds in 2021.

Explanation: Regarding the Company's Implementation Report on the execution of the 4th Domestic Unsecured Convertible Bonds in 2021, please refer to "Annex 6" (page 44) of this handbook.

IV. Matters for Ratification

Item 1: (proposed by the Board of Directors)

Description: Please ratify The Company's Business Report and Financial Statements in 2021.

Explanation: (1) The Company's Business Report and Financial Statements in 2021 are completed and approved by the Board of Directors on February 21, 2022 with records. The Annual Financial Statements in 2021 has also been audited by Independent Accountant Lin Chun-Yao and Independent Accountant Weng Shih-Jung of PricewaterhouseCoopers (PwC) Taiwan. Aforesaid statements and report are also audited by the audit committees with records.

(2) Aforesaid statements / report and independent accountants' report are attached. Please refer to "Annex 1" (page 7-9) and "Annex 2" (page 10-36) of this handbook.

Resolution:

Item 2: (proposed by the Board of Directors)

Description: Please ratify the Company's Earnings Distribution in 2021

Explanation: (1) Please refer to "Annex 7" (page 45) of the Company's Earnings Distribution in 2021.

(2) The distributed cash dividend shall be counted only until digit in ones (shall be rounded down to an integer).

(3) Regarding the earnings distribution stated in preceding Paragraph, if the 4th domestic unsecured convertible bonds converted to ordinary shares affect the number of the Company's ordinary shares outstanding and results in a change of shareholders' dividend declared ratio, it is hereby proposed at the Shareholders' Meeting to fully authorize the Chairman to make an adjustment according to the resolution of the board of directors.

(4) According to earnings distribution stated in preceding Paragraph, the cash dividend shall be, after the authorization was approved at the General Meeting of Shareholders', distributed based on the ex-dividends date stipulated by the Board of Directors separately.

Resolution:

V. Matters for Discussion

Item 1: (proposed by the Board of Directors)

Description: Amendment to “Articles of Incorporation”.

Explanation: (1) Amendments were made to Company’s “Articles of Incorporation” are made to comply with legal regulations and to satisfy the Company’s actual operational needs.
(2) Regarding the Comparison Table of Amendments to “Articles of Incorporation”, please refer to “Annex 8” (page 46)of this handbook.

Resolution

Item 2: (proposed by the Board of Directors)

Description: Amendment to “Procedures for Acquisition or Disposal of Assets”.

Explanation: (1) Amendments were made to Company’s “Procedures for Acquisition or Disposal of Assets” are made to comply with legal regulations and to satisfy the Company’s actual operational needs.
(2) Regarding the Comparison Table of Amendments to “Procedures for Acquisition or Disposal of Assets”, please refer to “Annex 9” (page 47-50)of this handbook.

Resolution:

VI. Directors Election Resolution

Item 1: (proposed by the Board of Directors)

Description: Please approve the election of new Directors.

Explanation:

- (1) The terms of office for the Company's 8th Directors (9 Directors) is from May 30, 2019 to May 29, 2022.
- (2) It is planned to conduct a complete election at shareholders' meeting this time to elect 9 Directors (including 3 independent directors), whose terms of office is from May 27 2022 to May 26 2025.
- (3) Regarding the Company's Directors / Independent Directors nomination system, list of candidates and their educational background, experiences and shareholding, please refer to "Appendix 7" (page 62-63) of this handbook.
- (4) Regarding "Rules governing the Election of Directors", please refer to "Appendix 4" (page 59) of this handbook.

Resolution:

VII. Other Matters

Item 1: (proposed by the Board of Directors)

Description: Please approve the release of non-competition restriction on newly elected directors.

Explanation:

- (1) Please approve to release the non-competition restriction for the newly elected directors and/or their representatives according to Article 209 of the Company Act, If the newly elected Directors actually does anything for themselves or on behalf of another person that is within the scope of the Company's business.
- (2) Dismissal of non-competition restrictions on newly elected directors, please refer to "Appendix 8" (page 64-67) of this handbook.

Resolution:

VIII. Extempore Motion

IX. Adjournment

【Annex 1: Business Report in 2021】

Marketch International Corp. 2021 Business Report

I. Operating Results of 2021

1. Operating Results

In 2021, MIC group's consolidated revenue was NT\$ 34,458,674 thousand with an increase of 37.18% comparing with NT\$ 25,119,857 thousand in 2020; consolidated net income was NT\$1,508,422 thousand with an increase of 72.29% comparing with NT\$875,502 thousand in 2020; and earnings per share was NT\$8.24 with an increase of 68.85% comparing with NT\$4.88 in 2020.

The company will continue to stabilize growth and profitability as the operational goals in the future, thus to create the largest shareholder equity.

Summary of the 2021 and 2020 Consolidated Financial Statement is listed as follows:

Unit: NT\$ thousands ; %

Items	2020	2021	Variance (\$)	Variance (%)
Operating Revenue	25,119,857	34,458,674	9,338,817	37.18%
Gross Profit	3,100,342	3,619,982	519,640	16.76%
Operating Income	1,201,498	1,643,086	441,588	36.75%
Net Income	875,502	1,508,422	632,920	72.29%
Profit attributable to owners of the parent	913,736	1,547,479	633,743	69.36%
Earnings per share (in dollars) (Note2)	4.88	8.24	3.36	68.85%

Note 1: The above information is summarized from Audit Reports of 2020 and 2021.

Note 2: The Earnings per share is based on the weighted average number of outstanding shares to calculate the basic earning per share.

2. Budget Implementation

In 2021, due to prospect of the of Semiconductor and the relevant industries , the order demands of the customers has been increasing, this has lead MIC consolidated revenue and profit higher then expected, MIC will continue to strive for stable growth and achievement of operational goals.

3. Analysis of Receipts, Expenditures and Profitability

Items		Consolidated Financial Statements	
		2020	2021
Financial Structure	Ratio of liabilities to assets (%)	68.58	72.00
	Ratio of long-term capital to fixed assets (%)	410.58	433.13
Solvency	Current ratio (%)	143.84	130.28
	Quick ratio (%)	113.06	104.23
	Times interest earned	18.08	34.24
Profitability	Return on total assets (%)	4.66	6.46
	Return on shareholders' equity (%)	14.35	21.29
	Ratio of operating income to paid-in capital (%)	64.18	85.24
	Ratio of pre-tax income to paid-in capital (%)	61.41	100.67
	Profit margin (%)	3.49	4.38
	Earnings per share (dollar) (Note)	4.88	8.24

Note: The Earnings per share is based on the weighted average number of outstanding shares to calculate the basic earning per share.

4. Research and Development

(1) Expenditure involved

Unit: NT\$ thousands; %

Items \ Year	Consolidated Financial Statements	
	2020	2021
Research and development expenses (A)	184,401	226,158
Operating revenue (B)	25,119,857	34,458,674
Ratio (C=A/B)(%)	0.73	0.66

(2) Developed technologies and products in 2021

Featured with the capability of integrating high-technology production, auto-control and precision machinery technologies, the R&D team of MIC Group has shown extraordinary results in developing high-technology system and facilities. Its major performance in 2021 is shown below:

Year	R&D Performance	Applications
2021	5G IO Gateway	IC 、LCD 、LED
	FMM repair	OLED Mask
	FPD Cassette cleaner	TFT LCD
	4/6 inch automatic bare wafer loading machine third generation	sapphire etching
	Automatic welding for ultra high pure supply system	Using in dense pipeline and confined space for process equipment

II. Highlights of 2022 Business Plan

1. Operating Strategies

- (1) Go further in high-tech equipment and material product lines to increase the operating revenue.
- (2) Upgrade capabilities in turnkey service of engineering, design and system integration.
- (3) Cooperate with well-known international manufacturers to develop capabilities in production relevant processing equipment.
- (4) Upgrade and extend equipment maintenance services.
- (5) Actively develop IoT, Big Data, AI applications, private 5G network, AR/VR and other applications and installation capabilities.

2. Sales volume forecast and basis thereof

Directorate-General of Budget, Accounting and Statistics (DGBAS) estimated that the annual economic growth rate (yoy) would be 6.28% in 2021; and forecasted that the number will drop to 4.15% in 2022. In the latest “Global Economic Prospects” report published by the World Bank on January 11, the global economic growth rate was 5.5% in 2021 and is expected to drop to 4.1% in 2022 and 3.2% in 2023 primarily due to the continuous outbreaks of COVID-19, financial support cuts and constant bottleneck in supply chain.

In the “Year-end Total Semiconductor Equipment Forecast - OEM Perspective” report published by Semiconductor Equipment and Materials International (SEMI) at the annual SEMICON Japan Exhibition on December 14, 2021, the total sale of worldwide original equipment manufacturers’ (OEM) semiconductor manufacturing equipment in 2021 will break the record and reach US\$103 billion, showing a big increase of 44.7% comparing with 2020 (US\$71 billion). This indicates an uptrend of the global semiconductor equipment market and the total market sale is expected to reach a higher point at US\$114 billion in 2022.

Terry Tsao, the Global Chief Marketing Officer at SEMI and the President of SEMI Taiwan, said that “The sale of semiconductor manufacturing equipment that already exceeds US\$100 billion represents global semiconductor industry’s joint efforts on expanding our production capacity to meet the strong market demand. It is our expectation that the investments in digital infrastructure will go on and continue to increase in 2022 together with terminal market trends.

At the earnings call held by TSMC, known as the pioneer in semiconductor industry, on January 13, 2022,

Vice President and Chief Financial Officer of TSMC Wendell Huang said that the company's capital expenditure reached NT\$839.2 billion (around US\$30.04 billion) in 2021 with an annual growth of 65.4% and was expected to reach US\$40 billion to 44 billion in 2022.

Looking into 2022, MIC forecasts that the Group's business performance will be benefited from the estimated growth of microeconomy and semiconductor sales.

3. Important Production and Sales Policies

- (1) To integrate MIC Group's business units and build up the Company's core technology.
- (2) Increase the efficiency and reduce the costs to enhance the Company's business competitiveness.
- (3) To provide customer a full line service through synergy of the company's business units.
- (4) To enhance its relationship with international customers and to extend the Company's capability to provide local services.

III. Future Development Strategy

Centered on four major business groups – business agency, engineering design, system applications, and R&D and Manufacturing – MIC aims to further diversify its services and to include non-IT customers in order to expand its business in Asia.

Regarding the management system, MIS has implemented ISO9001, ISO13485, ISO14001,ISO45001,SA8000 and GMP work standards to enhance its work quality and efficiency to ensure the Group's competitiveness, to make employees confident, to bring customers a good protection and to maximize shareholders' benefits.

IV. Impacts of External Competitive Environment, Regulatory Environment and Macroeconomic Environment

Impacted by the fierce competition of macroeconomic environment, the industry generally has the costs increased and profitability decreased. MIC Group is now making effort on the project and purchase management in order to enhance our competitiveness in the industry by controlling the costs and expenditure. As for the regulations, amendments concerning the protection of our environment, consumers and investors, as well as our social responsibilities were made, creating more restrictions on the business and turning the macroeconomic environment even more complicated. MIC Group values the spirit of ESG, therefore we will provide even more professional services to confront the incoming challenges. Upholding the spirit of "innovations", MIC Group will optimize our advantages and expand our market by offering "integrated", "eco-friendly", "differentiated" and "digitalize", "smart" solutions and services.

A Good Health and All the Bests to our Shareholders.

Sincerely yours,

Chairman: Margaret Kao

President: Scott Lin

Accounting Director: Chung Chi-Wen

【Annex 2:2021 Financial Statements and Report of Independent Accountants】
2021 Consolidated Financial Statements and Report of Independent Accountants



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Marketch International Corp.

Opinion

We have audited the accompanying consolidated balance sheets of Marketch International Corp. and its subsidiaries (the "Group") as at December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant in 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 judgement, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the consolidated financial statements for the year ended December 31, 2021 were as follows:

Recognition of construction contract revenue

Description

Refer to Note 4(28) for accounting policy on construction contract revenue , Note 5(2) for the details of uncertainty of construction contract accounting estimation and assumptions, and Notes 6(19) and 6(4) for description on construction contract revenue and construction contract cost.

The Group recognized revenue and profit by using the percentage of completion method. This method is also being used to calculate the cost for each contract at year-end. Management will re-evaluate the cost if the budget had increased or decreased, and depending on the cost after adjustment, the percentage of completion will be recalculated. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the management's control system and determined whether the contract had been created or significantly changed with respect to estimated cost.
- B. Obtained the newly added construction contracts list for this fiscal year, and checked whether the total contract price is equal to the amount being used to calculate construction contract revenue. Ascertained whether any additional construction supplements can be traced back to supplementary contracts.
- C. Checked the significant newly added construction projects, sample tested the construction costs incurred, estimation sheets and subcontract plans, and ascertained whether these have been approved appropriately by the management.
- D. Checked the significant changes in the estimation of construction cost, and ascertained whether the revised plan had been approved by the management.
- E. Obtained the billing details and selected samples of related vouchers by using statistical procedure to check the correctness of input cost in engineering reports and computation of percentage of completion.

Valuation of inventories

Description

Refer to Note 4(12) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(4) for description on inventory.

The Group is primarily engaged in the import and export trading business, which include integrated circuit, electronic equipment, as well as materials and components used on electronic equipment. Due to the rapid technological changes, the semiconductor equipment industry has become more and more competitive, and the product price frequently changes. Therefore, the Group is now exposed to risk on inventory valuation loss and slow-moving inventory. Inventories are stated at the lower of cost or net realizable value, and the specific identification method is used to estimate the allowance for inventory valuation loss on slow-moving inventories.

The base stock of inventories is based on assumptions of future demand and development plan. Due to the large quantity of inventories for sale, and since the amounts involved are significant, the determination of net realizable value for obsolete or slow-moving inventory involves subjective judgement resulting in high degree of estimation uncertainty. As a result of the high uncertainties in these estimates, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Group.
- B. Tested whether the basis of market value used in calculating the net realizable value of inventory is consistent with the policy of the Group and validated selling prices of selected samples of respective inventory and their accuracy of net realizable value calculation.
- C. Acquired management's individually identified out-of-date inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Valuation of loss allowance for accounts receivable

Description

Refer to Note 4(9) and (10) for accounting policy on accounts receivable, Note 5(2) for accounting estimates and assumption uncertainty in relation to loss allowance of accounts receivable, and Note 6(3) for the details of accounts receivable.

The Group assesses the significant accounts receivable individually, and for those that are not significant, are assessed either individually or collectively. If there is no impairment after individual assessment, then the group of accounts receivable will be added for collective assessment. If the accounts receivable over a certain age is significant, the management will re-examine the collectability and assess each case for possible impairment. Management uses professional judgement during the process, and accounting estimates have a high possibility of becoming inappropriate. The professional judgement may be affected by several factors, such as customer's financial status, internal credit rating, order history, and economic situation. Accordingly, obtaining the supporting documents which management used for judgement is important. Thus, we considered the assessment on loss allowance of accounts receivable as one of our key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the process which management used to evaluate the collectability of accounts receivable.
- B. Ensured that the classification of impairment in the group of accounts receivable is appropriate and in accordance with the Group's accounting policy.
- C. Checked the details of significant impairment recognized by the management against the supporting documents to verify appropriateness.
- D. Verified the subsequent collection details of significant accounts receivable.
- E. Obtained the details of significant accounts receivable which have not yet been collected at year end, and re-evaluated the appropriateness.

Other matter - Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Marketech International Corp. as at and for the years ended December 31, 2021 and 2020.

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

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

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

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

Auditors' responsibilities for the audit of the consolidated financial statements

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

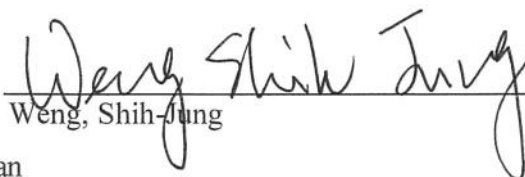
As part of an audit in accordance with the generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

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

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

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


Lin, Chun-Yao
Weng, Shih-Jung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 21, 2022

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

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2021		December 31, 2020			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	4,187,655	15	\$	2,992,379	15
1110	Financial assets at fair value through profit or loss - current	6(2)		175,306	1		140,684	1
1136	Current financial assets at amortized cost	8		747	-		45,691	-
1140	Current contract assets	6(19)		8,510,574	30		5,306,618	26
1150	Notes receivable, net	6(3)		52,866	-		50,671	-
1160	Notes receivable - related parties	6(3) and 7		113	-		-	-
1170	Accounts receivable, net	6(3)		4,805,260	17		3,679,707	18
1180	Accounts receivable - related parties, net	6(3) and 7		122,384	-		150,311	1
1200	Other receivables			201,074	1		14,002	-
130X	Inventories, net	6(4)		3,562,479	13		2,852,312	14
1410	Prepayments	6(5)		1,026,464	4		574,914	3
1470	Other current assets	8		300,806	1		206,057	1
11XX	Total current assets			22,945,728	82		16,013,346	79
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)		802,715	3		535,283	3
1535	Non-current financial assets at amortized cost	8		42,119	-		37,851	-
1550	Investments accounted for using equity method	6(6)		75,386	-		98,570	-
1600	Property, plant and equipment, net	6(7)(9), 7 and 8		2,366,042	9		2,223,383	11
1755	Right-of-use assets	6(8) and 7		1,255,415	5		1,004,862	5
1780	Intangible assets	7		106,822	-		52,792	-
1840	Deferred tax assets	6(23)		157,800	1		170,699	1
1900	Other non-current assets	6(6) and 8		108,507	-		124,637	1
15XX	Total non-current assets			4,914,806	18		4,248,077	21
1XXX	Total Assets		\$	27,860,534	100	\$	20,261,423	100

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(10) and 8	\$ 3,568,994	13	\$ 1,474,800	7
2130	Current contract liabilities	6(19)	4,472,586	16	3,244,815	16
2150	Notes payable		1,721,874	6	1,152,035	6
2160	Notes payable - related parties	7	15,218	-	3,897	-
2170	Accounts payable		6,363,401	23	4,098,314	20
2180	Accounts payable - related parties	7	12,409	-	5,532	-
2200	Other payables	6(11)	853,528	3	651,328	3
2230	Current tax liabilities		173,703	1	165,237	1
2280	Current lease liabilities	7	146,794	-	106,385	-
2310	Advance receipts		212,404	1	123,228	1
2399	Other current liabilities		71,612	-	107,082	1
21XX	Total current liabilities		17,612,523	63	11,132,653	55
Non-current liabilities						
2530	Bonds payable	6(12)	885,747	3	1,455,438	7
2540	Long-term borrowings	6(13)	200,000	1	200,000	1
2570	Deferred tax liabilities	6(23)	94,422	-	51,303	-
2580	Non-current lease liabilities	7	1,098,869	4	874,040	5
2640	Net defined benefit liability - non-current	6(14)	163,688	1	178,133	1
2670	Other non-current liabilities	6(6)	3,145	-	3,473	-
25XX	Total non-current liabilities		2,445,871	9	2,762,387	14
2XXX	Total Liabilities		20,058,394	72	13,895,040	69
Equity						
	Share capital	6(16)				
3110	Ordinary shares		1,927,562	7	1,872,192	9
	Capital surplus	6(15)(17)				
3200	Capital surplus		1,562,207	6	1,029,109	5
	Retained earnings	6(18)				
3310	Legal reserve		932,127	3	841,627	4
3320	Special reserve		167,098	1	170,247	1
3350	Unappropriated retained earnings		3,339,807	12	2,526,327	13
	Other equity interest					
3400	Other equity interest		(256,244)	(1)	(167,098)	(1)
31XX	Total equity attributable to owners of parent		7,672,557	28	6,272,404	31
36XX	Non-controlling interests	4(3)	129,583	-	93,979	-
3XXX	Total Equity		7,802,140	28	6,366,383	31
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheet date	11				
3X2X	Total Liabilities and Equity		\$ 27,860,534	100	\$ 20,261,423	100

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share)

	Items	Notes	Year ended December 31,			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating Revenue	6(19) and 7	\$ 34,458,674	100	\$ 25,119,857	100
5000	Operating Costs	6(4)(22) and 7	(30,838,692)	(90)	(22,019,515)	(88)
5900	Gross Profit		<u>3,619,982</u>	<u>10</u>	<u>3,100,342</u>	<u>12</u>
	Operating Expenses	6(22)				
6100	Sales and marketing expenses		(712,422)	(2)	(609,897)	(2)
6200	General and administrative expenses		(1,044,927)	(3)	(929,473)	(4)
6300	Research and development expenses		(226,158)	(1)	(184,401)	(1)
6450	Expected credit gain (loss)	12(2)	<u>6,611</u>	<u>-</u>	<u>(175,073)</u>	<u>(1)</u>
6000	Total operating expenses		<u>(1,976,896)</u>	<u>(6)</u>	<u>(1,898,844)</u>	<u>(8)</u>
6900	Operating Profit		<u>1,643,086</u>	<u>4</u>	<u>1,201,498</u>	<u>4</u>
	Non-operating Income and Expenses					
7100	Interest income		11,791	-	9,227	-
7010	Other income	6(20)	66,917	-	65,680	-
7020	Other gains and losses	6(2)(21)	279,660	1	(60,139)	-
7050	Finance costs	7	(58,380)	-	(67,326)	-
7060	Share of (loss) profit of associates and joint ventures accounted for using equity method		(2,693)	-	810	-
7000	Total non-operating income and expenses		<u>297,295</u>	<u>1</u>	<u>(51,748)</u>	<u>-</u>
7900	Profit before Income Tax		<u>1,940,381</u>	<u>5</u>	<u>1,149,750</u>	<u>4</u>
7950	Income tax expense	6(23)	<u>(431,959)</u>	<u>(1)</u>	<u>(274,248)</u>	<u>(1)</u>
8200	Net Income		<u>\$ 1,508,422</u>	<u>4</u>	<u>\$ 875,502</u>	<u>3</u>

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

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

	Items	Notes	Year ended December 31,			
			2021		2020	
			AMOUNT	%	AMOUNT	%
	Other Comprehensive Income					
8311	Gain (losses) on remeasurements of defined benefit plans	6(14)	\$ 10,746	-	(\$ 10,884)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(2,127)	-	2,155	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		8,619	-	(8,729)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign operations		(111,052)	-	4,274	-
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(197)	-	(343)	-
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(23)	21,916	-	(417)	-
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(89,333)	-	3,514	-
8300	Other comprehensive loss, net of tax		(\$ 80,714)	-	(\$ 5,215)	-
8500	Total Comprehensive Income		<u>\$ 1,427,708</u>	<u>4</u>	<u>\$ 870,287</u>	<u>3</u>
	Profit (loss) attributable to:					
8610	Owners of the parent		\$ 1,547,479	4	\$ 913,736	3
8620	Non-controlling interests		(39,057)	-	(38,234)	-
	Total		<u>\$ 1,508,422</u>	<u>4</u>	<u>\$ 875,502</u>	<u>3</u>
	Comprehensive income (loss) attributable to:					
8710	Owners of the parent		\$ 1,466,952	4	\$ 908,156	3
8720	Non-controlling interests		(39,244)	-	(37,869)	-
	Total		<u>\$ 1,427,708</u>	<u>4</u>	<u>\$ 870,287</u>	<u>3</u>
9750	Basic earnings per share (in dollars)	6(24)	<u>\$ 8.24</u>		<u>\$ 4.88</u>	
9850	Diluted earnings per share (in dollars)	6(24)	<u>\$ 7.80</u>		<u>\$ 4.85</u>	

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent									
		Capital Reserves			Retained Earnings			Other Equity			
		Share capital -	Capital surplus -	Capital surplus--			Unappropriated retained	Financial statements			
Notes		ordinary shares	share premium	others	Legal reserve	Special reserve	earnings	translation	Total	Non-controlling interests	
								differences of foreign		Total equity	
								operations			
<u>Year ended December 31, 2020</u>											
Balance at January 1, 2020		\$ 1,868,400	\$ 976,688	\$ 6,194	\$ 771,326	\$ 92,239	\$ 2,255,413	(\$ 170,247)	\$ 5,800,013	\$ 37,955	\$ 5,837,968
Profit (loss) for the period		-	-	-	-	-	913,736	-	913,736	(38,234)	875,502
Other comprehensive income (loss) for the period		-	-	-	-	-	(8,729)	3,149	(5,580)	365	(5,215)
Total comprehensive income (loss)		-	-	-	-	-	905,007	3,149	908,156	(37,869)	870,287
Appropriations and distribution of 2019 retained earnings:		6(18)									
Legal reserve		-	-	-	70,301	-	(70,301)	-	-	-	-
Special reserve		-	-	-	-	78,008	(78,008)	-	-	-	-
Cash dividends		-	-	-	-	-	(485,784)	-	(485,784)	-	(485,784)
Share-based payment		6(15)(16)(17)	3,792	4,479	(2,370)	-	-	-	5,901	1,431	7,332
Changes in ownership interest in subsidiaries		6(17)	-	-	912	-	-	-	912	(912)	-
Due to recognition of equity component of convertible bonds issued		6(17)	-	-	43,206	-	-	-	43,206	-	43,206
Change in non-controlling interests		-	-	-	-	-	-	-	-	93,374	93,374
Balance at December 31, 2020		\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404	\$ 93,979	\$ 6,366,383
<u>Year ended December 31, 2021</u>											
Balance at January 1, 2021		\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404	\$ 93,979	\$ 6,366,383
Profit (loss) for the period		-	-	-	-	-	1,547,479	-	1,547,479	(39,057)	1,508,422
Other comprehensive income (loss) for the period		-	-	-	-	-	8,619	(89,146)	(80,527)	(187)	(80,714)
Total comprehensive income (loss)		-	-	-	-	-	1,556,098	(89,146)	1,466,952	(39,244)	1,427,708
Appropriations and distribution of 2020 retained earnings:		6(18)									
Legal reserve		-	-	-	90,500	-	(90,500)	-	-	-	-
Special reserve		-	-	-	-	(3,149)	3,149	-	-	-	-
Cash dividends		-	-	-	-	-	(655,267)	-	(655,267)	-	(655,267)
Share-based payment		6(16)(17)	1,690	1,887	(1,023)	-	-	-	2,554	704	3,258
Changes in ownership interest in subsidiaries		6(17)	-	-	2,102	-	-	-	2,102	(2,102)	-
Conversion of convertible bonds		6(16)(17)(26)	53,680	547,311	(17,179)	-	-	-	583,812	-	583,812
Change in non-controlling interests		6(25)	-	-	-	-	-	-	-	76,246	76,246
Balance at December 31, 2021		\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557	\$ 129,583	\$ 7,802,140

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

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

		Years ended December 31,	
	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,940,381	\$ 1,149,750
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets at fair value through profit or loss	6(2)(21)	(443,233)	(39,251)
Expected credit (gain) loss	12(2)	(6,611)	175,073
Share of loss (gain) of associates and joint ventures accounted for using equity method		2,693	(810)
Depreciation	6(7)(8)(22)	345,272	317,411
Amortization	6(22)	21,871	20,329
Loss on disposal of property, plant and equipment	6(7)(21)	841	4,127
Impairment of non-financial assets	6(7)(9)(21)	47,309	-
Gain on lease modification	6(8)	(1,647)	(680)
Compensation cost of share-based payments	6(15)(22)	704	1,431
Gain from disposal of investments	6(25)	(1)	-
Interest income		(11,791)	(9,227)
Interest expense		58,380	67,325
Dividend income	6(20)	(9,560)	(16,798)
Gain recognized from bargain purchase	6(25)	-	(309)
Changes in operating assets and liabilities			
Changes in operating assets			
Contract assets – current		(3,203,956)	(1,210,995)
Notes receivable, net		(2,195)	107,022
Notes receivable – related parties, net		(113)	-
Accounts receivable, net		(1,121,382)	976,109
Accounts receivable – related parties, net		25,834	79,230
Other receivables		(4,825)	(5,905)
Inventories		(713,838)	270,620
Prepayments		(448,475)	(213,537)
Other current assets		(11,980)	(21,209)
Changes in operating liabilities			
Contract liabilities – current		1,227,771	(250,714)
Notes payable		569,839	200,833
Notes payable – related parties		11,321	625
Accounts payable		2,289,075	(152,024)
Accounts payable – related parties		6,876	(2,568)
Other payables		199,281	143,221
Advance receipts		89,175	84,136
Other current liabilities		(35,592)	8,719
Other non-current liabilities		(14,444)	(2,916)
Cash inflow generated from operations		806,980	1,679,018
Interest received		11,818	9,183
Dividends received		9,560	16,798
Interest paid		(42,794)	(70,380)
Income tax paid		(347,765)	(188,892)
Net cash flows from operating activities		437,799	1,445,727

(Continued)

MARKETECH INTERNATIONAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Years ended December 31, 2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 81,016)	(\$ 58,303)
Proceeds from disposal of financial assets at fair value through profit or loss		36,462	12,241
Proceeds from capital reduction of financial assets at fair value through profit or loss		1,957	2,812
Acquisition of financial assets at amortized cost		-	(36,865)
Proceeds from disposal of financial assets at amortized cost		40,676	-
Acquisition of investments accounted for using equity method		-	(20,000)
Proceeds from capital reduction of investments accounted for using the equity method		-	1,471
Net cash flow from acquisition of subsidiaries	6(25)	11,413	(3,300)
Acquisition of property, plant and equipment	6(7)	(482,388)	(215,592)
Proceeds from disposal of property, plant and equipment	6(7)	1,943	2,358
Acquisition of right-of-use assets		(4,221)	(4,942)
Acquisition of intangible assets		(46,554)	(56,449)
Increase in refundable deposits		(87,945)	(1,708)
Increase in prepayments for business facilities		-	(29,685)
Increase in prepayments for investments (Recorded as 'other non-current assets')		-	(28,480)
Dividends received		4,103	-
Net cash flows used in investing activities		(605,570)	(436,442)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(27)	2,100,100	(1,575,565)
Proceeds from exercise of employee stock options	6(15)	2,554	5,902
Repayments of lease principal	6(8)(27)	(106,441)	(91,033)
Decrease in guarantee deposits received		-	(12)
Proceeds from issuance of bonds	6(12)(27)	-	1,495,000
Cash dividends paid	6(18)	(655,267)	(485,784)
Changes in non-controlling interests		48,861	93,374
Net cash flows from (used in) financing activities		1,389,807	(558,118)
Effect of exchange rate changes on cash and cash equivalents		(26,760)	(19,731)
Net increase in cash and cash equivalents		1,195,276	431,436
Cash and cash equivalents at beginning of year	6(1)	2,992,379	2,560,943
Cash and cash equivalents at end of year	6(1)	<u>\$ 4,187,655</u>	<u>\$ 2,992,379</u>

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

II. 2021 Parent Company only Financial Statements and Report of Independent Accountants



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Marketch International Corp.

Opinion

We have audited the accompanying parent company only balance sheets of Marketch International Corp. (the "Company") as at December 31, 2021 and 2020, and the parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at 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".

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the parent company only financial statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public 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 judgement, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters on the parent company only financial statements for the year ended December 31, 2021 were as follows:

Recognition of construction contract revenue

Description

Refer to Note 4(27) for accounting policy on construction contract and revenue, Note 5(2) for the details of uncertainty of construction contract accounting estimation and assumptions, and Notes 6(17) and 6(4) for details of construction contract revenue and construction contract cost.

The Company recognized revenue and profit by using the percentage of completion method. This method is also being used to calculate the cost for each contract at year-end. Management will re-evaluate the cost if the budget had increased or decreased, and depending on the cost after adjustment, the percentage of completion will be recalculated. The construction contract revenue may be affected by the appropriateness of determination of cost and estimated cost. Thus, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the management's control system and determined whether the contract had been created or significantly changed with respect to estimated cost.
- B. Obtained the newly added construction contracts list for this fiscal year, and checked whether the total contract price is equal to the amount being used to calculate construction contract revenue. Ascertained whether any additional construction supplements can be traced back to supplementary contracts.
- C. Checked the significant newly added construction projects, sample tested the construction costs incurred, estimation sheets and subcontract plans, and ascertained whether these have been approved appropriately by the management.
- D. Checked the significant changes in the estimation of construction cost, and ascertained whether the revised plan had been approved by the management.
- E. Obtained the billing details and selected samples of related vouchers by using statistical procedure to check the correctness of input cost in engineering reports and computation of percentage of completion.

Valuation of inventories

Description

Refer to Note 4(11) for description of accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumption uncertainty in relation to inventory valuation, and Note 6(4) for description on inventory.

The Company is primarily engaged in the import and export trading business, which include integrated circuit, electronic equipment, as well as materials and components used on electronic equipment. Due to the rapid technological changes, the semiconductor equipment industry has become more and more competitive, and the product price frequently changes. Therefore, the Company is now exposed to risk on inventory valuation loss and slow-moving inventory. Inventories are stated at the lower of cost or net realizable value, and the specific identification method is used to estimate the allowance for inventory valuation loss on slow-moving inventories.

The base stock of inventories is based on assumptions of future demand and development plan. Due to the large quantity of inventories for sale, and since the amounts involved are significant, the determination of net realizable value for obsolete or slow-moving inventory involves subjective judgement resulting in high degree of estimation uncertainty. As a result of the high uncertainties in these estimates, we considered this as one of the key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Assessed the policy on allowance for inventory valuation loss based on our understanding of the operations and industry of the Company.
- B. Tested whether the basis of market value used in calculating the net realizable value of inventory is consistent with the policy of the Company and validated selling prices of selected samples of respective inventory and their accuracy of net realizable value calculation.
- C. Acquired management's individually identified out-of-date inventory list, inspected the related supporting documents and proper recognition in the financial statements.

Valuation of loss allowance for accounts receivable

Description

Refer to Notes 4(8) and (9) for accounting policy on accounts receivable, Note 5(2) for accounting estimates and assumption uncertainty in relation to loss allowance of accounts receivable, and Note 6(3) for the details of accounts receivable.

The Company assesses the significant accounts receivable individually, and those that are not significant, are assessed either individually or collectively. If there is no impairment after individual assessment, then the group of accounts receivable will be subject to collective assessment. If the accounts receivable over a certain age is significant, the management will re-examine the collectability, and assess each case for possible impairment. Management uses professional judgement during the process, and accounting estimates have a high possibility of becoming inappropriate. The professional judgement may be affected by several factors, such as customer's financial status, internal credit rating, order history, and economic situation. Accordingly, obtaining the supporting documents which management used for judgement is important. Thus, we considered the assessment on loss allowance of accounts receivable as one of our key audit matters.

How our audit addressed the matter

We tailored the major audit scope as follows:

- A. Obtained an understanding of the process which management used to evaluate the collectability of accounts receivable.
- B. Ensured that the classification of impairment in the group of accounts receivable is appropriate and in accordance with the Company's accounting policy.
- C. Checked the details of significant impairment recognized by the management against the supporting documents to verify appropriateness.
- D. Verified the subsequent collection details of significant accounts receivable.
- E. Obtained the details of significant accounts receivable which have not yet been collected at year end, and re-evaluated the appropriateness.

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

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

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.


2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit, and for forming an audit opinion on the parent company only financial statements.

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

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

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


Lin, Chun-Yao


Weng, Shih-Jung

For and on behalf of PricewaterhouseCoopers, Taiwan

February 21, 2022

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

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2021		December 31, 2020			
			AMOUNT	%	AMOUNT	%		
Current assets								
1100	Cash and cash equivalents	6(1)	\$	1,446,152	6	\$	1,562,493	9
1110	Financial assets at fair value through profit or loss - current	6(2)		175,306	1		140,684	1
1136	Financial assets at amortized cost - current	8		-	-		45,000	-
1140	Current contract assets	6(17) and 7		7,556,616	33		4,226,388	25
1150	Notes receivable, net	6(3)		4,436	-		30,083	-
1160	Notes receivable due from related parties, net	6(3) and 7		92	-		-	-
1170	Accounts receivable, net	6(3)		3,072,904	13		2,395,135	14
1180	Accounts receivable - related parties, net	6(3) and 7		71,163	-		156,710	1
1200	Other receivables			195,048	1		9,266	-
1210	Other receivables - related parties	7		180,450	1		39,108	-
130X	Inventories, net	6(4)		3,015,240	13		2,385,410	14
1410	Prepayments			723,366	3		373,638	2
1470	Other current assets	8		94,864	1		87,612	1
11XX	Total current assets			16,535,637	72		11,451,527	67
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)		802,715	3		535,283	3
1550	Investments accounted for using equity method	6(5) and 7		2,547,470	11		2,279,900	14
1600	Property, plant and equipment, net	6(6) and 7		1,979,380	9		1,717,285	10
1755	Right-of-use assets	6(7) and 7		962,581	4		905,860	5
1780	Intangible assets	7		75,746	-		48,026	-
1840	Deferred tax assets	6(21)		157,800	1		170,699	1
1900	Other non-current assets	8		49,152	-		34,970	-
15XX	Total non-current assets			6,574,844	28		5,692,023	33
1XXX	Total Assets		\$	23,110,481	100	\$	17,143,550	100

(Continued)

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2021		December 31, 2020					
			Notes	AMOUNT	%	AMOUNT	%			
Current liabilities										
2100	Short-term borrowings	6(8)	\$	3,345,000	15	\$	1,085,778	6		
2130	Current contract liabilities	6(17) and 7		2,473,760	11		2,354,775	14		
2150	Notes payable			1,719,791	7		1,150,933	7		
2160	Notes payable - related parties	7		14,724	-		3,897	-		
2170	Accounts payable			4,411,499	19		2,585,841	15		
2180	Accounts payable - related parties	7		45,333	-		14,506	-		
2200	Other payables	6(9)		639,993	3		468,688	3		
2230	Current tax liabilities			154,008	1		149,664	1		
2280	Current lease liabilities			78,737	-		71,518	-		
2310	Advance receipts			207,026	1		118,015	1		
2399	Other current liabilities			66,609	-		104,025	-		
21XX	Total current liabilities			13,156,480	57		8,107,640	47		
Non-current liabilities										
2530	Bonds payable	6(10)		885,747	4		1,455,438	9		
2540	Long-term borrowings	6(11)		200,000	1		200,000	1		
2570	Deferred tax liabilities	6(21)		94,422	-		51,303	-		
2580	Non-current lease liabilities			894,340	4		841,381	5		
2640	Net defined benefit liability - non-current	6(12)		163,688	1		178,133	1		
2670	Other non-current liabilities	6(5)		43,247	-		37,251	-		
25XX	Total non-current liabilities			2,281,444	10		2,763,506	16		
2XXX	Total Liabilities			15,437,924	67		10,871,146	63		
Equity										
	Share capital	6(14)								
3110	Ordinary shares			1,927,562	8		1,872,192	11		
	Capital surplus	6(13)(15)								
3200	Capital surplus			1,562,207	7		1,029,109	6		
	Retained earnings	6(16)								
3310	Legal reserve			932,127	4		841,627	5		
3320	Special reserve			167,098	1		170,247	1		
3350	Unappropriated retained earnings			3,339,807	14		2,526,327	15		
	Other equity interest									
3400	Other equity interest		(256,244)	(1)	(167,098)	(1)
3XXX	Total Equity			7,672,557	33		6,272,404	37		
	Significant contingent liabilities and unrecognized contract commitments	7 and 9								
	Significant events after the balance sheet date	11								
3X2X	Total Liabilities and Equity		\$	23,110,481	100	\$	17,143,550	100		

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

			Year ended December 31,			
			2021		2020	
Items	Notes		AMOUNT	%	AMOUNT	%
4000	Operating Revenue	6(17) and 7	\$ 25,756,473	100	\$ 18,404,137	100
5000	Operating Costs	6(4)(20) and 7	(23,187,462)	(90)	(16,027,833)	(87)
5900	Gross Profit		<u>2,569,011</u>	<u>10</u>	<u>2,376,304</u>	<u>13</u>
	Operating Expenses	6(20) and 7				
6100	Sales and marketing expenses		(394,933)	(1)	(339,893)	(2)
6200	General and administrative expenses		(728,341)	(3)	(662,102)	(3)
6300	Research and development expenses		(197,474)	(1)	(153,325)	(1)
6450	Expected credit gain (loss)	12(2)	83,394	-	(149,153)	(1)
6000	Total operating expenses		(1,237,354)	(5)	(1,304,473)	(7)
6900	Operating Profit		<u>1,331,657</u>	<u>5</u>	<u>1,071,831</u>	<u>6</u>
	Non-operating Income and Expenses					
7100	Interest income	7	4,607	-	3,485	-
7010	Other income	6(18) and 7	90,618	-	73,940	-
7020	Other gains and losses	6(2)(19)	370,301	1	(13,947)	-
7050	Finance costs		(47,891)	-	(38,855)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		<u>154,472</u>	<u>1</u>	<u>42,387</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>572,107</u>	<u>2</u>	<u>67,010</u>	<u>-</u>
7900	Profit before Income Tax		1,903,764	7	1,138,841	6
7950	Income tax expense	6(21)	(356,285)	(1)	(225,105)	(1)
8200	Net Income		<u>\$ 1,547,479</u>	<u>6</u>	<u>\$ 913,736</u>	<u>5</u>
	Other Comprehensive Income (Loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Gain (losses) on remeasurements of defined benefit plans	6(12)	\$ 10,746	-	(\$ 10,884)	-
8349	Income tax related to components of other comprehensive (loss) income that will not be reclassified to profit or loss	6(21)	(2,127)	-	2,155	-
8310	Other comprehensive income (loss) that will not be reclassified to profit or loss		<u>8,619</u>	<u>-</u>	<u>(8,729)</u>	<u>-</u>
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign operations		(110,865)	-	3,909	-
8380	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(197)	-	(343)	-
8399	Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	6(21)	<u>21,916</u>	<u>-</u>	<u>(417)</u>	<u>-</u>
8360	Other comprehensive (loss) income that will be reclassified to profit or loss		(89,146)	-	3,149	-
8300	Other comprehensive loss, net of tax		<u>(\$ 80,527)</u>	<u>-</u>	<u>(\$ 5,580)</u>	<u>-</u>
8500	Total Comprehensive Income		<u>\$ 1,466,952</u>	<u>6</u>	<u>\$ 908,156</u>	<u>5</u>
9750	Basic earnings per share (in dollars)	6(22)	\$ 8.24		\$ 4.88	
9850	Diluted earnings per share (in dollars)	6(22)	\$ 7.80		\$ 4.85	

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

		Capital Reserves			Retained Earnings			Other Equity	
	Notes	Share capital - ordinary shares	Capital surplus - share premium	Capital surplus - others	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statement translation differences of foreign operations	Total equity
<u>Year ended December 31, 2020</u>									
		\$ 1,868,400	\$ 976,688	\$ 6,194	\$ 771,326	\$ 92,239	\$ 2,255,413	(\$ 170,247)	\$ 5,800,013
		-	-	-	-	-	913,736	-	913,736
		-	-	-	-	-	(8,729)	3,149	(5,580)
		-	-	-	-	-	905,007	3,149	908,156
Appropriations and distribution of earnings for 2019	6(16)								
		-	-	-	70,301	-	(70,301)	-	-
		-	-	-	-	78,008	(78,008)	-	-
		-	-	-	-	-	(485,784)	-	(485,784)
Share-based payment	6(13)(14)(15)	3,792	4,479	(2,370)	-	-	-	-	5,901
Changes in ownership interest in subsidiaries	6(15)	-	-	912	-	-	-	-	912
Due to recognition of equity component of convertible bonds issued	6(10)(15)	-	-	43,206	-	-	-	-	43,206
Balance at December 31, 2020		\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404
<u>Year ended December 31, 2021</u>									
		\$ 1,872,192	\$ 981,167	\$ 47,942	\$ 841,627	\$ 170,247	\$ 2,526,327	(\$ 167,098)	\$ 6,272,404
		-	-	-	-	-	1,547,479	-	1,547,479
		-	-	-	-	-	8,619	(89,146)	(80,527)
		-	-	-	-	-	1,556,098	(89,146)	1,466,952
Appropriations and distribution of earnings for 2020	6(16)								
		-	-	-	90,500	-	(90,500)	-	-
		-	-	-	-	(3,149)	3,149	-	-
		-	-	-	-	-	(655,267)	-	(655,267)
Share-based payment	6(13)(14)(15)	1,690	1,887	(1,023)	-	-	-	-	2,554
Changes in ownership interest in subsidiaries	6(15)	-	-	2,102	-	-	-	-	2,102
Conversion of convertible bonds	6(10)(14)(15)(24)	53,680	547,311	(17,179)	-	-	-	-	583,812
Balance at December 31, 2021		\$ 1,927,562	\$ 1,530,365	\$ 31,842	\$ 932,127	\$ 167,098	\$ 3,339,807	(\$ 256,244)	\$ 7,672,557

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

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31,	
	Notes	2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,903,764	\$ 1,138,841
Adjustments			
Adjustments to reconcile profit (loss)			
Net gain on financial assets or liabilities at fair value through profit or loss	6(2)(19)	(443,233)	(39,251)
Expected credit (gain) loss	12(2)	(83,394)	149,153
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		(154,472)	(42,387)
Depreciation	6(6)(7)(20)	243,273	219,933
Amortization	6(20)	19,794	18,816
Loss on disposal of property, plant and equipment	6(6)(19)	19	3,768
Gain on lease modification	6(7)(19)	(1,608)	(50)
Gain from disposal of investments	6(19)	(1)	-
Interest income	7	(4,607)	(3,485)
Interest expense		47,891	38,855
Dividend income	6(18)	(9,560)	(16,798)
Gain recognized from bargain purchase		-	(309)
Changes in operating assets and liabilities			
Changes in operating assets			
Current contract assets		(3,330,228)	(1,023,733)
Notes receivable, net		25,647	57,296
Notes receivable - related parties, net		(92)	-
Accounts receivable, net		(594,375)	172,201
Accounts receivable - related parties, net		85,547	(19,090)
Other receivables		(6,115)	(10,150)
Other receivables - related parties, net		610	4,551
Inventories, net		(629,830)	312,176
Prepayments		(349,728)	(189,612)
Other current assets		11,678	(25,757)
Changes in operating liabilities			
Current contract liabilities		118,985	(110,576)
Notes payable		564,689	199,731
Notes payable – related parties		14,996	625
Accounts payable		1,748,750	289,381
Accounts payable – related parties		(6,528)	1,284
Other payables		285,992	68,018
Advance receipts		89,011	78,923
Other current liabilities		(37,416)	8,196
Other non-current liabilities		(3,700)	(2,916)
Cash (outflow) inflow generated from operations		(494,241)	1,277,634
Interest received		4,607	3,485
Dividends received		9,560	16,798
Interest paid		(34,195)	(39,187)
Income tax paid		(272,024)	(136,552)
Net cash flows (used in) from operating activities		(786,293)	1,122,178

(Continued)

MARKETECH INTERNATIONAL CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31,	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 81,016)	(\$ 58,303)
Proceeds from disposal of financial assets at fair value through profit or loss		36,462	12,241
Proceeds from capital reduction of financial assets at fair value through profit or loss		1,957	2,812
Disposal of financial assets at amortized cost		45,000	-
Increase in other receivables – related parties		(141,952)	-
Acquisition of investments accounted for using equity method – subsidiaries	7	(220,164)	(212,863)
Acquisition of investments accounted for using equity method – non-subsidiaries	7	-	(20,000)
Proceeds from capital reduction of investments accounted for using equity method		-	1,471
Acquisition of property, plant and equipment	6(6)	(430,259)	(202,042)
Proceeds from disposal of property, plant and equipment	6(6)	272	2,336
Acquisition of right-of-use assets		(659)	(4,058)
Acquisition of intangible assets		(47,514)	(55,466)
(Increase) decrease in refundable deposits		(33,111)	14,216
Increase in prepayments for business facilities		-	(9,037)
Dividends received		4,103	-
Net cash flows used in investing activities		(866,881)	(528,693)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings	6(25)	2,259,222	(1,234,222)
Proceeds from exercise of employee stock options	6(13)	2,554	5,902
Repayments of lease principal	6(7)(25)	(69,676)	(61,390)
Proceeds from issuance of bonds	6(10)(25)	-	1,495,000
Cash dividends paid	6(16)	(655,267)	(485,784)
Net cash flows from (used in) financing activities		1,536,833	(280,494)
Net (decrease) increase in cash and cash equivalents		(116,341)	312,991
Cash and cash equivalents at beginning of year	6(1)	1,562,493	1,249,502
Cash and cash equivalents at end of year	6(1)	\$ 1,446,152	\$ 1,562,493

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

【Annex 3: 2021 Audit Committee's Review Report】

Marketch International Corp.

Audit Committee's Review Report

To: The 2022 Annual General Shareholders' Meeting of Marketch International Corp.

We, as the Audit Committee of MIC Group, have audited the 2021 Business Report, Financial Statements and Earnings Distribution Proposal made and submitted by the board of directors. The said Financial Statements were audited by Independent Accountant Lin Chun-Yao and Independent Accountant Weng Shih-Jung of PricewaterhouseCoopers (PwC) Taiwan, and are supported with an audit report issued by PwC. We believe that there is no inconsistent information of aforementioned Business Report, Financial Statements and Earnings Distribution Proposal and hereby submit these documents to you according to Article 14-4 of Securities and Exchange Act and Article 219 of the Company Act.

Sincerely yours,

Chairperson of Audit Committee, Lin Hsiao-Min

February 21, 2022

【Annex 4 : Investments in Mainland China in 2021】

Marketch International Corp. Information on investments in Mainland China For the year ended December 31, 2021

I. Financial Information of Investments in Mainland China

Unit: NT\$ thousands

Investee in Mainland China	Main Business Activities	Paid-in Capital (Note 1 and Note 2)	Accumulated amount of remittance from Taiwan to Mainland China at period start (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan at period end (Note 1 and Note 2)		Accumulated amount of remittance from Taiwan to Mainland China at period end (Note 1 and Note 2)	Net income (loss) of investee of this period	Ownership held by the Company (direct or indirect)	Investment income (loss) of this period recognized by the Company (Note 3)	Book value of investments in Mainland China at period end (Note 1)	Accumulated amount of investment income remitted back to Taiwan at period end
				Remitted to Mainland China	Remitted back to Taiwan						
MIC-Tech (WuXi) Co., Ltd..	Design, manufacturing, installation and maintenance of semiconductor device, crystal dedicated device, electronic component device, environment pollution preventing equipment; assembling of wrapping device and cooling equipment; producing, assembling and sale of LED illuminator and its component; wholesale, commission agency and import and export of the aforementioned products their components, textile, commodities, chemical products and cosmetics; lease of self-owned plants; design, manufacturing, sales and installation of automatic warehousing equipment and accessories, automatic logistics transporting equipment and accessories; R&D, sales and installation of supplementary engineering in logistics dispatch system; manufacturing and sales of medical devices.	\$ 705,840 (Note4)	\$ 567,440	\$ -	\$ -	\$ 567,440	\$ 40,207	100%	\$ 40,734	\$ 57,373	\$ -
MIC-Tech (Shanghai) Corp.	Wholesale, commission agency, maintenance, repairment, manufacture, import and export of semiconductor production, inspection equipment and its consumables and boilers that generate electricity; storage and allocation of mainly chemical and boiler products; international and entrepot trade; trading and trading agency among enterprises in customs bonded area; consulting services in customs bonded area	228,111 (Note 4)	13,840	-	-	13,840	146,165	100%	146,165	640,130	-
Shanghai Maohua Electronics Engineering Co.,Ltd.	Production of scrubber bins for semiconductor manufacturers, design, installation, debugging and technology services of tunnel system, equipment repair for semiconductor manufacturers, consulting service for electrical and medical equipment; wholesale, commissioned distribution	16,608 (Note 4)	16,691	-	-	16,691	25,468	87%	22,157	18,912	-

Investee in Mainland China	Main Business Activities	Paid-in Capital (Note 1 and Note 2)	Accumulated amount of remittance from Taiwan to Mainland China at period start (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan at period end (Note 1 and Note 2)		Accumulated amount of remittance from Taiwan to Mainland China at period end (Note 1 and Note 2)	Net income (loss) of investee of this period	Ownership held by the Company (direct or indirect)	Investment income (loss) of this period recognized by the Company (Note 3)	Book value of investments in Mainland China at period end (Note 1)	Accumulated amount of investment income remitted back to Taiwan at period end
				Remitted to Mainland China	Remitted back to Taiwan						
	(exclude auction), export, import and related services of electronic products, machinery equipment, chemical products (exclude dangerous articles), communication equipment, metal products, plastic products										
MIC-Tech Electronics Engineering Corp.	Installation and construction of mechanical and electrical systems; construction of chemical and petroleum projects; construction of public municipal infrastructure projects; professional building renovation and decoration services; design and construction of smart buildings; construction of electronic projects and related technical services and consulting. Building equipment, building materials (excluding steel and cement), electronic products, chemical products (excluding hazardous products), metal products, electrical equipment, wholesale of communications equipment, commission-based agency (excluding auctions) and import-export business, and delivery of all related and supplementary services	\$ 487,694 (Note 4)	\$ 235,834	\$ -	\$ -	\$ 235,834	\$ 72,327	100%	\$ 72,327	\$ 605,725	\$ -
Fuzhou Jiwei System Integrated Co., Ltd.	Installation and complete services of clean room, mechanical system, street pipe system	8,304 (Note 4)	8,304	-	-	8,304	(346)	100%	(346)	(2,143)	-
Frontken MIC (Wuxi) Co., Ltd.	Research of specialized cleaning equipment of semiconductor device and integrated circuit, cleaning of special components of semiconductor device, integrated circuit and micromodule and cleaning technology for semiconductors, assembling, installation and maintenance of cooling equipment; design, manufacture, sale and installation of automatic warehouse equipment and fittings, and automatic logistics transporting equipment and fittings; development, sale and installation of computer aided engineering; wholesale, commission, import and export of above products and parts	63,885 (Note 4) (Note5)	25,554	-	-	25,554	(1,755)	100%	(1,755)	-	-

Investee in Mainland China	Main Business Activities	Paid-in Capital (Note 1 and Note 2)	Accumulated amount of remittance from Taiwan to Mainland China at period start (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan at period end (Note 1 and Note 2)		Accumulated amount of remittance from Taiwan to Mainland China at period end (Note 1 and Note 2)	Net income (loss) of investee of this period	Ownership held by the Company (direct or indirect)	Investment income (loss) of this period recognized by the Company (Note 3)	Book value of investments in Mainland China at period end (Note 1)	Accumulated amount of investment income remitted back to Taiwan at period end
				Remitted to Mainland China	Remitted back to Taiwan						
MIC-Tech China Trading (Shanghai) Co., Ltd.	Wholesale, commission agency and import and export of chemical products (except for hazardous chemicals, chemicals used in production of narcotic drugs and psychotropic substances and special chemicals), semiconductors, inspection equipment and its consumables, solar equipment consumables and boilers that generate electricity, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, consulting service for trading, installation, repair, and maintenance of automation equipment, electronic equipment, and their parts	41,520 (Note 4)	41,520	-	-	41,520	27,645	100%	27,645	60,272	-
Integrated Manufacturing & Services Co., Ltd.	Development of special equipment for solar cell production, manufacture of optical engine, lighting source, projection screen, high definition projection cathode-ray tube and micro-display module, and production, cleaning and regeneration of new electrical device; sells the products that manufactured by itself; machinery equipment, research and development of production technology of utilities equipment, technology transfer, technology consulting, technology service; processing of metal salvage and junk (except for hazardous chemicals and hazardous waste); metallic material (except for steels and noble metal), ceramic product, paper products and wholesale, retail and import and export of hardware products.	193,760 (Note 4)	107,952	-	-	107,952	(11,932)	60%	(7,159)	29,717	-
Macrotec Technology (Shanghai) Co., Ltd.	Wholesale, commission agency, import and export and other complementary service of electrical products, food, textile, commodities, cosmetics, valve switch, instrumentation, metal products, electrical equipment, International and entrepot trade, trading and trading agency among enterprises in customs bonded area, simple commercial processing in customs bonded area, and consulting service for trading in customs bonded area	\$ 26,487 (Note 4)	\$ 8,325	\$ -	\$ -	\$ 8,325	\$ 1,090	31.43%	\$ 342	(3,071)	\$ -
Fortune International Corporation	Research and development, design, manufacturing, sales, installation and repair services of semiconductor-related devices, equipment and materials; research and development, transfer, consulting and service	33,216 (Note 4)	13,840	-	-	13,840	(9,728)	27.78%	(2,703)	3,625	-

Investee in Mainland China	Main Business Activities	Paid-in Capital (Note 1 and Note 2)	Accumulated amount of remittance from Taiwan to Mainland China at period start (Note 1)	Amount remitted from Taiwan to Mainland China/ Amount remitted back to Taiwan at period end (Note 1 and Note 2)		Accumulated amount of remittance from Taiwan to Mainland China at period end (Note 1 and Note 2)	Net income (loss) of investee of this period	Ownership held by the Company (direct or indirect)	Investment income (loss) of this period recognized by the Company (Note 3)	Book value of investments in Mainland China at period end (Note 1)	Accumulated amount of investment income remitted back to Taiwan at period end
				Remitted to Mainland China	Remitted back to Taiwan						
	of semiconductor-related technology; supply chain management service; self-operation and agency of import and export business of various products and technologies; property management service; industrial park management service; accommodation service; retail of articles of daily use, food and beverages; venue rental; enterprise management service; conference and exhibition services; warehousing service; handling and transportation agency services										

Note 1: Refers to the paid-in capital, amount remitted to Mainland China / back to Taiwan, and book value of investments in Mainland China until December 31, 2021.

Note 2: Paid-in capital and investment amount were translated at the original currency times exchange rate at period end.

Note 3: In the 'Investment income (loss) recognised by the Company for the year ended column:

(1) It should be indicated if the investee was still in the incorporation arrangements and had not yet any profit during this period.

(2) Indicate the basis for investment income (loss) recognition in the number of one of the following three categories:

A. The financial statements that are reviewed and attested by international accounting firm which has cooperative relationship with accounting firm in R.O.C.

B. The financial statements that are reviewed and attested by R.O.C. parent company's CPA.

C. Others

Note 4: Through investing in Market Go Profits Ltd., which then invested in the investee in Mainland China.

Note 5: The liquidation of Frontken MIC (Wuxi) Co., Ltd. was completed in July, 2021.

II. Information of Ceiling on Investments in Mainland China

December 31, 2021

Unit: NT\$ thousands

Accumulated amount of remittance from Taiwan to Mainland China until December 31, 2021 (Note 1 and Note 2)	Investment amount approved by the Investment Commission of the Ministry of Economic Affairs (MOEA) (Note 1)	Ceiling on investments in Mainland China imposed by the Investment Commission of MOEA
\$ 1,084,773	\$ 1,807,973	\$ 4,681,284

Note 1: The amount of the original currency used the exchange rate at the time of December 31, 2021.

Note 2: The Company has sold WUXI Probeleader Electronics Co., Ltd. at the end of November 2011. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China as of December 31, 2018 and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was US\$186 thousand.

Note 3: The liquidation of TPP-MIC (WuXi) Co., Ltd. was completed in November, 2015. As the accumulated investment was different from the investment collected back, the difference between accumulated amount of remittance from Taiwan to Mainland China, and accumulated amount of remittance from Taiwan to Mainland China registered at and approved by MOEA was US\$180 thousand.

【Annex 5: Status of implementing Endorsements and Guarantees to outside parties in 2021】

Marketch International Corp. and Subsidiaries Endorsements and Guarantees to outside parties For the year ended December 31, 2021

Unit: NT\$ thousands

Endorser / Guarantor	Endorsee / Guarantee		Shareholding (%)	Limit on endorsements / guarantees provided for a single party (Note 2 and 3)	Maximum outstanding endorsements / guarantees (Note 4)	Outstanding endorsements / guarantees at period end (Note 5)	Actual drawdown amount (Note 6)	Ceiling on total amount of endorsement / guarantee (Note 2 and 3)	Content of Guarantee
	Company Name	Relationship							
Marketch International Corp.	Marketch Integrated Pte Ltd.	Note 1(2)	100%	3,836,279	17,131	14,911	3,603	7,672,557	Signed a contract for joint guarantee.
Marketch International Corp.	MIC-Tech (Shanghai) Corp.	Note 1(2)	100%	3,836,279	859,442	756,561	34,680	7,672,557	Provide promissory notes as bank loan guarantee.
Marketch International Corp.	MIC-Tech (WuXi) Co., Ltd..	Note 1(2)	100%	3,836,279	347,506	276,376	157,776	7,672,557	Provide promissory notes as bank loan guarantee.
Marketch International Corp.	MIC-Tech Electronics Engineering Corp.	Note 1(2)	100%	3,836,279	1,781,943	1,373,105	211,430	7,672,557	Provide promissory notes as bank loan guarantee and signed a contract for joint guarantee.
Marketch International Corp.	Shanghai Maohua Electronics Engineering Co.,Ltd.	Note 1(2)	87%	3,836,279	318,971	296,340	207,518	7,672,557	Signed a contract for joint guarantee.
Marketch International Corp.	Marketch International Sdn. Bhd.	Note 1(2)	100%	3,836,279	227,840	166,080	32,843	7,672,557	Provide Standby Letter of Credit as bank loan guarantee.
Marketch International Corp.	eZoom Information, Inc.	Note 1(2)	100%	3,836,279	85,000	25,000	-	7,672,557	Provide promissory notes as bank loan guarantee.
Marketch International Corp.	Te Chang Construction Co., LTD.,	Note 1(5)	0%	3,836,279	174,000	174,000	65,248	7,672,557	Provide banker's letter of guarantee for joint guarantee.
Marketch International Corp.	Marketch International Corporation USA	Note 1(2)	100%	3,836,279	1,403,100	1,401,360	1,284,382	7,672,557	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	Marketch International Corp.	Note 1(3)	0%	1,817,175	482,670	-	-	3,028,625	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	MIC-Tech (WuXi) Co., Ltd..	Note 1(4)	0%	1,817,175	8,570	-	-	3,028,625	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	MIC-Tech Viet Nam Co., Ltd.	Note 1(4)	0%	1,817,175	413,406	409,990	409,990	3,028,625	Signed a contract for joint guarantee.
MIC-Tech Electronics Engineering Corp.	The Fourth Construction Co., Ltd. of China Electronics System Engineering	Note 1(5)	0%	1,817,175	808,756	801,400	778,920	3,028,625	Signed a contract for joint guarantee.
Marketch Co., Ltd.	MIC-Tech Viet Nam Co., Ltd.	Note 1(4)	0%	131,230	126,166	-	-	131,230	Signed a contract for joint guarantee.

Note 1: Relationship between the endorser/guarantor and the party being endorsed/guaranteed is classified into the following seven categories; fill in the number of category each case belongs to:

- (1) Having business relationship.
- (2) The endorser/guarantor parent company owns directly and indirectly more than 50% voting shares of the endorsed/guaranteed subsidiary.
- (3) The endorsed/guaranteed company owns directly and indirectly more than 50% voting shares of the endorser/guarantor parent company.
- (4) The endorser/guarantor parent company owns directly and indirectly more than 90% voting shares of the endorsed/guaranteed company.
- (5) Mutual guarantee of the trade made by the endorsed/guaranteed company or joint contractor as required under the construction contract.
- (6) Due to joint venture, all shareholders provide endorsements/guarantees to the endorsed/guaranteed company in proportion to its ownership.
- (7) Joint guarantee of the performance guarantee for pre-sold home sales contract as required under the Consumer Protection Act.

Note 2: Limit on endorsements and guarantees stated in "Regulations Governing Loaning of Funds and Making of Endorsements/ Guarantees by Public Companies":

- (1) In accordance with mutual guarantee requirement in the same industry for contracting constructions, limit on the total amount is 5 times of the Company's net assets.
- (2) Endorsement guarantees engaged in business relationship, the limit of endorsement guarantee for a single enterprise shall not exceed the total amount of business transactions between the two parties within the twelve-month period before the endorsement guarantee (the "business transaction amount" refers to the amount of purchases or sales between the two parties, whichever is higher)
- (3) For endorsements other than those mentioned in (1) and (2) above, limit on endorsement/guarantee to a single party is 50% of the Company's net assets.
- (4) The total amount of endorsement guarantees in (2) and (3) above shall not exceed the net value of the company.
- (5) The limit of endorsement guarantee by the company and its subsidiaries to a single enterprise shall not exceed the net value of the company; the total amount shall not exceed five times the net value of the company.

Note 3: Limit on endorsements and guarantees of the Group's subsidiary - MIC-Tech Electronics Engineering Corp. and MIC-Tech (Shanghai) Corp.

- (1) In accordance with mutual guarantee requirement in the same industry or the common builders for contracting constructions, or provision of endorsements and guarantees for joint ventures from shareholders in proportion to shareholding ratio, limit on the total amount is 5 times of the net assets of the endorser/guarantor on endorsement/guarantee to a single party is three times of the net assets of the endorser/guarantor.
- (2) Except for (1), the Group follows standards of endorsements and guarantees as below:
 - (2-1) Total amount:
 - (2-1-1) Limit on the accumulated endorsements and guarantees is 5 times of the net assets of the endorser/guarantor;
 - (2-1-2) Limit on endorsements and guarantees to a company of which the endorser company and the Company directly or indirectly holds 90%, should meet the requirement in (2-1-1) and may not exceed 10% of the ultimate parent's net assets.
 - (2-1-3) Total endorsements and guarantees of the endorser/guarantor and its subsidiaries are limited to 5 times of the net assets of the endorser/guarantor.
 - (2-2) Limit on endorsement/guarantee to a single party
 - (2-2-1) For the companies having business relationship with the endorser/guarantor and thus being provided endorsements/guarantees, limit on endorsements to a single party is the total value of business transactions within past 12 months. (the value of business transactions is the higher of purchase or sales)
 - (2-2-2) Limit on endorsement/guarantee to a single party who having business relationship with the Group is 3 times of the net assets of the endorser/guarantor.

Limit on endorsements and guarantees of the Group's subsidiary - Marketch Co., Ltd.:

- (1) In accordance with mutual guarantee requirement in the same industry or the common builders for contracting constructions, or provision of endorsements and guarantees for joint ventures from shareholders in proportion to shareholding ratio, limit on the total amount is 5 times of the net assets of Marketch Co., Ltd.. Limit on endorsement/guarantee to a single party is three times of the net assets of Marketch Co., Ltd.
- (2) Except for (1), the Group follows standards of endorsements and guarantees as below:
 - (2-1) Total amount:
 - (2-1-1) Limit on the accumulated endorsements and guarantees is 10 times of the net assets of Marketch Co., Ltd.;
 - (2-1-2) Limit on endorsements and guarantees to a company of which the endorser company and the Company directly or indirectly holds 90%, should meet the requirement in (2-1-1) and may not exceed 10% of the Company's net assets. However, the endorsements and guarantees of Marketch Co., Ltd. to the Company which it holds 100% of voting shares are not subjected.
 - (2-1-3) Total endorsements and guarantees of Marketch Co., Ltd. and its subsidiaries are limited to 10 times of the net assets of Marketch Co., Ltd..
 - (2-2) Limit on endorsement/guarantee to a single party
 - (2-2-1) For the companies having business relationship with Marketch Co., Ltd. and thus being provided endorsements/guarantees, limit on endorsements to a single party is the total value of business transactions within past 12 months. (the value of business transactions is the higher of purchase or sales)
 - (2-2-2) Limit on endorsement/guarantee to a single party who having business relationship with the Group is 10 times of the net assets of Marketch Co., Ltd..

Note 4: Fill in the year-to-date maximum outstanding balance of endorsements/guarantees provided as of the reporting period. (2021)

Note 5: The amount agreed by the Board of Directors until December 31, 2021. But the board of directors authorized the chairman of the board of directors to agree the amount in accordance with Article 12, Clause 8 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, which refer to amount determined by the chairman of the board of directors.

Note 6: Fill in the actual amount of endorsements/guarantees used by the endorsed/guaranteed company.

【Annex 6: 2021 Report on the execution of the 4th Domestic Unsecured Convertible Bonds.】

Marketch International Corp. Report on the execution of the 4th Domestic Unsecured Convertible Bonds

1. Issuance of Corporate Bonds

Type of Corporate Bond	The 4 th Domestic Unsecured Convertible Bonds.
Date of Resolution by the Board of Directors	September 30, 2020
Approval Reference Number from Financial Supervisory Commission	Official Letter of Jin-Guan-Zheng-Fa-Zhi No. 1090374130 issued on November 27, 2020.
Issuing Date	December 15, 2020
Denomination	NT\$100,000
Offering Price	Par
Total Amount	NT\$1.5 billion
Coupon rate	0%
Tenor and Maturity Date	Tenor: Three Years Maturity Date: December 15, 2023
Methods of Redemption	Except for creditors who convert common shares according to Article 10 of Rules for Issuance and Conversion of Unsecured Convertible Bonds, or the Company redeems the bond prior to its maturity or repurchases the bond at the place of business of a securities firm for write-down according to Article 18 of the Rules for Issuance and Conversion, redemption will be made by cash at once according to the par value at maturity.
Outstanding	NT\$0.6523billion (as of March 31, 2022)
Latest conversion price	NT\$111.1 (as of March 31, 2022)

Note: Please refer to MIC Regulation of the 4th Domestic Unsecured Convertible Bonds and Conversion Measures.

2. Implementation Status

The Company's 4th domestic unsecured convertible bonds was issued on December 11, 2020, and was completed in the fourth quarter of 2020 according to the scheduled schedule.

3. Conversion Status

As of March 31, 2022, the 4th domestic unsecured convertible corporate bonds issued by the Company had a total conversion amount of NT\$847,700,000, and a total of 7,629,879 ordinary shares were converted.

【Annex 7: Ratification of 2021 Earnings Distribution】

Marketech International Corp. Ratification of 2021 Earnings Distribution

Unit: NT\$

Items	Amount
Beginning unappropriated retained earnings	\$1,783,709,221
Plus: Net income in 2021	\$ 1,547,479,569
Retained earnings in 2021 (Note 1)	8,618,825
Total	1,556,098,394
Less: Reversal of Legal reserve	(155,609,839)
Reversal of special reserve (Note 2)	(89,147,004)
Retained earning available for distribution	3,095,050,772
Distribution item(s): (Note 3)	
Shareholders' dividend – Cash dividends 4.5 / per share	(867,402,905)
Unappropriated retained earnings	<u>\$ 2,227,647,867</u>

Note: 1. Refers to re-measurements of defined benefit plans, which was recognized as other comprehensive income due to actuarial assumption variables of defined benefit / pension plan of 2021 and then transferred into retained earnings was NT\$8,618,825.

2. As stipulated under the Financial Supervisory Commission R.O.C (Taiwan) No. 1010012865 directive, to reversal of special reserve.
3. The distributed profit was generated mainly in 2021 as the priority.
4. Regarding the dividend distribution rate set in profit distribution proposal, if the 4th domestic unsecured convertible bonds converted to ordinary shares affect the number of the Company's ordinary shares outstanding and results in a change of shareholders' dividend declared ratio, it is hereby proposed at the Shareholders' Meeting to fully authorize the Chairman to make an adjustment according to the resolution of the board of directors.
5. The distributed cash dividends shall be counted only until digit in ones. Digits below shall all be rounded off. Fractional amount less than one dollar should be recorded.

Chairman: Margaret Kao

President: Scott Lin

Accounting Director: Chung Chi-Wen

【Annex 8: Comparison Table of Amendments to the “Articles of Incorporation”】

Comparison Table of Amendments to the “Articles of Incorporation”

	Articles before the amendment	Articles after the amendment	Explanations
Article 13	<p>The Company has 5 to 9 directors, whose term of office shall be 3 years and are eligible for re-election. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates as the Company has adopted the candidate's nomination system.</p> <p>The quota of directors stated in preceding Paragraph shall include no less than three independent directors. Independent directors' professional qualifications, shareholdings and concurrent serving restrictions, recognition of independence, nomination and election methods, and other governing rules shall be carried out in accordance with the Company Act and relevant regulations.</p>	<p>The Company has 9 to 11 directors, whose term of office shall be 3 years and are eligible for re-election. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates as the Company has adopted the candidate's nomination system.</p> <p>The quota of directors stated in preceding Paragraph shall include no less than three independent directors. Independent directors' professional qualifications, shareholdings and concurrent serving restrictions, recognition of independence, nomination and election methods, and other governing rules shall be carried out in accordance with the Company Act and relevant regulations.</p>	Compliance with the Company's needs in practical operations.
Article 22	<p>The Articles of Incorporation was established on December 22, 1988. The 1st amendment was made on February 2, 1990. The 2nd amendment was made on June 29, 1991. The 3rd amendment was made on June 20, 1992. The 4th amendment was made on November 11, 1992. The 5th amendment was made on June 21, 1994. The 6th amendment was made on July 20, 1995. The 7th amendment was made on October 9, 1996. The 8th amendment was made on June 6, 1998. The 9th amendment was made on July 31, 2000. The 10th amendment was made on October 13, 2000. The 11th amendment was made on April 26, 2001. The 12th amendment was made on October 22, 2001. The 13th amendment was made on May 22, 2002. The 14th amendment was made on May 22, 2002. The 15th amendment was made on June 6, 2003. The 16th amendment was made on June 11, 2004. The 17th amendment was made on June 14, 2005. The 18th amendment was made on June 9, 2006. The 19th amendment was made on April 10, 2007. The 20th amendment was made on June 15, 2007. The 21st amendment was made on June 19, 2009. The 22nd amendment was made on June 17, 2010. The 23rd amendment was made on June 10, 2011. The 24th amendment was made on June 12, 2012. The 25th amendment was made on June 12, 2014. The 26th amendment was made on May 28, 2015. The 27th amendment was made on May 31, 2016. The 28th amendment was made on May 30, 2018. The 29th amendment was made on May 27, 2020.</p>	<p>The Articles of Incorporation was established on December 22, 1988. The 1st amendment was made on February 2, 1990. The 2nd amendment was made on June 29, 1991. The 3rd amendment was made on June 20, 1992. The 4th amendment was made on November 11, 1992. The 5th amendment was made on June 21, 1994. The 6th amendment was made on July 20, 1995. The 7th amendment was made on October 9, 1996. The 8th amendment was made on June 6, 1998. The 9th amendment was made on July 31, 2000. The 10th amendment was made on October 13, 2000. The 11th amendment was made on April 26, 2001. The 12th amendment was made on October 22, 2001. The 13th amendment was made on May 22, 2002. The 14th amendment was made on May 22, 2002. The 15th amendment was made on June 6, 2003. The 16th amendment was made on June 11, 2004. The 17th amendment was made on June 14, 2005. The 18th amendment was made on June 9, 2006. The 19th amendment was made on April 10, 2007. The 20th amendment was made on June 15, 2007. The 21st amendment was made on June 19, 2009. The 22nd amendment was made on June 17, 2010. The 23rd amendment was made on June 10, 2011. The 24th amendment was made on June 12, 2012. The 25th amendment was made on June 12, 2014. The 26th amendment was made on May 28, 2015. The 27th amendment was made on May 31, 2016. The 28th amendment was made on May 30, 2018. The 29th amendment was made on May 27, 2020. The 30th amendment was made on May 27, 2022.</p>	Add amendment date

【Annex 9 : Comparison Table of Amendments to the “Procedures for Acquisition or Disposal of Assets”】

Comparison Table of Amendments to the “Procedures for Acquisition or Disposal of Assets”

Article before the amendment	Article after the amendment	Explanations
<p>5.4.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, 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 <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p>	<p>5.4.3 Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, 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 render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p>	Comply with amendments to relevant regulations.
<p>6.4 Obtaining CPA's opinions</p> <p>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, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$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. <u>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 published by the ARDF.</u> This requirement does</p>	<p>6.4 Obtaining CPA's opinions</p> <p>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, and if the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$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. This</p>	Comply with amendments to relevant regulations.

Article before the amendment	Article after the amendment	Explanations
not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).	requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).	
<p><u>7.2.8</u> The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with 12.1.8 herein. Items that have been approved by audit committee and board of directors need not be counted toward the transaction amount.</p> <p><u>7.2.9 Deleted.</u></p> <p><u>7.2.10</u> When the Procedures are submitted to board of directors for discussion as described in the preceding Paragraph, it is a must to take full consideration of each independent director's opinion and record his or her dissent or qualified opinions in the meeting minutes.</p>	<p><u>7.2.8</u> When the Procedures are submitted to board of directors for discussion as described in the preceding Paragraph, it is a must to take full consideration of each independent director's opinion and record his or her dissent or qualified opinions in the meeting minutes.</p> <p><u>7.2.9 When the Company or any subsidiaries that are not domestic public companies engage in a transaction and the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall submit documents specified in 7.2.1 to 7.2.7 to shareholders meeting and, only upon receipt of the approval thereof, enter into a transaction contract and make a payment. However, this shall not apply to transactions between the Company and the parent company or subsidiary, or transactions among subsidiaries.</u></p> <p><u>7.2.10 7.2 and 7.2.9</u> The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with 12.1.8 herein. Items that have been approved by <u>shareholders' meeting</u>, audit committee and board of directors need not be counted toward the transaction amount.</p>	Comply with amendments to relevant regulations.

Article before the amendment	Article after the amendment	Explanations
<p>8.2 Procedures for finalizing transaction terms and degree of authority delegated.</p> <p>The Company's acquisition or disposal of intangible assets or right-of-use assets thereof, or memberships shall be conducted in accordance with rules stipulated upon procedures governing the acquisition or disposal of real property, equipment or right-of-use assets thereof as prescribed in Article 5. When the said procedures are approved by the audit committee and submitted to the board of directors for discussion, it is a must to take full consideration of each independent director's opinion and record his or her dissent or qualified opinions in the meeting minutes.</p>	<p>8.2 Procedures for finalizing transaction terms and degree of authority delegated.</p> <p>The Company's acquisition or disposal of intangible assets or right-of-use assets thereof, or memberships shall be conducted in accordance with rules stipulated upon procedures governing the acquisition or disposal of real property, equipment or right-of-use assets thereof as prescribed in Article 5. When the said procedures are approved by the audit committee and submitted to the board of directors for discussion, it is a must to take full consideration of each independent director's opinion and record his or her dissent or qualified opinions in the meeting minutes.</p>	<p>Fix an omission.</p>
<p>8.4 Intangible or asset right-of-use assets thereof, or memberships appraisal report</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDE.</u></p>	<p>8.4 Intangible or asset right-of-use assets thereof, or memberships appraisal report</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, the company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price, except in transactions with a domestic government agency</p>	<p>Comply with amendments to relevant regulations.</p>
<p>10.1.2 Business and hedging strategies</p> <p>The purpose of derivative transaction is to hedge risks and the selection of financial instruments shall be primarily based on hedging risks arising from company operations. If it is possible, the transaction counterparty shall be limited to banks that have regular business contacts with the Company to prevent credit risks. The Management Department shall be in charge of the aforesaid derivative transactions; evaluate the currency and interest rate trends; and, depending on the Company's operational needs, carry out financial hedging operations.</p>	<p>10.1.2 Business and hedging strategies</p> <p>The purpose of derivative transaction is to hedge risks and the selection of financial instruments shall be primarily based on hedging risks arising from company operations. If it is possible, the transaction counterparty shall be limited to banks that have regular business contacts with the Company to prevent credit risks. The management unit shall be in charge of the aforesaid derivative transactions; evaluate the currency and interest rate trends; and, depending on the Company's operational needs, carry out financial hedging operations.</p>	<p>Correct an error</p>

Article before the amendment	Article after the amendment	Explanations
<p>12.1.7 Where an asset transaction other than any of those referred to in Subparagraphs 12.1.1 to 12.1.6, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) <u>Trading of domestic government bonds.</u></p> <p>(2) Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets; <u>subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market; subscription or redemption of securities investment trust funds or futures trust funds;</u> or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p>	<p>12.1.7 Where an asset transaction other than any of those referred to in Subparagraphs 12.1.1 to 12.1.6, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds <u>or foreign public bonds with a credit rating not lower than our country's sovereign credit rating</u></p> <p>(2) Securities trading by investment professionals on foreign or domestic securities exchanges or over-the-counter markets; <u>subscription of foreign public bonds, ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market;</u> or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p>	<p>Comply with amendments to relevant regulations.</p>

【 Appendix 1: Article of Incorporation 】

Marketch International Corp. Articles of Incorporation (Before amendment)

Approved by the Shareholders' Meeting on May 27, 2020

CHAPTER I GENERAL PRINCIPLES

Article 1 The Corporation is incorporated as a company limited by shares under the Company Act of the Republic of China and is named "Marketch International Corp.", and English is named "Marketch International Corp."

Article 2 The Company is engaged in the following businesses:

1. F107170 Wholesale of Industrial Catalyst
2. F207170 Retail Sale of Industrial Catalyst
3. C801010 Basic Industrial Chemical Manufacturing
4. F107200 Wholesale of Chemistry Raw Material
5. F207200 Retail sale of Chemistry Raw Material
6. F113050 Wholesale of Computing and Business Machinery Equipment
7. F213030 Retail sale of Computing and Business Machinery Equipment
8. F119010 Wholesale of Electronic Materials
9. F219010 Retail Sale of Electronic Materials
10. F207060 Retail Sale of Virulence Chemical Materials
11. F107060 Wholesale of Virulence Chemical Substance
12. F207990 Retail Sale of Other Chemical Products
13. F113070 Wholesale of Telecom Instruments
14. F213060 Retail Sale of Telecom Instruments
15. F114030 Wholesale of Motor Vehicle Parts and Supplies
16. F214030 Retail Sale of Motor Vehicle Parts and Supplies
17. F213080 Retail Sale of Machinery and Equipment
18. F113020 Wholesale of Household Appliance
19. F213010 Retail Sale of Household Appliance
20. F110010 Wholesale of Clocks and Watches
21. F210010 Retail Sale of Watches and Clocks
22. F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures
23. F205040 Retail sale of Furniture, Bedclothes, Kitchen Equipment and Fixtures
24. F104110 Wholesale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
25. F204110 Retail sale of Cloths, Clothes, Shoes, Hat, Umbrella and Apparel, Clothing Accessories and Other Textile Products
26. F109070 Wholesale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
27. F209060 Retail sale of Stationery Articles, Musical Instruments and Educational Entertainment Articles
28. F102170 Wholesale of Food and Grocery
29. F203010 Retail sale of Food and Grocery
30. F108040 Wholesale of Cosmetics
31. F208040 Retail Sale of Cosmetics
32. F201010 Retail sale of Agricultural Products
33. EZ99990 Other Construction
34. IG03010 Energy Technical Services

35. CE01010 Precision Instruments Manufacturing
36. CB01010 Machinery and Equipment Manufacturing
37. F113010 Wholesale of Machinery
38. F113030 Wholesale of Precision Instruments
39. E602011 Frozen and Air-conditioning Engineering
40. I301010 Software Design Services
41. J101040 Waste Disposing
42. E599010 Pipe Lines Construction
43. E603010 Cables Construction
44. E603040 Fire Fighting Equipments Construction
45. E603050 Cybernation Equipments Construction
46. E603090 Illumination Equipments Construction
47. E603100 Electric Welding Construction
48. E604010 Machinery Installation Construction
49. E801030 Interior Light Rigid Frame Construction
50. EZ05010 Apparatus Installation Construction
51. F107990 Wholesale of Other Chemical Products
52. E502010 Fuel Pipe Construction
53. E603020 Elevator Construction
54. E605010 Computing Equipments Installation Construction
55. E701010 Telecommunications Construction
56. EZ02010 Derrick Construction
57. EZ06010 Traffic Labels Construction
58. EZ07010 Drilling Construction
59. F401010 International Trade
60. G801010 Warehousing and Storage
61. H701050 Public Works Construction and Investment
62. I103060 Management Consulting Services
63. JD01010 Industry and Commerce Credit Bureau Services
64. IF01010 Fire Fighting Equipments Overhauling
65. IZ06010 Cargoes Packaging
66. IZ12010 Manpower Services
67. J101030 Waste Clearing
68. J101050 Sanitary and Pollution Controlling Services
69. J101060 Wastewater (Sewage) Treatment
70. J101070 Radwaste Disposing Service
71. E501011 Water Pipe Construction
72. E601010 Electric Appliance Construction
73. E103101 Environmental Protection Construction
74. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
75. E103071 Underground Utilities Project Construction
76. H701010 Residence and Buildings Lease Construction and Development
77. H701020 Industrial Factory Buildings Lease Construction and Development
78. H701040 Specialized Field Construction and Development
79. H701060 New County and Community Construction and Investment
80. H701070 Land Levy and Delimit
81. H701080 Reconstruction within the renewal area
82. H701090 Renovation, or maintenance within the renewal area
83. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
84. E603080 Traffic Signals Construction
85. E903010 Eroding and Rusting Construction

- 86. EZ09010 Static Electricity Protecting and Clearing Construction
 - 87. E402010 Ballast and Mud Construction on Sea
 - 88. E401010 Dredge Engineering
 - 89. E503011 User's Drainage Facility Installation Contractor of Sewer System
 - 90. CF01011 Medical Materials and Equipment Manufacturing
 - 91. F108031 Wholesale of Drugs, Medical Goods
 - 92. F208031 Retail sale of Medical Equipments
 - 93. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
- Article 3 The Company has its headquarter established in Taipei City and may set up branch offices inside the country whenever the Board of Directors deem necessary.
- Article 4 The Company shall make public announcement according to Article 28 of the Company Act.
- Article 4-1 The Company may provide endorsement and guarantee and act as a guarantor
- Article 4-2 The total amount of the Company's reinvestment shall not be subject to the restriction of not exceeding forty percent of the amount of its own paid-up capital as provided in Article 13 of the Company Act.

CHAPTER 2 SHARES

- Article 5 The total capital stock of the Company is in the amount of NT\$3,000,000,000, divided into 300,000,000 shares, at ten New Taiwan Dollars each, and may be paid-up in installments. A total of NT\$98,000,000 among the above total capital stock, which equals to 9,800,000 shares, should reserved for issuing employee stock options from time to time upon the resolutions of Board of Directors.
- Article 6 Deleted.
- Article 7 The Company's share certificates shall be in registered form, shall be affixed with the signatures or personal seals of the director representing the company, and shall be duly certified or authenticated according to law before issuance.
The shares of the Company may be made without physical certificates. Nevertheless, the stock of the Company shall be registered with Taiwan Depository and Clearing Corporation.
- Article 8 The transfer of share certificates shall be carried out in accordance with Regulations Governing the Administration of Shareholder Services of Public Companies.

CHAPTER 3 SHAREHOLDERS' MEETING

- Article 9 Shareholders' meeting shall be of two kinds: (1) Regular meetings, to be held at least once every year and within six months after close of each fiscal year; (2) Special meetings, to be held whenever necessary and according to law.
- Article 10 Shareholder who is unable to attend shareholders' meeting for any cause may appoint a proxy to attend the meeting in his/her/its behalf by executing a power of attorney printed by the company stating therein the scope of power authorized to the proxy and affixed with the signatures / personal seals.
- Article 11 A shareholder shall have one voting power in respect of each share in his/her/its possession except in the circumstances set forth in Item 3 of Article 157 and Paragraph 2 of Article 179, where the shares shall have no voting power or have such power limited.
- Article 12 A resolution at the meeting of shareholders shall be adopted only by a majority of the shareholders present who represent half of the total number of its outstanding shares by the company, unless otherwise provided for by law.

CHAPTER 4 DIRECTORS AND SUPERVISORS

- Article 13 The Company has 5 to 9 directors, whose term of office shall be 3 years and are eligible for re-election. The shareholders shall elect the directors from among the nominees listed in the roster of director candidates as the Company has adopted the candidates nomination system. The quota of directors stated in preceding Paragraph shall include no less than three independent directors. Independent directors' professional qualifications, shareholdings and concurrent serving restrictions, recognition of independence, nomination and election methods, and other governing rules shall be carried out in accordance with the Company Act and relevant regulations.
- Article 13-1 The Company has established an audit committee, which is constituted by the entire number of independent directors. The power and authority of audit committee, rules governing the proceedings of meetings and other governing rules shall be carried in accordance with Securities and Exchange Act, Company Act, other relevant regulations and Articles of Incorporation.
- Article 14 The Board of Directors is constituted by directors. The directors shall, with the concurrence of a majority of the directors present who represent two-thirds or more of all the directors, elect from among them a chairman, and a vice chairman through the same method. The chairman shall represent the Company externally.
- Article 15 In case the chairman of the board of directors is on leave or absent or cannot exercise his / her power and authority for any cause, his / her proxy shall be appointed in accordance with Article 208 of the Company Act.
- Article 16 Chairman's remuneration shall not exceed the doubled amount of general manager's remuneration and shall be determined by the Board of Directors upon the deliberation of remuneration committee. Director who takes a position at the functional committee under the Board of Directors concurrently shall have his/her income from professional practice paid according to the number of meetings held by the functional committee. The said fees shall be determined by the Board of Directors according to the standard generally adhered by other firms of the same trade.
- Article 16-1 The notice of Board of Directors meetings may be delivered by methods like fax and e-mail. Each director shall attend the meeting of the board of directors in person. In case a director is unable to attend the meeting for any cause and appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting.

CHAPTER 5 MANAGEMENT

- Article 17 The Company has one general manager, whose appointment, discharge and remuneration shall be carried out in accordance with Article 29 of the Company Act.

CHAPTER 6 ACCOUNTING

- Article 18 The Board of Directors shall prepare and submit below statements and reports at the end of each fiscal year:
1. Business report
 2. Financial statements
 3. Earnings distribution or offsetting of deficit relevant statements and reports.
- Above statements and reports shall be submitted to regular shareholders' meeting and request for ratification
- Article 19 Deleted
- Article 20 If there is any surplus profit of the year, the Company shall firstly pay directors' remuneration, which shall not exceed 3%. Then 1% to 15% of the remaining amount shall then be paid as employees' remuneration. However, if the Company has any left-over deficit, the amount to make up the deficit shall be reserved in advance. Upon closing of accounts, if there is surplus profit, the Company shall firstly estimate and reserve

the all taxes and dues, make up the losses for preceding years, set aside a legal reserve of 10% of the net profit and then set aside a special reserve in accordance with applicable laws or regulations of the competent authority. Then the remaining profit shall be added with the remaining profit of precedent year. The Board of Directors shall draft a surplus distribution proposal, in which will be submitted to shareholders' meeting to decide whether to distribute or reserve the surplus profit. However, if legal reserve amounts reach to the total paid-in capital, this provision shall not apply.

Article 20-1 To respond to the development of the overall environment and industry's growth drivers, the Company's objective is to firstly satisfy the demand of future development and to maintain a sound financial structure. Therefore, the Company distributes no more than 50% of its total dividend of the year.

CHAPTER 7 SUPPLEMENTARY PROVISIONS

Article 21 Other unspecified matters of the Company's Articles of Incorporation shall be carried in accordance with the Company Act and other relevant regulations.

Article 22 The Articles of Incorporation was established on December 22, 1988. The 1st amendment was made on February 2, 1990. The 2nd amendment was made on June 29, 1991. The 3rd amendment was made on June 20, 1992. The 4th amendment was made on November 11, 1992. The 5th amendment was made on June 21, 1994. The 6th amendment was made on July 20, 1995. The 7th amendment was made on October 9, 1996. The 8th amendment was made on June 6, 1998. The 9th amendment was made on July 31, 2000. The 10th amendment was made on October 13, 2000. The 11th amendment was made on April 26, 2001. The 12th amendment was made on October 22, 2001. The 13th amendment was made on May 22, 2002. The 14th amendment was made on May 22, 2002. The 15th amendment was made on June 6, 2003. The 16th amendment was made on June 11, 2004. The 17th amendment was made on June 14, 2005. The 18th amendment was made on June 9, 2006. The 19th amendment was made on April 10, 2007. The 20th amendment was made on June 15, 2007. The 21st amendment was made on June 19, 2009. The 22nd amendment was made on June 17, 2010. The 23rd amendment was made on June 10, 2011. The 24th amendment was made on June 12, 2012. The 25th amendment was made on June 12, 2014. The 26th amendment was made on May 28, 2015. The 27th amendment was made on May 31, 2016. The 28th amendment was made on May 30, 2018. The 29th amendment was made on May 27, 2020.

Marketch International Corp.
Chairman: Margaret Kao

【Appendix 2: Rules of Shareholders' Meeting】

Marketch International Corp. Rules of Shareholders' Meeting

Approved by the Shareholders' Meeting on June 15, 2007

1. The Company's shareholders' meeting (hereinafter shortened as "the Meeting") shall be conducted in accordance with these Rules and Procedures, unless otherwise provided for by law.
2. The Company shall provide an attendance list bearing the signatures of shareholders present at the meeting, or the shareholders attending the Meeting shall submit the attendance card for the purpose of signing in.
The attendance and votes of the Meeting shall be counted based on the shares. The shares represented by shareholders attending the Meeting shall be calculated according to the attendance list or submitted attendance cards.
3. The term "shareholder" in these Rules and Procedures refers to the shareholder in person or proxy appointed by the shareholder.
4. The Meeting shall be held at the headquarters of the Company or at any other appropriate place that is convenient for shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
5. For a shareholders' meeting convened by the Board of Directors, the chairman of the meeting shall be the chairman of the Board of Directors. If the chairman of the Board of Directors is on leave or absent or cannot exercise his / her power and authority for any cause, he / she shall designate one of the directors to act on his / her behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided, however, that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.
6. The Company may appoint designated counsel, CPA or other related persons to attend the Meeting. Persons handling affairs of the Meeting shall wear identification cards or badges.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes shall be preserved for at least one year.
8. Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one-third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Act of the Republic of China.
If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act of the Republic of China.
9. The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.
The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. However, in the event that the chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as

chairman to continue the Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved.

The shareholders cannot designate any other person as chairman or continue the Meeting in the same or other place after the Meeting is adjourned.

10. When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman. If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail. Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.
11. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.
12. Any legal entity designated as proxy by a shareholder(s) to be present at the Meeting may appoint only one representative to attend the meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
13. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.
14. The chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.
15. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
16. During the Meeting, the chairman may, at his discretion, set time for intermission.
17. Except otherwise specified in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman during the voting.

The Company's shareholders shall be entitled to one vote per share of stock, except those whose shares have no voting power or have such power limited according to Section 3 of Article 157 and Section 2 of Article 179 of the Company Act.
18. If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.
19. The chairman may conduct the disciplinary officers (or the security guard) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges marked "Disciplinary Officers" for identification purpose.
20. Other unspecified matters in these Rules and Procedures shall be carried in accordance with the Company Act and other relevant regulations.
21. These Rules and Procedures shall be effective from the date it is approved by the shareholders' meeting. The Board of Directors is also authorized to make amendments depending on actual situations.

【Appendix 3: Shareholdings of Directors】

Marketch International Corp. Shareholdings of Directors

1. The Company's actual paid-in capital is NT\$1,950,180,790 with 195,018,079 issued shares and share types.
2. The company has elected three independent directors, all directors other than the independent directors shall collectively hold at least 11,701,085 common shares. As the company has established the audit committee that satisfies the requirements of the Securities and Exchange Act, the minimum shareholding requirements for supervisors do not apply.
3. Until the book closure date for the 2022 shareholders' meeting, the status of shareholdings of individual and all directors and supervisors are shown below:

Shareholder Account	Job Title	Name	Appointment Date	No. of Shares at the Time of Appointment			As of March 29, 2022 (Note1)	
				Appointment Term	No. of Shares	Holding Percentage	No. of Shares	Holding Percentage
4	Director	Ji Shuan Investment Co. representative: Kao Hsin-Ming	May 30, 2019	3 years	11,005,795	5.93%	11,005,795	5.64%
12	Director	Yi Wei Investment Co. representative: Lin Yue-Yeh	May 30, 2019	3 years	6,647,112	3.58%	6,647,112	3.41%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Chu, Fu-Chuan	May 30, 2019	3 years	83,468,613	44.95%	83,468,613	42.80%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Lou, Chao-Tsung	May 30, 2019	3 years	83,468,613	44.95%	83,468,613	42.80%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Tsai, Neng-Chi	May 30, 2019	3 years	83,468,613	44.95%	83,468,613	42.80%
78894	Director	Ennoconn International Investment Co., Ltd. representative: Wu, You-Mei	May 30, 2019	3 years	83,468,613	44.95%	83,468,613	42.80%
—	Independent Director	Wu Chung-Pao	May 30, 2019	3 years	-	-	-	-
—	Independent Director	Lin Hsiao-Ming	May 30, 2019	3 years	-	-	-	-
—	Independent Director	Wang, Yi-Chun	May 30, 2019	3 years	-	-	-	-
Total number of shares held by all directors					101,121,520	54.46%	101,121,520	51.85%

Note 1: Refers to the number of shares stated in shareholder register until the book closure date for the 2022 shareholders' meeting (March 29, 2022).

4. The total shares held by the Company's directors and supervisors already reached the statutory standard.

【Appendix 4: Rules governing the Election of Directors】

Marketch International Corp. Rules governing the Election of Directors

Passed by the Shareholders' Meeting on May 28, 2015

1. Objective: To respond to the election of directors. These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.
2. Rules and Procedures:
 - 2.1 The cumulative voting method shall be used for election of the directors at this Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
 - 2.1.1 The qualifications for the independent directors of this Corporation shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

The election of independent directors of this Corporation shall comply with Articles 5, 6, 7, 8, and 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.
 - 2.2 When the election begins, the chairman shall appoint a number of persons to perform the respective duties.
 - 2.3 The number of directors will be as specified in the Company's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions based on the nominees listed in the roster of director candidates publicly announced by the Company. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairman drawing lots on behalf of any person not in attendance.
 - 2.4 The ballots shall be made and prepared by the Board of Directors and shall be distributed to shareholders according to the number of to-be-elected directors (one person with one ballot). The number of vote stated on every ballot is based on shareholder's voting rights.
 - 2.5 If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and serial number of ID Cards on the ballot. However, when the candidate is a juristic-person shareholder, the name of the juristic-person shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.
 - 2.6 A ballot is invalid under any of the following circumstances:
 1. The ballot was not prepared by the board of directors.
 2. The ballot is not placed in the ballot box or a blank ballot is placed in the ballot box.
 3. More than two candidates have been elected on one single ballot
 4. Other words or marks are entered in addition to the candidate's name or shareholder account number (or identity card number).
 5. The writing is unclear and indecipherable or has been altered.
 6. The candidate whose name is entered in the ballot is a shareholder, but the candidate's name does not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
 7. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.
 - 2.7 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation shall be announced by the chairman on the site.
 - 2.8 The board of directors of this Corporation shall issue notifications to the persons elected as directors or supervisors.
 - 2.9 Any other unspecified matters shall be carried out in accordance with the Company Act and other relevant regulations.

【Appendix 5: The Impact of Stock Dividend Issuance proposed in this Annual General Meeting of Shareholders on the Company's Business Performance, Earnings Per Share, and Return on Shareholders' Investment】

As the Company's shareholders' meeting in 2022 does not have any proposal regarding the stock dividend distribution, it makes no effect upon the Company's business performance, earnings per share and return on shareholders' investment.

【Appendix 6: Information on Employees' Compensation and Directors' Remuneration】

Information on Employees' Compensation and Directors' Remuneration

The distribution of employees' compensation and directors' remuneration of 2021 approved by the 8th Board of Directors at the 23th meeting on February 21, 2022.

1. The amount of any employees' compensation and directors' compensation distributed in cash or stocks. If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

- (1) Proposed employees' compensation and directors' remuneration:

The distribution of employees' compensation amounted NT\$213,906,120 and directors' remuneration amounted NT\$21,390,612.

Unit: NT\$

Items / Amount	Proposed Distribution Amount
Employees' Compensation– in Cash	213,906,120
Employees' Compensation– in Stocks	0
Remuneration of Directors	21,390,612

- (2) If there is any discrepancy between that amount and the estimated figure for the fiscal year these expenses are recognized, the discrepancy, its cause, and the status of treatment shall be disclosed:

Above proposed employees' compensation and directors' remuneration for 2021 resolved by the Board of Directors were in agreement with those amounts recognised in the 2021 financial statements, which were NT\$213,906,120 and NT\$21,390,612, respectively.

2. The amount of any employees' compensation distributed in stocks as a percentage of the sum of the current after-tax net income and total employees' compensation in individual financial statement:

Not applicable as the employees' compensation of 2021 approved by the Board of Directors does not involve stocks distribution relevant matters.

【Appendix 7: List of Directors and Independent Directors Candidates】

List of Directors Candidates

1. Name: JI-XUAN Investment Corp. representative: Kao Hsin-Ming
Education: Master of International Business Management, National Taiwan University
Experiences: Chairman and CEO, Marketch International Corp.
No. of Shares: 11,005,795 Shares
2. Name: E-WIN INVESTMENT CORP. representative: Lin Yue-Yeh
Education: Master of Business Administration , National Chengchi University
Experiences: Director and General Manager, Marketch International Corp.
No. of Shares: 6,647,112 Shares
3. Name: Ennoconn International Investment Co., Ltd. representative: Chu,Fu-Chuan
Education: Department of Electronic engineering, St. John's University
Experiences: Chairman and CEO, Ennoconn Corporation.
No. of Shares: 83,468,613 Shares
4. Name: Ennoconn International Investment Co., Ltd. representative: Lou,Chao-Tsung
Education: Department of Business Administration, Feng Chia University
Experiences: Chairman, Ennoconn International Investment Co., Ltd.
No. of Shares: 83,468,613 Shares
5. Name: Ennoconn International Investment Co., Ltd. representative: Tsai, Neng-Chi
Education: MBA, West Coast University
Experiences: President, Ennoconn Corporation.
No. of Shares: 83,468,613 Shares
6. Name: Ennoconn International Investment Co., Ltd. representative: Wu, You-Mei
Education: NCCU Department of Finance MBA
University of Reading, U.K.MSc International Securities Investment and Banking
Experiences: CFO, Ennoconn Coporation Supervisor, ENNOCONN INTERNATIONAL INVESTMENT CO., LTD.
No. of Shares: 83,468,613 Shares

List of Independent Directors Candidates

1. Name: Wu Chung-Pao

Education: Master of International Business Management, National Taiwan University

Experiences: Chairman, Protech Systems Co., Ltd.

No. of Shares: 0 Shares

2. Name: Lin Hsiao-Ming

Education: Master of Business Administration , National Taiwan University

Experiences: Chairman, Taiwan Finance Corporation

No. of Shares: 0 Shares

3. Name: Wang, Yi-Chun

Education: Ph.D. (Electrical Engineering Department), National Taipei University of Technology

Experiences: CASWELL, INC. Independent Director

No. of Shares: 0 Shares

【Appendix 8 : Dismissal of non-competition restrictions on newly elected directors】

Dismissal of non-competition restrictions on newly elected directors.

Position	Name	The position who also currently serves at other companies
Director	JI-XUAN Investment Corp. representative: Kao Hsin-Ming	MARKETECH INTEGRATED PTE LTD Chairman
		MARKETECH INTERNATIONAL SDN.BHD. Director
		MARKET GO PROFITS LIMITED Director
		MIC-TECH VENTURES ASIA PACIFIC INC. Director
		HEADQUARTER INTERNATIONAL LIMITED Director
		TIGER UNITED FINANCE LIMITED Director
		MIC-TECH GLOBAL CORP. Director
		RUSSKY H.K. LIMITED Director
		FRONTKEN MIC CO. LIMITED Director
		LEADER FORTUNE ENTERPRISE CO., LTD. Director
		MICT International Limited Director
		Fortune Blessing Co., Limited Director
		Shanghai Maohua Electronics Engineering Co.,Ltd. Chairman and General Manager
		MIC-TECH (WUXI) Co.,LTD. Chairman and General Manager
		MIC-TECH (Shanghai) Corp. Ltd. Chairman and General Manager
		Fuzhou Jiwei System Integrated Co., Ltd. Chairman and General Manager
		MIC-TECH Electronics Engineering Corp. Chairman
		Nanjing Fortune International Corporation Chairman
		MIC-Tech China Trading (Shanghai) Co., Ltd Chairman
		Intergrated Manufacturing &Services Co., Ltd Chairman
		Sprio Technology Systems,Inc Director
		MIC Healthcare Korea Co., Ltd Director
		PT. MARKETECH INTERNATIONAL INDONESIA Director
		MARKETECH ENGINEERING PTE.LTD. Director
		MARKETECH CO.,LTD. General Manager
		MIC-TECH VIET NAM CO., LTD General Manager
		MARKETECH INTEGRATED CONSTRUCTION COMPANY LIMITED Director
		MARKETECH INTEGRATED MANUFACTURING COMPANY LIMITED Director
		PT. MARKETECH INTERNATIONAL INDONESIA Director
		Marketch Netherlands B.V. Director
		EZOOM INFORMATION, INC. Director
		ADAT Technology CO., LTD. Director
		Vertex System Corporation. Director
		Forward Science Corporation Director

Position	Name	The position who also currently serves at other companies
Director	JI-XUAN Investment Corp. representative: Kao Hsin-Ming	WT MICROELECTRONICS CO., LTD. Director
		MACROTEC TECHNOLOGY CORP. Chairman
		JI-XUAN Investment Corp. Chairman
		Intellicares co., Ltd Director
		BRILLIAN NETWORK & AUTOMATION INTEGRATED SYSTEM CO., LTD. Director
		TOP UNION ELECTRONICS CORPORATION Director
		EVERLASTING DIGITAL ESG CO., LTD Chairman
Director	E-WIN INVESTMENT CORP. representative: Lin Yue-Yeh	MARKETECH INTEGRATED PTE LTD Director
		Marketch International Sdn.Bhd. Director
		MARKET GO PROFITS LIMITED Director
		MIC-Tech Ventures Asia Pacific Inc. Director
		HEADQUARTER INTERNATIONAL LIMITED Director
		TIGER UNITED FINANCE LIMITED Director
		MIC-TECH Global Corp. Director
		RUSSKY H.K. LIMITED Director
		FRONTKEN MIC CO. LIMITED Director
		MICT International Limited Director
		Shanghai Maohua Electronics Engineering Co.,Ltd. Director
		MIC-TECH (WUXI) Co.,LTD. Director
		MIC-TECH (Shanghai) Corp. Director
		Fuzhou Jiwei System Integrated Co., Ltd. Director
		MIC-TECH Electronics Engineering Corp. Director
		MIC-Tech China Trading (Shanghai) Co., Ltd. Director
		PT Marketch International Indonesia Director
		Spiro Technology Systems, Inc Director
		MIC Healthcare Korea Co., Ltd Director
		MARKETECH ENGINEERING PTE.LTD. Director
		MARKETECH INTEGRATED CONSTRUCTION COMPANY LIMITED Director
		MARKETECH INTEGRATED MANUFACTURING COMPANY LIMITED Director
		Marketch Netherlands B.V. Director
		SumCapital Healthcare Investment Company Ltd. Director
		E-WIN INVESTMENT CORP. Chairman
		PROBELEADER CO., LTD. Chairman
		Auro & Pro Corp. Chairman
		EZOOM INFORMATION, INC. Chairman
		ADAT Technology CO., LTD. Chairman
		Vertex System Corporation. Director

Position	Name	The position who also currently serves at other companies
Director	Ennoconn International Investment Co., Ltd. representative: Chu,Fu-Chuan	ENNOCONN CORPORATION Chairman
		ENNOCONN INTERNATIONAL INVESTMENT CO., LTD. Director
		CASWELL, INC. Chairman
		GOLDTEK TECHNOLOGY CO., LTD. Chairman
		DEXATEK TECHNOLOGY LTD. Chairman
		ENNOMECH PRECISION CO., LTD. Director
		Vecow Co., Ltd. Director
		Ennoconn (Suzhou) Technology Co., Ltd Director
		AIS Cayman Technology Chairman
		S&T AG Director
		ENGA Technology Co., Ltd Director
		POSLAB TECHNOLOGY CORPORATION Chairman
Director	Ennoconn International Investment Co., Ltd. representative: Lou,Chao-Tsung	ENNOCONN CORPORATION Director
		ENNOCONN INTERNATIONAL INVESTMENT CO., LTD. Chairman
		CASWELL, INC. Director
		GOLDTEK TECHNOLOGY CO., LTD. Director
		ENNOMECH PRECISION CO., LTD. Chairman
		Shihchun International Investment Co., Ltd. Director
		INNOVATIVE SYSTEMS INTEGRATION LIMITED Director
		Ennoconn Investment Holdings Co., Ltd. Chairman
		Ennoconn (Foshan) Investment Co., Ltd. Chairman
		Ennoconn (Suzhou) Technology Co., Ltd. Chairman
		ENGA Technology Co., Ltd. Director
		EnnoMech Precision (Cayman) Co., Ltd. Chairman
		Ennoconn (Suzhou) Investment Co., Ltd. Chairman
Director	Ennoconn International Investment Co., Ltd.. representative: Tsai, Neng-Chi	ENNOCONN CORPORATION General Manager
		ENNOCONN INTERNATIONAL INVESTMENT CO., LTD. Director
		American Industrial Systems Inc. Chairman
		Vecow Co., Ltd.Chairman
		AIS Cayman Technology Director
		CASWELL, INC. Director
		POSLAB TECHNOLOGY CORPORATION Director
Director	Ennoconn International Investment Co., Ltd.. representative: Wu, You-Mei	ENNOCONN CORPORATION CFO
		ENNOCONN INTERNATIONAL INVESTMENT CO., LTD. Supervisor
		S&T AG Director

Position	Name	The position who also currently serves at other companies
Independent Directors	Wu Chung-Pao	PROTECH SYSTEMS CO., LTD. Chairman
		PROX SYSTEMS CO., LTD. Chairman
		CHENBRO MICOM CO., LTD. Director
		CPC CORPORATION, TAIWAN Director
		EVA AIRWAYS CORPORATION Independent Director
Independent Directors	Lin Hsiao-Ming	Taiwan Finance Corporation Chairman
		GoDex International Co., Ltd Independent Director
Independent Directors	Wang, Yi-Chun	CASWELL, INC. Independent Director

Additional Information

Processing of proposals submitted by this shareholders' meeting:

- Explanations:
1. According to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal be limited to not more than three hundred (300) words
 2. Shareholders may submit proposals regarding the 2022 regular shareholders' meeting to the Company from March 21, 2022 to March 30, 2022. The information is already announced on a market observation post system.
 3. The Company has not received any proposal from the shareholders.

Thank you for coming to Annual Meeting of Shareholders!
We welcome any comments or suggestions!