



Edison Opto Corporation

2022 Annual Shareholders' Meeting

Meeting Handbook

Time: Wednesday, June 22, 2022, 9:00 a.m.

Location: 6th Floor, No. 800, Zhongzheng Road, Zhonghe District, New Taipei City (the company's training classroom)

Meeting manner: Physical shareholders' meeting

One. Meeting Agenda

Edison Opto Corporation 2022 Annual Shareholders' Meeting Agenda

Meeting manner: Physical shareholders' meeting

Time: June 22, 2022 (Wednesday) 9:00 a.m.

Location: 6th Floor, No. 800, Zhongzheng Road, Zhonghe District, New Taipei City (the company's training classroom)

I. Announcement to commence meeting

II. Chairman's opening speech

III. Report Matters

1. The Company's 2021 Annual Business Report.
2. Audit Committee's Report.
3. Report on the distribution of profit sharing remuneration for employees and directors for 2021.
4. Report on the repurchase of the Company's shares.
5. Report on the issuance of the Company's third domestic secured convertible bonds.

IV. Adoption Matters

1. The Company's 2021 business and accounting reports.
2. The Company's 2021 earnings distribution proposal.

V. Discussion and Election Matters

1. The Company's 2021 capital increase from capital surplus with issuance of new shares.
2. The Company's 2021 cash dividend distribution from capital surplus.
3. Amendment to the Company's "Procedures for Acquisition or Disposal of Assets".
4. Election of the 8th term directors and independent directors.
5. Release of the Company's 8th term directors and their representatives from the non-compete restriction.

VI. Extemporaneous Motions

VII. Adjournment

Two. Report Matters

No. 1

Subject: The Company's 2021 Annual Business Report.

Explanation:

- I. The Company's 2021 Business Report is in Attachment 1 of the Handbook.
- II. Please examine

No. 2

Subject: The Audit Committee's Report.

Explanation:

- I. The Audit Committee's Report is in Attachment 2 of the Handbook .
- II. Please examine

No. 3

Subject: The distribution of the Company's profit sharing remuneration for employees and directors for 2021.

Explanation:

- I. In accordance with Article 18 of the Company's Articles of Incorporation and the resolution of the Board of Directors' meeting held on February 24, 2022, the Company's set aside NT\$6,500,000 as profit sharing remuneration for employees and NT\$1,500,000 as profit sharing remuneration for directors based on the profitability of the year of 2021, which is proposed to be paid in cash and is not different from the amount of expenses recognized in 2021.
- II. Please examine

No. 4**Subject: Report on the repurchase of the Company's shares.**

Explanation:

The repurchase of treasury stock in the last 3 years and the retirement and transfer that have not been handled so far are listed below:

| Repurchase round | 5th round | 6th round |
|--|------------------------------------|--|
| Purpose for repurchase | Transfer of shares to employees | Protection of corporate credit and shareholders' interests |
| Repurchase period | 2018/11/7-2018/12/21 | 2020/04/13-2020/05/29 |
| Repurchase price range | NT\$12 to NT\$19 | NT\$7.5 to NT\$15 |
| Type and number of shares repurchased | Common stock 3,000 thousand shares | Common stock 1,618 thousand shares |
| Amount of shares repurchased | NT\$42,337 thousand | NT\$19,832 thousand |
| Number of shares retired and transferred | 0 shares | 1,618 shares |
| Cumulative number of shares held in the Company | 3,000 thousand shares | 3,000 thousand shares |
| Percentage of the cumulative number of shares held in the Company to the total number of shares issued (%) | 2.33% | 2.33% |

No. 5**Subject: Report on the issuance of the Company's third domestic secured convertible bonds.**

Explanation:

- I. The Company's Board of Directors resolved on November 10, 2020 to issue a three-year (January 25, 2021 to January 25, 2024) secured convertible bond in the amount of NT\$300,000 thousand for the repayment of bank loans, and the fund raising was completed on January 21, 2021.
- II. The conversion of the bonds was suspended during the period of stock transfer suspension from April 24, 2022 to June 22, 2022 due to the 2022 regular shareholders' meeting.

Three. Adoption Matters

No. 1

(Proposed by the Board of Directors)

Subject: The Company's 2021 business and accounting reports are hereby submitted for your adoption.

Explanation:

- I. The Company has prepared the standalone financial statements and the consolidated financial statements for 2021, which have been audited by CPAs Heng-Sheng Lin and Bei-Chi Chen from KPMG Taiwan with the Auditor's Report issued. The financial statements together with the Business Report have been reviewed and approved by the Audit Committee and the Board of Directors on record.
- II. The 2021 Business Report, standalone financial statements, consolidated financial statements are in Attachment 1 and Attachment 3 of the Handbook.
- III. Please adopt.

Resolution:

No. 2

(Proposed by the Board of Directors)

Subject: The Company's 2021 earnings distribution proposal is hereby submitted for your adoption.

Explanation:

- I. For 2021, the Company's net profit after tax was NT\$120,257,714, and the available-for-distribution earnings after adding the undistributed earnings at the beginning of the period of NT\$3,569,551 and the change in actuarial gain and loss for the period of NT\$360,000 change were NT\$124,187,265. The undistributed earnings at the end of the period was \$0 after the proposed 10% provision of legal reserve of \$12,061,771 and the provision of special reserve for deduction from equity of \$112,125,494.
- II. The earnings distribution proposal is hereby presented for your adoption.

Resolution:

Edison Opto Corporation
PROFIT DISTRIBUTION TABLE

Unit: NT \$

| Item | Amount | |
|--|---------------|---------------|
| | Subtotal | Total |
| Undistributed earnings at the beginning of the period | | 3,569,551 |
| Undistributed earnings for 2021 | | |
| Add: Net profit after tax for 2021 | 120,257,714 | |
| Add: Change in actuarial gain and loss for the period | 360,000 | 120,617,714 |
| Available-for-distribution earnings for the period | | 124,187,265 |
| Distributable items: | | |
| Provision of legal reserve | (12,061,771) | |
| Provision of special reserve for deduction from equity | (112,125,494) | (124,187,265) |
| Undistributed retained earnings at the end of the period | | 0 |

Chairperson: Jason Wu Managerial Officer: Jason Wu Accounting Officer: Cheng-Tien Hsu

Four. Discussion and Election Matters

No. 1

(Proposed by the Board of Directors)

Subject: The Company's 2021 capital increase from a capital surplus with issuance of new shares is hereby submitted for your discussion.

Explanation:

In consideration of the Company's future business development and the maximum protection of shareholders' interests, the Company intends to increase capital from capital surplus as follows:

- I. The Company intends to increase capital from capital surplus of NT\$65,000,000 with issuance of 6,500,000 new shares.
- II. The calculation is based on the current number of outstanding shares of 125,861,726 (total issued shares of 128,861,726 less 3,000,000 treasury shares of the Company) as of the day before the Board of Directors' meeting on February 24, 2022 (February 23, 2022). The Company intends to allot 51.6439 shares of capital surplus for every 1,000 shares as stock dividends in accordance with the proportion of shares held in the shareholder roster as of the base date of capital increase. If the allotment results in any one fractional shares, the shareholders shall, within five days

from the date of stock transfer suspension, register with the stock affairs agency to consolidate the fractional shares into one whole share, and the fractional shares that fail to be consolidated shall be paid in cash at face value up to NT\$(rounded down to the nearest NT\$); For these unconsolidated fractional shares, the Chairperson shall be authorized to contact specific persons to subscribe for them at face value.

- III. The rights and obligations of the new shares issued from capital surplus are the same as those of the original issued common shares. After the approval by the shareholders' meeting and approval by the competent authority, the Board of Directors shall be authorized to set the base date of capital increase and related matters.
- IV. If the number of outstanding shares is affected by the repurchase of the Company's shares, the transfer of treasury stock, the conversion of convertible bonds, etc., and the shareholders' allotment rate changes as a result, the Company intends to request the shareholders' meeting to fully authorize the Chairperson to handle the relevant matters.
- V. If the proposal of allotment of stock dividends from capital surplus is amended by the competent authority or changed due to the operational needs in response to the objective environment, the shareholders' meeting will be requested to fully authorize the chair to handle the relevant matters.
- VI. Please resolve.

Resolution:

No. 2

(Proposed by the Board of Directors)

Subject: The Company's 2021 cash dividends from capital surplus is hereby submitted for your discussion.

Explanation:

In consideration of the Company's future business development and the maximum protection of the shareholders' interests, the Company intends to distribute cash dividends from capital surplus in accordance with Article 241 of the Company Act as follows:

- I. It is proposed to distribute cash dividends from the capital surplus of NT\$35,000,000.
- II. The proposed distribution is based on the number of outstanding shares of 125,861,726 (total issued shares of 128,861,726 less 3,000,000 treasury shares of the Company) as of the day before the Board of Directors' meeting on February 24, 2022 (February 23, 2022), and it is proposed to distribute cash dividends of NT\$0.27808294 per share in proportion to the shares held in the shareholder roster on the base date of the dividend

distribution. The total amount of cash dividends to be distributed is NT\$35,000,000; the cash dividends are calculated up to NT\$1, and any cash dividends less than NT\$1 are rounded off and transferred to other income by the Company.

- III. The base date of cash dividends from capital surplus and the related matters are proposed to the shareholders' meeting to authorize the Board of Directors to determine.
- IV. If the number of outstanding shares is affected by the repurchase of the Company's shares, the transfer of treasury stock, the conversion of convertible bonds, etc., and the shareholders' allotment rate changes as a result, the Company intends to request the shareholders' meeting to fully authorize the Chairperson to handle the relevant matters.
- V. If the proposal of allotment of cash dividends from capital surplus is amended by the competent authority or changed due to the operational needs in response to the objective environment, the shareholders' meeting will be requested to fully authorize the chair to handle the relevant matters.
- VI. Please resolve.

Resolution:

No. 3

(Proposed by the Board of Directors)

Subject: Amendment to the Company's "Procedures for Acquisition or Disposal of Assets" is hereby submitted for your discussion.

Explanation:

- I. In view of the Group's operational considerations and in accordance with the amendment of laws , it is proposed to amend certain provisions of the "Procedures for Acquisition or Disposal of Assets" of the Company . Please refer to the Handbook of Attachment 5 for a comparison of the amended provisions.
- II. Please resolve.

Resolution:

No. 4

(Proposed by the Board of Directors)

Subject: Election of the 8th term directors and independent directors.

Explanation:

- I. The Company will fully re-elect the eighth term directors and independent directors at this year's regular shareholders' meeting, and five directors and four independent directors will be elected. The term of office of the new directors and independent directors is three years, from June 22, 2022 to June 21, 2025. The former directors (including independent directors) shall

be relieved from office on the date of the new directors (including independent directors) taking office.

- II. As the Company operates with an audit committee, there is no supervisor in accordance with the law. The Audit Committee consists of all independent directors.
- III. The Company adopts the candidate nomination system for the election of directors and independent directors. The shareholders shall elect the candidates for the election of directors and independent directors from the list of candidates for the election of directors and independent directors. Please refer to page 7 for the candidates' major academic and work experience, concurrent positions in other companies and other relevant information.
- IV. Please elect.

Resolution:

| Serial number | Category of nominees | Name | Major academic and work experience | Concurrent positions in other companies | If the individual has served three consecutive terms as an independent director /reason |
|---------------|----------------------|----------------------------|--|--|--|
| 1 | Director | Jason Wu | Master of Chemistry, National Sun Yat-sen University Assistant Manager of R&D Department, Everlight Electronics Co., Ltd Chairperson/President, LUMENMAX OPTOELECTRONICS CO., LTD. Chairperson/President, Yangzhou Ledison Trading Limited. Chairperson/President, Edison Opto Europe GmbH Chairperson, Edison Opto USA Corp Chairperson/President, DAVINCI OPTO CORP./DONGGUAN DAVINCI OPTO CORP. | President, Edison Opto Corp. Chairperson/President, Yangzhou Edison Opto Corp./Yangzhou Aichuang Electronic Trading Limited. Chairperson, Dongguan Edison Opto Corp./Yangzhou Edison-Litek Opto Corp. Chairperson, Weixin Investment Limited Representatives of corporate directors, Edison Opto Corp./Ledison Opto Corp./Best Opto Corp. /Best Led Corp. President, Edison-Litek Opto Corp. Ltd. President, Aifa Investment Co., Ltd. Chairperson/President, Edison-Litek Opto Corp./LEDIONOPTO LIGHTING, INC./EDISON-EGYPT OPTO CORP/EDISON AUTO LIGHTING CORP | - |
| 2 | Director | YOUNGTEK ELECTRONICS CORP. | - | - | - |

| | | | | | |
|---|----------------------|---------------------------|--|--|-------------------|
| 3 | Director | Weixin Investment Limited | - | - | - |
| 4 | Director | Wen-Ruei Cheng | Master of Education Technology, West Michigan University, USA Chairperson, Optec Display Inc. Project Leader Light Vision Corp. Supervisor, Juji Investment Development Co., Ltd. | Chairperson/President, Edison Opto USA Corp. | - |
| 5 | Director | Nan-Yang Wu | Master, Stanford University, USA Director, Epistar Corporation Director, PROLIGHT OPTO TECHNOLOGY CORPORATION | Director, Wafer Works Corporation Director, Guangdong Jinko Electronics Co., Ltd. Director, Advanced Photoelectronic Technology Ltd. | - |
| 6 | Independent director | Wen-Chao Wang | Doctor of Business Administration, Nova Southeastern University, USA Supervisor, MORTECH CORPORATION Supervisor, AMAZING MICROELECTRONIC CORP. | President, Wenkai Network Technology Marketing Limited Supervisor, Chingxingwang Industry Co., Ltd. | No/not applicable |
| 7 | Independent director | Tung-Hsiung Hung | Department of Law, National Taiwan University Partner Attorney, Chienyeh Law Firm | Practicing Attorney, Lidong Law Firm Independent Director, NAN JUEN INTERNATIONAL CO., LTD. | No/not applicable |
| 8 | Independent director | Yin-Fei Liu | EMBA, National Chengchi University Partner, Audit Services Department, PwC | Senior Consultant, Audit Services Department, PwC Independent Director, Waffer Technology Corp. Independent Director, TYNTEK CORPORATION | No/not applicable |
| 9 | Independent director | Tseng-Nan Chou | Department of Accounting, Tunghai University Senior Manager, Everlight Electronics Co., Ltd Chief Finance Officer, TONS LIGHTOLOGY INC. Supervisor, HORIZON SECURITIES CO., LTD. | Director, FANTASYSTORY INC. Independent Director, KHGEARS LIMITED | No/not applicable |

No. 5

(Proposed by the Board of Directors)

Subject: Release of the Company's 8th term directors and their representatives from the non-compete restriction is hereby submitted for your discussion.

Explanation:

- I. In accordance with Article 209 of the Company Act, a director who performs

acts for himself/herself or for others that fall within the scope of the Company's business shall explain the material content of his/her acts to the shareholders' meeting and obtain their approval.

- II. Considering that the fully re-elected directors and their representatives will be in doubt about non-compete restrictions for their future directorships of affiliates and other companies that have the same or similar business activities to the Company's. In order to meet the needs of the Company's continuous business expansion and without compromising the interests of the Company's scope of business as set forth in the Company's Articles of Incorporation, we hereby request the shareholders' meeting to approve the release of the non-compete restriction on the newly elected directors and their representatives.
- III. If the Company's corporate directors assign as corporate representatives due to business needs, the non-compete restriction on such corporate directors' representatives shall be hereby lifted.
- IV. Please resolve.

Resolution:

Five. Extemporary Motions

Six. Adjournment

[Attachment 1]

Edison Opto Corp. 2021 Annual Business Report

In 2021, the coverage rate of the COVID-19 vaccine gradually increased, and the opportunity for the pandemic to develop into a flu-like illness has been increasing. Although the economy continued to recover, it was facing supply chain bottlenecks, inflation, exchange rate risks and geopolitical issues in the post-pandemic era, all of which indirectly affected economic growth. The Group continued to transform its business into finished lighting modules and automotive modules, reducing orders for low-margin components and increasing the proportion of sales of high-margin products. The Group's consolidated revenue was NT\$2.11 billion, up 11% over the previous year. Through product mix changes and production cost control, gross margin improved significantly by 5% over the previous year. In addition, due to the impact of the pandemic in both years, we reduced our exhibition and travel costs, so our operating expenses were comparable in both periods. As a result of the increase in gross profit, net operating profit increased, and net profit after tax also increased significantly compared to the previous year.

Due to the fierce competition in the LED industry, the Group continues to develop into high-end commercial lighting, automotive lighting, and special lighting for plants, building a differentiated business model from other competitors and adjusting quickly with market changes to avoid the red ocean of price competition and to maximize the interests for all shareholders. The following is a brief summary of the 2021 Business Report and 2022 Business Plan:

I. 2021 Business Report

i. Implementation results of business plan

1. For 2021, the consolidated net operating revenue was NT\$2,105,864 thousand, with an increase of NT\$204,626 thousand from NT\$1,901,238 thousand in 2020.
2. For 2021, the consolidated net operating profit was NT\$150,073 thousand, with an increase of NT\$146,229 thousand over the consolidated net operating profit of NT\$3,844 thousand in 2020.
3. For 2021, the consolidated net profit after tax (including non-controlling interests) was \$127,745 thousand, with an increase of \$94,922 thousand from the consolidated net profit after tax of \$32,823 thousand in 2020.

ii. Implementation status of budget

The Company has not announced any financial forecast for 2021, so there is no need

to disclose the implementation status.

iii. Analysis of Financial Receipt and Expenditure and Profitability (Consolidated Company)

| Item | | | 2021 | 2020 |
|-------------------|---|-----------------------|--------|--------|
| Capital structure | Debts to assets ratio (%) | | 31.20 | 29.50 |
| | Long-term capital to property, plant, and equipment ratio (%) | | 198.66 | 226.82 |
| Profitability | Return on assets (%) | | 3.68 | 1.12 |
| | Return on equity (%) | | 4.70 | 1.25 |
| | As a percentage of paid-in capital (%) | Net operating profit | 11.65 | 0.31 |
| | | Net profit before tax | 11.10 | 3.57 |
| | Net profit margin (%) | | 6.07 | 1.73 |
| | Earnings per share (NT\$) | | 1.00 | 0.35 |

iv. Research and Development

In 2021, the Consolidated Company spent \$101,865 thousand on research and development, with a decrease of \$1,044 thousand from 2020, mainly due to the higher development costs in 2019 for automotive lighting and for the early stage of new products, and the reduction of various expenses from 2020 to 2021 due to the impact of the pandemic, but the proportion of research and development expenses remained above 5% of consolidated revenue. The Company specializes in the research and development of lighting and automotive products and the improvement of packaging technology. Our professional R&D team has accumulated strong technical experience and obtained a number of domestic and foreign patents from components to modules. We continue to develop LED components with high cost-performance ratio, AC module smart lighting systems, long term energy saving street light modules and automotive LED component modules to meet the market demand and future direction.

II. Outline of 2022 Business Plan

With the continued expansion of LED lighting applications and the entry of competitors, we are moving from LED components to customer-driven modules and finished product services, and actively expanding other LED applications such as plant lighting, medical lighting, interconnect lighting, and automotive lighting . According to TrendForce's Photonics Research, as vaccines become more prevalent in various countries and the market and economy begin to recover, the demand for LED general lighting market has significantly rebounded, with the global LED lighting market reaching US\$38.199 billion in 2021, with an annual growth of 9.5%. With the support of energy saving and emission reduction policies in countries around the world, LED energy saving retrofit projects are

gradually launched to achieve the goal of "carbon neutrality", and the penetration rate of LED lighting has been increasing to 57% in 2021. Driven by the trend of energy saving and sustainability, the global sales and market share of electric vehicles continue to rise, and major automakers are stepping up their efforts to invest in the development and manufacturing of new energy vehicles, which simultaneously drives the market demand for automotive LEDs. The global penetration rate of automotive LED lighting had exceeded 60% in 2021, and the penetration rate of LED lights in new energy vehicles had reached over 90%. With the rebound of the automotive market driving the increase in shipments, coupled with the growth of LED lighting penetration, TrendForce estimates that the global automotive LED lighting output will reach \$4.21 billion in 2023. The Company has been actively transforming to develop LEDs for automotive lighting and LEDs for special applications to get around the excessive price competition in the market.

III. Future development strategy of the Company

For 2022, due to the conflict between Russia and Ukraine, supply chain bottlenecks and inflationary pressure, and the development of the COVID-19 into a flu-like illness, economic activities will be gradually unrestricted in various countries, and the growth rate will not be high in 2022 due to the recovery of the economy in 2021, which resulted in a higher base period. At this stage, the Company will continue to maintain a flexible and responsive operation, with the continuous transformation of products and internal process improvement and efficiency enhancement, to build up its R&D strength and core technology, and move toward the goal of becoming an international professional optoelectronics manufacturing service provider.

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

Due to the intense competition in the market, the low price market has seriously eroded the profit, and when the supply and demand do not reach a balance, it will easily lead to overcapacity and a decline in profit. In the face of this situation, the Company continues to launch new products, reduce production costs, improve product quality, shorten delivery times to customers, and develop new application areas such as intelligence in order to achieve substantial business growth, in addition to carefully evaluating various investments. In addition, with the rise of global environmental awareness and changes in laws and regulations, we will strive to improve efficiency and recycle resources, and keep an eye on domestic and international policies and legal changes and propose timely countermeasures in order to minimize the adverse effects of the external competitive and regulatory environment on the Company.

Chairperson: Jason Wu Managerial Officer: Jason Wu Accounting Officer: Cheng-Tien Hsu

[Attachment 2]

**Edison Opto Corporation
Audit Committee's Report**

The Board of Directors has prepared the 2021 Business Report, financial statements and earnings distribution proposal, where the financial statements have been audited by CPAs Heng-Sheng Lin and Bei-Chi Chen from KPMG Taiwan with the Auditor's Report issued. The above report, statements and proposal have been reviewed by the Audit Committee and found to be in conformity. We hereby present the above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your scrutiny.

To The 2022 Regular Shareholders' Meeting of Edison Opto Corp.

Audit Committee
Convener: Wen-Chao Wang

A handwritten signature in black ink, appearing to read '王耀超' (Wang Yaochao), which is the Chinese name of Wen-Chao Wang.

February 25, 2022

Independent Auditors' Report

To the Board of Directors of Edison Opto Corporation:

Opinion

We have audited the financial statements of Edison Opto Corporation, which comprise the statement of financial position as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Edison Opto Corporation as of December 31, 2021 and 2020, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key auditor matters that, in our professional judgment, should be communicated are as follows:

Description of key audit matter:

1. Impairment evaluation of accounts receivable

Please refer to Note 4(f) "Financial instruments" , Note 5(a) "Significant accounting assumptions and judgments, and major sources of estimation uncertainty" , and Note 6(b) "Notes and accounts receivable" .

For the year ended December 31, 2021, the accounts receivable accounted for 5% of the total assets are material to the financial statements. In addition, the provision of bad debt allowance is a subject to the management' s judgment. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included:

- Assess the impairment of accounts receivable and whether the impairment has been modified by policy.
- Examine the aging analysis table, analyze the reason of overdue collection and the situation of subsequent collection.
- Evaluate the adequacy of impairment on the financial report date.

2. Revenue recognition

Please refer to Note 4(m) Revenue from contracts with customers, and Note 6(s) “Revenue” .

Description of key audit matter:

The major business activities of Edison Opto Corporation are manufacturing, selling, research and development of LED components and modules. Operating Revenue is the main indicator for the management of Edison Opto Corporation and investor to evaluate the financial and business performance of Edison Opto Company. Therefore, it has been identified as a key audit matter.

How the matter was addressed in our audit:

Our principal audit procedures included:

- Evaluate the Company’ s accounting policy of revenue recognition.
- Test the design and implementation of internal controls related with revenue recognition.
- A sample of whole year is selected, and the income transaction records and various vouchers are checked to confirm that the operating income is recognized.
- Analyzing the change in sales revenue from top ten clients and examining significant contracts to assess whether there are significant exceptions.
- Choose the period between the financial reporting, then examine the recognition of income transactions and vouchers cover for the appropriate period.

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

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

In preparing the financial statements, management is responsible for assessing the Edison Opto Corporation’ 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 Edison Opto Corporation 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 Edison Opto Corporation’ s financial reporting process.

Auditor’ s Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Edison Opto Corporation’ 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 Edison Opto Corporation’ s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’ s report. However, future events or conditions may cause the Edison Opto Corporation to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

The engagement partners on the audit resulting in this independent auditors' report are HENG-SHEN LIN and PEI-CHI CHEN.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2022

Notes to Readers

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

The independent auditors' audit report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and parent company only financial statements, the Chinese version shall prevail.

Balance Sheets

(Expressed in Thousands of New Taiwan Dollar)

See accompanying notes to consolidated financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
EDISON OPTO CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar , Except Earnings Per Share)

| | | 2021 | | 2020 | |
|------|--|-------------|------|----------|-----|
| | | Amount | % | Amount | % |
| 4000 | Operating revenue (note 6(s) and 7) | \$ 959,314 | 100 | 917,985 | 100 |
| 5000 | Operating costs (note 6(e)(h)(i)(m) and 7) | 788,442 | 82 | 808,998 | 88 |
| 5900 | Gross profit from operations | 170,872 | 18 | 108,987 | 12 |
| 5910 | Unrealized profit (loss) from sales (note 7) | (581) | - | (2,451) | - |
| 5950 | Gross profit from operations, net | 170,291 | 18 | 106,536 | 12 |
| | Operating expenses (note 6(h)(i)(k)(m)(n)(q)): | | | | |
| 6100 | Selling expenses | 48,870 | 5 | 37,193 | 4 |
| 6200 | Administrative expenses | 76,236 | 8 | 54,750 | 6 |
| 6300 | Research and development expenses | 29,227 | 3 | 30,750 | 3 |
| 6450 | Expected credit loss(reversed) (note 6(c)) | (361) | - | 154 | - |
| | Total operating expenses | 153,972 | 16 | 122,847 | 13 |
| 6900 | Net operating income (loss) | 16,319 | 2 | (16,311) | (1) |
| | Non-operating income and expenses (note 6(g)(l)(u) and 7): | | | | |
| 7100 | Total interest income | 733 | - | 1,799 | - |
| 7010 | Other income | 20,931 | 2 | 42,040 | 5 |
| 7020 | Other gains and losses, net | 2,984 | - | 6,369 | 1 |
| 7050 | Finance costs, net | (13,317) | (1) | (4,024) | - |
| 7070 | Share of profit (loss) of associates and joint ventures accounted for using equity method, net (note 6(f)) | 94,298 | 10 | 12,281 | 1 |
| | Total non-operating income and expenses | 105,629 | 11 | 58,465 | 7 |
| 7900 | Profit from continuing operations before tax | 121,948 | 13 | 42,154 | 6 |
| 7950 | Less: Income tax expenses (note 6(o)) | 1,690 | - | - | - |
| | Profit | 120,258 | 13 | 42,154 | 6 |
| 8300 | Other comprehensive income: | | | | |
| 8310 | Components of other comprehensive income that will not be reclassified to profit or loss | | | | |
| 8311 | Gains (losses) on remeasurements of defined benefit plans (note 6(n)) | 360 | - | 6,257 | 1 |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(p)) | (134,814) | (14) | 28,354 | 3 |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | - | - | - | - |
| | Components of other comprehensive income that will not be reclassified to profit or loss | (134,454) | (14) | 34,611 | 4 |
| 8360 | Components of other comprehensive income (loss) that will be reclassified to profit or loss | | | | |
| 8361 | Exchange differences on translation of foreign financial statements | (6,583) | (1) | 21,893 | 2 |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | - | - | - | - |
| | Components of other comprehensive income that will be reclassified to profit or loss | (6,583) | (1) | 21,893 | 2 |
| 8300 | Other comprehensive income (loss) | (141,037) | (15) | 56,504 | 6 |
| 8500 | Total comprehensive income (loss) | \$ (20,779) | (2) | 98,658 | 12 |
| | Earnings per share (note 6(r)) | | | | |
| 9750 | Basic earnings per share | \$ 1.00 | | 0.35 | |
| 9850 | Diluted earnings per share | \$ 0.95 | | 0.35 | |

See accompanying notes to consolidated financial statements.

Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollar)

See accompanying notes to consolidated financial statements.

EDISON OPTO CORPORATION

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollar)

| | 2021 | 2020 |
|--|-------------|-------------|
| Cash flows from (used in) operating activities: | | |
| Profit before tax | \$ 121,948 | 42,154 |
| Adjustments: | | |
| Adjustments to reconcile profit (loss): | | |
| Depreciation expense | 22,458 | 19,343 |
| Amortization expense | 169 | 458 |
| Expected credit loss (reversal) | (361) | 154 |
| Net gain on financial assets or liabilities at fair value through profit or loss | (1,002) | - |
| Interest expense | 13,317 | 4,024 |
| Interest income | (733) | (1,799) |
| Share-based payments | 4,522 | 1,206 |
| Share of profit of subsidiaries, associates and joint ventures accounted for using equity method | (94,298) | (12,281) |
| Gain on disposal of property, plant and equipment | (7,567) | (2,731) |
| Gain on disposal of other assets | (3) | - |
| Unrealized profit from sales | 6,213 | 5,632 |
| Realized profit on from sales | (5,632) | (3,181) |
| Total adjustments to reconcile profit (loss) | (62,917) | 10,825 |
| Changes in operating assets and liabilities: | | |
| Notes receivable | (3,738) | (988) |
| Accounts receivable | (18,050) | (1,271) |
| Accounts receivable due from related parties | 39,914 | (23,556) |
| Other receivable | - | 62 |
| Other receivable due from related parties | 1,046 | 5,531 |
| Inventories | (24,141) | (8,344) |
| Prepayments | 1,069 | (5,452) |
| Other current assets | (14,917) | (8,114) |
| Notes payable | (652) | (6) |
| Accounts payable | (635) | (14,767) |
| Accounts payable to related parties | 81,269 | (87,126) |
| Other payable | 10,232 | (8,440) |
| Other current liabilities | 10,388 | 6,797 |
| Net defined benefit liability | 488 | 400 |
| Total changes in operating assets and liabilities | 82,273 | (145,274) |
| Cash flows from (used in) operations | 141,304 | (92,295) |
| Interest received | 670 | 1,759 |
| Interest paid | (5,025) | (4,024) |
| Income taxes refund (paid) | (2,897) | (160) |
| Net cash flows from (used in) operating activities | 134,052 | (94,720) |
| Cash flows from (used in) investing activities: | | |
| Acquisition of financial assets at fair value through profit or loss | (8,305) | - |
| Proceeds from disposal of financial assets at fair value through profit or loss | 9,307 | - |
| Acquisition of investments accounted for using equity method | (46,600) | - |
| Proceeds from disposal of subsidiaries | - | 34,583 |
| Proceeds from capital reduction of investments accounted for using equity method | - | 291,138 |
| Acquisition of property, plant and equipment | (434,022) | (9,120) |
| Proceeds from disposal of property, plant and equipment | 10 | 10,271 |
| Increase in refundable deposits | - | (321) |
| Increase in restricted deposits | (23) | (25) |
| Increase in other non-current assets | (29,302) | (107,571) |
| Increase in prepayments for business facilities | (122) | (297) |
| Dividends received | 22,300 | 20,220 |
| Net cash flows from (used in) investing activities | (486,757) | 238,878 |
| Cash flows from (used in) financing activities: | | |
| Increase in short-term loans | 1,038,492 | 1,257,043 |
| Decrease in short-term loans | (1,312,020) | (1,153,250) |
| Proceeds from issuing bonds | 297,503 | - |
| Proceeds from long-term debt | 321,600 | - |
| Repayments of long-term debt | (14,740) | - |
| Decrease in guarantee deposits received | (12) | (9) |
| Payment of lease liabilities | (3,303) | (2,278) |
| Cash dividends paid | (40,000) | (12,300) |
| Payments to acquire treasury shares | - | (19,832) |
| Net cash flows from financing activities | 287,520 | 69,374 |
| Effect of exchange rate changes on cash and cash equivalents | 2,228 | (18) |
| Net increase (decrease) in cash and cash equivalents | (62,957) | 213,514 |
| Cash and cash equivalents at beginning of period | 401,122 | 187,608 |
| Cash and cash equivalents at end of period | \$ 338,165 | 401,122 |

Representation Letter

The entities that are required to be included in the combined financial statements of EDISON OPTO CORPORATION as of and for the year ended December 31, 2021 under the Criteria Governing the Preparation of Affiliation Reports, Consolidated Business Reports, and Consolidated Financial Statements of Affiliated Enterprises are the same as those included in the consolidated financial statements prepared in conformity with International Financial Reporting Standards No. 10 , "Consolidated Financial Statements." endorsed by the Financial Supervisory Commission of the Republic of China. In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, EDISON OPTO CORPORATION and Subsidiaries do not prepare a separate set of combined financial statements.

Company name: EDISON OPTO CORPORATION

Chairman: Jason Wu

Date: February 24, 2022

Independent Auditors' Report

To the Board of Directors of Edison Opto Corporation:

Opinion

We have audited the consolidated financial statements of Edison Opto Corporation and its subsidiaries (“the Edison Group”), which comprise the consolidated statement of financial position as of December 31, 2021 and 2020, and the consolidated statement of comprehensive income, changes in equity and cash flows for the year 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 Edison Opto Corporation and subsidiaries as of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the year ended December 31, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretations developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Edison Opto Corporation in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key auditor matters that, in our professional judgment, should be communicated are as follows:

1. Impairment evaluation of accounts receivable

Please refer to Note 4(g) “Financial instruments” , Note 5(b) “Significant accounting assumptions and judgments, and major sources of estimation uncertainty” , and Note 6(c) “Notes and accounts receivable” .

For the year ended December 31, 2021, the accounts receivable accounted for 11% of the total assets are material to the financial statements. In addition, the provision of bad debt allowance is a subject to the management’ s judgment. Therefore, it has been identified as a key audit matter.

Our principal audit procedures included:

- Assess the impairment of accounts receivable and whether the impairment has been modified by policy.
- Examine the aging analysis table, analyze the reason of overdue collection and the situation of subsequent collection.
- Evaluate the adequacy of impairment on the financial report date Edison Opto Corporation and subsidiaries.

2.Revenue recognition

Please refer to Note 4(m) Revenue from contracts with customers, and Note 6(u) “Revenue” .

The major business activities of Edison Opto Corporation and subsidiaries are manufacturing, selling, research and development of LED components and modules. Operating Revenue is the main indicator for the management of Edison Consolidated Company and investor to evaluate the financial and business performance of Edison Consolidated Company. Therefore, it has been identified as a key audit matter.

Our principal audit procedures included:

- Evaluate the Consolidated Company’ s accounting policy of revenue recognition.
- Test the design and implementation of internal controls related with revenue recognition.
- A sample of the whole year is selected, and the income transaction records and various vouchers are checked to confirm that the operating income is recognized.
- Analyzing the change in sales revenue from top ten clients and examining significant contracts to assess whether there are significant exceptions.
- Choose the period between the financial reporting, then examine the recognition of income transactions and vouchers cover for the appropriate period.

Other Matter

Edison Opto Corporation has prepared its parent-company-only financial report for the year 2021 and 2020, on which we have issued an unmodified opinion.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of 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 Edison Opto Corporation'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 Edison Opto Corporation 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 Edison Opto Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the 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 Edison Opto Corporation Limited'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 Edison Opto Corporation'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 auditor's report. However, future events or conditions may cause the Edison Opto Corporation and subsidiaries 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 Edison Opto Corporation to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Consolidated Company audit.

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.

The engagement partners on the audit resulting in this independent auditors' report are HENG-SHEN LIN and PEI-CHI CHEN.

KPMG

Taipei, Taiwan (Republic of China)
February 24, 2022

Notes to Readers

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

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(Expressed in Thousands of New Taiwan Dollars)

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(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
EDISON OPTO CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2021 and 2020
(Expressed in Thousands of New Taiwan Dollars Except Earnings Per Share)

| | | 2021 | | 2020 | |
|------|--|--------------------|------------|---------------|----------|
| | | Amount | % | Amount | % |
| 4000 | Operating revenue (note 6(u)) | \$ 2,105,864 | 100 | 1,901,238 | 100 |
| 5000 | Operating costs (notes 6(f)(i)(j)(p)) | 1,595,656 | 76 | 1,535,866 | 81 |
| | Gross profit from operations | 510,208 | 24 | 365,372 | 19 |
| | Operating expenses (note 6(e)(i)(j)(n)(p)(s)(v)): | | | | |
| 6100 | Selling expenses | 103,834 | 5 | 82,358 | 4 |
| 6200 | Administrative expenses | 160,495 | 7 | 150,617 | 8 |
| 6300 | Research and development expenses | 101,865 | 5 | 102,909 | 5 |
| 6450 | Expected impairment loss (reversed) | (6,059) | - | 25,644 | 1 |
| | Total operating expenses | 360,135 | 17 | 361,528 | 18 |
| 6900 | Net operating income | 150,073 | 7 | 3,844 | 1 |
| | Non-operating income and expenses (note 6(h)(k)(l)(m)(n)(o)(w)): | | | | |
| 7100 | Interest income | 14,621 | 1 | 18,922 | 1 |
| 7010 | Other income | 9,535 | - | 24,537 | 1 |
| 7020 | Other gains and losses | (11,303) | - | 5,821 | - |
| 7050 | Finance costs | (19,945) | (1) | (9,398) | - |
| | Total non-operating income and expenses | (7,092) | - | 39,882 | 2 |
| 7900 | Profit from continuing operations before tax | 142,981 | 7 | 43,726 | 3 |
| 7950 | Less: Income tax expenses (note 6(q)) | 15,236 | 1 | 10,903 | 1 |
| | Profit | 127,745 | 6 | 32,823 | 2 |
| 8300 | Other comprehensive income: | | | | |
| 8310 | Components of other comprehensive income that will not be reclassified to profit or loss | | | | |
| 8311 | Gains (losses) on remeasurements of defined benefit plans (note 6(p)) | 360 | - | 6,257 | - |
| 8316 | Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income (note 6(c)) | (134,814) | (7) | 28,354 | 1 |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | - | - | - | - |
| | | (134,454) | (7) | 34,611 | 1 |
| 8360 | Components of other comprehensive income (loss) that will be reclassified to profit or loss | | | | |
| 8361 | Exchange differences on translation of foreign financial statements | (7,841) | - | 21,640 | 1 |
| 8399 | Income tax related to components of other comprehensive income that will be reclassified to profit or loss | - | - | - | - |
| | Components of other comprehensive income that will be reclassified to profit or loss | (7,841) | - | 21,640 | 1 |
| 8300 | Other comprehensive income | (142,295) | (7) | 56,251 | 2 |
| 8500 | Total comprehensive income | \$ (14,550) | (1) | 89,074 | 4 |
| | Profit (loss), attributable to: | | | | |
| 8610 | Attributable to owners of parent | \$ 120,258 | 6 | 42,154 | 2 |
| 8620 | Attributable to non-controlling interests | 7,487 | - | (9,331) | - |
| | | \$ 127,745 | 6 | 32,823 | 2 |
| | Comprehensive income attributable to: | | | | |
| 8710 | Attributable to owners of parent | \$ (20,779) | (1) | 98,658 | 5 |
| 8720 | Attributable to non-controlling interests | 6,229 | - | (9,584) | (1) |
| | | \$ (14,550) | (1) | 89,074 | 4 |
| | Earnings per share (note 6(t)) | | | | |
| 9750 | Basic earnings per share | \$ 1.00 | | 0.35 | |
| 9850 | Diluted earnings per share | \$ 0.95 | | 0.35 | |

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

EDISON OPTO CORPORATION 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 parent | | | | | | | | | | Non-controlling interests | Total equity |
|---|---|-----------------|---------------|-----------------|--|---|---|------------------------------|-----------------|---|---------------------------|--------------|
| | Retained earnings | | | | | Other equity | | | | | | |
| | Ordinary shares | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings (accumulated deficit) | Exchange differences on translation of foreign financial statements | Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income | Employees' unrealized reward | Treasury shares | Total equity attributable to owners of parent | | |
| Balance at January 1, 2020 | \$ 1,250,014 | 1,841,558 | 701 | 6,313 | (289,754) | (198,918) | (45,780) | (19,575) | (58,877) | 2,485,682 | 112,806 | 2,598,488 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | |
| Legal reserve used to offset accumulated deficits | - | - | (701) | - | 701 | - | - | - | - | - | - | - |
| Special reserve used to offset accumulated deficits | - | - | (701) | (6,313) | 6,313 | - | - | - | - | - | - | - |
| Net income | - | - | - | - | 42,154 | - | - | - | - | 42,154 | (9,331) | 32,823 |
| Other comprehensive income | - | - | - | - | 6,257 | 21,893 | 28,354 | - | - | 56,504 | (253) | 56,251 |
| Total comprehensive income | - | - | - | - | 48,411 | 21,893 | 28,354 | - | - | 98,658 | (9,584) | 89,074 |
| Other changes in capital surplus: | | | | | | | | | | | | |
| Capital surplus used to offset accumulated deficits | - | (282,740) | - | - | 282,740 | - | - | - | - | - | - | - |
| Cash dividends from capital surplus | - | (12,300) | - | - | - | - | - | - | - | (12,300) | - | (12,300) |
| Purchase of treasury share | - | - | - | - | - | - | - | - | (19,832) | (19,832) | - | (19,832) |
| Retirement of treasury share | (16,180) | (3,652) | - | - | - | - | - | - | 19,832 | - | - | - |
| Acquisition of company's share by subsidiaries recognized as treasury share | - | - | - | - | - | - | - | - | (3,025) | (3,025) | - | (3,025) |
| Adjustments of capital surplus for company's cash dividends received by subsidiaries | - | 51 | - | - | - | - | - | - | - | 51 | - | 51 |
| Changes in ownership interests in subsidiaries | - | 14,381 | - | - | - | - | - | - | - | 14,381 | (14,381) | - |
| Share-based payments | (8,270) | (3,721) | - | - | - | - | - | 13,197 | - | 1,206 | - | 1,206 |
| Balance at December 31, 2020 | 1,225,564 | 1,553,577 | - | - | 48,411 | (177,025) | (17,426) | (6,378) | (61,902) | 2,564,821 | 88,841 | 2,653,662 |
| Appropriation and distribution of retained earnings: | | | | | | | | | | | | |
| Legal reserve appropriated | - | - | 4,841 | - | (4,841) | - | - | - | - | - | - | - |
| Cash dividends of ordinary share | - | - | - | - | (40,000) | - | - | - | - | (40,000) | - | (40,000) |
| Net income | - | - | - | - | 120,258 | - | - | - | - | 120,258 | 7,487 | 127,745 |
| Other comprehensive income | - | - | - | - | 360 | (6,583) | (134,814) | - | - | (141,037) | (1,258) | (142,295) |
| Total comprehensive income | - | - | - | - | 120,618 | (6,583) | (134,814) | - | - | (20,779) | 6,229 | (14,550) |
| Other changes in capital surplus: | | | | | | | | | | | | |
| Due to recognition of equity component of convertible bonds issued | - | 31,990 | - | - | - | - | - | - | - | 31,990 | - | 31,990 |
| Conversion of convertible bonds | 63,383 | 47,381 | - | - | - | - | - | - | - | 110,764 | - | 110,764 |
| Acquisition of company's share by subsidiaries recognized as treasury share | - | - | - | - | - | - | - | - | 2,854 | 2,854 | - | 2,854 |
| Adjustments of capital surplus for company's cash dividends received by subsidiaries | - | 159 | - | - | - | - | - | - | - | 159 | - | 159 |
| Difference between consideration and carrying amount of subsidiaries acquired or disposed | - | - | - | - | - | - | - | - | - | - | (2,548) | (2,470) |
| Changes in ownership interests in subsidiaries | - | (13,998) | - | - | - | - | - | - | - | (13,998) | 51,130 | 37,132 |
| Share-based payments | (330) | (149) | - | - | - | - | - | 5,001 | - | 4,522 | - | 4,522 |
| Balance at December 31, 2021 | \$ 1,288,617 | 1,619,038 | 4,841 | - | 124,188 | (183,608) | (152,240) | (1,377) | (59,048) | 2,640,411 | 143,652 | 2,784,063 |

See accompanying notes to consolidated financial statements.

EDISON OPTO CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

| | 2021 | 2020 |
|--|---------------------|------------------|
| Cash flows from (used in) operating activities: | | |
| Profit before tax | \$ 142,981 | 43,726 |
| Adjustments: | | |
| Adjustments to reconcile profit (loss): | | |
| Depreciation expense | 121,970 | 123,075 |
| Amortization expense | 2,344 | 2,495 |
| Expected impairment loss (reversed) | (6,059) | 25,644 |
| Net loss on financial assets or liabilities at fair value through profit or loss | (6,295) | - |
| Interest expense | 19,945 | 9,398 |
| Interest income | (14,621) | (18,922) |
| Share-based payments | 4,522 | 1,206 |
| Gain on disposal of property, plant and equipment | (2,972) | (9,189) |
| Loss on disposal of intangible assets | - | 144 |
| Gain on disposal of other assets | (22) | - |
| Total adjustments to reconcile profit | 118,812 | 133,851 |
| Changes in operating assets and liabilities: | | |
| Accounts and notes receivable | (13,579) | (25,666) |
| Other receivables | (4,006) | (553) |
| Inventories | (50,585) | (20,808) |
| Prepayments | (14,161) | (14,223) |
| Other current assets | 61 | (3,842) |
| Other operating assets | (37) | (337) |
| Accounts and notes payable | (54,293) | 50,167 |
| Other payable | 4,685 | (30,476) |
| Other current liabilities | 12,650 | 8,281 |
| Net defined benefit liability | 488 | 401 |
| Total changes in operating assets and liabilities | (118,777) | (37,056) |
| Cash inflow generated from (used in) operations | 143,016 | 140,521 |
| Interest received | 14,226 | 20,240 |
| Interest paid | (11,705) | (9,389) |
| Income taxes | (18,539) | (1,477) |
| Net cash flows from operating activities | 126,998 | 149,895 |
| Cash flows from (used in) investing activities: | | |
| Acquisition of financial assets at amortised cost | (8,788) | - |
| Acquisition of financial assets at fair value through profit or loss | (51,916) | - |
| Proceeds from disposal of financial assets at fair value through profit or loss | 56,629 | - |
| Acquisition of property, plant and equipment | (462,728) | (31,998) |
| Proceeds from disposal of property, plant and equipment | 4,216 | 15,175 |
| Increase in refundable deposits | (1,700) | (573) |
| Acquisition of intangible assets | (2,372) | - |
| Decrease in other financial assets | - | 123,890 |
| Increase in restricted deposits | - | (53,600) |
| Decrease in restricted deposits | 4,342 | - |
| Increase in other non-current assets | (31,501) | (111,934) |
| Increase in prepayments for business facilities | (21,938) | (4,756) |
| Net cash flows used in investing activities | (515,756) | (63,796) |
| Cash flows from (used in) financing activities: | | |
| Increase in short-term loans | 1,423,571 | 1,919,977 |
| Decrease in short-term loans | (1,692,986) | (1,719,760) |
| Proceeds from issuing bonds | 297,503 | - |
| Proceeds from long-term debt | 321,600 | - |
| Repayments of long-term debt | (14,740) | - |
| Increase in guarantee deposits received | 3,402 | - |
| Decrease in guarantee deposits received | - | (9) |
| Payment of lease liabilities | (14,059) | (12,498) |
| Cash dividends paid | (39,841) | (12,249) |
| Payments to acquire treasury shares | - | (19,832) |
| Acquisition of ownership interests in subsidiaries | (2,470) | - |
| Change in non-controlling interests | 34,140 | - |
| Net cash flows from financing activities | 316,120 | 155,629 |
| Effect of exchange rate changes on cash and cash equivalents | (1,114) | 7,491 |
| Net increase (decrease) in cash and cash equivalents | (73,752) | 249,219 |
| Cash and cash equivalents at beginning of period | 1,249,755 | 1,000,536 |
| Cash and cash equivalents at end of period | \$ 1,176,003 | 1,249,755 |

[Attachment 4]

Edison Opto Corporation

Comparison of Amended Provisions of the “Procedures for Acquisition or Disposal of Assets”

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|---|---|
| Article 5 | <p>In the event that the Company obtains an appraisal report or an opinion from a CPA, attorney or securities underwriter, such professional appraiser and its appraisal personnel, CPA, attorney or securities underwriter shall meet the following requirements:</p> <p>I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>II. May not be a related party</p> | <p>In the event that the Company obtains an appraisal report or an opinion from a CPA, attorney or securities underwriter, such professional appraiser and its appraisal personnel, CPA, attorney or securities underwriter shall meet the following requirements:</p> <p>I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>II. May not be a related party</p> | <p>In accordance with the Financial Supervisory Commission's letter Jin-Guan-Zheng-Fa-Zi No. 11103804655 dated January 28, 2022: In order to clarify the procedures and responsibilities to be followed by external experts, it is specified that in addition to the relevant operations for undertaking and executing a case that should be performed by professional appraisers and their appraisal personnel, CPA, attorney or securities underwriters when issuing appraisal reports or opinions, they should also follow the self-regulatory rules of the respective trade association to which he or she belongs.</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|--|---|--|
| | <p>or de facto related party of any party to the transaction.</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal personnel may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding Paragraph shall <u>comply with the self-regulatory rules of the respective trade association to which he or she belongs</u> and the following matters:</p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>II. When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> | <p>or de facto related party of any party to the transaction.</p> <p>III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal personnel may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding Paragraph shall comply with the following:</p> <p>I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>II. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case</p> | <p>In line with the actual evaluation of the sources and parameters used by the experts, it is amended to "appropriateness and reasonableness"</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|---|--|
| | <p>III. They shall undertake an item-by-item evaluation of the <u>appropriateness</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate</u> and reasonable, and that they have complied with applicable laws and regulations.</p> | <p>working papers.</p> <p>III. They shall undertake an item-by-item evaluation of the <u>comprehensiveness</u>, <u>accuracy</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable, and that they have complied with <u>applicable</u> laws and regulations.</p> | |
| Article 7 | <p>Procedures for acquisition or disposal of real estate, equipment or right-of-use assets thereof and other fixed assets I~III (omitted)</p> <p>IV. Appraisal report of real estate, equipment or right-of-use assets thereof</p> <p>In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless</p> | <p>Procedures for acquisition or disposal of real estate, equipment or right-of-use assets thereof and other fixed assets I~III (omitted)</p> <p>IV. Appraisal report of real estate, equipment or right-of-use assets thereof</p> <p>In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless</p> | <p>The same as the above for the letter from the Financial Supervisory Commission to delete the relevant text about the CPA to comply with the provisions of the Statement of Auditing Standards</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|--|--|--------------------------|
| | <p>transacting with a domestic government agency, engages others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>i. Where due to special circumstances, it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>ii. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>iii. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the</p> | <p>transacting with a domestic government agency, engages others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>i. Where due to special circumstances, it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>ii. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>iii. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the</p> | |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|--|--|--|
| | <p>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 and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. | <p>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)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount. | |
| Article 8 | <p>Procedures for acquisition or disposal of investments in marketable securities I~III (omitted) iv. Obtaining expert opinions</p> | <p>Procedures for acquisition or disposal of investments in marketable securities I~III (omitted) iv. Obtaining expert opinions</p> | <p>The same as the above for the letter from the Financial Supervisory Commission to</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|--|---|
| | <p>i. Where the Company acquires or disposes of marketable securities and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, 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. This 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> <p>ii. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> | <p>i. Where the Company acquires or disposes of marketable securities 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>if it is necessary to use an expert report, the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDE.</u> This 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> <p>ii. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.</p> | delete the relevant text about the CPA to comply with the provisions of the Statement of Auditing Standards |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|--|--|---|
| Article 9 | <p>Procedures for Related Party Transactions</p> <p>I. (Omitted)</p> <p>II. Evaluation and Operating Procedures</p> <p>When the Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of Directors.</p> <p>i. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>ii. The reason for choosing the</p> | <p>Procedures for Related Party Transactions</p> <p>I. (Omitted)</p> <p>II. Evaluation and Operating Procedures</p> <p>When the Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of Directors.</p> <p>i. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>ii. The reason for choosing the</p> | <p>Same as the above letter from the FSC, move the original Paragraphs 3 and 5 to Paragraphs 2 to 4 And add Paragraph 5.</p> <p>Add that if a public company or its subsidiary that is not a domestic public company acquires or disposes of assets from a related party and the transaction amount reaches 10% or more of the public company's total assets, the public company shall submit the relevant information to the shareholders' meeting for approval before proceeding in order to protect the shareholders' interests, but transactions between the public company and its parent company, its subsidiary, or between its subsidiaries are exempt from the shareholders'</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|---|--------------------------|
| | <p>related party as a transaction counterparty.</p> <p>iii. With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Paragraphs 3 (1) to 3 (4) of the Article.</p> <p>iv. The date and price at which the related party originally acquired the real estate, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.</p> <p>v. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>vi. An appraisal report from a professional appraiser or a CPA's opinion is obtained in compliance with Paragraph 1 of the Article.</p> <p>vii. Restrictive covenants and other important stipulations</p> | <p>related party as a transaction counterparty.</p> <p>iii. With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Paragraphs 3 (1) to 3 (4) of the Article.</p> <p>iv. The date and price at which the related party originally acquired the real estate, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.</p> <p>v. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>vi. An appraisal report from a professional appraiser or a CPA's opinion is obtained in compliance with Paragraph 1 of the Article.</p> <p>vii. Restrictive covenants and other important stipulations</p> | meeting resolution. |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|--|--------------------------|
| | <p>associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors may delegate the Chairperson to decide such matters when the transaction amount is within the following approval authority and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of</p> | <p>associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding Paragraph shall be made in accordance with Article 16, Paragraph 1, Subparagraph 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the Board of Directors and the Audit Committee need not be counted toward the transaction amount.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors may delegate the Chairperson to decide such matters when the transaction amount is within the following approval authority and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <p>I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</p> <p>II. Acquisition or disposal of</p> | |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment | | | | | | | | | | | | | | | | | | |
|--------------------|--|--|---------------------------|---------|-------------|--------------------------------------|--|--------------------|--------------------------|---|---|--------------------|---------------------------|---------|-------------|--------------------------------------|--|--------------------|--------------------------|---|--|
| | <div>real estate right-of-use assets held for business use.</div> <table><tr><th>Approval authority</th><th>Authority per transaction</th><th>Remarks</th></tr><tr><td>Chairperson</td><td>Less than NT\$50,000,000 (inclusive)</td><td>To be reported to the Audit Committee and the Board of Directors after the event</td></tr><tr><td>Board of directors</td><td>More than NT\$50 million</td><td>To be reported to the Audit Committee and the Board of Directors for approval</td></tr></table> <div><p>If the Company has independent directors, the opinions of the independent directors shall be fully considered when the Company submits the proposal to the Board of Directors for discussion in accordance with the preceding Paragraph, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the Board of Directors' meeting.</p><p>If the Company has established an audit committee, in accordance with the first Paragraph, the approval of at least one-half of all members of the audit committee shall be obtained and a resolution shall be submitted to the Board of Directors in accordance with the third and fourth Paragraphs of Article 4 mutatis mutandis.</p><p><u>If the Company or its subsidiaries that are not domestic public</u></p></div> | Approval authority | Authority per transaction | Remarks | Chairperson | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event | Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval | <div>real estate right-of-use assets held for business use.</div> <table><tr><th>Approval authority</th><th>Authority per transaction</th><th>Remarks</th></tr><tr><td>Chairperson</td><td>Less than NT\$50,000,000 (inclusive)</td><td>To be reported to the Audit Committee and the Board of Directors after the event</td></tr><tr><td>Board of directors</td><td>More than NT\$50 million</td><td>To be reported to the Audit Committee and the Board of Directors for approval</td></tr></table> <div><p>If the Company has independent directors, the opinions of the independent directors shall be fully considered when the Company submits the proposal to the Board of Directors for discussion in accordance with the preceding Paragraph, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the Board of Directors' meeting.</p><p>If the Company has established an audit committee, in accordance with the first Paragraph, the approval of at least one-half of all members of the audit committee shall be obtained and a resolution shall be submitted to the Board of Directors in accordance with the third and fourth Paragraphs of Article 4 mutatis mutandis.</p></div> | Approval authority | Authority per transaction | Remarks | Chairperson | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event | Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval | |
| Approval authority | Authority per transaction | Remarks | | | | | | | | | | | | | | | | | | | |
| Chairperson | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event | | | | | | | | | | | | | | | | | | | |
| Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval | | | | | | | | | | | | | | | | | | | |
| Approval authority | Authority per transaction | Remarks | | | | | | | | | | | | | | | | | | | |
| Chairperson | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event | | | | | | | | | | | | | | | | | | | |
| Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval | | | | | | | | | | | | | | | | | | | |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|--|--|--|
| | <p><u>companies have the transaction specified in Paragraph 2 of this Article and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in Paragraph 2 to the shareholders' meeting for approval before signing the transaction contract and making the payment. However, this does not apply to the transactions between the Company and its subsidiaries or between the subsidiaries.</u></p> <p>The calculation of the transaction amounts referred to in <u>Paragraph 2 and the preceding Paragraph</u> shall be made in accordance with Article 16, Paragraph 1, Subparagraph 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the <u>shareholders' meeting</u>, the Board of Directors and the Audit Committee, need not be counted toward the transaction amount.</p> | | |
| Article 11 | <p>Procedures for Acquisition or Disposal of Intangible Assets or Right-of-Use Assets Thereof I~III (omitted)</p> <p>IV. Obtaining expert opinions</p> <p>Where the Company acquires or disposes of intangible assets and right-of-use assets thereof and</p> | <p>Procedures for Acquisition or Disposal of Intangible Assets or Right-of-Use Assets Thereof I~III (omitted)</p> <p>IV. Obtaining expert opinions</p> <p>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof and</p> | <p>The same as the above letter from the Financial Supervisory Commission, delete the relevant text about the CPA to</p> |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|--|---|
| | the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, 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, except for transactions with domestic government agencies. | 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 ARDF.</u> | comply with the provisions of the Statement of Auditing Standards |
| Article 16 | <p>Procedures for Public Disclosure of Information</p> <p>I. After the public offering of the Company's shares, the items and criteria for announcement and reporting are:</p> <p>(I)~(V) (omitted)</p> <p>(VI) Where an asset transaction other than any of those referred to in the preceding 5 Subparagraphs, 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; However, this shall not apply to the following circumstances:</p> <p>1. Trading of domestic government bonds <u>or foreign government bonds with credit ratings not lower than the sovereign rating of</u></p> | <p>Procedures for Public Disclosure of Information</p> <p>I. After the public offering of the Company's shares, the items and criteria for announcement and reporting are:</p> <p>(I)~(V) (omitted)</p> <p>(VI) Where an asset transaction other than any of those referred to in the preceding 5 Subparagraphs, 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; However, this shall not apply to the following circumstances:</p> <p>1. Trading of domestic government bonds.</p> | Same as the above letter from the FSC, |

| Article order | Provisions after amendment | Provisions before amendment | Explanation of amendment |
|---------------|---|---|--------------------------|
| | <p><u>Taiwan</u></p> <p>2. Professional investors buy or sell marketable securities on the stock exchange or on the business premises of a securities firm, or subscribe to <u>foreign government bonds or</u> ordinary corporate bonds and general financial bonds not involving equity interests (excluding subordinated debentures) in the primary market, or subscribe for or buy back securities investment trust funds or futures trust funds, <u>or subscribe for or sell back index investment securities,</u> or securities firms subscribe for the marketable securities in accordance with the TPEx regulations for the purpose of underwriting business to act as an advisor for emerging companies.</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. (Hereinafter omitted)</p> | <p>2. Professional investors buy or sell marketable securities on the stock exchange or on the business premises of a securities firm, or subscribe to ordinary corporate bonds and general financial bonds not involving equity interests (excluding subordinated debentures) in the primary market, or subscribe for or buy back securities investment trust funds or futures trust funds, or securities firms subscribe for the marketable securities in accordance with the TPEx regulations for the purpose of underwriting business to act as an advisor for emerging companies.</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. (Hereinafter omitted)</p> | |

[Attachment 5]

Edison Opto Corporation Articles of Incorporation

Chapter 1 General Provisions

Article 1: The Company is organized in accordance with the provisions of the Company Act and is named Edison Opto Corporation.

Article 2: The business of the Company is as follows:

1. CC01040 Lighting Equipment Manufacturing
2. CC01080 Electronic Parts and Components Manufacturing
3. E603080 Traffic Signs Installation Engineering
4. EZ06010 Traffic Marking Engineering
5. F119010 Wholesale of Electronic Materials
6. F213090 Retail Sale of Traffic Sign Equipment and Materials
7. F219010 Retail Sale of Electronic Materials
8. F401010 International Trade
9. ZZ99999 All business items that are not prohibited or restricted by law

Article 3: The Company shall have its head office in New Taipei City, Taiwan, and may establish branch companies, representative offices or liaison offices in Taiwan and abroad if necessary by resolution of the Board of Directors.

Article 4: The total amount of the Company's investment may not be limited by Article 13 of the Company Act with respect to the limit of the proportion of investment
The Company may endorse or guarantee external parties when necessary for its business.

Article 4-1: The method of announcement of the Company shall be in accordance with Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The total capital of the Company is set at NT\$2,000,000,000 divided into 200,000,000 shares of NT\$10 each, of which unissued shares shall be authorized to be issued by the Board of Directors in installments.

NT\$200,000,000 of the aforementioned capital is reserved for the issuance of employee stock options or the exercise of stock options by a corporate bond with warrant, with a total of 20,000,000 shares of NT\$10 each, to be issued in installments as resolved by the Board of Directors.

Article 6: The shares of the Company shall be affixed with the signatures or seals of the directors representing the Company and shall be duly certified or authenticated by the bank, which is competent to certify shares under the laws before issuance thereof. The Company shall be exempted from printing its share certificate and shall register the issued shares with a centralized securities depository institution and follow the regulations of that institution.

Article 7: The transfer and change of the name of the owner of the shares shall be in accordance with Article 165 of the Company Act.

The handling of the Company's stock affairs shall be in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" promulgated by the competent authority.

Chapter 3 Shareholders' Meeting

Article 8: There shall be two types of shareholders' meetings: regular meetings shall be held once a year, within six months after the end of each fiscal year, convened by the Board of Directors in accordance with the law, and extraordinary meetings shall be convened when necessary in accordance with the law. . Unless otherwise provided in the Company Act and other relevant laws and regulations, the shareholders' meeting should be convened by the Board of Directors in accordance with the law.

Shareholders shall be notified 30 days in advance of the convening of a regular shareholders' meeting and 15 days in advance of the convening of an extraordinary shareholders' meeting; But the shareholders holding less than 1,000 shares may be notified by public announcement. The notice and announcement of the shareholders' meeting should specify the causes and subjects for convening the meeting; with the consent of the corresponding party, the notice of meeting may be given in an electronic form.

Article 8-1: If a shareholders' meeting is convened by the Board of Directors, the Chairperson of the board shall chair the meeting. When the Chairperson is on leave or for any reason unable to exercise the powers of office, the Vice Chairperson shall act in place of the Chairperson; if there is no Vice Chairperson or the Vice Chairperson also is on leave or for any reason unable to exercise the powers of office, the Chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the Chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair. If a shareholders' meeting is convened by someone with the convening right but other than the Board of Directors, the convening person shall chair the meeting and if there are more than two such persons, one of them shall be elected as the chair of the meeting.

Article 9: If a shareholder is unable to attend a shareholders' meeting for any reason, he or she may appoint a proxy to attend the meeting with the signature or seal of the shareholder in the proxy form issued by the Company stating the scope of authority in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies" issued by the competent authority, in addition to the provisions of Articles 177, 177-1 and 177-2 of the Company Act and Article 25-1 of the Securities and Exchange Act.

Article 9-1: When the Company convenes a shareholders' meeting, shareholders may exercise

their voting rights in writing or electronically. Shareholders who exercise their voting rights in writing or electronically shall be deemed to be present in person at the shareholders' meeting, but shall be deemed to have abstained from voting on the extempore motions and amendments to the original motions of the shareholders' meeting. The declaration of intent is governed by Article 177-2 of the Company Act.

Article 10: Each shareholder of the Company shall have one voting right per share, except in the case of shares without voting rights as provided in Article 179 of the Company Act.

Article 11: Unless otherwise provided in the relevant laws and regulations, the resolution of the shareholders' meeting shall be made with the attendance of shareholders representing more than half of the total number of issued shares in person or by proxy, with the consent of more than half of the voting rights of the shareholders present.

Article 11-1: Resolutions of the shareholders' meeting shall be recorded in the minutes of the meeting. The minutes of the shareholders' meeting shall be signed or sealed by the chair of the shareholders' meeting, and distributed to the shareholders within 20 days after the meeting. The foregoing meeting minutes may be prepared and distributed electronically.

Article 11-2: If the Company has a motion to cancel the public offering in the future, it shall be proposed as a motion to be resolved at the shareholders' meeting, and this Article shall remain unchanged during the listing period in the future.

Chapter 4 Directors and Audit Committee

Article 12: The Company shall have seven to eleven directors for a term of three years, who shall be elected by the shareholders' meeting based on the candidate nomination system from among persons who have good standing and shall be eligible for re-election. The total number of shares of registered stock held by all directors shall not be less than a certain percentage of the total number of shares required by the competent authority.

The Company shall have independent directors within the above total number of directors. The number of independent directors shall not be less than two and not less than one-fifth of the total number of directors, and shall be elected by the shareholders from the list of independent director candidates. The professional qualifications, shareholdings, restrictions on concurrent employment, nominations and other matters to be followed by the independent directors shall be in accordance with the relevant regulations of the competent securities authorities.

If the Company's Audit Committee is established, the Audit Committee shall consist of all independent directors, and the number of independent directors shall not be less than three, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise.

The Company does not need to have a supervisor by law because of the establishment of the Audit Committee.

The Company's Board of Directors may establish other functional specialty committees, the charters of which shall be approved by the Board of Directors. The resolution of the Audit Committee shall be made with at least one-half of all members of the Audit Committee. The first term Audit Committee shall be established on the date of the first election of the independent directors elected in accordance with the preceding Paragraph. The Audit Committee shall be responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations from the date the Audit Committee is established.

Article 12-1: The Company may authorize the Board of Directors to purchase liability insurance for all directors during their term of office in respect of their liability under the law for the scope of business they perform.

After the Company has purchased or renewed liability insurance for the directors, the Company shall report the amount of liability insurance, coverage and premium rate to the coming Board of Directors' meeting.

Article 12-2: The Company adopts the single registered cumulative voting system for the election of directors. Each share shall have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates, and the persons who receive the greater number of voting rights shall be elected as directors. If there is a need to amend the method, it shall be listed and described in the causes and subjects of the meeting, in addition to being in compliance with the provisions of Article 172 of the Company Act, etc.

Article 13: The Board of Directors shall be organized by the directors and shall elect one person as the Chairperson of the Board of Directors from among themselves with the presence of at least two-thirds of the directors and the consent of a majority of the directors present, and may elect one person as the Vice Chairperson from among themselves in the same manner as provided in the Articles of Incorporation. The Chairperson of the Board of Directors shall represent the Company externally. If the Chairperson of the Board of Directors is absent from office or is unable to exercise his or her duties for any reason, the appointment of his or her acting person shall be in accordance with Article 208 of the Company Act.

Article 13-1: The directors shall attend the meetings of the Board of Directors in person. When a director is unable to attend a meeting of the Board of Directors for any reason, he or she shall appoint another director to attend the meeting as his or her acting person, and shall issue a proxy form each time and state the scope of authority with respect to the causes and subjects of the meeting, but each director can only be appointed by one person. In case a meeting of the Board of Directors is proceeded via a visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 14: In calling a meeting of the board of directors the reasons for convening the meeting shall be stated in the notice of the meeting to directors in writing, email or fax seven days in advance. The Board of Directors' meeting may be convened at any time in case of emergency with the notice of the meeting by writing, Email or fax. Unless otherwise provided in the Company Act, the Board of Directors' meeting shall be convened by the Chairperson of the Board of Directors, who shall serve as the meeting chair. Except as otherwise provided in the Company Act and the Articles of Incorporation, a resolution of the Board of Directors shall be made with the attendance of a majority of the directors and the approval of a majority of the directors present.

Article 15: The remuneration of all directors is authorized to be determined by the Board of Directors based on the extent of their participation in the Company's operations and the value of their contributions, with the usual standards in the industry taken into account.

Chapter 5 Managerial Officer

Article 16: The Company may have a president and several vice presidents, whose appointment, dismissal and remuneration shall be in accordance with Article 29 of the Company Act.

Chapter 6 Accounting

Article 17: At the end of each fiscal year, the Board of Directors of the Company shall prepare the reports listed here and submit them to the Audit Committee for review, and the Audit Committee shall issue a report to the shareholders' meeting for adoption at least thirty days prior to the regular shareholders' meeting.

1. Business Report
2. Financial Statements
3. Earnings distribution or losses make-up proposal

Article 17-1: Earnings distribution or losses make-up may be made after the end of each semi-annual fiscal year, provided that the resolution on the earnings distribution or losses make-up for the preceding semi-annual fiscal year shall be submitted to the Audit Committee for review and to the Board of Directors for resolution together with the business report and financial statements.

The Company when distributing surplus earnings in accordance with the provision of the preceding Paragraph, shall estimate and reserve the taxes and dues to be paid, the losses to be covered and the legal reserve to be set aside. Where such legal reserve amounts to the total paid-in capital, this provision shall not apply. If the Company distributes earnings in accordance with the second Paragraph of this Article by issuing new shares, the Company shall comply with the provisions of Article 240 of the Company Act; if cash is to be distributed, the Board of Directors shall approve the distribution.

For a company with a public offering of shares, the earnings distribution or losses

make-up in accordance with the preceding three provisions shall be made in accordance with the financial statements audited or reviewed by CPAs.

Article 18: If the Company has any surplus in the net profit for the year as concluded by the annual accounting book close, the Company shall set aside 5% to 15% of the current year's net profit as profit sharing remuneration for employees, which shall be distributed in stock or cash by resolution of the Board of Directors, and the recipients of which include the employees of the subordinate companies who meet certain criteria, where the profit sharing remuneration for managerial officers shall be based on the Company's business strategy, profitability, their performance and contributions, and other factors, and with reference to the market level of salaries, with reference to the recommendation of the Remuneration Committee and approval of the Board of Directors; the Company may set aside not more than 3% of the above-mentioned profit as profit sharing remuneration for directors by resolution of the Board of Directors. The profit sharing remuneration for employees and directors shall be reported to the shareholders' meeting.

However, if the Company has accumulated losses, the amount of losses make-up shall be reserved in advance and then the employees and directors' profit sharing remuneration shall be appropriated in accordance with the aforementioned percentages.

Article 18-1: If the Company has any surplus in the earnings as concluded by the annual accounting book close, the Company shall pay tax and make up for the accumulated losses first, and then set aside 10% as legal reserve, but if the legal reserve has reached the amount of the Company's paid-in capital, no further provision shall be made, and the remainder shall be set aside or reversed as special reserve in accordance with the Securities and Exchange Act; if there is any remaining balance, the Board of Directors shall, together with the accumulated undistributed earnings, prepare an earnings distribution proposal and submit it to the shareholders' meeting for resolution on the distribution of dividends to shareholders.

The Company's dividend policy is to distribute dividends to shareholders at a rate of not less than 60% of the available-for-distribution earnings each year, with the capital, financial structure, operating conditions, future development plans, capital requirements, domestic and international competition taken into account, as well as the interests of shareholders. If the accumulated available-for-distribution earnings are less than 20% of the paid-in capital, no earnings distribution should be made. Dividends may be distributed to shareholders in cash or in stock, with cash dividends not less than 10% of the total dividends.

Article 18-2: The Company's employee' treasury stock, employee stock options, employee profit sharing, new shares subscribed by employees, and new shares with employee restricted stock may be granted to employees of the controlling company or subordinate companies who meet certain criteria.

Article 7 Supplementary Provisions

Article 19: Matters not provided for in the Articles of Incorporation shall be governed by the provisions of the Company Act and related laws and regulations.

Article 20: The Articles of Incorporation were established on September 13, 2001.

The 1st amendment was made on November 5, 2002.

The 2nd amendment was made on September 10, 2004.

The 3rd amendment was made on May 5, 2005.

The 4th amendment was made on May 5, 2005.

The 5th amendment was made on June 27, 2006.

The 6th amendment was made on June 27, 2006.

The 7th amendment was made on June 21, 2007.

The 8th amendment was made on June 16, 2008.

The 9th amendment was made on April 27, 2010.

The 10th amendment was made on June 19, 2012.

The 11th amendment was made on June 13, 2013.

The 12th amendment was made on June 15, 2016.

The 13th amendment was made on June 22, 2017.

The 14th amendment was made on June 18, 2019.

The 15th amendment was made on May 25, 2021.

Edison Opto Corp.

Chairperson: Jason Wu

[Attachment 6]

Edison Opto Corporation Procedures for Acquisition or Disposal of Assets (Full text before amendment)

Article 1. Basis

The Procedures are based on Article 36-1 of the Securities and Exchange Act (the "Act") and the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".

Article 2. Scope of Assets

- I. Marketable securities: Including investments in stocks, bonds, corporate bonds, financial debentures, marketable securities of recognition funds, depositary receipts, subscription (sale) warrants, beneficiary securities and asset-based securities.
- II. Real estate and other fixed assets.
- III. Memberships
- IV. Intangible assets: including patents, copyrights, trademarks, licenses and other intangible assets.
- V. Right-of-use assets
- VI. Creditor's rights of financial institutions (including receivables, purchase and sale discount, loans, and collections).
- VII. Derivatives
- VIII. Assets acquired or disposed of by merger, demerger, acquisition or transfer of shares.
- IX. Other significant assets

Article 3. Definition of terms

- I. Derivatives: Forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
- II. Assets acquired or disposed through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (hereinafter "transfer of shares") under Article 156-3 of

the Company Act.

- III. Related party: As defined in the provisions of Statement of Financial Accounting Standards No. 6 published by the ROC Accounting Research and Development Foundation (ARDF)
- IV. Subsidiary: As defined in the provisions of Statement of Financial Accounting Standards No. 5 & No.7 published by ARDF.
- V. Professional appraiser: Refers to a real estate appraiser or other person duly authorized by law to engage in the value appraisal of real estate or equipment.
- VI. Date of occurrence of the fact: The earlier of the date of contract signing, the date of payment, the date of settlement of the transaction, the date of ownership transfer, the date of resolution of the Board of Directors, or any other date that is sufficient to determine the counterparty and the amount of the transaction. However, for investors subject to the approval of the competent authority, it should be the earlier of the preceding dates or the date of receipt of approval from the competent authority.
- VII. Mainland China area investment: Refers to investments in the mainland China area approved by the Ministry of Economic Affairs Investment Commission or conducted in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area.
- VIII. Investment professional: Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.
- IX. Securities exchange: "Domestic securities exchange" refers to the Taiwan Stock Exchange Corporation; "foreign securities exchange" refers to any organized securities exchange market that is regulated by the competent securities authorities of the jurisdiction where it is located.
- X. The so-called "within the preceding year" refers to the year preceding the date of occurrence of the acquisition or disposal of assets for this time. Items that have been announced need not be counted toward the transaction amount.
- XI. Latest financial statements: The financial statements of the Company that have been audited and attested or reviewed by CPAs prior to the acquisition or disposal of assets in accordance with the law.

Article 4. If the Company's acquisition or disposal of assets is subject to the approval of the Board of Directors in accordance with the prescribed procedures or other legal requirements, the Company shall send the information of the directors' dissenting opinion to the Audit Committee if there is a record or written statement of the dissenting opinion. In addition, if the Company has independent directors, the

opinions of the independent directors shall be fully considered when the Company submits the acquisition or disposal of assets to the Board of Directors for discussion in accordance with the regulations, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the Board of Directors' meeting.

If the Company has established an audit committee, significant asset or derivative transactions shall be approved by at least one-half of all audit committee members and submitted to the Board of Directors for resolution.

If the preceding transaction is not approved by more than one-half of all audit committee members, it shall be approved by more than two-thirds of all directors and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors' meeting.

The terms "all audit committee members" in Paragraph 3 and "all directors" in the preceding Paragraph shall be counted as the actual number of persons currently holding those positions.

Article 5. In the event that the Company obtains an appraisal report or an opinion from a CPA, attorney or securities underwriter, such professional appraiser and its appraisal personnel, CPA, attorney or securities underwriter shall meet the following requirements:

- I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since the expiration of the period of a suspended sentence, or since a pardon was received.
- II. May not be a related party or de facto related party of any party to the transaction.
- III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal personnel may not be related parties or de facto related parties of each other.

When issuing an appraisal report or opinion, the personnel referred to in the preceding Paragraph shall comply with the following:

- I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- II. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
- III. They shall undertake an item-by-item evaluation of the comprehensiveness,

accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.

- IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable, and that they have complied with applicable laws and regulations.

Article 6. Limits for the acquisition of real estate, right-of-use assets thereof not for business use and marketable securities

The total and individual limits for the acquisition of real estate not for business use, right-of-use assets thereof or marketable securities by the Company and each subsidiary are as follows:

- I. The total amount of the Company's and its subsidiaries' long-term equity investments shall not exceed the Company's net worth, and the individual limits shall not exceed 80% of the Company's net worth. The approval authority is as follows:

| Approval authority | Authority per transaction | Remarks |
|--------------------|---------------------------------------|--|
| Chairperson | Less than 5% of net worth (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event |
| Board of directors | More than 5% of net worth | To be submitted to the Board of Directors for approval after review by the Audit Committee |

- II. The Company and its subsidiaries shall not set any limits on the amount of assets acquired if the assets are land, plant, and equipment or right-of-use assets thereof for business use.
- III. The Company may not acquire real estate and right-of-use assets thereof, not for business use, unless approved by the Board of Directors. The total amount of such assets shall not exceed 20% of the net worth.
- IV. The Company's subsidiaries, unless they are professional investment companies, shall obtain the approval of the Board of Director's of the Company for the purchase and sale of marketable securities related to capital management.
- V. The accumulated balance of marketable securities acquired by the Company and its subsidiaries for short-term capital management shall not exceed 40% of the net worth, and the net value of marketable securities acquired from the

same company shall not exceed 30% of the net worth.

Article 7. Procedures for acquisition or disposal of real estate, equipment or right-of-use assets thereof and other fixed assets

I. Evaluation and Operating Procedures

The Company acquires or disposes of real estate, equipment, or right-of-use assets thereof and other fixed assets in accordance with the Company's property, plant and equipment cycle procedures of the Company's internal control system and related management practices.

II. Procedures for determining transaction terms and authorization limits:

- i. When acquiring or disposing of real estate, the Company shall make reference to the announced current value, the assessed value, and the actual transaction price of the adjacent real estate to decide on the transaction terms and transaction price, prepare an analysis report and submit it to the Chairperson, and have it approved by the Board of Directors.
- ii. In the event that there is a situation as stipulated in Article 185 of the Company Act, the approval of the shareholders' meeting should be obtained first.
- iii. The acquisition or disposal of other fixed assets is approved in accordance with the hierarchy of authorities and responsibilities.

III. Executive unit

When the Company acquires or disposes of real estate and fixed assets, the Company shall obtain the approval in accordance with the aforementioned approval authority, and then the user department or the administration department shall be responsible for execution.

IV. Appraisal report of real estate, equipment or right-of-use assets thereof

In acquiring or disposing of real estate, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engages others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

- i. Where due to special circumstances, it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.
- ii. Where the transaction amount is NT\$1 billion or more, appraisals from

two or more professional appraisers shall be obtained.

- iii. 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 in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 - 1. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.
 - 2. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.
- iv. The date of the professional appraiser's report is issued shall not be more than three months from the date of establishment of the contract. However, if the announced current value of the same period is applicable and is less than six months old, an opinion letter issued by the original professional appraiser shall suffice.
- v. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 8. Procedures for acquisition or disposal of investments in marketable securities

I. Evaluation and Operating Procedures

The purchase and sale of marketable securities by the Company are handled in accordance with the Company's investment cycle of the internal control system and related management practices.

II. Procedures for determining transaction terms and authorization limits:

- i. For the acquisition or disposal of marketable securities transactions, the latest financial statements of the subject company audited and attested or reviewed by CPAs should be obtained before the date of occurrence of the fact as a reference for evaluating the transaction price, with the net worth per share, profitability and future development potential, etc., taken into account.
- ii. The Company's approval authority for the purchase and sale of marketable securities in connection with short-term capital management is as follows:
 - 1. Low-risk with value preservation
This includes government bonds, bills (bonds) with (reverse) repurchase agreement and outright purchase (sale) bills (bonds),

commercial paper of financial institutions, bond-type funds (rated "A" or higher by Taiwan Rating or equivalent), and currency-type funds. The Chairperson shall be authorized by the Board of Directors to delegate senior leaders to decide and carry out the transaction.

- iii. If the total investment loss of a professional investment subsidiary exceeds 10% of the subsidiary's paid-in capital, the loss must be reported to the Company's President immediately and reported to the Company's coming Board of Directors' meeting for consideration of necessary countermeasures.

III. Executive unit

When the Company invests in marketable securities, the financial unit shall be responsible for the execution of the investment in accordance with the aforementioned approval authority.

IV. Obtaining expert opinions

- 1. Where the Company acquires or disposes of marketable securities 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; if it is necessary to use an expert report, the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This 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).
- 2. Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 9. Procedures for Related Party Transactions

- I. When the Company with its related parties acquires or disposes of assets, in addition to the procedures for acquisition of real estate or right-of-use assets thereof in accordance with Article 7, the Company shall also follow the relevant resolution procedures and evaluate the reasonableness of the transaction terms in accordance with Articles 7 to 13 and the Company shall obtain an appraisal report from a professional appraiser or an opinion from the CPA if the transaction amount reaches 10% or more of the Company's total assets in accordance with the provisions of Articles 7, 8, 10, and 11. The calculation of the aforementioned transaction amount shall be made in accordance with Article 12. In addition, while determining whether the counterparty is a related party, in addition to paying attention to the legal form, the actual relationship should also be taken into consideration.

II. Evaluation and Operating Procedures

When the Company intends to acquire or dispose of real estate or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real estate or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and the Board of Directors.

- i. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
- ii. The reason for choosing the related party as a transaction counterparty.
- iii. With respect to the acquisition of real estate or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Paragraphs 3 (1) to 3 (4) of the Article.
- iv. The date and price at which the related party originally acquired the real estate, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.
- v. Monthly cash flow forecasts for the year commencing from the anticipated month of the signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
- vi. An appraisal report from a professional appraiser or a CPA's opinion is obtained in compliance with Paragraph 1 of the Article.
- vii. Restrictive covenants and other important stipulations associated with the transaction.

The calculation of the transaction amounts referred to in the preceding Paragraph shall be made in accordance with Article 16, Paragraph 1, Subparagraph 7, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction.

Items that have been approved by the Board of Directors and the Audit Committee need not be counted toward the transaction amount.

With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's Board of Directors may delegate the Chairperson to decide such matters when the transaction amount is within the following approval authority and have the decisions subsequently submitted to and ratified by the next

Board of Directors meeting:

- I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
- II. Acquisition or disposal of real estate right-of-use assets held for business use.

| Approval authority | Authority per transaction | Remarks |
|--------------------|--------------------------------------|--|
| Chairperson | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event |
| Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval |

If the Company has independent directors, the opinions of the independent directors shall be fully considered when the Company submits the proposal to the Board of Directors for discussion in accordance with the preceding Paragraph, and any dissenting opinions or reservations of the independent directors shall be recorded in the minutes of the Board of Directors' meeting.

If the Company has established an audit committee, in accordance with the first Paragraph, the approval of at least one-half of all members of the audit committee shall be obtained and a resolution shall be submitted to the Board of Directors in accordance with the third and fourth Paragraphs of Article 4 *mutatis mutandis*.

- III. Evaluation of the reasonableness of transaction costs
 - i. The Company acquiring real estate or right-of-use assets thereof from a related party shall evaluate the reasonableness of the transaction costs by the following means:
 1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
 2. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of

the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

- ii. Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding Paragraph.
- iii. The Company acquiring real estate or right-of-use assets thereof from a related party and appraises the cost of the real estate or right-of-use assets thereof in accordance with the Paragraphs 3 (1) and 3 (2) of this Article shall also engage a CPA to check the appraisal and render a specific opinion.
- iv. If the Company acquires real estate or right-of-use assets thereof from a related party and the appraisal result is lower than the transaction price in accordance with the provisions of Paragraphs 3 (1) and 3 (2) of this Article, the Company shall comply with the provisions of Paragraph 3 (5) of this Article. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
 - 1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Completed transactions by unrelated parties within the preceding year involving other floors of the same target or vicinity or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
 - 2. The Company provides proof that the terms of the real estate

purchased from a related party or the right-of-use real estate acquired by lease are similar to those of other unrelated party transactions in the vicinity within one year and the area is similar. The above-mentioned transactions in the vicinity are based on the same or adjacent streets and the distance from the target of the transaction is less than 500 meters in circumference or the announced current value of the transaction is similar; the similarity in size is based on the fact that the area of other unrelated party transactions is not less than 50% of the area of the target of the transaction; the reference to within one year is based on the date of the acquisition of real estate or right-to-use assets and extrapolated one year back.

- v. If the Company acquires real estate or right-of-use assets thereof from a related party and the appraisal result is lower than the transaction price in accordance with the provisions of Paragraphs 3 (1) and 3 (2) of this Article, the Company shall do the following: As the Company has set aside a special reserve under the preceding Paragraph, the Company may not utilize the special reserve until it has recognized a loss on decline in the market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.
 - 1. A special reserve shall be set aside in accordance with Article 41, Paragraph 1 of the Securities and Exchange Act against the difference between the real estate transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for, under Article 41, Paragraph 1 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.
 - 2. Audit committee members shall comply with Article 218 of the Company Act.
 - 3. Actions taken pursuant to items 1 and 2 of Paragraph 3 (5) of this Article shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.
- vi. If the Company acquires real estate or right-of-use assets thereof from a related party under any of the following circumstances, the Company

shall comply with the provisions of the Paragraphs 1 and 2 of this Article with respect to the evaluation and operating procedures, and the provisions of Paragraph 3 (1), (2), (3) of this Article shall not apply:

1. The related party acquired the real estate or right-of-use assets thereof through inheritance or as a gift.
 2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real estate or right-of-use assets thereof to the signing date for the current transaction.
 3. The real estate is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real estate, either on the Company's own land or on rented land.
 4. The real estate right-of-use assets for business use are acquired by the Company with its parent or subsidiaries, or by its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital.
- vii. When the Company obtains real estate or right-of-use assets thereof from a related party, it shall also comply with Paragraph 3 (5) of this Article if there is other evidence indicating that the acquisition was not an arms length transaction.

Article 10. Procedures for acquiring or disposing of creditor's rights of financial institutions

I. Evaluation and Operating Procedures

The President shall instruct the person in charge or set up a task force to evaluate the acquisition or disposal of the memberships

II. Procedures for determining transaction terms and authorization limits:

To acquire or dispose of memberships, the executive unit shall choose one between price comparison or negotiation, submit relevant information, and proceed in accordance with the following approval authority:

| Approval authority | Authority per transaction | Remarks |
|--------------------|--------------------------------------|--|
| President | Less than NT\$10,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event |
| Board of directors | More than NT\$10 million | To be reported to the Audit Committee and the Board of Directors for approval |

III. Executive unit

When the Company acquires or disposes of memberships, the Company shall obtain the approval in accordance with the aforementioned approval authority,

and then the user department and the finance department or the administration department shall be responsible for execution.

IV. Obtaining expert opinions

Where the Company acquires or disposes of 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; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 11. Procedures for Acquisition or Disposal of Intangible Assets or Right-of-Use Assets Thereof

I. Evaluation and Operating Procedures

The President shall instruct the person in charge or set up a task force to evaluate the acquisition or disposal of intangible assets or right-of-use assets thereof.

II. Procedures for determining transaction terms and authorization limits:

For the acquisition or disposal of intangible assets or right-of-use assets thereof, the executive unit shall decide on the transaction terms and transaction price with reference to the expert evaluation report or fair market price, submit relevant information, and proceed in accordance with the following approval authority:

| Approval authority | Authority per transaction | Remarks |
|--------------------|--------------------------------------|--|
| President | Less than NT\$50,000,000 (inclusive) | To be reported to the Audit Committee and the Board of Directors after the event |
| Board of directors | More than NT\$50 million | To be reported to the Audit Committee and the Board of Directors for approval |

III. Executive unit

When the Company acquires or disposes of intangible assets or right-of-use assets thereof, the Company shall obtain the approval in accordance with the aforementioned approval authority, and then the user department and the finance division or the administration department shall be responsible for execution.

IV. Obtaining expert opinions

Where the Company acquires or disposes of intangible assets or right-of-use assets thereof 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; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.
- Article 12. The calculation of the transaction amounts according to Articles 7, 8, 10 and 11 shall be made in accordance with Article 16, Paragraph 1, Subparagraph 6, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report issued by a professional appraiser and a CPA's opinion has been obtained in accordance with the Procedures need not be counted toward the transaction amount.
- Article 13. Procedures for acquiring or disposing of creditor's rights of financial institutions
- In principle, the Company does not engage in transactions to acquire or dispose of creditor's rights of financial institutions. If the Company wishes to engage in transactions to acquire or dispose of creditor's rights of financial institutions in the future, the Company will submit to the Board of Directors for approval and then establish the evaluation and operating procedures.
- Article 14. Procedures for acquiring or disposing of derivatives
- I. Trading Principles and Guidelines
- i. Types of Transactions
- Derivatives allowed to be engaged in include forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives. The term "forward contracts" in the Procedures does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.
- ii. Operating (hedging) strategy
- The Company engages in derivative financial instruments to reduce the Company's overall interest rate and exchange rate risks. In principle, except for hedging purpose, the Company should not engage in any speculative transactions and should hold currencies that are consistent with the Company's actual foreign currency requirements for import and export transactions, based on the principle that the Company's overall internal positions (i.e., foreign currency receipts and expenditure) are self offsetting in order to reduce the Company's overall foreign exchange risk and save foreign exchange operating costs. Other transactions for

specific purposes must be carefully evaluated and submitted to the President for approval before proceeding. In addition, the counterparties should be chosen from the financial institutions with which the Company has business dealings as far as possible in order to avoid credit risk.

iii. Division of authorities and responsibilities

1. Finance

(1) Trading personnel

- a. Responsible for strategy development for the entire company's financial instruments trading.
- b. The trading personnel shall regularly calculate positions every two weeks, collect market information, make trend judgments and risk assessments, and formulate operating strategies, which shall be measured, monitored and controlled by senior leaders designated by the Board of Directors as the basis for trading.
- c. Trading is executed according to the authorized authority and the established strategy.
- d. If there are significant changes in the financial market and the trading personnel determine that the established strategy is no longer applicable, they may submit an evaluation report at any time and redraft the strategy for the approval of the President as the basis for trading.

(2) Confirmation personnel: Execute transaction confirmation

(3) Settlement personnel: Execute settlement tasks

2. Accounting

- a. Review whether the transactions are carried out in accordance with the authorized authority and the established strategy.
- b. Accounting book handling
- c. Report and announce in accordance with the regulations of the FSC.

3. Audit Office

The audit personnel shall check the compliance of the trading department with the operating procedures on a monthly basis and report any significant deficiencies to the Audit Committee in addition to the Board of Directors.

4. Approval authority for derivatives

| | | |
|--------------------|---------------------------|--|
| Approval authority | Authority per transaction | Trading authority for net accumulation |
|--------------------|---------------------------|--|

| | | position |
|--|---|---|
| Hedging transaction | | |
| President | Less than US\$2,000,000 (inclusive) (To be reported to the Audit Committee and the Board of Directors after the event) | Less than US\$6,000,000 (inclusive) (To be reported to the Audit Committee and the Board of Directors after the event) |
| Audit Committee and the Board of Directors | More than US\$2,000,000 | More than US\$6,000,000 |
| Specific purpose transaction | | |
| President | - | US\$20,000,000 (To be reported to the Audit Committee and the Board of Directors after the event) |

iv. Performance evaluation

1. Hedging transaction

- (1) Performance is evaluated on the basis of the exchange rate cost in the Company's accounting books and the gain or loss resulted from engaging in derivative financial transactions.
- (2) In order to fully command and express the valuation risk of the transactions, at least twice a month, the evaluation report should be sent to the senior leaders authorized by the Board of Directors to understand the profit and loss situation.
- (3) The Finance Department shall provide the evaluation of the foreign exchange position and the trend of the foreign exchange market and market analysis to the President and Chairperson for management's reference and instruction.

2. Specific purpose transaction

The actual profit or loss generated is used as the basis for performance evaluation, and the accounting personnel shall prepare monthly reports on the positions for the management's reference.

v. Determination of total contract amount and loss limit

1. Total contract amount

(1) Hedging transaction limit:

The Finance Department should keep track of the overall positions of the Company to hedge transaction risks; the total contract amount for such operations should not exceed the total amount of the Company's actual foreign currency requirements for import and export.

(2) Specific purpose transaction:

The transactions of the Company's entire portfolio are conducted in accordance with the principle of stability and conservativeness, (including financial assets or liabilities designated as at fair value through profit or loss), while other types of transactions must be approved by the President.

The total contract amount in the net accumulated position of the Company is limited to US\$20 million.

2. Determination of loss limit

All derivatives trading positions (including hedging and specific purpose transaction) shall be established with stop-loss points to prevent excessive losses, and the loss limit for all contracts shall not exceed 5% of the total contract amount, and the loss limit for individual contracts shall not exceed 5% of the contract amount.

II. Risk management measures

i. Credit risk management

The counterparties of transactions are limited to banks with which the Company has business dealings. The registration personnel should register the credit control form immediately after the transaction and reconcile with the counterparty banks regularly.

ii. Market risk management

The Finance Department should evaluate the market price from time to time and pay attention to the possible impact of future market price fluctuations on the profit or loss of the positions held.

iii. Liquidity risk management

To ensure the liquidity of the market, the financial products selected should have a high degree of liquidity (i.e., they can readily be offset in the market), and the financial institution entrusted with the transaction must have sufficient information and the ability to trade in any market at any time.

iv. Cash flow risk management

In order to ensure the stability of the Company's working capital turnover, the Company's sources of funding for derivative transactions are limited to its own funds, and for the amount of its operations, the Company should take into account the funding requirements based on cash flow projections for the relevant future periods.

- v. Operating risk management
 - 1. The Company should follow the authority limit, operating procedures and include it in internal audit to avoid operating risks.
 - 2. The trading, confirmation and settlement personnel of derivatives shall not be concurrently served by the same person.
 - 3. Risk measurement, monitoring, and control personnel shall be assigned to a different department than the personnel and shall report to the Board of Directors or senior leaders with no responsibility for trading or position decision-making.
- vi. Instrument risk management

Internal trading personnel should have complete and accurate expertise in financial instruments and require the banks to fully disclose risks in order to avoid the risks of misuse of financial instruments.
- vii. Legal risk

Documents signed with financial institutions should be reviewed by specialized personnel in finance and legal affairs or legal counsel before they are formally signed to avoid legal risks.
- III. Internal audit system
 - i. The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is discovered, the Audit Committee shall be notified in writing.
 - ii. The internal audit personnel shall report the audit report and the annual audit status of internal audit operations to the FSC by the end of February of the following year, and report the improvement of irregularities by the end of May of the following year.
- IV. Regular evaluation method
 - i. The Board of Directors shall designate senior leaders to regularly monitor and evaluate whether derivative transactions are conducted in accordance with the Company's trading procedures and whether the risks assumed are within the scope of permitted commitments.
 - ii. Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior leaders authorized by the Board of Directors.
- V. When engaging in derivatives trading, the supervision and management principles of the Board of Directors
 - i. The Board of Directors shall supervise and manage the derivative transactions in accordance with the following principles:
 - 1. Designate senior leaders to monitor and control the risk of

derivative transactions at all times.

2. Regularly evaluate whether the performance of derivative transactions is in accordance with the established business strategy and whether the risks assumed are within the Company's tolerance.
3. Senior leaders authorized by the Board of Directors shall manage derivatives trading in accordance with the following principles:
 - (1) Regularly evaluate the appropriateness of the risk management measures currently in use and ensure compliance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and the Procedures.
 - (2) Monitor the transactions and profit and loss situation, and take necessary measures to respond to any irregularities found and report to the Board of Directors immediately. If independent directors have been appointed, the Board of Directors' meeting shall have independent directors present to express their opinions, and any opposing views or reservations of the independent directors shall be recorded in the minutes of the Board of Directors' meeting.
 - (3) Any matters authorized to be handled by the relevant personnel in accordance with the Procedures shall be reported to the Board of Directors afterwards.

- VI. When the Company engages in derivative transactions, the Company shall establish a referendum book to record in detail the type and amount of derivative transactions, the date of approval by the Board of Directors, and the matters that should be carefully evaluated in accordance with Paragraphs 4 (2) and 5 (1) 2 and 3 (1) of this Article.

Article 15. Procedures for merger, demerger, acquisition, or transfer of shares.

- I. Evaluation and Operating Procedures
 - i. In the event the Company is engaged in a merger, demerger, acquisition or transfer of shares, the Company shall appoint an attorney, a CPA and a securities underwriter to jointly discuss the estimated timetable for the statutory procedures and organize a dedicated project team to carry out the deal in accordance with the statutory procedures. Prior to convening the board meeting to resolve the matter, the Company shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the Board of Directors for deliberation and passage. However, the requirement of obtaining an aforesaid opinion on reasonableness issued by an expert

may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, and in the case of a merger between subsidiaries in which the public company directly or indirectly holds 100 percent of the respective subsidiaries' issued shares or authorized capital.

- ii. The Company shall prepare a public report to shareholders detailing important contractual content and matters relevant to the merger, demerger, or acquisition prior to the shareholders' meeting and include it along with the expert opinion referred to in Paragraph 1 (1) of this Article when sending shareholders notification of the shareholders' meeting for reference in deciding whether to approve the merger, demerger, or acquisition. However, where a provision of another act exempts a company from convening a shareholders' meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. In addition, where the shareholders' meeting of any one of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to lack of a quorum, insufficient votes, or other legal restrictions, or the proposal is rejected by the shareholders' meeting, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reason, the follow-up measures, and the preliminary date of the next shareholders' meeting.

II. Other matters that should be noted:

- i. Date of the Board of Directors' meeting: A company participating in a merger, demerger, or acquisition shall convene a Board of Directors meeting and shareholders' meeting on the day of the transaction to resolve matters relevant to the merger, demerger, or acquisition, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

A company participating in a transfer of shares shall call a Board of Directors meeting on the day of the transaction, unless another act provides otherwise or the FSC is notified in advance of extraordinary circumstances and grants consent.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall prepare a full written record of the following information and retain it for 5 years for reference:

- 1. Basic identification data for personnel: Including the occupational titles, names, and national ID numbers (or passport numbers in the case of foreign nationals) of all persons

involved in the planning or implementation of any merger, demerger, acquisition, or transfer of another company's shares prior to disclosure of the information.

2. Dates of material events: Including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a Board of Directors meeting.
3. Important documents and minutes: Including merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors meetings.

When participating in a merger, demerger, acquisition, or transfer of another company's shares, a company that is listed on an exchange or has its shares traded on an OTC market shall, within 2 days counting inclusively from the date of passage of a resolution by the Board of Directors, report (in the prescribed format and via the Internet-based information system) the information set out in items 1 and 2 of the preceding Item to the FSC for recordation.

Where any of the companies participating in a merger, demerger, acquisition, or transfer of another company's shares is neither listed on an exchange nor has its shares traded on an OTC market, the Company(s) so listed or traded shall sign an agreement with such company whereby the latter is required to abide by the provisions of the Items 3 and 4.

- ii. Prior non-disclosure undertaking: Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or transfer of shares.
- iii. Principles for determining and changing the share exchange ratio or acquisition price: A company that conducts a merger, demerger, acquisition, or transfer of shares, prior to convening the board meetings of both companies to resolve the matter, shall engage a CPA, attorney, or securities underwriter to give an opinion on the reasonableness of the share exchange ratio, acquisition price, or distribution of cash or other property to shareholders, and submit it to the shareholders' meeting. In principle, the share exchange ratio or acquisition price shall not be changed arbitrarily, unless the conditions for such change have been stipulated in the contract and

disclosed to the public. The conditions under which the share exchange ratio or the acquisition price may be changed are as follows:

1. Cash capital increase, issuance of convertible bonds, distribution of stock dividends, issuance of corporate bonds with stock options, preferred shares with stock options, stock warrants and other equity-type marketable securities.
 2. Dispose of the company's major assets and other acts that affect the Company's financial and business matters.
 3. Major disasters, technological changes, etc. that affect The Company's shareholders' equity or securities prices
 4. Adjustment of the repurchase of treasury stock by any party involved in a merger, demerger, acquisition or transfer of shares in accordance with the law.
 5. Changes in the principals or the number of parties involved in a merger, demerger, acquisition or transfer of shares.
 6. Other conditions for changed stipulated in the contract that have been disclosed to the public.
- iv. The contract should contain the following: For merger, demerger, acquisition or transfer of shares, the contract shall specify the following matters in addition to those required by Article 317-1 of the Company Act and Article 22 of the Business Mergers and Acquisitions Act.
1. Handling of breach of contract.
 2. The handling principle of equity-type marketable securities issued or treasury stock repurchased of the dissolved or split company prior to the merger
 3. The number of treasury stock that may be legally repurchased by the participating company after the base date of calculation of the share exchange ratio and the handling principle.
 4. The handling method of changes in the principals and the number of participating parties.
 5. Estimated progress and completion schedule of the plan.
 6. If the plan is not completed within the time limit, the relevant handling procedures for the scheduled date of the shareholders' meeting according to the law.
- v. When the number of companies participating in a merger, demerger, acquisition or share transfer changes: If any party to a merger, demerger, acquisition or transfer of shares intends to merge, demerge, acquire or transfer shares with another firm after the information has been made public, the participating firms shall be exempted from convening a shareholders' meeting to resolve the

matter again, unless the number of participants has been reduced and the shareholders' meeting has resolved and authorized the Board of Directors to change the authority of the merger, demerger, acquisition or transfer of shares, and the procedures or legal acts performed in the original merger, demerger, acquisition or transfer of shares shall be repeated by all participating firms.

- vi. The Company shall enter into an agreement with any company participating in a merger, demerger, acquisition, or transfer of shares that is not a public company and shall comply with the provisions of Paragraph 2 (1) Date of the Board of Directors' meeting, Paragraph 2 (2) Prior non-disclosure undertaking, Paragraph 2 (5) When the number of companies participating in a merger, demerger, acquisition or share transfer changes
- III. The above matters about the approval of the FSC and the evaluation of the underwriters will be applicable after the public offering of the Company's shares.

Article 16. Procedures for Public Disclosure of Information

- I. After the public offering of the Company's shares, the items and criteria for announcement and reporting are:
 - i. Acquisition or disposal of real estate or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real estate or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; However, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
 - ii. Merger, demerger, acquisition, or transfer of shares.
 - iii. Losses from derivatives trading reach the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.
 - iv. The type of assets acquired or disposed of is equipment or right-to-use assets for business use, and the transaction is not with a related party, and the amount of the transaction meets one of the following requirements:
 - 1. When the Company's paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.
 - 2. When the Company's paid-in capital reaches NT\$10 billion or more, the transaction amount reaches NT\$1,000 million or more.
 - v. If a company acquires real estate under an arrangement of engaging

others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the counterparty is not a related party, the company expects to invest a transaction amount of NT\$500 million or more.

- vi. Where an asset transaction other than any of those referred to in the preceding 5 Subparagraphs, 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; However, this shall not apply to the following circumstances:
 - 1. Trading of domestic government bonds.
 - 2. Professional investors buy or sell marketable securities on the stock exchange or on the business premises of a securities firm, or subscribe to ordinary corporate bonds and general financial bonds not involving equity interests (excluding subordinated debentures) in the primary market, or subscribe for or buy back securities investment trust funds or futures trust funds, or securities firms subscribe for the marketable securities in accordance with the TPEx regulations for the purpose of underwriting business to act as an advisor for emerging companies.
 - 3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.
- vii. The calculation of the transaction amounts in the preceding Subparagraphs 1 to 6 is as follows and the one year period referred to is based on the date of occurrence of the transaction and is retroactively projected to one year, and the portion of the transaction that has been announced in accordance with the regulations is exempt.
 - 1. The amount of each transaction.
 - 2. The cumulative amount of acquisition or disposal of targets of the same nature with the same counterparty within one year.
 - 3. The cumulative amount of acquisition or disposal (acquisition and disposal are accumulated separately) of real estate or right-to-use assets of the same development project within one year.
 - 4. The cumulative amount of acquisition or disposal (acquisition and disposal are accumulated separately) of marketable securities within one year.

II. Time limit for making announcement and reporting

Under any of the circumstances in Paragraph 1 of this Article and the transaction amount meeting the criteria for announcement and reporting, the Company acquiring or disposing of assets shall publicly announce and report the relevant information within 2 days counting inclusively from the date of occurrence of the event.

III. Announcement and reporting procedures

- i. The Company shall announce and report the relevant information on the designated website by the FSC.
- ii. The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.
- iii. When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowledge of such error or omission.
- iv. The Company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, logbooks, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.
- v. Where any of the following circumstances occurs with respect to a transaction that the Company has already publicly announced and reported in accordance with the preceding article, a public report of relevant information shall be made on the information reporting website designated by the FSC within 2 days counting inclusively from the date of occurrence of the event:
 1. Change, termination, or rescission of a contract signed in regard to the original transaction.
 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract.
 3. Change to the originally publicly announced and reported information.

Article 17. The Company's subsidiaries shall comply with the following regulations:

- I. When a subsidiary acquires or disposes of assets, it should follow the Company's procedures or follow the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" for the acquisition or disposal of assets.

- II. When a subsidiary acquires or disposes of assets, it should follow the Company's procedures or follow the procedures established by it for the acquisition or disposal of assets, and shall report the details of the transactions for the previous month to the President of the Company by the fifth day of each month, and shall notify the Company immediately if the criteria set forth in Article 15 of the Procedures are met, so as to facilitate announcement and reporting.
- III. If the subsidiary is not a public company and the assets acquired or disposed of meet the standards for public announcement and reporting as stipulated in the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" under Article 31, the Company shall make the announcement and reporting on behalf of the subsidiary.
- IV. The "paid-in capital or total assets" referred to in the announcement and reporting standards for subsidiaries shall be based on the paid-in capital or total assets of the Company.

Article 18. For the calculation of 10 percent of total assets under the Procedures, the total assets stated in the most recent parent company only financial report or standalone or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used. If the Company's shares have no par value or have a par value other than NT\$10 per share, the transaction amount of 20% of the paid-in capital under the Procedures shall be calculated on the basis of 10% of the equity attributable to the shareholders of the parent company. The transaction amount of the paid-in capital amounting to NT\$10 billion shall be calculated based on the equity attributable to the shareholders of the parent company in the amount of NT\$20 billion.

Article 19. Penalty

- I. If the Company's managerial officers and related personnel violate the provisions of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and cause damage to the Company, the Company shall report to the Board of Directors for a resolution.
- II. Any violation of the above Procedures or guidelines by the Company's relevant executive personnel shall be handled in accordance with the Company's evaluation and reward and punishment rules.

Article 20. Any matters not provided for in the Procedures shall be handled in accordance with the Company's Articles of Incorporation, the Company Act and relevant laws and regulations.

Article 21. Implementation and Amendment

The Company's "Procedures for Acquisition or Disposal of Assets" shall be approved by the Board of Directors and sent to the Audit Committee and submitted to the shareholders' meeting for approval, and the same applies to amendments. If any director expresses a dissenting opinion and there is a

record or written statement, the Company shall send the information of the dissenting opinion to the Audit Committee.

If the Company has independent directors, when the "Procedures for Acquisition or Disposal of Assets" is submitted to the Board of Directors for discussion, the opinions of the independent directors shall be fully considered, and their opinions and reasons for agreeing or disagreeing shall be included in the minutes of the meeting. If the independent directors have opposing views or reservations, they should be recorded in the minutes of the Board of Directors' meeting.

If the Company has an audit committee, the establishment or amendment of Procedures for Acquisition or Disposal of Assets shall be approved by at least one-half of all members of the audit committee and submitted to the Board of Directors for resolution.

If the preceding transaction is not approved by more than one-half of all audit committee members, it shall be approved by more than two-thirds of all directors and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors' meeting.

The terms "all audit committee members" in Paragraph 3 and "all directors" in the preceding Paragraph shall be counted as the actual number of persons currently holding those positions.

[Attachment 7]

Edison Opto Corporation Rules of Procedure for Shareholders' Meeting

Article 1 Basis and Purpose

In order to establish a good governance system for the shareholders' meeting, improve the supervision function and strengthen the management function, the Rules have been established in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2 Scope

Unless otherwise provided by law or the Articles of Incorporation, the rules of procedure for shareholders' meeting of the company shall be governed by the Rules.

Article Definition

The term "shareholders" as used herein shall mean the shareholders themselves and the proxies appointed by the shareholders to attend the meeting.

Article 4 Convening of Shareholders' Meeting and Notice of Meeting

- I. Unless otherwise provided by law, the Company's shareholders' meeting shall be convened by the Board of Directors.
- II. The Company shall send to the Market Observation Post System (MOPS) the notice of the shareholders' meeting, the proxy form, and the agenda and explanatory materials for each motion for adoption, discussion, and election or dismissal of directors 30 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting. The Company shall send the shareholders' meeting handbook and supplementary information to the Market Observation Post System (MOPS) as electronic files no later than 21 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting. 15 days prior to the shareholders' meeting, the shareholders' meeting handbook and supplementary information shall be made available to the shareholders at any time and shall be displayed at the Company and the professional stock affairs agency appointed by the Company, and shall be distributed at the shareholders' meeting.
- III. The causes or subjects of a shareholders' meeting to be convened shall be indicated in the individual notice to be given to shareholders and public announcement. The notice of meeting may be given by means of electronic transmission.
- IV. Matters pertaining to election or discharge of directors and alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve

distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Article 185-1 of the Company Act, Article 26-1, Article 43-6 of the Securities and Exchange Act, Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extempore motions.

- V. The causes and subjects of the shareholders' meeting has stated the full re-election of directors and the date of their appointment. After the completion of the re-election at such shareholders' meeting, the date of their appointment shall not be changed by way of an extempore motion or otherwise at the same meeting.
- VI. Shareholders holding at least one percent of the total number of issued shares may propose a motion to the Company for a regular shareholders' meeting. Any proposal with more than one motion shall not be included in the agenda. However, if the shareholder's proposal is to urge the Company to promote public interests or fulfill its social responsibilities. The Board of Directors may include it in the meeting agenda. In addition, the Board of Directors must not include the motion proposed by the shareholder under any of the circumstances set forth in Article 172-1-4 of the Company Act.
- VII. Prior to the date on which share transfer registration is suspended before the convention of a regular shareholders' meeting, the Company shall give a public notice announcing acceptance of the proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten days. A shareholder proposal is limited to 300 words. If it exceeds 300 words, the proposal shall not be included in the meeting agenda; the proposing shareholder should attend the shareholders' meeting in person or entrust others to attend and participate in the discussion of the proposal.
- VIII. Prior to the date for issuance of notice of shareholders' meeting, the Company should inform the proposing shareholder of the proposal screening results, and shall list the proposals that conform to the provisions of this regulation in the notice of meeting. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board of Directors at the shareholders' meeting to be convened.

Article 5 Proxy to attend shareholders' meetings and authorization

- I. A shareholder may appoint a proxy printed and issued by the Company to attend a shareholders' meeting on his or her behalf by executing a power of attorney stating therein the scope of power authorized to the proxy.
- II. A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the Company no later than 5 days prior

to the meeting date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previously written proxy is made in the proxy, which comes later.

- III. After the service of the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person, a proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting as scheduled in the notice of shareholders' meeting so as to rescind the proxy at issue. Otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 6 Principles for the location and time of shareholders' meetings

Shareholders' meetings should be held at the location of the Company or the place convenient for the shareholders and suitable for the meeting occasion. The meeting should not be earlier than 9 a.m. or later than 3 p.m. Independent directors' opinions on the meeting place and time shall also be fully considered.

Article 7 Preparation of signature books and other documents

- I. The Company should specify in its notice of shareholders' meeting the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
- II. The time during which shareholder attendance registrations will be accepted should be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted should be clearly marked and a sufficient number of suitable personnel should be assigned to handle the registrations.
- III. Shareholders or their proxies (hereinafter referred to as the shareholders) should present attendance cards, sign-in cards, or other attendance certificates to attend a shareholders' meeting. The Company must not arbitrarily add requirements for other documents from the shareholders in support of their eligibility to attend. Solicitors seeking proxy forms should also bring identification documents for verification.
- IV. The Company shall furnish a signature book for the attending shareholders to sign in, or the attending shareholders shall submit a sign-in card to sign in on their behalf.
- V. The Company should furnish attending shareholders with the meeting handbook, annual report, attendance card, speaker slips, voting ballots, and other meeting materials. Where there is an election of directors, election ballots should also be furnished.
- VI. When a shareholder is a government or a corporation, the number of representatives to attend the shareholders' meeting is not limited to one. When a juristic person is entrusted to attend a shareholders' meeting, only one representative can be appointed to attend.

Article 8 Chair and attendees at shareholders' meetings

- I. If a shareholders' meeting is convened by the Board of Directors, the Chairperson of the board shall chair the meeting. When the Chairperson is on leave or for any reason unable to exercise the powers of office, the Vice Chairperson shall act in place of the Chairperson; if there is no Vice Chairperson or the Vice Chairperson also is on leave or for any reason unable to exercise the powers of office, the Chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the Chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
- II. When a managing director or a director serves as chair, as referred to in the preceding Paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Company. The same shall be true for a representative of a juristic-person director that serves as chair. The same shall be true for a representative of a corporate director that serves as chair.
- III. For the shareholders' meeting convened by the Board of Directors, the Chairperson of the board should preside in person, and a majority of the directors (including at least one independent director) and at least one representative of various functional committees should attend, and the attendance should be recorded in the shareholders' meeting minutes.
- IV. If a shareholders' meeting is convened by someone with the convening right but other than the Board of Directors, the convening person shall chair the meeting and if there are more than two such persons, one of them shall be elected as the chair of the meeting.
- V. The Company may appoint lawyers, CPA, or related personnel to attend the shareholders' meeting.

Article 9 Audio or video recordings of shareholders' meetings as evidence

The Company, beginning from the time it accepts shareholder attendance registrations, should make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting processes. The recorded materials should be kept for at least one year. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 10 Calculation of the number of shares attending and convening the shareholders' meeting

- I. Attendance in a shareholders' meeting should be calculated based on numbers of shares. The number of shares in attendance shall be calculated based on the shares indicated by the signature book or sign-in cards handed in, plus the number

- of shares whose voting rights are exercised by correspondence or electronically.
- II. The chair should call the meeting to order at the scheduled meeting time, and at the same time, announce relevant information such as the number of shares with no voting rights and the number of shares present, etc. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement. No more than two such postponements, for a combined total of no more than one hour may be made. When there are still insufficiently attending shareholders representing more than one-third of the total issued shares after two postponements, the chair shall announce the meeting to be aborted.
 - III. When there are still insufficiently attending shareholders representing more than one-third of the total issued shares after two postponements, a tentative resolution may be adopted in accordance with Article 175-1 of the Company Act and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.
 - IV. Before the conclusion of the meeting, if the attending shareholders represent a majority of the total number of issued shares, the chair may submit a tentative resolution for voting by the shareholders' meeting in accordance with Article 174 of the Company Act.

Article 11 Motion discussion

- I. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals of that meeting). The meeting should proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.
- II. If a shareholders' meeting is convened by someone with the convening right but other than the Board of Directors, the provisions of the preceding Paragraph shall apply *mutatis mutandis*.
- III. The chair must not declare the meeting adjourned before the conclusion of the meeting agenda of the preceding two Paragraphs (including extempore motions), except by a resolution of the shareholders' meeting. However, if the chair violates the rules of procedure and adjourns the meeting, a majority of the shareholders present may vote to elect a chair to continue the meeting.
- IV. The chair shall give sufficient explanation and opportunity to discuss the proposals and any amendments or extempore motions proposed by the shareholders, and when he/she is of the opinion that the motion is ready to be voted on, he or she may declare that the discussion is closed, put to vote and arrange adequate time for voting.

Article 12 Shareholders' Speech

- I. Before speaking, an attending shareholder must specify the subject of the speech on a speaker slip, his or her shareholder account number (or attendance

card number), and account name. The order in which shareholders speak will be set by the chair.

- II. An attending shareholder who has submitted a speaker slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker slip, the spoken content shall prevail.
- III. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the topic, the chair may terminate the speech.
- IV. When an attending shareholder is speaking, other shareholders must not speak or interrupt unless they have sought and obtained the consent of the chair and the speaking shareholder and the chair should stop any violation.
- V. When a corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one person may speak on the same proposal.
- VI. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 13: Calculation of voting shares and recusal system

- I. Voting in a shareholders' meeting should be calculated based on numbers of shares.
- II. With respect to resolutions of a shareholders' meeting, the number of shares held by a shareholder with no voting right shall not be calculated as part of the total number of issued shares.
- III. When a shareholder has a personal interest in relation to an agenda item that would compromise the interests of the Company, that shareholder must not vote on that item, and must not exercise voting right as a proxy for any other shareholder.
- IV. The number of shares for which voting rights are not allowed to be exercised in the preceding Paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
- V. Except for a trust enterprise or a stock affairs agency approved by the competent securities authority, when one person is concurrently appointed as a proxy by two or more shareholders, the voting rights of that proxy must not exceed 3% of the voting rights of the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 14 Voting on Motions, Vote Monitoring and Counting

- I. A shareholder shall have one voting right per share, except when the shares are restricted shares or have no voting rights under Article 179, Paragraph 2 of the Company Act.
- II. When the Company holds a shareholders' meeting, it shall allow the exercise of voting rights by electronic means or by correspondence. When voting rights are

exercised by correspondence or electronic means, the method of exercise should be specified in the notice of shareholders' meeting. A shareholder exercising voting rights by correspondence or electronic means shall be deemed to have attended the meeting in person. But his or her rights shall be considered abstained with respect to the extraordinary motions and amendments to original proposals of that meeting; so the Company should avoid submitting extraordinary motions and amendments to original proposals.

- III. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding Paragraph should deliver a written declaration of intent to the Company 2 days before the shareholders' meeting. In the event of duplicate declarations of intent, the one received earliest shall prevail. Except when a declaration is made to cancel the earlier declaration of intent.
- IV. After a shareholder has exercised voting rights by correspondence or electronic means, if the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding Paragraph should be made to the Company, by the same means by which the voting rights were exercised, 2 days before the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights by correspondence or electronic means and also appointed a proxy to attend the shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.
- V. Unless otherwise required by the Company Act and by the Company's Article of Incorporation, the approval of a proposal shall require an affirmative vote of a majority of the voting rights of the attending shareholders. If the motions are voted on a case-by-case basis, the chair or his or her designed personnel shall announce the total number of voting rights of shareholders present on a case-by-case basis.
- VI. If no objection is raised as the chair consulting all shareholders present, the motion shall be deemed to be passed and shall have the same effect as voting. In case of any objection, voting should be taken in accordance with the preceding Paragraph.
- VII. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to vote. When any one among them is approved, the other proposals will then be deemed rejected, and no further voting shall be required.
- VIII. Monitoring and counting personnel for voting on a motion shall be appointed by the chair, but all monitoring personnel should be shareholders.
- IX. Vote counting for shareholders' meeting motions or elections should be conducted in a public place during the shareholders' meeting. Immediately after

vote counting has been completed, the results of the voting, including the statistics of the number of rights, shall be announced on the spot in the meeting, and recorded

Article 15 Election

- I. In the event of an election of directors at a shareholders' meeting, the election results, including the list of elected directors and the number of their elected rights, should be announced on the spot in accordance with the relevant rules established by the Company.
- II. The ballots for the election mentioned in the preceding Paragraph should be properly kept for at least one year after being sealed and signed by the vote monitoring personnel. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 16: Meeting minutes and Signatures

- I. Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The meeting minutes may be produced and distributed in electronic form.
- II. The Company may distribute the meeting minutes in the preceding Paragraph by a public announcement through the Market Observation Post System
- III. The meeting minutes should accurately record the year, month, day, and place of the meeting, the chair's name, the methods of ratification, and a summary of the discussions and voting results (including statistics on voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The meeting minutes should be kept for the duration of the existence of the Company.

Article 17: Maintenance of the order of the meeting

- I. The personnel administering the shareholders' meeting should wear identification cards or armbands.
- II. The chair may direct proctors or security personnel to help maintain order in the meeting place. Proctors or security officers, when helping maintain order at the scene, should wear armbands or identification cards with the word "Proctor".
- III. If the meeting place is equipped with sound amplifying equipment, the chair may stop any shareholders from speaking unless they are using the equipment set up by the Company.
- IV. When a shareholder violates the rules of procedure, disobeys the chair's correction, or obstructs the proceedings and refuses to follow the call to stop, the chair may direct proctors or security personnel to escort the shareholder out of the meeting.

Article 18: Meeting break, resumption

- I. When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
- II. If the meeting place cannot be further used and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may ratify a resolution to resume the meeting at another place.
- III. The shareholders' meeting may, in accordance with the provisions of Article 182 of the Company Act, be resolved to be postponed or resumed within five days.
- IV. After the meeting is adjourned by resolution, the shareholders shall not elect another chair for the meeting to be held at the same place or another venue.

Article 19 Implementation

The Rules shall come into effect upon the approval of the shareholders' meeting and the same applies to amendments.

Article 20 Date of Establishment and Amendment

The Rules were established on June 1, 2007.

The 1st amendment was made on June 22, 2017.

The 2nd amendment was made on May 25, 2021.

[Attachment 8]

Edison Opto Corporation Procedures for Election of Directors

Article 1: Unless otherwise provided by law or the Company's Articles of Incorporation, the election of directors of the Company shall be conducted in accordance with the provisions of the Procedures.

Article 2: The election of directors of the Company shall be made by taking into account the overall composition of the Board of Directors. The composition of the Board of Directors shall be made by taking into consideration diversity, and appropriate diversity guidelines shall be made with respect to the Company's operation, business type and development needs, which shall include, but not be limited to, the following two major criteria:

- I. Basic criteria and values: gender, age, nationality and culture, etc.
- II. Professional knowledge and skills: Professional background (e.g. law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the knowledge, skills and qualities necessary to perform their duties, and the overall competencies they should possess are as follows:

- I. The ability to make judgments about operations
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management ability.
- V. Industry Knowledge
- VI. An international market perspective.
- VII. Leadership
- VIII. Decision-making ability.

More than half of the directors should have neither a spouse nor relatives within the second degree of kinship in any other director.

The Company's Board of Directors should consider adjusting its composition based on the results of the performance evaluation.

Article 3: The qualifications for the Company's independent directors should be in accordance with Articles 2, 3, and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies"

The election of the Company's independent directors should be in accordance with Articles 5, 6, 7, 8, and 9 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and should be conducted in accordance with Article 24 of the "Corporate Governance Best Practice Principles" of the Company.

Article 4: The election of directors of the Company shall be conducted in accordance with the procedures of the candidate nomination system set forth in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, the company shall hold a director by-election at the next following shareholders' meeting. When the number of directors falls short by one-third of the total number prescribed by the articles of incorporation, the company shall convene a special shareholders' meeting within 60 days of the occurrence of that fact to hold a director by-election.

If the number of independent directors is not sufficient to meet the requirements of the first proviso of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the latest shareholders' meeting; if all the independent directors are dismissed, an extraordinary shareholders' meeting shall be held within 60 days from the date of occurrence of the fact.

Article 5: The Company's directors are elected by the single cumulative registered voting system and each share shall have the same number of voting rights as the number of directors to be elected, which may be cast collectively for a single candidate or split among several candidates

Article 6: The Board of Directors should prepare election ballots corresponding to the number of directors to be elected, specify the number of voting rights on the ballots and distribute the ballots to the shareholders attending the shareholders' meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of candidates.

Article 7: The number of directors will be as specified in the Company's Article of incorporation, with voting rights separately calculated for independent and non-independent directors. Those receiving 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 directors, they shall draw lots to determine, with the chair drawing lots for those not in attendance.

Article 8: Before the election begins, the chair should appoint a number of persons with shareholder status as vote monitoring and counting personnel to perform the respective duties. The ballot boxes are prepared by the Board of Directors and are open for inspection by the vote monitors before the voting.

Article 9: A ballot is invalid if any of the following is true:

- I. Did not use ballots prepared by the Board of Directors.
- II. Put void ballots into the ballot box.
- III. The handwriting is blurred and unrecognizable or has been altered.
- IV. The names of the persons to be elected do not match the list of director candidates after verification.
- V. In addition to the number of voting rights allocated, other words are included.

Article 10: After the voting is completed, the ballot box should be opened on the spot. The results of the voting shall be announced by the chair on the spot.

The ballots for the election mentioned in the preceding Paragraph should be properly kept for at least one year after being sealed and signed by the vote monitoring personnel. However, if a lawsuit has been instituted by any shareholder in accordance with the provisions of Article 189 of the Company Act, the minutes of the shareholders' meeting involved shall be kept by the Company until the legal proceedings of the foregoing lawsuit have been concluded.

Article 11: Any matters not provided for in the Procedures shall be handled in accordance with the Company's Articles of Incorporation, the Company Act and relevant laws and regulations.

Article 12: These Procedures shall be effective upon the approval of the shareholders' meeting and the same applies to amendments.

[Attachment 9]

Effect of the proposed stock dividends at the shareholders' meeting on the Company's operating results, earnings per share and shareholders' return on equity.

Unit: NT \$

| Item | | Year | 2022 (Estimated) |
|--|--|--|-----------------------|
| Paid-in capital at the beginning of the period | | | 1,288,617,260 |
| Distribution of stock and cash dividend for the year | Cash dividends per share (NT\$) | | 0.00000000 |
| | Cash dividends per share from capital surplus (NT\$) | | 0.27808294 |
| | Stock dividends per share from capitalization of capital surplus (NT\$) | | 0.51643900 |
| Changes in operating results | Operating profit | | Not applicable (Note) |
| | Percentage of increase (decrease) in operating profit over the same period last year | | |
| | Net profit after tax | | |
| | Percentage of increase (decrease) in net profit after tax over the same period last year | | |
| | Earnings per share | | |
| | Percentage of increase (decrease) in earnings per share over the same period last year | | |
| | Annual average return on investment (inverse of average price-earning ratio) | | |
| Proforma earnings per share and price-earning ratio | In case of capitalization of earnings, all will be distributed in cash dividends. | Proforma earnings per share (NT\$) | Not applicable (Note) |
| | | Proforma annual average return on investment | |
| | If the capitalization of capital surplus is not carried out | Proforma earnings per share (NT\$) | |
| | | Proforma annual average return on investment | |
| | If the capitalization of capital surplus is not carried out and capitalization of earnings, cash dividends are distributed instead | Proforma earnings per share (NT\$) | |
| | | Proforma annual average return on investment | |

- (Note) 1. The estimated dividend distribution for 2022 is based on the resolution of the Board of Directors' meeting held on February 24, 2022, and will be processed in accordance with the relevant regulations after the approval of this year's regular shareholders' meeting.
2. The financial forecast for 2022 was not published. Therefore, there is no need to disclose the estimate information.

Chairperson: Jason Wu Managerial Officer: Jason Wu Accounting Officer: Cheng-Tien Hsu

[Attachment 10]

Edison Opto Corporation
Shareholdings by all directors

- I. The number of issued shares of the Company was 128,861,726 shares.
- II. The minimum number of shares legally required to be held by all directors is 8,000,000 shares.
- III. The Company has an audit committee, so there are no supervisors holding shares.
- IV. The shareholdings by individual and all directors as of the date of stock transfer suspension of the shareholders' meeting (April 24, 2022) are as follows:

Date of stock transfer suspension: April 24, 2022

| Title | Name | Date elected | Term of office (Year) | Number of shares registered on the shareholder roster (shares) | Shareholding percentage (%) |
|---|---|--------------|-----------------------|--|-----------------------------|
| Chairperson | Jason Wu | 2019.6.18 | 3 | 2,787,397 | 2.16 |
| Director | Representative of YOUNGTEK ELECTRONICS CORP.: June Wung | 2019.6.18 | 3 | 2,424,149 | 1.88 |
| Director | Weixin Investment Limited Representative: Po-Chung Wang | 2019.6.18 | 3 | 4,340,140 | 3.37 |
| Director | Wen-Ruei Cheng | 2019.6.18 | 3 | 1,106,443 | 0.86 |
| Director | Nan-Yang Wu | 2019.6.18 | 3 | 0 | 0.00 |
| Independent director | Wen-Chao Wang | 2019.6.18 | 3 | 0 | 0.00 |
| Independent director | Tung-Hsiung Hung | 2019.6.18 | 3 | 0 | 0.00 |
| Independent director | Yin-Fei Liu | 2019.6.18 | 3 | 0 | 0.00 |
| Total number and percentage of shareholdings by all directors | | | | 10,658,129 | 8.27 |

Note: The number of shares held by all directors of the Company has met the criteria of the percentage stipulated in Article 26 of the Securities and Exchange Act.

[Attachment 11]

Edison Opto Corporation Other Explanations

For this regular shareholders' meeting, the following is a description of the handling of shareholders' proposals:

- I. In accordance with the provisions of Article 172-1 of the Company Act, shareholders holding more than 1% of the total number of issued shares may submit a proposal to the Company for a regular shareholders' meeting. However, the number of items in the proposal is limited to one containing up to 300 words (including punctuation marks).
- II. The Company accepted applications for shareholders' proposals at this year's regular shareholders' meeting for the period from April 16, 2022 to April 25, 2022, and has made the announcement on the Market Observation Post System in accordance with the law.
- III. The Company did not receive any shareholder's proposals.