Stock Code: 3189

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

KINSUS INTERCONNECT TECHNOLOGY CORP.

Handbook for the 2020 Annual Meeting of Shareholders

Meeting Date: May 28th, 2020

Place: No. 1245, ZhongHua Rd., XinWu Dist., Taoyuan City (i.e. Kinsus Shih-Lei plant staff cafeteria)

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

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(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
Agenda for the 2020 of Annual Meeting of Shareholders

Time: 9:00 a.m., May 28th (Wednesday), 2020

Place: No. 1245, ZhongHua Rd., XinWu Dist., Taoyuan City
(Kinsus Shih-Lei plant staff cafeteria)

I. Chairperson Declares the Starting of the Meeting

II. Chairperson's Opening Statements

III. Items To Be Reported

1. 2019 Business Report
2. Audit Committee's Review Report on the 2019 Financial Statements
3. The Distribution of 2019 Profits.

IV. Items To be Approved

1. To approve 2019 Business Report, Consolidated Financial Statements and Parent-company-only Financial Statements (Proposed by the Board of Directors)
2. To approve the proposal for 2019 earnings distribution (Proposed by the Board of Directors)

V. Items to Be Discussed and Resolved

1. To Amend the Company's Article of Incorporation (Proposed by the Board of Directors)
2. To Amend the Company's Practice Guidance for Loaning to Others.(Proposed by the Board of Directors)
2. To Amend the Company's Practice Guidance for Providing Endorsement /Guarantee. (Proposed by the Board of Directors)

VI. Other Questions and Motions

VII. Adjournment

I. Items To Be Reported

1. The 2019 Business Report

   Explanatory Notes: Please refer to Attachment I. (Page 6 to 8)

2. Audit Committee's Review Report on the 2019 Financial Statements

   Explanatory Notes: Please refer to Attachment II. (Page 9)

3. To report the 2019 Earnings Distribution of dividends.

   Explanatory Notes:

   a. Based on the Company's Article of Incorporation, article24-1, authorize the Company's board of directors has resolved to pay out cash dividend NT$1 per share in amount of NT$451,039,005.
   b. Please include in other income of the company, if too trivial to one NT dollar, to specific shareholders. The measurement date will be decided by the Board of Directors under the authorization.
   c. Please authorize the Board of Directors to adjust, in good faith, the ratio of dividend per share, based on the shares outstanding on the record date for distribution, to the extent of no change in the resolved total amount to be distributed to shareholders

II. Items To Be Approved

1. To approve 2019 Business Report, Consolidated Financial Statements and Parent-Company-Only Financial Statements (Proposed by the Board of Directors)

   Explanatory Notes:

   a. The Company's Business Report, Consolidated Financial Statements and Parent-Company-Only Financial Statements have been reviewed by Audit Committee and hereby proposed for the shareholders' approval. Among these documentations, the Parent-Company-Only Financial Statements and Consolidated Financial Statements have been audited by Ernst & Young.

   b. For details, please refer to page 6-8 of Attachment I and page 10-30 of Attachment III to the Meeting Handbook.

   Resolution:

2. To approve the proposal for 2019 earnings distribution (Proposed by the Board of Directors)

Explanatory Notes:

a. The Company makes the earnings distribution in accordance with its Articles of Incorporation based on total distributable earnings of NT$10,799,959,534, composed of 2019 net loss of NT$(2,025,332,039), other comprehensive income of actuarial loss from defined benefit plans of NT$(4,727,347), employee restricted share adjusted amount of NT$297,657, special reserve of NT$(83,020,969) and prior years' unappropriated earnings of NT$12,912,742,232.

b. The 2019 earnings distribution table is shown in Attachment IV (page 31) to the Meeting Handbook for reference.

Resolution:

III. **Items To Be Discussed and Resolved**

1. Amendment to the Articles of Incorporation (Proposed by the Board of Directors)

Explanatory Notes: The Amendment is based on the Company’s operating need, and for comparison for amendment to the Article of Incorporation, please refer to Attachment V (Page 32-34).

Resolution:

2. Amendment to the Company’s Practice Guidance for Loaning to Others.
(Proposed by the Board of Directors)

Explanatory Notes: The Company amended “the Practice Guidance for Loaning to Others” in compliance with the order of Financial-Supervisory-Securities-Auditing-1080304826 of the Financial Supervisory Commission announced on March 7th, 2019. For comparison table, please refer to Attachment VI. (Page 35-37).

Resolution:

3. Amendment to the Company’s Practice Guidance for Providing Endorsement /Guarantee.
(Proposed by the Board of Directors)

Explanatory Notes: The Company amended “the Practice Guidance for Providing Endorsement/Guarantee” in compliance with the order of Financial-Supervisory-Securities-Auditing-1080304826 of the Financial Supervisory Commission announced on March 7th, 2019. For comparison table, please refer to Attachment VII (Page 38-40).

Resolution:

IV. Other Questions and Motions

V. Adjournment

Attachment I

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

2019 Business Report

1. 2019 Business Report

According to the IMF's forecast of global GDP growth at the beginning of 2019, although global economic growth slowed to 3.2% compared to 2018 (GDP growth of 3.6%), it remains in a growth trend. Semiconductor industry leader TSMC is relatively optimistic regarding the overall growth that is expected to reach 5-6% of the semiconductor industry in 2019. The prediction mainly resulted from the rapid deployment of 5G communications and the popularization of terminal devices and the growth of data centers and high-speed computing driven by AI artificial intelligence. The growth of these products is very significant for the driving force of the semiconductor industry. The IC carrier board's driving force is reflected in the speed of the copper foil substrate material, the increase in the number of carrier board layers, and the larger carrier board area. It can be regarded as a reversal era for the IC carrier board industry.

Since May 2019, the United States stepped up its trade war with China and announced the Entity List that banned the sale of Huawei. The trade war affected the global technology industry overall and the demand for semiconductors and the product industry chain have gradually been divided into two major systems

At the beginning of 2019, it was estimated to deploy as high as 350,000 units of 5G base for the whole year. The popularity and penetration of 5G base stations are the source of all subsequent applications and terminal products. For IC carrier companies' driving force is shown in ABF carrier boards, FC-CSP carrier boards, and memory carrier boards, and the opportunities for SiP and AiP in the future. However, the trade war has dropped down the number of new 5G base stations around the world, much lower than the estimate at the beginning of the year.

The US-China trade and technology conflict has decreased the overall demand for semiconductor products and changed the product content (IC and other components) supply chain relationship, as well as the progress of 5G and AI technology development. The impacts include:

a. China puts more emphasis on the ability of independent development of semiconductor products and local production capacity.
b. The European and American technology industries have gradually strengthened the blockade against China, so as to slow down that China get ahead in technology.
c. The overall 5G communication process is postponed, and the transition products of the Sub-6 frequency band enter the market quickly in advance.
d. The progress of AI and autonomous driving continues decelerate, but the development of "edge computing" has accelerated.

Kinsus encountered headwinds in market changes, and product and supply chain changes in 2019. Although its performance was not as expected, the Company has made rapid adjustments and will do its best to improve the performance in 2020.

The Company's revenue in parent-company-only basis totaled to NT$16,116,157 thousand in 2019, decreased by 6.45% compared to NT$17,228,031 thousand in 2018. Net loss in parent-company-only basis was NT$(2,025,332) thousand in 2019, decreased by 679.52% compared to NT$349,485 thousand in 2018. The Company's consolidated revenue totaled to NT$22,327,410 thousand in 2019, decreased by 5.90% compared to NT$23,727,929 thousand in 2018. The consolidated net loss was NT$(1,947,268) thousand in 2019, decreased by 573.74% compared to NT$411,040 thousand in 2018.The decline in operating profit and net income mainly caused by lower ratio of utilization in Xinfeng Factory.

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

Account (In parent-company-only basis)	2019	2018	Growth Rate (%)
Operating revenues	16,116,157	17,228,031	-6.45%
Gross profit	1,106,605	3,615,434	-69.39%
Operating income(loss)	(1,917,952)	346,545	-653.45%
Pre-tax income(loss)	(2,025,681)	422,468	-579.49%
Net income(loss)	(2,025,332)	349,485	-679.52%
Earnings (loss) per share (in NT$)	(4.52)	0.78	

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

Account (In consolidated basis)	2019	2018	Growth Rate (%)
Operating revenues	22,327,410	23,727,929	-5.9%
Gross profit	2,760,739	5,386,502	-48.72%
Operating income(loss)	(1,650,225)	791,650	-308.45%
Pre-tax income (loss)	(1,846,258)	710,522	-359.85%
Net income (loss)	(1,947,268)	411,040	-573.74%
Net income/loss attributable to:			
Shareholders of the parent	(2,025,332)	349,485	
Non-controlling interests	78,064	61,555	
Earnings (loss) per share (In NT$)	(4.52)	0.78	

2. Summary of 2020 business plan:

(1)Business Policy

Since the Company's establishment, we have been upholding the principle of "Satisfying Customers and Pursuing for Excellence" as our business policy, developing leadership in technique to meet market demand, mastering new generation product demands, investing engineering resources to stay ahead, and striving for better profit to benefit our shareholders under the intense competition.

The IC substrates industry has entered a highly complex product portfolio and structure. Competitive technologies such as Fan-Out WLP have grown rapidly. The Company's R&D department is developing higher-accumulation packaging/assembly substrates, such as SiP modules, integrate antenna modules, CPU/memory multi-chip Wafer substrates, or even soft board modules, and expand the technology capabilities of the substrate industry for many years to create higher value for customers.

(2)2020 Expected Sales and Its Sources

Several foreign-funded and international research advisory agencies predict that global economic growth will recovery in 2020 compared to 2019. The products with more obvious growth trends include 5G base station related chips and AI related Massive connection and Ultra-low latency. Furthermore, Power management, Fingerprint identification, Image sensor Chip （CIS） and Driver IC are growing with more certain 5G peripheral applications

(3)Significant Production and Marketing Policy

A. Continue investing in R&D resources, developing both micro-wire and slim-film processes, providing customers with solutions for 5nm wafer process and multi-chip package modules.

B. Expanding the capacity of ABF FC-BGA substrate to match the long-term needs of 5G and AIoT.

C. Adjust the production capacity and production equipment of each plant to achieve the 2020 operating plan.

3. Company development strategy

We will aim at application of slim substrates of ABF-FCBGA and memory and the techniques and products of SiP module and Wafer module in short-term, keeping up with the elemental global semiconductor developing trend of continuously miniature line width, aperture, and thickness in medium term, and developing complicated structural technique of active/passive components and direct wafer bonding in long term. By these development strategies, we are confident that the Company will definitely sustain our competitiveness in product market as well as in the technique.

Chairman: CEO: Chief Accountant:

Attachment II

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2019 Business Report, Consolidated Financial Statements, Parent-company-only Financial Statements and the proposal for distribution of earnings. Among these documentation, the financial statements have been audited by the auditors, Ernst & Young, and the audit reports relating to the Financial Statements have been granted. The Business Report, Financial Statements, and earnings distribution proposal have been reviewed and determined to be fairly presented by the Audit Committee members of Kinsus Interconnect Technology Corp. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Law, we hereby submit the review report to the Company's shareholders.

Kinsus Interconnect Technology Corp.

Chairman of the Audit Committee: Chung-Pao Hwang

February 10^{th}, 2020

Attachment III

<u>English Translation of an Audit Report Originally Issued in Chinese</u>

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors and Shareholders of
Kinsus Interconnect Technology Corp.

Opinion

We have audited the accompanying parent-company-only balance sheets of Kinsus Interconnect Technology Corp. (the "Company") as of December 31, 2019 and 2018, and the related parent-company-only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent-company-only financial statements, including the summary of significant accounting policies (together referred as "the parent-company-only financial statements").

In our opinion, based on the results of our audits and the report of other auditors (please refer to the Other Matter－Making Reference to the Audit of a Component Auditor section of our report), the parent-company-only financial statements referred to above present fairly, in all material respects, the parent-company-only financial position of the Company as of December 31, 2019 and 2018, and their parent-company-only financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Parent-Company-Only Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditor(s), we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of the most significance in our audit of parent-company-only financial statements for the year ended December 31, 2019.
These matters were addressed in the context of our audit of the parent-company-only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters..

Revenue Recognition

We determine that revenue recognition is one of the key audit matters. The Company's revenue amounting to NT$16,116,157 thousand for the year ended December 31, 2019 is a significant account to the Company's financial statements. The Company has conducted these sale activities in multi-marketplace, including Taiwan, China, USA, etc. Among these locations, the Company has established hub-warehouse for certain foreign customers' convenience. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. Our audit procedures therefore include, but not limit to, evaluating the properness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, and performance obligation for revenue recognition from foreign warehouses with sale agreement or orders, performing analytical review procedures on monthly sale revenues, executing sale cut-off tests, etc. We have also evaluated the appropriateness of the related disclosure in Notes 4 and 6 to the parent-company-only financial statements.

Market valuation on Inventory

We determine the market valuation on inventory is one of the key audit matters in considering that the amount of inventory was significant and the assessment of sufficiency of inventory loss requires significant management judgement. The Company's net inventory amounted to NT$1,419,518 thousand as of December 31, 2019. As the application market of substract, the Company's main products, is characterized by rapid development in technology and the trend of consumers' preference, management, in timely considering the status of new products development and the demand from clients, has to evaluate the loss due to market value decline as well as write-down on slow-moving inventories to their net realizable value. Our audit procedures therefore include, but not limit to, evaluating the Company's policy with respect to assessment the loss from slow-moving inventory and phased-out items, (including identification method, testing the accuracy of inventory aging schedule, analysis on inventory movement), performing observation on the Company's inventory physical-taking, and inspecting the current status of inventory usage, etc. We also assessed the adequacy of the inventory-related disclosures shown in the Notes 5 and 6 to the parent-company-only financial statements.

Other Matter – Making Reference to the Audit of a Component Auditor

We did not audit the financial statements of FuYang Technology Corp., an indirectly invested associate accounted for under the equity method by the Company. The financial statements of FuYang Technology Corp. as of December 31, 2019 and 2018, and for the years then ended were audited by other auditors, whose reports thereon have been furnished to us. Our audit, insofar as it related to the investment in the associate accounted for under the equity method amounting to NT$538,259 thousand and NT$735,275 thousand as of December 31, 2019 and 2018 representing 1.55% and 2.03% of the Company's total assets, the related shares of income before tax from the associate under the equity method for the year then ended amounting to NT$(192,908) thousand and NT$(99,606) thousand representing 9.52% and (23.58)% of the Company's income before tax, and the related shares of other comprehensive income from the associate under the equity method for the years then ended amounting to NT$(4,108) thousand and NT$12,346 thousand representing 4.68% and (47.45)% of the other comprehensive income, are based solely on the audit reports of other auditors.

Responsibilities of Management and Those Charged with Governance for the Parent-Company-Only Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Parent-Company-Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent-company-only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 parent-company-only 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 parent-company-only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.

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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent-company-only financial statements, including the accompanying notes, and whether the parent-company-only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent-company-only financial statements. We are responsible for the direction, supervision and performance of the company 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 2019 parent-company-only financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Hong, Mao-Yi

Cheng, Ching-Piao

Ernst & Young
February 10th, 2020
Taipei, Taiwan,
Republic of China

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

*Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation_*

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp.

Parent-Company-Only Balance Sheets

As of December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars)

Assets			2019		2018	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$8,768,832	25	$8,709,305	24
1110	Financial assets at fair value through profit or loss	4, 6(2)	1,010,888	3	1,005,335	3
1136	Financial assets measured at amortized cost	4, 6(3)	423,057	1	423,057	1
1150	Notes receivable, net	4, 6(4)	4,917	-	241	-
1170	Accounts receivable, net	4, 6(5)	2,702,180	8	2,765,195	8
1180	Accounts receivable - related parties, net	4, 6(5), 7	151	-	1,131	-
1200	Other receivables		309,398	1	232,701	1
1210	Other receivables - related parties	7	241,487	1	31,727	-
1310	Inventories, net	4, 6(6)	1,419,518	4	1,918,295	5
1410	Prepayments		123,899	-	128,195	-
1470	Other current assets		49,896	-	50,504	-
11XX	Total current assets		15,054,223	43	15,265,686	42
	Non-current assets					
1550	Investment accounted for under equity method	4, 6(7)	4,185,728	12	4,021,997	11
1600	Property, plant and equipment, net	4, 6(8), 9	14,264,988	41	14,898,668	41
1780	Intangible assets, net	4, 6(9)	20,987	-	4,777	-
1840	Deferred tax assets	4, 6(26)	9,593	-	9,593	-
1915	Prepayment for equipment	4, 6(8), 9	1,242,953	4	1,972,157	6
1995	Other non-current assets	6(10)	7,760	-	3,787	-
15XX	Total non-current assets		19,732,009	57	20,910,979	58
1XXX	Total Assets		$34,786,232	100	$36,176,665	100

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp.

Parent-Company-Only Balance Sheets (Continued)

As of December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars)

Liabilities and Equity			2019		2018	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(11)	$2,767,987	8	$2,136,671	6
2130	Contract liability	4, 6(20)	1,752	-	1,082	-
2150	Notes payable		33,445	-	38,326	-
2170	Accounts payable		1,235,140	4	1,336,203	4
2180	Accounts payable - related parties	7	240,392	2	163,500	1
2200	Other payables	6(12), 7	1,805,716	5	1,947,831	5
2230	Current income tax liabilities	4, 6(26)	134,566	-	140,435	-
2300	Other current liabilities	6(13)	1,078,459	3	594,000	2
2365	Refund liability	6(14)	7,393	-	12,300	-
21XX	Total current liabilities		7,304,850	22	6,370,348	18
	Non-current liabilities					
2540	Long-term loans	6(15)	1,888,053	5	1,998,125	6
2570	Deferred tax liabilities	4, 6(26)	537	-	886	-
2600	Other non-current liabilities	4, 6(16), 6(17)	25,771	-	25,156	-
25XX	Total non-current liabilities		1,914,361	5	2,024,167	6
2XXX	Total liabilities		9,219,211	27	8,394,515	24
3100	Capital	6(18)				
3110	Common stock		4,510,738	13	4,508,410	12
3200	Capital surplus	6(18)	6,637,742	19	6,140,942	17
3300	Retained earnings	6(18)				
3310	Legal reserve		3,647,505	11	3,612,556	10
3320	Special reserve		100,384	-	77,677	-
3350	Unappropriated earnings		10,882,980	31	13,646,659	38
3400	Other components of equity		(211,996)	(1)	(203,356)	(1)
3500	Treasury Stock	6(18)	(332)	-	(738)	-
3XXX	Total equity		25,567,021	73	27,782,150	76
	Total liabilities and equity		$34,786,232	100	$36,176,665	100

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp.

Parent-Company-Only Statements of Comprehenstve Income

For the Years Ended December 31, 2019 and 2018

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

			2019		2018	
Code	Accounts	Notes	Amount	%	Amount	%
4000	Operating revenues	4, 6(20), 7	$16,116,157	100	$17,228,031	100
5000	Operating costs	7	(15,009,552)	(93)	(13,612,597)	(79)
5900	Gross profit		1,106,605	7	3,615,434	21
6000	Operating expenses	7				
6100	Selling		(744,742)	(5)	(595,067)	(3)
6200	General and administrative		(858,030)	(5)	(931,815)	(6)
6300	Research and development		(1,424,442)	(9)	(1,738,225)	(10)
6450	Expected credit gains (losses)	4, 6(21)	2,657	-	(3,782)	-
	Operating expenses total		(3,024,557)	(19)	(3,268,889)	(19)
6900	Operating income (loss)		(1,917,952)	(12)	346,545	2
7000	Non-operating income and expenses					
7010	Other income	6(24), 7	161,391	1	205,701	1
7020	Other gains and losses	6(24), 7	15,248	-	10,469	-
7050	Finance costs	6(24)	(76,884)	-	(64,432)	-
7070	Share of profit or loss of subsidiaries, associates and joint ventures		(207,484)	(1)	(75,815)	-
	Non-operating income and expense total		(107,729)	-	75,923	1
7900	Income (loss) before income tax		(2,025,681)	(12)	422,468	3
7950	Income tax expense (benefit)	4, 6(26)	349	-	(72,983)	(1)
8200	Net income (loss)		(2,025,332)	(12)	349,485	2
8300	Other comprehensive income (loss)	6(25)				
8310	Item that not be reclassified subsequently to profit or loss					
8311	Actuarial gain (loss) on defined benefit plans		(4,727)	-	(3,312)	-
8360	Items that may be reclassified subsequently to profit or loss					
8370	Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		(83,021)	-	(22,706)	-
	Total other comprehensive income, net of tax		(87,748)	-	(26,018)	-
8500	Total comprehensive income (loss)		$(2,113,080)	(12)	$323,467	2
9750	Earnings (losses) per share - basic (in NT$)	6(27)	$(4.52)		$0.78	
9850	Earnings (losses) per share - diluted (in NT$)	6(27)	$(4.52)		$0.78	

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp.

Parent-Company-Only Statements of Changes in Equity

For the Years Ended December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars)

	Items	Capital	Capital Surplus	Retained Earnings			Other Components of equity		Treasury Stock	Total Equity
				Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences arising on translation of foreign operations	Unearned Employee Benefit		
Code		3100	3200	3310	3320	3350	3410	3490	3500	3XXX
A1	Balance as of January 1, 2018	$4,460,000	$5,956,519	$3,563,389	$613	$14,095,717	$(77,677)	$-	$-	$27,998,561
	Appropriation and distribution of 2017 earnings:									
B1	Legal reserve			49,167		(49,167)				-
B3	Special reserve				77,064	(77,064)				-
B5	Cash dividends - common shares					(669,000)				(669,000)
C7	Change in associates and joint ventures accounted for using equity method		(845)							(845)
D1	Net income for 2018					349,485				349,485
D3	Other comprehensive income (loss) for 2018					(3,312)	(22,706)			(26,018)
D5	Total comprehensive income (loss)	-	-	-	-	346,173	(22,706)	-	-	323,467
T1	Employee restricted shares for cancellation and others	48,410	185,268					(102,973)	(738)	129,967
A1	Balance as of December 31, 2018	4,508,410	6,140,942	3,612,556	77,677	13,646,659	(100,383)	(102,973)	(738)	27,782,150
	Appropriation and distribution of 2018 earnings:									
B1	Legal reserve			34,949		(34,949)				-
B3	Special reserve				22,707	(22,707)				-
B5	Cash dividends - common shares					(676,261)				(676,261)
C7	Change in associates and joint ventures accounted for using equity method		491,065							491,065
D1	Net loss for 2019					(2,025,332)				(2,025,332)
D3	Other comprehensive income (loss) for 2019					(4,727)	(83,021)			(87,748)
D5	Total comprehensive income (loss)	-	-	-	-	(2,030,059)	(83,021)	-	-	(2,113,080)
T1	Employee restricted shares for cancellation and others	2,328	5,735			297		74,381	406	83,147
Z1	Balance as of December 31, 2019	$4,510,738	$6,637,742	$3,647,505	$100,384	$10,882,980	$(183,404)	$(28,592)	$(332)	$25,567,021

(The accompanying notes are an integral part of the parent-company-only financial statements.)

NOTE: The employees' bonuses of NT$55,074 thousand and the directors' and supervisors' remuneration of NT$3,352 thousand for the year ended December 31, 2018 had been deducted from comprehensive income for the year ended December 31, 2018.

English Translation of Parent-Company-Only Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp.

Parent-Company-Only Statements of Cash Flows

For the Years Ended December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2019	2018
AAAA	Cash flows from operating activities:		
A10000	Net income (loss) before tax	$(2,025,681)	$422,468
A20000	Adjustments:		
A20010	Profit or loss not effecting cash flows:		
A20100	Depreciation	3,236,018	2,974,964
A20200	Amortization	31,765	18,663
A20300	Expected credit losses (gain on recovery)	(2,657)	3,782
A20400	Net loss (gain) of financial assets (liabilities) at fair value through profit or loss	(5,553)	(5,200)
A20900	Interest expense	76,884	64,432
A21200	Interest income	(49,256)	(47,973)
A21900	Cost of share based payment	80,477	82,525
A22300	Share of profit or loss of subsidiaries, associates and joint ventures	207,484	75,815
A22500	Gain on disposal of property, plant and equipment	(12,942)	(724)
A30000	Changes in operating assets and liabilities:		
A31110	Financial Assets at fair value through profit or loss	-	410,081
A31130	Notes receivable	(4,676)	1,515
A31150	Accounts receivable	65,672	(386,756)
A31160	Accounts receivable - related parties	980	(177)
A31180	Other receivable	(76,214)	(75,788)
A31190	Other receivable - related parties	(209,760)	(20,071)
A31200	Inventories	498,777	(662,697)
A31230	Prepayment	4,296	85,566
A31240	Other current assets	608	(2,769)
A32125	Contract liabilities	670	1,082
A32130	Notes payable	(4,881)	(3,361)
A32150	Accounts payable	(101,063)	4,786
A32160	Accounts payable - related parties	76,892	(38,477)
A32180	Other payable	(53,118)	(122,275)
A32230	Other current liabilities	5,887	(1,786)
A32240	Net defined benefit liability	(4,112)	(4,118)
A32990	Refund liability	(4,907)	12,300
A33000	Cash generated from operations	1,731,590	2,785,807
A33200	Interest received	48,773	48,057
A33300	Interest paid	(78,238)	(61,219)
A33500	Income tax paid	(5,869)	(104,967)
AAAA	Net cash provided by (used in) operating activities	1,696,256	2,667,678

Code	Items	2019	2018
BBBB	Cash flows from investing activities:		
B02700	Acquisition of property, plant and equipment	(2,405,606)	(2,916,134)
B02800	Proceeds from disposal of property, plant and equipment	491,285	9,463
B03800	Decrease (increase) in refundable deposits	(3,973)	99
B04500	Acquisition of intangible assets	(47,975)	(10,644)
BBBB	Net cash provided by (used in) investing activities	(1,966,269)	(2,917,216)
CCCC	Cash flows from financing activities:		
C00100	Increase in (repayment of) short-term loans	631,316	(126,446)
C01600	Increase in long-term loans	1,036,000	1,200,000
C01700	Repayment of long-term loans	(667,500)	(290,087)
C03000	Decrease in guarantee deposits received	-	(2,000)
C04500	Payment of cash dividends	(676,261)	(669,000)
C04600	Issuance of common stock for cash	5,985	48,410
CCCC	Net cash provided by (used in) financing activities	329,540	160,877
EEEE	Net Increase (decrease) in cash and cash equivalents	59,527	(88,661)
E00100	Cash and cash equivalents at beginning of period	8,709,305	8,797,966
E00200	Cash and cash equivalents at end of period	$8,768,832	$8,709,305

(The accompanying notes are an integral part of the parent-company-only financial statements.)

English Translation of Financial Statements and a Report Originally Issued in Chinese

MANAGEMENT REPRESENTATION LETTER

The entities that are required to be included in the combined financial statements of Kinsus Interconnect Technology Corp. as of December 31, 2019 and for the year then ended 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 the International Financial Reporting Standard No. 10, "Consolidated Financial Statements." In addition, the information required to be disclosed in the combined financial statements is included in the consolidated financial statements. Consequently, Kinsus Interconnect Technology Corp. and Subsidiaries do not prepare a separate set of combined financial statements.

Very truly yours,

Kinsus Interconnect Technology Corp.

By

Guo, Ming-Dong
Chairman
February 10th, 2020

English Translation of Financial Statements and a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

To The Board of Directors of
Kinsus Interconnect Technology Corp.

Opinion

We have audited the accompanying consolidated balance sheets of Kinsus Interconnect Technology Corp. (the "Company") and its subsidiaries as of December 31, 2019 and 2018, the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including the summary of significant accounting policies (together referred as "the consolidated financial statements").

In our opinion, based on our audits and the reports of other auditor (please refer to the Other Matter – Making Reference to the Audit of a Component Auditor section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2019 and 2018, and its consolidated financial performance and cash flows for the years then ended, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2019 consolidated financial statements. 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.

Revenue Recognition

We determine that revenue recognition is one of the key audit matters. The Company's consolidated revenue amounting to NT$22,327,410 thousand for the year ended December 31, 2019 is a significant account to the Company's consolidated financial statements. The Company has conducted these sale activities in multi-marketplace, including Taiwan, China, USA, etc. Among these locations, the Company has established hub-warehouse for certain foreign customers' convenience. Furthermore, the timing of fulfilling performance obligation needs to be determined based on varieties of sale terms and conditions enacted in the main sale contracts or sale orders. Our audit procedures therefore include, but not limit to, evaluating the properness of accounting policy for revenue recognition, assessing and testing the effectiveness of relevant internal controls related to revenue recognition, sampling-test of details, including obtaining major sale orders or agreements to inspect the terms and conditions, checking the consistency of the fulfillment timing, and performance obligation for revenue recognition from foreign warehouses with sale agreement or orders, performing analytical review procedures on monthly sale revenues, executing sale cut-off tests, etc. We have also evaluated the appropriateness of the related disclosure in Notes 4 and 6 to the consolidated financial statements.

Market valuation on Inventory

We determined the market valuation on inventory is one of the key audit matters in considering that the amount of inventory was significant and the assessment of sufficiency of inventory loss requires significant management judgement. The Company's net inventory amounted to NT$2,452,975 thousand as of December 31, 2019. As the application market of substract, the Company's main products, is characterized by rapid development in technology and the trend of consumers' preference, management, in timely considering the status of new products development and the demand from clients, has to evaluate the loss due to market value decline as well as write-down on slow-moving inventories to their net realizable value. Our audit procedures therefore include, but not limit to, evaluating the Company's policy with respect to assessment the loss from slow-moving inventory and phased-out items, (including identification method, testing the accuracy of inventory aging schedule, analysis on inventory movement), perfroming observation on the Company's inventory physical-taking, and inspecting the current status of inventory usage, etc. We also assessed the adequacy of the inventory-related disclosures shown in the Notes 5 and 6 to the consolidated financial statements.

Other Matter – Making Reference to the Audit of a Component Auditor

We did not audit the financial statements of FuYang Technology Corp., an invested associate accounted for under the equity method. The financial statements of FuYang Technology Corp. as of December 31, 2019 and 2018 and for the years then ended were audited by other auditors, whose reports thereon have been furnished to us. Our audit, insofar as it related to the investment in the associate accounted for under the equity method amounting to NT$538,259 thousand and NT$735,275 thousand as of December 31, 2019 and 2018 representing 1.29% and 1.72% of the Company's consolidated total assets, the related shares of income before tax from the associate under the equity method for the years then ended amounting to NT$(192,908) thousand and NT$(99,606) thousand representing 10.45% and (14.02)% of the Company's consolidated income before tax, and the related shares of other comprehensive income from the associate under the equity method for the years then ended amounting to NT$(4,108) thousand and NT$12,346 thousand representing 3.80% and (32.80)% of the consolidated other comprehensive income, are based solely on the audit reports of other auditors.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Company, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

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 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 internal control of the Company.

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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, 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 Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2019 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We have audited and expressed an unqualified opinion on the parent-company-only financial statements of the Company as of and for the years then ended December 31, 2019 and 2018.

Hong,Mao-Yi

Cheng,Ching-Piao

Ernst & Young
February 10th, 2020
Taipei, Taiwan,
Republic of China

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp. and Subsidiaries

Consolidated Balance Sheets

As of December 31, 2019 and 2018

(Amounts Expressed In Thousands of New Taiwan Dollars)

Assets			As of December 31, 2019		As of December 31, 2018	
Code	Accounts	Notes	Amount	%	Amount	%
	Current assets					
1100	Cash and cash equivalents	4, 6(1)	$10,712,103	26	$10,068,669	24
1110	Financial assets at fair value through profit or loss	4, 6(2)	1,338,832	3	1,017,095	2
1136	Financial assets measured at amortized cost	4, 6(3)	423,057	1	498,338	1
1150	Notes receivable, net	4, 6(5)	4,918	-	241	-
1170	Accounts receivable, net	4, 6(6)	3,609,565	9	3,472,879	8
1180	Accounts receivable - related parties,net	6(6), 7	111,323	-	349,315	1
1200	Other receivables,net		332,623	1	264,785	1
1210	Other receivables - related parties	7	5,901	-	5,781	-
1310	Inventories, net	4, 6(7)	2,452,975	6	3,269,317	8
1410	Prepayments		150,538	-	158,390	-
1470	Other current assets		198,672	1	189,759	-
11xx	Total current assets		19,340,507	47	19,294,569	45
	Non-current assets					
1517	Financial asset at fair value through OCI	4, 6(4)	50,000	-	50,000	-
1550	Investment accounted for under equity method	4, 6(8)	538,259	1	735,275	2
1600	Property, plant and equipment, net	4, 6(9), 8, 9	19,675,900	47	19,737,268	46
1755	Right-of-use assets	4, 6(23)	382,091	1	-	-
1780	Intangible assets, net	4, 6(10)	30,753	-	14,529	-
1840	Deferred tax assets	4, 6(27)	13,800	-	12,411	-
1900	Other non-current assets	6(11), 7, 8	88,069	-	316,354	1
1915	Prepayment for equipment	6(9), 9	1,583,966	4	2,463,548	6
15xx	Total non-current assets		22,362,838	53	23,329,385	55
1xxx	Total Assets		$41,703,345	100	$42,623,954	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
Kinsus Interconnect Technology Corp. and Subsidiaries
Consolidated Balance Sheets-(Continued)
As of December 31, 2019 and 2018
(Amounts Expressed In Thousands of New Taiwan Dollars)

Liabilities and Equity			As of December 31, 2019		As of December 31, 2018	
Code	Accounts	Notes	Amount	%	Amount	%
	Current liabilities					
2100	Short-term loans	6(12)	$4,096,101	10	$3,340,483	8
2130	Contract liability	4, 6(21)	72,626	-	134,800	-
2150	Notes payable		37,176	-	39,505	-
2170	Accounts payable		2,224,571	5	2,233,609	6
2200	Other payables	6(13), 7	2,804,217	7	3,110,009	7
2230	Current income tax liabilities	4, 6(27)	179,575	1	361,313	1
2280	Lease liability	4, 6(23)	113,937	-	-	-
2300	Other current liabilities	6(14)	1,238,150	3	931,741	2
2365	Refund liability	4, 6(15)	74,865	-	47,739	-
21xx	Total current liabilities		10,841,218	26	10,199,199	24
	Non-current liabilities					
2540	Long-term loans	6(16), 8	1,888,054	5	2,600,806	6
2570	Deferred tax liabilities	4, 6(27)	8,623	-	5,563	-
2580	Lease liability	4, 6(23)	58,143	-	-	-
2600	Other non-current liabilities	6(17)	69,607	-	69,864	-
25xx	Total non-current liabilities		2,024,427	5	2,676,233	6
2xxx	Total liabilities		12,865,645	31	12,875,432	30
31xx	Equity attributable to shareholders of the parent					
3100	Capital	6(19)				
3110	Common stock		4,510,738	11	4,508,410	11
3200	Capital surplus	6(19)	6,637,742	16	6,140,942	14
3300	Retained earnings	6(19)				
3310	Legal reserve		3,647,505	9	3,612,556	8
3320	Special reserve		100,384	-	77,677	-
3350	Unappropriated earnings		10,882,980	26	13,646,659	32
3400	Other components of equity		(211,996)	(1)	(203,356)	-
3500	Treasury Stock	6(19)	(332)	-	(738)	-
36xx	Non-controlling interests	6(19)	3,270,679	8	1,966,372	5
3xxx	Total equity		28,837,700	69	29,748,522	70
	Total liabilities and equity		$41,703,345	100	$42,623,954	100

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp. and Subsidiaries

Consolidated Statements Of Comprehensive Incomes

For the Years Ended December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

Code	Items	Notes	2019 Amount	2019 %	2018 Amount	2018 %
4000	Operating revenues	4, 6(21), 7	$22,327,410	100	$23,727,929	100
5000	Operating costs	7	(19,566,671)	(88)	(18,341,427)	(77)
5900	Gross profit		2,760,739	12	5,386,502	23
6000	Operating expenses	7				
6100	Sales and marketing		(1,201,128)	(5)	(1,020,613)	(4)
6200	General and administrative		(1,289,240)	(6)	(1,349,219)	(6)
6300	Research and development		(1,924,984)	(9)	(2,218,438)	(10)
6450	Expected credit gains (losses)	4, 6(22)	4,388	-	(6,582)	-
	Total operating expenses		(4,410,964)	(20)	(4,594,852)	(20)
6900	Operating income (loss)		(1,650,225)	(8)	791,650	3
7000	Non-operating incomes and expenses					
7010	Other incomes	6(25), 7	183,741	1	242,177	1
7020	Other gains or losses	6(25), 7	(43,130)	-	(102,465)	-
7050	Finance costs	6(25)	(143,736)	(1)	(121,234)	(2)
7060	Share of the profit or loss of associates and joint ventures	6(8)	(192,908)	(1)	(99,606)	-
	Total non-operating incomes and expenses		(196,033)	(1)	(81,128)	(1)
7900	Income (loss) before income tax		(1,846,258)	(9)	710,522	2
7950	Income tax expenses	4, 6(27)	(101,010)	-	(299,482)	(1)
8200	Net income (loss)		(1,947,268)	(9)	411,040	1
8300	Other comprehensive income (loss)	6(26)				
8310	Item that not be reclassified to profit or loss					
8311	Actuarial gain (loss) from defined benefit plans		(4,727)	-	(3,312)	-
8360	Items that may be reclassified subsequently to profit or loss					
8361	Exchange differences on translation of foreign operations		(99,236)	-	(46,672)	-
8370	Share of the other comprehensive income (loss) of associates and joint ventures		(4,108)	-	12,346	-
	Total other comprehensive income (loss), net of tax		(108,071)	-	(37,638)	-
8500	Total comprehensive income (loss)		$(2,055,339)	(9)	$373,402	1
8600	Net income (loss) attributable to:					
8610	Stockholders of the parent		$(2,025,332)	(9)	$349,485	1
8620	Non-controlling interests		78,064	-	61,555	-
			$(1,947,268)	(9)	$411,040	1
8700	Total comprehensive income (loss) attributable to:					
8710	Stockholders of the parent		$(2,113,080)	(9)	$323,467	1
8720	Non-controlling interests		57,741	-	49,935	-
			$(2,055,339)	(9)	$373,402	1
9750	Earnings (losses) per share-basic (in NTD)	6(28)	$(4.52)		$0.78	
9850	Earnings (losses) per share-diluted (in NTD)	6(28)	$(4.52)		$0.78	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp. and Subsidiaries

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2019 and 2018

(Amounts Expressed In Thousands of New Taiwan Dollars)

		Equity Attributable to Shareholders of the Parent									Non-controlling Interests	Total Equity
				Retained Earnings			Others					
		Capital	Capital Surplus	Legal Reserve	Special reserve	Unappropriated Earnings	Exchange differences arising on translation of foreign operations	Unearned Employee Benefit	Treasury Stock	Total		
Code	Items	3100	3200	3310	3320	3350	3410	3490	3500	31XX	36XX	3XXX
A1	Balance as of January 1, 2018	$4,460,000	$5,956,519	$3,563,389	$613	$14,095,717	$(77,677)	$-	$-	$27,998,561	$1,916,437	$29,914,998
	Appropriation and distribution of 2017 earnings											
B1	Legal reserve			49,167		(49,167)				-		-
B3	Special reserve				77,064	(77,064)				-		-
B5	Cash dividends-common shares					(669,000)				(669,000)		(669,000)
C7	Change in joint ventures accounted for using equity method		(845)							(845)		(845)
D1	Net income for 2018					349,485				349,485	61,555	411,040
D3	Other comprehensive income (loss), net of tax, for 2018.					(3,312)	(22,706)			(26,018)	(11,620)	(37,638)
D5	Total comprehensive income (loss)	-	-	-	-	346,173	(22,706)	-	-	323,467	49,935	373,402
T1	Employee restricted shares for cancellation and others	48,410	185,268					(102,973)	(738)	129,967		129,967
Z1	Balance as of December 31, 2018	$4,508,410	$6,140,942	$3,612,556	$77,677	$13,646,659	$(100,383)	$(102,973)	$(738)	$27,782,150	$1,966,372	$29,748,522
A1	Balance as of January 1, 2019	$4,508,410	$6,140,942	$3,612,556	$77,677	$13,646,659	$(100,383)	$(102,973)	$(738)	$27,782,150	$1,966,372	$29,748,522
	Appropriation and distribution of 2018 earnings											
B1	Legal reserve			34,949		(34,949)				-		-
B3	Special reserve				22,707	(22,707)				-		-
B5	Cash dividends-common shares					(676,261)				(676,261)		(676,261)
D1	Net income (loss) for 2019					(2,025,332)				(2,025,332)	78,064	(1,947,268)
D3	Other comprehensive income (loss), net of tax, for 2019.					(4,727)	(83,021)			(87,748)	(20,323)	(108,071)
D5	Total comprehensive income (loss)	-	-	-	-	(2,030,059)	(83,021)	-	-	(2,113,080)	57,741	(2,055,339)
M7	Change in equity for ownership of subsidiaries		491,065							491,065	1,303,433	1,794,498
O1	Non-controlling interests increase (decrease)										(56,867)	(56,867)
T1	Employee restricted shares for cancellation and others	2,328	5,735			297		74,381	406	83,147		83,147
Z1	Balance as of December 31, 2019	$4,510,738	$6,637,742	$3,647,505	$100,384	$10,882,980	$(183,404)	$(28,592)	$(332)	$25,567,021	$3,270,679	$28,837,700

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

Kinsus Interconnect Technology Corp. and Subsidiaries

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2019 and 2018

(Amounts Expressed in Thousands of New Taiwan Dollars)

Code	Items	2019	2018
AAAA	Cash flows from operating activities:		
A10000	Income (loss) before income tax	$(1,846,258)	$710,522
A20000	Adjustments:		
A20010	Income and expense adjustments:		
A20100	Depreciation (including right-of-use assets)	4,575,488	4,187,071
A20200	Amortization	39,561	25,898
A20300	Expected credit losses (gains)	(4,388)	6,582
A20400	Net gain of financial assets at fair value through P/L	(5,783)	(5,383)
A20900	Interest expense	143,736	121,234
A21200	Interest income	(60,887)	(62,377)
A21900	Cost of share based payment	80,477	82,525
A22300	Share of profit or loss of associates and joint ventures	192,908	99,606
A22500	Gain on disposal of property, plant and equipment	(8,651)	(1,014)
A23700	Impairment loss on non financial assets	12,149	49,770
A30000	Changes in operating assets and liabilities:		
A31110	Financial assets at fair value through profit or loss	(315,954)	542,121
A31130	Notes receivable	(4,677)	1,515
A31150	Accounts receivable	(132,277)	(126,400)
A31160	Accounts receivable - related parties	237,992	(15,615)
A31180	Other receivables	(68,594)	(55,310)
A31190	Other receivables - related parties	(120)	462
A31200	Inventories	816,342	(1,141,603)
A31220	Prepayments	1,852	102,176
A31240	Other current assets	(8,913)	(25,783)
A31990	Long-term prepaid rents	-	10,075
A32125	Contract liabilities	(62,174)	(2,148)
A32130	Notes payable	(2,329)	(5,299)
A32150	Accounts payable	(9,038)	(292,427)
A32180	Other payables	(129,656)	64,786
A32230	Other current liabilities	685	8,636
A32240	Net defined benefit liability	(4,112)	(4,118)
A32990	Refund liability	27,126	47,739
A33000	Cash generated from operations	3,464,505	4,323,241
A33100	Interest received	61,642	61,385
A33300	Interest paid	(143,748)	(114,595)
A33500	Income tax paid	(281,090)	(167,452)
AAAA	Net cash provided by (used in) operating activities	3,101,309	4,102,579

Code	Items	2019	2018
BBBB	Cash flows from investing activities:		
B00040	Acquisition (disposal) of financial assets measured at amortized cost	75,281	(75,281)
B02700	Acquisition of property, plant and equipment	(4,212,790)	(4,814,540)
B02800	Proceeds from disposal of property, plant and equipment	458,469	9,753
B03800	Decrease (increase) in refundable deposits	3,988	(12,405)
B04500	Acquisition of intangible assets	(55,835)	(17,644)
BBBB	Net cash provided by (used in) investing activities	(3,730,887)	(4,910,117)
CCCC	Cash flows from financing activities:		
C00100	Increase in (repayment of) short-term loans	755,618	43,086
C01600	Increase in long-term loans	1,781,000	1,800,000
C01700	Repayments of long-term loans	(2,181,137)	(621,450)
C03000	Increase (decrease) in deposits received	(872)	(5,869)
C04020	Cash payments for the principal portion of the lease liability	(136,418)	-
C04500	Cash dividends	(676,261)	(669,000)
C04600	Issuance of restricted stock	5,985	48,410
C05800	Increase (decrease) in non-controlling interests	1,737,631	-
CCCC	Net cash provided by (used in) financing activities	1,285,546	595,177
DDDD	Effect of exchange rate changes	(12,534)	(60,982)
EEEE	Increase (decrease) in cash and cash equivalents	643,434	(273,343)
E00100	Cash and cash equivalents at beginning of period	10,068,669	10,342,012
E00200	Cash and cash equivalents at end of period	$10,712,103	$10,068,669

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

Attachment IV

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
Earnings Distribution Proposal
For The Year Ended December 31, 2019

Item	Amount (In: NT$)
Beginning retained earnings	$12,912,742,232
Less: Other comprehensive income (loss) in 2019	
-Actuarial gain/loss of defined benefit	(4,727,347)
Add: Adjustment of employee restricted stocks	297,657
Less: Net loss after tax in 2019	(2,025,332,039)
Special reserve	(83,020,969)
Distributable earnings	10,799,959,534
Less: Cash dividend to shareholders (NT$1.0 per share)	(451,039,005)
Unappropriated retained earnings	$10,348,920,529

Chairman: CEO: Chief Accountant:

Attachment V

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
Comparison for amendment to Articles of Incorporation

<table>
<tr><th>After amendment</th><th>Before amendment</th><th>Explanation</th></tr>
<tr><td>Article 6:
Share certificates of the Company shall be in registered form, signed or sealed by <u>directors representing the company</u>, <u>and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws before issuance.</u> The issued shares may be exempted from printing any share certificate, provided that such issuance shall <u>register the issued shares with a centralized securities depository enterprise agency and follow the regulations of that agency.</u></td><td>Article 6:
Share certificates of the Company shall be in registered form, signed or sealed by <u>at least three directors</u>, <u>and issued after the authentication in accordance with laws.</u> The issued shares may be exempted from printing any share certificate, provided that such issuance shall <u>be duly registered or kept with the securities depository and clearing agent.</u></td><td>According to Article 161-2 and 162 of “Company Act” to revise the contents.</td></tr>
<tr><td>Article 15:
The Company set up <u>seven to eleven</u> directors with three-year term in adopting the system of nominating candidates. The shareholders elect the directors from the list of candidates and the directors can be re-elected for next term.

During the directors' term, the Company shall buy enough insurance for all its directors to cover the legal liability that might incur in mal-practice of its Company’s business.

<u>The board meeting is authorized to resolve the remuneration for the executive directors, no matter the Company makes profit or not, based on the degree of their participation and contribution to the Company’s operations in reference to the industry level.</u></td><td>Article 15:
The Company set up <u>five to nine</u> directors with three-year term in adopting the system of nominating candidates. The shareholders elect the directors from the list of candidates and the directors can be re-elected for next term.

During the directors' term, the Company shall buy sufficient insurance for all its directors to cover the legal liability that might incur in mal-practice of its Company’s business.</td><td>1.Adjust the number of directors.

2.According to Article 196 of “Company Act” to add.</td></tr>
<tr><td>Article 24-1:
The Company, if making profits in current year, shall distribute the earnings in the following order:
1. Payment of all taxes and dues;
2. Offset prior years’ operation losses;
3. Set aside 10% of the remaining amount after deducting items (a) and (b) as legal</td><td>Article 24-1:
The Company, if making profits in current year, shall distribute the earnings in the following order:
1. Payment of all taxes and dues;
2. Offset prior years’ operation losses;
3. Set aside 10% of the remaining</td><td>Added a description of distributable earnings for clarity.</td></tr>
</table>

After amendment	Before amendment	Explanation
reserve; 4. Set aside or reverse special reserve in accordance with law and regulations; 5.The remaining portion after the above-mentioned, accounted for as distributable earnings from current year, plus the undistributed earnings from prior years, i.e. accumulated distributable earnings, can be distributed to shareholders based on the proposal submitted by the board and approved by shareholders. If any, will be recommended by the Board of Directors and resolved in the shareholders' meeting. To authorize the distributable dividends and bonuses in whole may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; a in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The Company is in an industry with versatile environment. For long-term finance planning requirements and to meet the shareholders' demand for cash, dividend policy aims for a steady balance. Shareholder extra dividend each year cannot be less than 10% of distributed surplus earnings and cash dividends distributed each year cannot be less than 10% of the gross amount of dividends.	amount after deducting items (a) and (b) as legal reserve; 4. Set aside or reverse special reserve in accordance with law and regulations; 5. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting. To authorize the distributable dividends and bonuses in whole may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting. The Company is in an industry with versatile environment. For long-term finance planning requirements and to meet the shareholders' demand for cash, dividend policy aims for a steady balance. Shareholder extra dividend each year cannot be less than 10% of distributed surplus earnings and cash dividends distributed each year cannot be less than 10% of the gross amount of dividends.	
Article 28 The Article was agreed by all the promoters in founder's meeting in September 1, 2000. The first revised was June 28, 2003. The second revised was August 26, 2003. The third revised was April 16, 2004. The fourth time revised was April 16, 2004. The fifth time revised was June 14, 2005. The sixth time revised was June 14, 2005. The seventh revised was June 19, 2006. The eighth revised was May 30, 2007. The ninth revised was May 30, 2008. The tenth revised was June 18, 2010. The eleventh revised was June 22, 2011. The twelfth revised was June 18, 2012. The thirteenth revised was May 27, 2016. The fourteenth revised was May 26, 2017. The fifteenth revised was	**Article 28**: The Article was agreed by all the promoters in founder's meeting in September 1, 2000. The first revised was June 28, 2003. The second revised was August 26, 2003. The third revised was April 16, 2004. The fourth time revised was April 16, 2004. The fifth time revised was June 14, 2005. The sixth time revised was June 14, 2005. The seventh revised was June 19, 2006. The eighth revised was May 30, 2007. The ninth revised was May 30, 2008. The tenth revised was June 18, 2010. The eleventh revised was June 22,	Additional revision date.

After amendment	Before amendment	Explanation
May 29, 2019. The sixteenth revised was May 28, 2020.	2011. The twelfth revised was June 18, 2012. The thirteenth revised was May 27, 2016. The fourteenth revised was May 26, 2017. The fifteenth revised was May 29, 2019.	

Attachment VI

Kinsus Interconnect Technology Corp.

Comparison amendment to
Practical Guidance for Lending to Others amendment table

After amendment	Before amendment	Explanation
Article 4: The ceiling for aggregate and individual amount available for lending the ceiling for the aggregate amount for the Company to lending to others is 20% of the equity except otherwise regulated by authority. While, that for individual amount if for affiliates or subsidiaries is 10% of the equity based on the most recent financial statements and the lower of the business transaction amount and 10% of the aggregate amount if for non-related parties with business transactions. The business transactions amount refers to the purchase amount or the sales amount of the goods between the parties, whichever is higher. When there is a lending for funding needs between offshore subsidiaries whose voting shares are 100% owned, directly or indirectly, by the Company, or overseas subsidiaries that are wholly owned by the Company, the ceilings for aggregate and individual amounts are 20% and 10% of the Company's equity, respectively, and lending period shall not exceed one year. When a responsible person of a company violates paragraph 1 or the proviso of the preceding paragraph, the responsible person shall bear joint and several liability with the borrower for repayment; if the company suffers damage, the responsible person also shall be liable for damages.	**Article 4:** The ceiling for aggregate and individual amount available for lending the ceiling for the aggregate amount for the Company to lending to others is 20% of the equity except otherwise regulated by authority. While, that for individual amount if for affiliates or subsidiaries is 10% of the equity based on the most recent financial statements and the lower of the business transaction amount and 10% of the aggregate amount if for non-related parties with business transactions. The business transactions amount refers to the purchase amount or the sales amount of the goods between the parties, whichever is higher. When there is a lending for funding needs between offshore subsidiaries whose voting shares are 100% owned, directly or indirectly, by the Company, the ceilings for aggregate and individual amounts are 20% and 10% of the Company's equity, respectively, and lending period shall not exceed one year.	1. To specify that lending among wholly owned overseas subsidiaries or lending granted by overseas subsidiaries to the parent company in Taiwan are free from the restriction of amount and duration of loan. 2. The responsible person of a company who has violated the provisions of the preceding Paragraph shall be liable, jointly and severally with the borrower, for the repayment of the loan at issue and for the damages, if any, to company resulted there-from in accordance with Article 15 of the Company Act.
Article 6: 1.~3. Omit. 4. Scope of authorization	**Article 6:** 1.~3. Omit. 4. Scope of authorization	To revise wording according to

After amendment	Before amendment	Explanation
The proposal of lending to others, after credit-investigation by financial department, shall be submitted to the general manager for review and the board meeting for resolution. Opinions of each independent director shall be taken into full consideration and any objections raised by independent directors and its reasons shall be recorded in the minutes of the Board of Directors meeting. Fund-lending between the Company and its subsidiaries, or among the subsidiaries, shall be approved by the board of directors of the lending company, which board may authorize its chairman to lend funds to a specific borrowing counterparty, within a certain pre-approved monetary amount and within a period not exceeding one year, in one or several drawdowns or via a revolving credit line. The "certain pre-approved monetary amount" mentioned above is no more than 10% of the net worth of the most recent financial statements with respect to the Company and subsidiaries to lend to any single enterprise except for the provision specified in Item#2, article#4.	The proposal of lending to others, after credit-investigation by financial department, shall be submitted to the general manager for review and the board meeting for resolution. Fund-lending between the Company and its subsidiaries, or among the subsidiaries, shall be approved by the board of directors of the lending company, which board may authorize its chairman to lend funds to a specific borrowing counterparty, within a certain pre-approved monetary amount and within a period not exceeding one year, in one or several drawdowns or via a revolving credit line. The "certain pre-approved monetary amount" mentioned above is no more than 10% of the net worth of the most recent financial statements with respect to the Company and subsidiaries to lend to any single enterprise except for the provision specified in Item#2, article#4.	Article 14-3 Item#2 of Securities and exchange Act.
Article 12: The Procedures shall be approved by more than half of the Audit Committee members before submitting for further approval from the Board of Directors and the Shareholders' Meeting. If approval of more than half of the Audit Committee members is not obtained, the Procedures may only be further processed if approved by more than two-thirds of all directors, provided that the resolution of the Audit Committee is recorded in the minutes of the Board of Directors meeting. Where any director expresses dissent and is recorded in the minutes or a written statement, the Company shall submit the dissenting opinion to the Shareholders' Meeting. Any amendment is subject to the same procedures. When the Procedures is submitted for discussion by the Board of Directors, opinions of each independent directors shall be taken into full consideration. If any	**Article 12:** The practical guidance should be agreed by the audit committee, resolved by the meeting of Board of Directors and implemented after being proposed to shareholders for final approval. The procedures for amendment are the same. The enacted date was at May 15, 2002. The first revised was January 30, 2003. The second revised was June 16, 2009. The third revised was June 18, 2010. The fourth time revised was June 18, 2012. The fifth time revised was June 17, 2013. The sixth time revised was June 19, 2014. The seventh revised was May 26, 2017.	1. To revise wording according to Article 14-3 Item#2 of Securities and exchange Act And Article 8 of the "Practical Guidance for public Company's Lending to others and Endorsement/ Guarantee. 2. Additional revision date.

After amendment	Before amendment	Explanation
independent director objects to or expresses reservations about any matter, the objection or reservation shall be recorded in the minutes of the Board of Directors meeting. The enacted date was at May 15, 2002. The first revised was January 30, 2003. The second revised was June 16, 2009. The third revised was June 18, 2010. The fourth time revised was June 18, 2012. The fifth time revised was June 17, 2013. The sixth time revised was June 19, 2014. The seventh revised was May 26, 2017. The eighth revised was May 28, 2020.		

Attachment VII

Kinsus Interconnect Technology Corp.
Comparison for amendment to
Practical Guidance for Endorsement & Guarantee

After amendment	Before amendment	Explanation
Article 6: 1.~2. Omit. 3. Authorization When providing endorsement/guarantee to another company, the Company shall evaluate the risks and prepare an evaluation report and may require the endorsee/guarantee company to provide collaterals if deemed needed. The endorsement/guarantee shall be pre-approved by the board of directors except for some urgent situations that may be approved by chairman, authorized by the board of directors as limited as mentioned in previous article, and submitted to the following board meeting for ratification. The opinions, either agreement, objection or qualified opinion, of independent directors shall be taken into consideration and <u>be recorded in the minutes of the Board of Directors meeting.</u> In case the above limits have to be exceeded to accommodate business needs, the approval from the Audit Committee and a resolution of the Board of Directors should be obtained and over half of all the directors should jointly endorse the potential loss that may be brought about by the excess of limits. The Board of Directors should also revise the Guidance and has it ratified at the Shareholders' Meeting. If the revised Guidance are not ratified at the Shareholders' Meeting, the Board of Directors should furnish a plan containing a timetable to withdraw the excess portion. The opinions, either agreement, objection or qualified opinion, of independent directors shall be taken into consideration and <u>be recorded in the minutes of the Board of Directors meeting.</u> If the party to whom the Company provided endorsement and/or guarantee no longer satisfies the criteria set forth in Article 2 herein, or the amount of	**Article 6:** 1.~2. Omit. 3. Authorization When providing endorsement/guarantee to another company, the Company shall evaluate the risks and prepare an evaluation report and may require the endorsee/guarantee company to provide collaterals if deemed needed. The endorsement/guarantee shall be pre-approved by the board of directors except for some urgent situations that may be approved by chairman, authorized by the board of directors as limited as mentioned in previous article, and submitted to the following board meeting for ratification. The opinions, either agreement or objection, of independent directors shall be taken into consideration and specified in the board meeting minutes when resolving the endorsement/guarantee. In case the above limits have to be exceeded to accommodate business needs, the approval from the Audit Committee and a resolution of the Board of Directors should be obtained and over half of all the directors should jointly endorse the potential loss that may be brought about by the excess of limits. The Board of Directors should also revise the Guidance and has it ratified at the Shareholders' Meeting. If the revised Guidance are not ratified at the Shareholders' Meeting, the Board of Directors should furnish a plan containing a timetable to withdraw the excess portion. The opinions, either agreement or objection, of independent directors shall be taken into consideration and specified in the board meeting minutes when resolving the endorsement/guarantee. If the party to whom the Company provided endorsement and/or guarantee no longer satisfies the criteria set forth in Article 2 herein, or the amount of endorsement and/or guarantee exceeded the limits due to	To revise wording according to Article 14-3 of Securities and exchange Act.

After amendment	Before amendment	Explanation
endorsement and/or guarantee exceeded the limits due to changes of basis on which the amounts of limits are calculated, the amount of endorsement/guarantee or the excess of limits shall be eliminated upon the maturity of the original contract or the updated contract. This situation shall be reported to the board of directors. The endorsement/guarantee made in accordance with Item 2, Article 3 of this Guidance, between the subsidiaries, whose voting shares are at least 90% owned, directly or indirectly, by the Company, shall be submitted to the Board of Directors for approval in advance, provided, however, this approval requirement shall not apply to endorsement/guarantee made between subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.	changes of basis on which the amounts of limits are calculated, the amount of endorsement/guarantee or the excess of limits shall be eliminated upon the maturity of the original contract or the updated contract. This situation shall be reported to the board of directors. The endorsement/guarantee made in accordance with Item 2, Article 3 of this Guidance, between the subsidiaries, whose voting shares are at least 90% owned, directly or indirectly, by the Company, shall be submitted to the Board of Directors for approval in advance, provided, however, this approval requirement shall not apply to endorsement/guarantee made between subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.	
Article 11: The Procedures shall be approved by more than half of the Audit Committee members before submitting for further approval from the Board of Directors and the Shareholders' Meeting. If approval of more than half of the Audit Committee members is not obtained, the Procedures may only be further processed if approved by more than two-thirds of all directors, provided that the resolution of the Audit Committee is recorded in the minutes of the Board of Directors meeting. Where any director expresses dissent and is recorded in the minutes or a written statement, the Company shall submit the dissenting opinion to the Shareholders' Meeting. Any amendment is subject to the same procedures. When the Procedures is submitted for discussion by the Board of Directors, opinions of each independent directors shall be taken into full consideration. If any independent director objects to or expresses reservations about any matter, the objection or reservation shall be recorded in the minutes of the Board of	**Article 11:** The practical guidance should be agreed by the audit committee, resolved by the meeting of Board of Directors and implemented after being proposed to shareholders for final approval. The procedures for amendment are the same. The enacted date was at May 15, 2002. The first revised was June 28, 2003. The second revised was June 19, 2006. The third revised was June 16, 2009. The fourth time revised was June 18, 2010. The fifth time revised was June 18, 2012. The sixth time revised was June 17, 2013. The seventh revised was June 19, 2014. The eighth revised was May 26, 2017.	1. To revise wording according to Article 14-3 of Securities and exchange Act and Article 11 of the" Practical Guidance for public Company's Lending to others and Endorsement/ Guarantee. 2. Additional revision date.

After amendment	Before amendment	Explanation
Directors meeting. The enacted date was at May 15, 2002. The first revised was June 28, 2003. The second revised was June 19, 2006. The third revised was June 16, 2009. The fourth time revised was June 18, 2010. The fifth time revised was June 18, 2012. The sixth time revised was June 17, 2013. The seventh revised was June 19, 2014. The eighth revised was May 26, 2017. The ninth revised was May 28, 2020.		

Appendix I

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
Rules of Procedure for Shareholder Meetings

Article 1
Unless otherwise required by laws and regulations, the shareholders meeting of the Company shall be held in accordance with these Rules.

Article 2
This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares present shall be calculated based on the attendance sheet or the attendance cards delivered.

Article 3
The attendance and voting at the shareholders' meeting shall be calculated based on the shares.

Article 4
The place of the shareholders meeting shall be at the office of the Company or at a location convenient to the shareholders and suitable for convening a shareholders meeting. The time of the meeting may not be earlier than 9 a.m. or later than 3 p.m.

Article 4-1
This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

Article 5
When the shareholders meeting was convened by the Board of Directors, the shareholders' meeting shall be presided by the Chairman of the Board of Directors. If the Chairman is absent or is unable to exercise the duties for certain reasons, the vice-Chairman shall act on his/her behalf. If the vice-Chairman is absent or is unable to exercise the duties for certain reasons, the Chairman may designate the managing director to act on his/her behalf; if there is no managing director, one of the directors may be designated to act on his/her behalf. Where the Chairman does not designate a proxy, the managing director or directors may elect a person among themselves to act on behalf of the Chairman. When the shareholders meeting was convened by other persons who have the convening right, the shareholders' meeting shall be presided by the convener. 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.

Article 6
The Company may designate the attorneys, accountants or relevant personnel engaged to present in the shareholders meeting. The staffs handling the shareholders meeting shall wear identification cards or arm-band.

Article 7
This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.
The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 8
Upon the starting time of the meeting, the chairman shall order the meeting to begin. However, where the shareholders present represent half or less than half of the total outstanding shares, the chairman may postpone the meeting for a total of two times. The postponed time may not in total exceed one hour. Where after two postponements, the shareholders present still do not meet the quorum but represent one-third or more of the total outstanding shares, a tentative resolution may be passed in accordance with Paragraph 1, Article 175 of the Company Act. If the shares present represent more than half of the total outstanding shares before the end of the meeting, the chairman may propose the tentative resolution to the shareholders meeting for voting in accordance with Article 174 of the Company Act.

Article 9
If the shareholders meeting is convened by the Board of Directors, its agenda shall be stipulated by the Board of Directors, and the meeting shall be held in accordance with the agenda and may not be changed without the resolution of the shareholders meeting. When the shareholders meeting was convened by other persons who have the convening right, the above paragraph shall apply mutatis mutandis. Before the closing of the discussions (including provisional motions) stipulated in the agenda under the above two paragraphs, the chairman may not announce the adjournment of the meeting without resolution. After the adjournment of the meeting, the shareholders may not elect a chairman to continue the meeting at the original address or at another location.

Article 10
Before a shareholder makes a statement, he/she must complete a statement slip stating the subject of the statement, the shareholder number (or attendance card number) and shareholder name, and the chairman shall determine the order of his/her statement. Where a shareholder present only completed a statement slip but did not make a statement, he/she will be deemed to not have made a statement. Where the statement made is inconsistent with that stated on the statement slip, the statement made will prevail. When a shareholder present makes a statement, the other shareholders may not make a statement and interfere, unless consent is obtained from the chairman and the shareholder making the statement. The chairman shall restrain such interfering shareholder.

Article 11
For each proposal, a shareholder may not make more than two statements, unless consent is obtained from the chairman. Each statement may not exceed five minutes. The chairman may restrain the shareholder form making the statement if he/she violates the above provisions or has exceeded the scope of the proposal.

Article 12
Where an institution is delegated to attend the shareholders meeting, it may only appoint one representative to attend.
Where the institution appoints two or more representatives to attend the shareholders meeting, only one person may make a statement for each proposal.

Article 13
After a shareholder makes a statement, the chairman may respond him/herself or designate a relevant person to respond.

Article 14
Where the chairman believes that the proposal discussed may be resolved, he/she may announce the ending of the discussion and propose that votes be made.

Article 15
If the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

Article 16
The personnel supervising and calculating the votes for the proposals shall be designated by the chairman, but the supervising personnel shall be a shareholder. Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes and the numbers of votes with which they were elected, shall be announced on-site at the meeting, and a record made of the vote.

Article 17
During the meeting, the chairman may announce recesses at his/her own discretion.

Article 18
Unless otherwise specified in the Company Act and the Articles of Incorporation, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present.

Article 19
When a proposal has an amendment or a replacement, the chairman may combine it with the original proposal and determine the order of resolution. If one of the proposals is resolved, the other proposals will be deemed as rejected and there is no need to make another resolution.

Article 20
The chairman may instruct the security officer to assist in maintaining the order of the meeting. The security officer shall wear an arm-band with the word "Security" when assisting in the maintenance of the order of the meeting.

Article 21
These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Article 22
These Rules and Procedures of Shareholders' Meeting were made on June 28, 2003. The first amendment was on June 17, 2013.

Appendix II

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Articles of Incorporation of Kinsus Interconnect Technology Corp.

CHAPTER 1 GENERAL PROVISIONS

Article 1
This Company is incorporated under the Company Act, with the name of KINSUS INTERCONNECT TECHNOLOGY CORP, and the English name of KINSUS INTERCONNECT TECHNOLOGY CORP.

Article 2
The business scope of the Company is as following:
1. CC01080 Electronic Parts and Components Manufacturing
2. F119010 Wholesale of Electronic Materials
3. F219010 Retail Sale of Electronic Materials
4. I103060 Management consultation
5. CQ01010 Die Manufacturing
6. CC01990 Electrical Machinery, Supplies Manufacturing
7. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
8. F401010 International Trade
9. C801010 Basic Industrial Chemical Manufacturing
10. ZZ99999 All business items that are not prohibited or restricted by laws and regulations, except for those subject to special approval.

Article 3
The Company has its head office in Taoyuan City, and the Company may establish branches in and out of this country.

Article 4
The method of the public announcement of the Company shall be made in accordance with Article 28 of the Company Act.

CHAPTER II SHARES

Article 5
The authorized capital of the Company is NTD 6,000,000,000, divided into 600,000,000 shares, at a par value of NTD 10 per share. The shares may be issued in installments, and the shares which have not been issued would be issued in installments pursuant to the resolution of board of directors. The registered capital keeps NTD 300,000,000 divided into 30,000,000 shares provided for exercise of the option of stock option certificates, preferred shares with warrants and warrants attached to corporate bonds, which may be issued in installments pursuant to the resolution of board of directors.

Article 5-1:
When the Company transfer to the employees at a price lower than the average price of the actual bought-back shares, or lower than “Regulations Governing the Offering and Issuance of Securities by Securities Issuers” exercise price issue employee stock warrants, it shall be resolved by two-thirds of the votes at a shareholders' meeting attended by shareholders representing a majority of the total number of issued shares.

Article 5-2:

The company of reward tools include stock repurchase, qualification requirements of employees, an issuance of new shares and shares of restricted stock for employees with Company Act and Securities and Exchange Act. Qualification requirements of employees, and subscription by employees including the employees of parents or subsidiaries of the company meeting certain specific requirements, provide for the board of directors.

Article 6

Share certificates of the Company shall be in registered form, signed or sealed by at least three directors, and issued after the authentication in accordance with laws. The issued shares may be exempted from printing any share certificate, provided that such issuance shall be duly registered or kept with the securities depository and clearing agent.

Article 7

The shareholders of the Company shall conduct shares related affairs or exercise other relevant rights in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies unless the laws, regulations or securities regulation rules provide otherwise.

Article 8

The shareholders' register shall be closed during 60 days prior to the date of an ordinary shareholders' meeting, 30 days prior to the date of an extraordinary shareholders' meeting, or five days period prior to the record dates for distribution of dividends, bonuses or other benefits of the Company.

CHAPTER III SHAREHOLDER'S MEETING

Article 9

The shareholders' meeting of the Company is as following：

1. Ordinary shareholders' meeting shall be convened within six months after close of each fiscal year by the branches.
2. Extraordinary shareholders' meeting shall be convened when necessary in accordance with the relevant laws and regulations.

Article 10

When the shareholders meeting was convened by the Board of Directors, the shareholders' meeting shall be presided by the Chairman of the Board of Directors. If the Chairman is absent, the Chairman may designate one of the directors to act on his/her behalf. Where the Chairman does not designate a proxy, the directors may elect a person among themselves to act as the chairman of the meeting. When the shareholders meeting was convened by other persons who has the convening right, the shareholders' meeting shall be presided by the convener. When there are two or more conveners, the conveners shall elect among themselves to act as the chairman of the meeting.

Article 11

A notice to convene an ordinary meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date, and a notice to convene an extraordinary meeting of shareholders shall be given to each shareholder no later than 15 days prior to the scheduled meeting date. Such notice shall specify the meeting date, meeting venue, and proposed matters and be sent to the shareholders in writing.

Article 12
When a shareholder for any reasons cannot attend the shareholders' meeting in person, he/she/it may attend the meeting by proxy by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy.

Article 13
Except in the circumstances set forth in the Company Act where there is no voting right for a share, each shareholder of the Company shall have one vote for each share held.

Article 14
Unless otherwise specified in the Company Act, resolutions at a shareholders' meeting shall be adopted by a majority vote of the shareholders present in person or through proxy, who represent more than one-half of the total number of voting shares. When the shareholders meeting was convened by the Board of Directors, it shall be handled in accordance with Article 183 of the Company Act.

CHAPTER IV DIRECTORS, AUDIT COMMITTEE AND MANAGERS

Article 15
The Company set up five to nine directors with three-year term in adopting the system of nominating candidates. The shareholders elect the directors from the list of candidates and the directors can be re-elected for next term.

During the directors' term, the Company shall buy enough insurance for all its directors to cover the legal liability that might incur in mal-practice of its Company’s business.

Article 15-1
The Company may have independent directors within the aforementioned number of directors and the number of independent directors shall be no less than one-fifth of the total number of directors and shall not be less than two. The election of independent directors shall adopt the candidate nomination system, and the shareholders shall elect the independent directors from the list of the candidates of the independent directors. The professional qualifications, shareholdings, restrictions on concurrent position, nomination, and other compliance matters shall be handled in accordance with relevant regulations of the securities authorities.

Article 15-2
Pursuant to Article 14 -4 of the Securities and Exchange Act, the Company shall establish an Audit Committee. The Audit Committee shall be composed of the entire number of Independent Directors.

Article 15-3:
The board of directors of a company may have any other functional committees.
Any other functional committees shall establish exercise power rules and be enforced after resolving them in the board of directors

Article 16
The board of directors is composed of directors. The functions and responsibilities of the board of directors shall be as follows:

1. To determine the business plans and financial statements,
2. To propose distribution of profit or appropriation of losses,
3. To propose capital increase or decrease,

4. To enact important rules and organizational regulations of the Company,
5. To engage and terminate the general manager and principal manager of the Company
6. To determine the establishment and winding-up of branches,
7. To produce the budget and the final accounts, and
8. To perform other duties authorized by the Company Act or the resolution of the shareholders' meeting(s).

Article 17
The Chairman will be elected from among directors by a majority vote at a board meeting at which at least two-thirds (2/3) of directors are present. The Chairman shall be the representative of the Company externally.

Article 18
Convening the board meeting shall be handled in accordance with Article 204 of the Company Act. In order to convene the board meeting, notice may be made by written notice, e-mail or fax. Unless otherwise provided for in the Company Act, resolutions of the board of directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors.

Article 19
The Chairman will preside at the board meetings. If the Chairman is on leave or unable to perform his/her duties, the Chairman may designate one of the directors to act on his/her behalf. Where the Chairman does not designate a proxy, the directors may elect a person among themselves to act as the chairman of the meeting. The directors shall personally attend the board meeting, and if the directors cannot attend the board meeting for certain reasons, he/she may appoint another director as his/her proxy. The board meeting may be convened via video conference, and the directors who attend the board meeting via video conference shall be deemed to have attended the meeting in person. The Chairman appoint another director as his/her proxy each time with a power of attorney stating the scope of authority with reference to the subjects to be discussed at the meeting and powers granted; provided that a director may act as the proxy for only one another director.

Article 20
The authority of the Audit Committee and the other compliance issues shall be made according to the Securities and Exchange Act and other relevant laws and regulations.

Article 21
The Company may have various managers. The appointment, discharge and the remuneration of the managers shall be handled in accordance with Article 29 of the Company Act.

CHAPTER V ACCOUNTING

Article 22
The fiscal year of the Company commences from January 1 to December Final accounts shall be handled at the end of each fiscal year.

Article 23
After the end of each fiscal year, the following documents and statements should be approved by the board of directors, and then submit the same to the ordinary shareholders' meeting for recognition:

1. Business Report,
2. Financial Statements, and
3. Proposal for distribution of profit or appropriation of losses

Article 24
The Company, if making profits in current year, shall provide the ratio of employee compensation to "income before tax and the employee and directors' compensation to be provided" at less than 10% and the ratio of directors' compensation to "income before tax and the employee and directors' compensation to be provided" at be more than 1%, provided that all accumulated deficits, if any, are fully offset.

The employees' compensation can be distributed in cash or stocks. The employees receiving the stock dividends may include employees in affiliated or control companies who met certain conditions stipulated by the Board of Directors authorized.

Employee and directors' compensation are to report in the shareholders' meeting.

Article 24-1
The Company, if making profits in current year, shall distribute the earnings in the following order:
1. Payment of all taxes and dues;
2. Offset prior years' operation losses;
3. Set aside 10% of the remaining amount after deducting items (a) and (b) as legal reserve;
4. Set aside or reverse special reserve in accordance with law and regulations;
5. The distribution of the remaining portion, if any, will be recommended by the Board of Directors and resolved in the shareholders' meeting.

To authorize the distributable dividends and bonuses in whole may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.

The Company is in an industry with versatile environment. For long-term finance planning requirements and to meet the shareholders' demand for cash, dividend policy aims for a steady balance. Shareholder extra dividend each year cannot be less than 10% of distributed surplus earnings and cash dividends distributed each year cannot be less than 10% of the gross amount of dividends.

ARTICLE VI SUPPLEMENTARY PROVISIONS

Article 25
The Company is allowed to make investment in an amount exceeding 40% of its paid-in capital and authorizes the Board of directors to execute the investment.

Article 25-1
The Company may provide guarantee as necessary for the business.

Article 26
The organizational rules and operating rules of the Company shall be enacted separately by the Board of Directors remuneration.

Article 27
If there is any matter not covered herein, the Company Act and the relevant laws and regulations shall govern.

Article 28
The Article was agreed by all the promoters in founder's meeting in September 1, 2000. The first revised was June 28, 2003. The second revised was August 26, 2003. The third revised was April 16, 2004. The fourth time revised was April 16, 2004. The fifth time revised was June 14, 2005. The sixth time revised was June 14, 2005. The seventh revised was June 19, 2006. The eighth revised was May 30, 2007. The ninth revised was May 30, 2008. The tenth revised was June 18, 2010. The eleventh revised was June 22, 2011. The twelfth revised was June 18, 2012. The thirteenth revised was May 27, 2016. The fourteenth revised was May 26, 2017. The fifthteenth revised was May 29, 2019.

Appendix III

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
PRACTICAL GUIDELINES FOR LENDING TO OTHERS

Article 1

The procedure punished according to the Company Act and the relevant provisions of the Financial Supervisory Commission.

Article 2

The Company loan funds to any of its shareholders or any other person under the following circumstances.

1. Where an inter-company or inter-firm business transaction calls for a loan arrangement;
2. Where an inter-company or inter-firm short-term financing facility is necessary. The term "short-term" as used in the preceding paragraph means one year, or the operating cycle (which is longer).

Article 3

The reason for and necessity of loaning funds to others

The Company loaning funds to others with business transactions shall be in accordance with article 4. The Company loaning funds to others due to financial needs shall be limited to the following conditions:

1. To an entity owned by the Company in 50% or above of share interests and with the necessity of being short-term financed for business needs.
2. To other entity due to the necessity of being short-term financed for purchasing materials or operational needs.
3. To other situations that be approved by the board for financing.

Article 4

The ceiling for aggregate and individual amount available for lending

The ceiling for the aggregate amount for the Company to lending to others is 20% of the equity except otherwise regulated by authority. While, that for individual amount if for affiliates or subsidiaries is 10% of the equity based on the most recent financial statements and the lower of the business transaction amount and 10% of the aggregate amount if for non-related parties with business transactions. The business transactions amount refers to the purchase amount or the sales amount of the goods between the parties, whichever is higher.

When there is a lending for funding needs between offshore subsidiaries whose voting shares are 100% owned, directly or indirectly, by the Company, the ceilings for aggregate and individual amounts are 20% and 10% of the Company's equity, respectively, and lending period shall not exceed one year.

Article 5

Loan term and calculation of interest are as follows

1. Term: The term of each loan extended by the Company shall not exceed one year.
2. Interest rate: shall not be lower than the rate that the Company loans from financial institutions for short-term loans. Interest payment shall generally be collected in a monthly basis.
3. Adjustment may be granted based on facts upon certain circumstances approved by the board of directors.

Article 6

Review procedures

1. Application

   Regarding the Company's lending to others, the borrower shall provide necessary company background and financial information to the Company for applying formally the line of credit and for the Company to set up "Book of Lending" to record the detail of borrower, amount, date of board approval, date of lending, the necessity and reasonableness for lending, credit status and risks of borrower, the impacts on the Company's operational risks, financial position and equity, decision to or not to obtain collaterals and assessing basis.
2. Checking credit and assessing risks The Company shall complete a credit investigation report by conducting, executed by financial department, investigations and assessments for the borrower's business, financial position, ability and credential to repay the loan, profitability and the usage of borrowing.
3. Security

   The Company shall acquire from the borrower a promissory note with the same amount with the loan before lending to others or acquire certain assets or property as collaterals if deemed necessary. For security purpose, the board of directors may allow the borrower endorsed by capable individuals or corporations, instead of acquiring collaterals from the borrower, by taking into consideration of the credit report provided by financial department. The Company shall review the guarantor's article of incorporation for any permission for guaranty if the guarantor is a corporation.
4. Scope of authorization

   The proposal of lending to others, after credit-investigation by financial department, shall be submitted to the general manager for review and the board meeting for resolution. Fund-lending between the Company and its subsidiaries, or among the subsidiaries, shall be approved by the board of directors of the lending company, which board may authorize its chairman to lend funds to a specific borrowing counterparty, within a certain pre-approved monetary amount and within a period not exceeding one year, in one or several drawdowns or via a revolving credit line.

   The "certain pre-approved monetary amount" mentioned above is no more than 10% of the net worth of the most recent financial statements with respect to the Company and subsidiaries to lend to any single enterprise except for the provision specified in Item#2, article#4.

Article 7

Controlling measures of lending profile are as follows:

After the drawdown, the financial condition, business operation, credit status and value of collateral, if any, of the borrowers and guarantors shall be monitored closely. Shall there be any material changes, chairman shall be informed immediately, and corrective actions shall be carried out in accordance with the instruction of the chairman.

Borrowers, prior to the due date of the loan, shall calculate and pay the interest along with the loan amount in order to have the promissory note cancelled or returned to the borrower or the mortgage written off.

All loans and its interest shall be paid off upon the due date. In the event that a loan is over-due and not repaid, the Company shall take legal measures against its collateral or guarantor.

Article 8

The Company shall enact and submit to audit committee an improvement plan for control and execution if certain situations, such as the Company's net worth reduced) that make the borrower incapable to meet the credit requirement or the lending amount exceed the lending limitation.

The Company's lending to parent company and subsidiaries or lending among subsidiaries shall be in compliance with the resolution of board meeting and can be authorized to the chairman to execute the lending to the same borrower within the certain amount and for no more than one year in several installments.

The “certain pre-approved monetary amount” mentioned above is no more than 10% of the net worth of the most recent financial statements with respect to the Company and subsidiaries to lend to any single enterprise except for the provision specified in Item#2, article#4.

Article 9

The Company shall make a public announcement and submit the related information to security authority in accordance with relevant regulations.

Article 10

The Company’s subsidiaries may lend to others only when the subsidiaries enact a practical guidance for lending to others in accordance with the Practical Guidance for Public Companies to Lend to Others and complete the subsidiaries’ board approval procedures.

The subsidiaries shall prepare a monthly detail schedule of lending to others and submit the schedule to the Company’s financial department for the purpose of public announcement and filing to authority. If the subsidiaries are not domestic public companies, the Company is responsible for the subsidiaries’ public announcement and filing matters.

Article 10-1

The subsidiaries or parent companies referred to in this Guidance be consistent with the definition in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

The financial statements of a public company is referred to as that prepared under IFRS. The net worth referred to in the Guidance is the equity account in balance sheet attributed to parent company under the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuer.

Article 11

Penalty

Any employee who takes in-charge of the lending to others but breaches the regulation in the Guidance shall be punished according to the materiality of breach and taken into consideration upon annual performance assessment based on the Company’s management rule.

Article 12

The practical guidance should be agreed by the audit committee, resolved by the meeting of Board of Directors and implemented after being proposed to shareholders for final approval. The procedures for amendment are the same.

These Articles of Incorporation were agreed upon and signed on May 15, 2002.
First amended on Jan. 30, 2003;
Second amended on Jun. 16, 2009;
Third amended on Jun. 18, 2010;
Fourth amended on Jun. 18, 2012;
Fifth amended on Jun. 17, 2013;
Sixth amended on Jun. 19, 2014;
Seventh amended on May. 26, 2017.

Appendix IV
(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Kinsus Interconnect Technology Corp.
PRACTICAL GUIDANCE FOR ENDORSEMENTS/GUARANTEES

Article 1
The guidance has been enacted in accordance with the Company Act and the relevant provisions of the Financial Supervisory Commission.

Article 2
Scope of application
The Company, when making endorsements/guarantees, shall be in compliance with this Guidance.
The term "endorsements/guarantees" as used in these Regulations refers to the following:
1. Financing endorsements/guarantees, including:
(1) Bill discount financing.
(2) Endorsement or guarantee made to meet the financing needs of another company.
(3) Issuance of a separate negotiable instrument to a non-financial enterprise as security to meet the financing needs of the Company itself.
2. Customs duty endorsement/guarantee, meaning an endorsement or guarantee for the Company itself or another company with respect to customs duty matters.
3. Other endorsements/guarantees, meaning endorsements or guarantees beyond the scope of the above two subparagraphs.
4. Any creation by the company of a pledge or mortgage on its chattel or real property as security for the loans of another company shall also comply with these Regulations.

Article 3
The Company may make endorsements/guarantees only for the following companies:
1. A company with which the Company does business.
2. A company in which the Company directly and indirectly holds more than 50 percent of the voting shares.
3. A company that directly and indirectly holds more than 50 percent of the voting shares in the Company.
Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other.

Article 4
Ceiling for Endorsement and Guarantee
The aggregate amount of endorsement and guarantee provided by the Company shall not exceed 50% of the net worth of the Company’s most recent financial statements.
The total amount of the endorsement and guarantee provided to any individual company shall not exceed 20% of the net worth of the Company’s most recent financial statements.
The endorsement and guarantee made between the subsidiaries, whose voting shares are at least 90% owned, directly or indirectly, by the Company, shall not exceed 10% of the net worth of the Company’s most recent financial statements. However, this limitation shall not apply to the endorsement or guarantee made between subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.
The aggregate amount of endorsement and guarantee and the total amount to each individual company provided by the Company and/or its subsidiaries shall not exceed 60% and 30%, respectively, of the net worth of the Company’s most recent financial statements.

While, the endorsement or guarantee made for an entity with business transactions shall not exceed the lower of the business transactions amount or 10% of the total endorsement and guarantee amount that the Company makes for others.
The business transaction amount refers to the purchase amount or sales amount of the goods between the parties, whichever is higher.
The Company and subsidiaries shall report the necessity and reasonableness to the shareholders when the total endorsement and guarantee amount reaches 50% of the equity of the most recent financial statements.

Article 5
Procedures for use and custody of corporate chops
Expect providing guarantee notes for the use of notes making endorsement/guarantee activities, it also shall use the company chop (the "Chop") registered with the Ministry of Economic Affairs ("MOEA") for the use of endorsement and/or guarantee.
The chop for the use of notes, the Chop and notes shall be under the safekeeping of a special personnel and may be used to issue negotiable instruments only following proper internal procedure.
The appointment and the change of the personnel safekeeping the Chop shall be approved by the resolution of the Board of Directors.
If the Company provides guarantees in favor of a foreign company, the Guarantee Agreement shall be signed by the person who was authorized by the Board of Directors.

Article 6
Endorsement/guarantee procedures
1. Application
   The Company shall complete an application form for any endorsement/guarantee and also establish and maintain a reference book to record all endorsement/guarantee-related information in accordance with the relevant regulation, including the parties to be endorsed/guaranteed, amount, the date of board meeting resolution or chairman approval, the date of endorsement/guarantee, the necessity and rationality of the endorsement/guarantee, the credibility and risk of involved parties, the impact towards the Company's operating risk, financial position and shareholders' equity, and the necessity to acquire collateral and appraisal of collateral.
2. Checking credibility and risk assessment
   Finance Department, based on the application form, shall then investigate into the business that the parties to be endorsed/guaranteed are involved, the financial position, the ability to repay the debts and credibility, profitability and usage of loans, for evaluating the necessity and rationality of the endorsement/guarantee, the credibility and risk of involved parties, the impact towards the Company's operating risk, financial position and shareholders' equity, and the necessity to acquire collateral and appraisal of collateral. Such evaluation results, along with comments and opinions provided by other related departments, shall be submitted to the Board of Directors for approval. A pre-determined limit may be delegated to the Chairman by the Board of Directors to facilitate execution and such endorsement/guarantee shall be reported to the most upcoming Board of Directors' Meeting for ratification.
3. Authorization
   When providing endorsement/guarantee to another company, the Company shall evaluate the risks and prepare an evaluation report and may require the endorsee/guarantee company to provide collaterals if deemed needed. The endorsement/guarantee shall be pre-approved by the board of directors except for some urgent situations that may be approved by chairman, authorized by the board of directors as limited as mentioned in previous article, and submitted to the following board meeting for ratification. The opinions, either agreement or objection, of independent directors shall be taken into consideration and specified in the board meeting

minutes when resolving the endorsement/guarantee.

In case the above limits have to be exceeded to accommodate business needs, the approval from the Audit Committee and a resolution of the Board of Directors should be obtained and over half of all the directors should jointly endorse the potential loss that may be brought about by the excess of limits. The Board of Directors should also revise the Guidance and has it ratified at the Shareholders' Meeting. If the revised Guidance are not ratified at the Shareholders' Meeting, the Board of Directors should furnish a plan containing a timetable to withdraw the excess portion. The opinions, either agreement or objection, of independent directors shall be taken into consideration and specified in the board meeting minutes when resolving the endorsement/guarantee. If the party to whom the Company provided endorsement and/or guarantee no longer satisfies the criteria set forth in Article 2 herein, or the amount of endorsement and/or guarantee exceeded the limits due to changes of basis on which the amounts of limits are calculated, the amount of endorsement/guarantee or the excess of limits shall be eliminated upon the maturity of the original contract or the updated contract. This situation shall be reported to the board of directors.
The endorsement/guarantee made in accordance with Item 2, Article 3 of this Guidance, between the subsidiaries, whose voting shares are at least 90% owned, directly or indirectly, by the Company, shall be submitted to the Board of Directors for approval in advance, provided, however, this approval requirement shall not apply to endorsement/guarantee made between subsidiaries in which the Company holds, directly or indirectly, 100% of the voting shares.

Article 7
If, due to changes of circumstances (such as exceeding limit due to reduction in the Company's net worth), the party to whom the Company provided endorsement and/or guarantee no longer satisfies the criteria, or the amount of endorsement and/or guarantee exceeded the limits, a corrective plan shall be provided to the audit committee and the proposed correction actions should be implemented within the period specified in the plan.
In case the Company provides endorsement/guarantee for the benefit of a subsidiary whose net worth is lower than half of its paid-in capital, the Company shall examine the relevant risks, establish risk control measures and exercise implementation review as below.
1. After providing endorsement/guarantee, the Company shall closely monitor the financial position, business development and credibility of the subsidiary and also the fluctuations in fair value of collaterals if so provided. Any significant changes in fair value of collaterals shall be immediately reported to the general manager and the chairman to seek for the urgent and necessary remediation.
2. Only when the endorsement/guarantee is released, the Company can return the pledged promissory note or collaterals to the parties to whom the Company provided endorsement and/or guarantee or allow the pledged right to be eliminated.
3. Any extension of the endorsement/guarantee shall be proposed in advance to the Company's board of directors by the parties to whom the Company provided endorsement and/or guarantee. Any violation of this requirement may cause the Company to directly dispose the pledged assets or collaterals as repayment.

For purposes of determining the paid-in capital of the above-mentioned subsidiary receiving from the Company any endorsement/guarantee who has no par value or has a par value other than NT$10, the sum of the share capital plus "capital surplus - additional paid-in capital" shall be deemed as its paid-in capital.

Article 8
Reporting and announcement procedures for endorsement/guarantee
Should there be any endorsement/guarantee which is required to be reported to the governmental authority-in-charge or to be publicly announced, such report or public announcement shall be

made by the Company in accordance with the relevant laws, rules and regulations.

Article 9

The Company's subsidiary who desires to make endorsement/guarantee to others shall enact its own guidance according to the "Guidelines for Fund-Lending and Providing Endorsements and Guarantees by Public Companies", propose it to the board of directors for approval and then execute the endorsement/guarantee accordingly.

The Company's subsidiary who makes any endorsement/guarantee shall prepare detailed schedule of endorsement/guarantee for the most recent month for the financial department to execute announcement and reporting matters.

If there is any reporting and announcement required for the Company's subsidiary which is not a domestic public company, the Company will follow the requirement on behalf of its subsidiary.

Article 9-1

The "subsidiary" or "parent company" referred in this Guidance shall be defined as the same as those in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. Where the Company's financial reports are prepared according to the International Financial Reporting Standards, "net worth" in the Guidance means the equity attributable to owners of the parent in the balance sheet.

Article 10

Penalty

The Company's managers and persons-in-charge shall follow the Guidance in order to prevent the Company from incurring any losses. Should there be any violation of related regulations or the Guidance, subsequent castigation is subject to the related Personnel Articles of the Company in considering the materiality of violation.

Article 11

The Guidance should be agreed by the audit committee, resolved by the meeting of Board of Directors and implemented after being proposed to shareholders for final approval. The procedures for amendment are the same.

These Articles of Incorporation were agreed upon and signed on May 15, 2002.
First amended on Jun. 28, 2003;
Second amended on Jun. 19, 2006;
Third amended on Jun. 16, 2009;
Fourth amended on Jun. 18, 2010;
Fifth amended on Jun. 18, 2012;
Sixth amended on Jun. 17, 2013;
Seventh amended on Jun. 19, 2014.
Seventh amended on Jun. 19, 2014.
Eighth amended on May. 26, 2017.

Appendix V

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Shareholding of Directors

1. Paid-in capital of the Company is NTD$4,510,390,050, with a total of 451,039,005 outstanding shares.
2. According to Article 26 of the Securities and Exchange Act, the minimum number of shares to be held by the entire directors is 16,000,000 shares.
3. As of the date for suspending the share transfer for this shareholders meeting, the shareholding of each individual and entire directors stipulated in the shareholders roster is as follows:

Book closure date: March 30, 2020

Position	Name	Shareholding when elected		Current shareholding	
		Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)
Chairman	Guo, Ming-Dong	1,069,795	0.24%	1,069,795	0.24%
Director	Tong, Zi-Xian	200,000	0.04%	200,000	0.04%
Director	Chen, Ho-Shu	361,002	0.08%	361,002	0.08%
Director	Asustek Investment Co. Ltd.	58,233,091	13.06%	58,233,091	12.91%
	Representative: Su, Yan-Xue	-	-	-	-
Director	Asuspower Investment Co. Ltd.	55,556,221	12.46%	55,556,221	12.32%
	Representative: Wu, Xiang-Xiang	-	-	-	-
Director	Cheng, Zhong-Ren	-	-	-	-
Independent Director	Chen, Jin-Cai	-	-	-	-
Independent Director	Hwang, Chung-Pao	-	-	-	-
Independent Director	Wu, Hui-Huang	-	-	-	-
Total		115,420,109	25.88%	115,420,109	25.59%

Appendix VI

(Translation – In case of any discrepancy between the Chinese and English versions, the Chinese version shall prevail.)

Other Explanation Item

The acceptance of the shareholders' proposals for the shareholders meeting this year:

1. According to Article 172-1 of the Company Act, shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a shareholders' general meeting.

2. The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and more than one proposal or any proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting.

3. The period for acceptance of shareholders' proposal: From March 20, 2020 to March 30, 2020; the information has been announced on the Market Observation Post System.

4. The Company did not receive any shareholders' proposal during the aforesaid period.