



ASMedia Technology Inc.

2022 Annual shareholders' meeting minutes (Translation)

1. Time : 9:00am on June 9, 2022 (Thursday)
2. Venue : No. 219-2, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City (The Koos Hotel Conference Room)
3. Attendance : The total number of shares issued by the Company was 69,218,051 and the total number of voting shares was 69,218,051. The total number of shares represented by the attending shareholders and proxies was 63,687,579 of which 55,530,635 shares were electronically attended to exercise voting rights, representing an attendance rate of 92.01%.
Director present : Chien-Ping Hsieh(Independent Director& the Convener of Audit Committee)
Director present (video attendance): Ted Hsu(Representative of Corporate Director)
Hung-Chih Chan (Independent Director)
other present : Jerry Wang, Head of Legal Affairs,
CPA Shih-Jung Weng of pwc Taiwan
4. Chairman : Chewei Lin;
Meeting Recorder : Martin Pan
5. Chairman's Statements : None
6. Report Items
Report No. : 1
Item : Business Report of 2021
Explanation : Please refer to attachment for the Company's 2021 Business Report.

Report No. : 2
Item : Audit Committee's Review Report on 2021 Financial Statements
Explanation : Please refer to attachment for the Audit Committee's Review Report.

Report No. : 3

Item : Report of Employees' and Director's Remuneration for 2021

- Explanation :
1. The Company's profit before the appropriation of employees and directors remuneration in 2021 was NT\$3,454,122,739. According to Article 24 of Company's Articles of Incorporation, the profit allocated to the Employees' remuneration was NT\$249,545,838. The profit allocated to Directors' remuneration was NT\$11,428,457. The above-mentioned will be paid in cash.
 2. There is no difference between the amount approved by the Board of Directors and the amount recognized as expense in 2021.

Report No. : 4

Item : The Earnings Distribution of Cash Dividends for 2021.

- Explanation :
1. The Board of Directors is authorized to decide the distribution of partial or full dividends in cash, and report the decision to the shareholders meeting in accordance with Article 24-1 of the Articles of Incorporation.
 2. The proposed distribution of cash dividends amounting to NT\$1,799,669,326 were distributed to shareholders at NT\$26 per share and will be paid in cash under the resolution by the Board of Directors on March 14, 2022. Shareholder cash dividend that is less than NT\$1 should be rounded to the nearest integer; also, fractional dividends will be claimed by the Company as other income. The Board of Directors is authorized to resolve the ex-dividend record date and other relevant issues.
 3. If the dividend ratio of the earnings distribution is changed and must be adjusted as a result of a change in the number of outstanding shares, the Board of Directors is authorized to arrange necessary adjustments.

Shareholders (No. 336 、 No. 7134) have some queries about the company's operating strategy, inventory reserve. However, all queries have been given detailed replies by the Chairman as well as persons in charge.

7. Adoption Items

Adoption No. 1: (Proposed by the Board of Directors)

Item: To adopt 2021 Business Report and Financial Statements

Explanation: The 2021 Business Report and financial statements for ASMedia Technology Inc. were approved by the ASMedia Board of Directors and audited by CPA Shih-Jung Weng and CPA Chun-Yao Lin of PWC Taiwan, who have concluded that the 2021 financial status and operating results have been presented fairly. The aforementioned financial statements and Business Reports were reviewed by the Audit Committee of ASMedia Technology with review report submitted. Please refer to attachment for Review Report.

Resolution: Voting results of this motion - 63,687,579 votes were cast by shareholders present at the time of voting (of which 55,530,635 votes were exercised electronically); 62,535,486 votes were cast in favor (of which 54,426,426 votes were exercised electronically) and 6,044 votes were cast against (of which 6,044 votes were exercised electronically). There were 1,146,049 abstentions and non-votes (of which 1,098,165 abstentions were exercised electronically). The number of affirmative votes exceeded the legal limit, and the case was approved as originally proposed.

Adoption No. 2: (Proposed by the Board of Directors)

Item: To adopt the proposal for distribution of 2021 profits

Explanation: 1. In 2021, the net income after tax was NT\$3,193,148,444. After adding unappropriated earnings of prior years NT\$1,328,103,462, adjusted retained earnings of NT\$120,635,108 and legal reserve of NT\$331,378,355, the total distributable surplus for 2021 is NT\$4,310,508,659.

2. Please refer to attachment for the Distribution of 2021 Earnings.

Resolution: Voting results of this motion - 63,687,579 votes were cast by shareholders present at the time of voting (of which 55,530,635 votes were exercised electronically); 62,551,400 votes were cast in favor (of which 54,442,340 votes were exercised electronically) and 6,130 votes were cast against (of which 6,130 votes were exercised electronically). There were 1,130,049 abstentions and non-votes (of which 1,082,165 abstentions were exercised electronically). The number of affirmative votes exceeded the legal limit, and the case was approved as originally proposed.

8. Discussion Items

Discussion No. 1: (Proposed by the Board of Directors)

Item: To approve the amendments of the Company's "Procedures for Election of Directors"

Explanation: In order to comply with the law and the practical operation process of the election of directors, we intend to revise some of the provisions of the Company's "Procedures for Election of Directors", please refer to attachment for the comparison table of the revised provisions.

Resolution: Voting results of this motion - 63,687,579 votes were cast by shareholders present at the time of voting (of which 55,530,635 votes were exercised electronically); 62,551,416 votes were cast in favor (of which 54,442,356 votes were exercised electronically) and 6,114 votes were cast against (of which 6,114 votes were exercised electronically). There were 1,130,049 abstentions and non-votes (of which 1,082,165 abstentions were exercised electronically). The number of affirmative votes exceeded the legal limit, and the case was approved as originally proposed.

Discussion No. 2: (Proposed by the Board of Directors)

Item: To approve the amendments of the Company's "Procedures for Acquisition or Disposal of Assets"

Explanation: In accordance with the amendment to the Company Act and the Company's operational requirements, we intend to revise some provisions of the Company's "Procedures for Acquisition or Disposal of Assets", please refer to attachment for the comparison table of the revised provisions.

Resolution: Voting results of this motion - 63,687,579 votes were cast by shareholders present at the time of voting (of which 55,530,635 votes were exercised electronically); 62,551,414 votes were cast in favor (of which 54,442,354 votes were exercised electronically) and 6,115 votes were cast against (of which 6,115 votes were exercised electronically). There were 1,130,050 abstentions and non-votes (of which 1,082,166 abstentions were exercised electronically). The number of affirmative votes exceeded the legal limit, and the case was approved as originally proposed.

9. Extemporary Motion : None

Shareholders (No. 336 、 No. 7134) have some queries about the company's operating strategy, purpose of amended procedures. However, all queries have been given detailed replies by the Chairman as well as persons in charge.

10. Meeting Adjourned : After the Chairman asked the shareholders present if there was any extemporary motion, the Chairman declared the meeting adjourned.
(The minutes of the shareholders' meeting are only the gist of the meeting and the details are subject to the audio-visual recording of the meeting)

Attachment

Business Report

Looking back at 2021 under the global pandemic, as the pandemic gradually subsides, vaccination rates increase, and economic activity begins to slowly recover, supported by fiscal policies in various countries, the economic performance in major countries and regions was significantly higher than in 2020. Although the trend of global economic recovery was obvious, however, the supply of semiconductors, shipping and logistics, and energy resource does not meet the demand. In addition, the effects of uneven distribution of vaccines in the process of recovery has caused a divergence in global economic growth. On the other hand, Taiwan's economy continued to grow steadily throughout the year as it benefited from the economic recovery and even expansion in the United States, and Europe, which boosted demand for goods and further boosted Taiwan's export performance.

In terms of industry, the PC industry is benefiting from the strong demand of remote work and education, although entry-level laptops were still the mainstream selection, driving the growth trend of external storage device controller market demand. The original USB 3.2 10G/20G and other high-speed host controller ICs in Intel's high-end platform were performing on par. However, the overall shortage of semiconductor capacity has led to material shortages and price increases in the market, and has limited the supply of some client products. Although the market demand for high-speed controller ICs remains strong, the overall supply difficulties cannot be effectively relieved in a timely manner. Nevertheless, we were still able to maintain a certain level of revenue in 2021 by effectively deploying our product capacity and shipments of USB and PCIe controller IC product lines driven by customers in China.

In terms of operating performance, the revenue in 2021 was NT\$6.01 billion, a decrease of approximately 14% from 2020, while gross profit for 2021 was NT\$3.21 billion, a decrease of approximately 12% from 2020. However, the gross profit margin has increased to 54%. The operating income in 2021 was NT\$1.937 billion, a decrease of 22% from 2020. The net income in 2021 was NT\$3.19 billion, with a net income ratio

of 53% and basic earnings per share of NT\$46.23, an increase of 9% in net income compared to 2020.

From the perspective of product development, artificial intelligence and high-performance computing applications have become the mainstream of the market, and the market demand for video editing, mass data transfer, storage backup and high-end gaming continues to grow. In addition, customized controller ICs, other applications of USB, and the need for expansion of edge computing nodes and high-speed connectivity in the 5G era are also emerging. We will continue to expand our existing SATA products and diversify applications, join the development of new generation PCIe products and expand their applications in different fields. At the same time, we will continue to lead in the USB product line, providing customers with complete solutions from 5G, 10G, 20G and USB4. In addition, we continue to promote the demand for signal boosters and amplifiers for high-speed transmission, provide customers with high-speed signal design solutions for application-specific ICs and mass production of Type-C device controllers. As a result, we continue to maintain a key leadership position among branded high-end MB, portable computer and desktop PC global assemblers, consumer electronics brands, global data storage application vendors and major hard drive suppliers. In addition to our proprietary IP and development capabilities for high-speed transmission, we are also committed to the development of customized product lines, hoping to provide a variety of customized solutions and services in the market to create a win-win situation with all our partners.

Due to the continuous evolution of USB and PCIe interface specifications, as a leader in high-speed interface ICs, we not only continues to focus on innovative R&D and keep abreast of each generation's specification changes, but also actively expands its market by focusing on the development of customized products and markets other than personal computers, such as industrial computers, network storage servers, surveillance video devices, and related connectivity controller ICs for China's self-developed processors. These still remained the focus of our business development. Furthermore, with the introduction of new processors by major international manufacturers, they will continue to support high-speed interfaces such as USB4 and PCIe 4.0/5.0, representing a new generation of high-speed transmission standards. Besides, the demand for

comprehensive renewal of computing platforms and artificial intelligence applications, external devices such as SSDs and USB Flash drives may also be in demand for replacement, which is expected to lead to a new wave of growth in high-speed transmission ICs. We will continue to work in all related fields to increase growth momentum into our operations and strengthen our company for long-term development.

Looking ahead to 2022, countries will gradually consider semiconductors as strategic assets, and the global economy will face a new wave of challenges in the post-pandemic era, such as high international inflationary pressure, normalization of monetary policies by major central banks, geopolitical conflicts, new changes in the US-China relationship, and reorganization of global supply chains etc. Thus, various subsequent uncertainties will still influence the global economic development. As a result, we will continue to invest in training professional R&D talents to innovate and advance in high-speed technology products, and maintain close cooperation with international manufacturers and related supply chains, so that the company can have more outstanding performance in operation and product development and application. Finally, we have also released our first sustainability report in 2021 to reveal our environmental, social and governance achievements to our stakeholders, actively commit to corporate social responsibility, and take concrete actions to realize our sustainable vision for a better society in return for the support and encouragement of our shareholders.

Chairman : Jerry Shen

General Manager : Che-Wei Lin

Chief Accountant : Martin Pan



ASMedia Technology Inc. **Audit Committee's Review Report of 2021**

The Board of Directors has prepared the ASMedia Technology Inc. ("the Company") 2021 Business Report, financial statements, and proposal for earnings distribution. The CPA firm of pwc was retained to audit the Company's financial statements and has issued an unqualified audit report relating to financial statements. The above Business Report, financial statements, and earnings distribution proposals have been examined and determined to be correct and accurate by the Audit Committee of ASMedia Technology Inc. According to the Securities and Exchange Act and Company Act, we hereby submit this report for inspection.

To
ASMedia Technology Inc.
2022 Annual General Shareholders Meeting

Chairman of the Audit Committee: Mr. Chien-Ping Hsieh

March 14, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of ASMEDIA TECHNOLOGY INC.

Opinion

We have audited the accompanying balance sheets of ASMedia Technology Inc. (the “Company”) as at December 31, 2021 and 2020, and the related statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Key audit matters

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

Key audit matters for the Company's 2021 financial statements are stated as follows:

Existence of revenues from top 10 customers

Description

Refer to Note 4(24) for accounting policy on revenue recognition.

The Company is primarily engaged in the design, development, production, manufacture and sales of high-speed analogue circuit products. Given the transaction amounts from the top 10 customers are material to the financial statements which required further audits on the relevant internal control procedures and reasonableness of the transactions, we considered the existence of revenues from top 10 customers a key audit matter.

How our audit addressed the matter

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

1. Assessed the revenue cycle and performed tests to determine whether the Company's revenue process during the reporting period was conducted in accordance with the internal control procedures.
2. Verified the related industry background information with respect of the top 1 customer and the new top 10 customers.
3. Obtained and selected samples to verify related vouchers of sales revenue from the top 1 customer and the new top 10 customers.

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

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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

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 financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

Weng, Shih-Jung

Lin, Chun-Yao

For and on behalf of PricewaterhouseCoopers, Taiwan

March 14, 2022

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

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

ASMEDIA TECHNOLOGY INC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,734,025	10	\$ 2,615,534	17
1110	Financial assets at fair value through profit or loss - current	6(2)	610,344	3	209,186	1
1170	Accounts receivable, net	6(3)	415,997	2	367,993	3
1180	Accounts receivable - related parties	6(3) and 7	118,935	1	48,213	-
1200	Other receivables		32,747	-	48,062	-
130X	Inventory	6(4)	1,413,571	8	1,048,304	7
1410	Prepayments		711,576	4	328,345	2
11XX	Total current assets		<u>5,037,195</u>	<u>28</u>	<u>4,665,637</u>	<u>30</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(6)	895,366	5	638,512	4
1550	Investments accounted for using equity method	6(5)	11,391,413	64	9,946,611	63
1600	Property, plant and equipment	6(7)	297,664	2	251,156	2
1755	Right-of-use assets	6(8)	32,090	-	45,107	-
1780	Intangible assets	6(9)	211,431	1	90,270	1
1840	Deferred income tax assets	6(23)	55,151	-	42,615	-
1900	Other non-current assets	8	14,499	-	10,621	-
15XX	Total non-current assets		<u>12,897,614</u>	<u>72</u>	<u>11,024,892</u>	<u>70</u>
1XXX	Total assets		<u>\$ 17,934,809</u>	<u>100</u>	<u>\$ 15,690,529</u>	<u>100</u>

(Continued)

ASMEDIA TECHNOLOGY INC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

Liabilities and equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2130	Current contract liabilities	6(16)	\$ 48,671	-	\$ 20,092	-
2170	Accounts payable		324,392	2	364,759	3
2200	Other payables	6(10)	997,539	5	794,391	5
2220	Other payables - related parties	7	735	-	372	-
2230	Current income tax liabilities		146,111	1	328,315	2
2280	Lease liabilities - current		18,095	-	20,649	-
2300	Other current liabilities	7	102,255	1	35,117	-
21XX	Total current liabilities		<u>1,637,798</u>	<u>9</u>	<u>1,563,695</u>	<u>10</u>
Non-current liabilities						
2570	Deferred income tax liabilities	6(23)	238	-	1	-
2580	Lease liabilities - non-current		13,977	-	24,345	-
2600	Other non-current liabilities	6(11)	178	-	911	-
25XX	Total non-current liabilities		<u>14,393</u>	<u>-</u>	<u>25,257</u>	<u>-</u>
2XXX	Total liabilities		<u>1,652,191</u>	<u>9</u>	<u>1,588,952</u>	<u>10</u>
Equity attributable to owners of parent						
Share capital						
3110	Share capital	6(13)	692,181	4	692,229	4
Capital surplus						
3200	Capital surplus	6(14)	8,468,973	47	8,401,988	54
Retained earnings						
3310	Legal reserve	6(15)	643,474	4	350,683	2
3320	Special reserve		-	-	11,841	-
3350	Unappropriated retained earnings		4,641,888	26	3,270,403	21
Other equity interest						
3400	Other equity interest		1,836,102	10	1,374,433	9
3XXX	Total equity		<u>16,282,618</u>	<u>91</u>	<u>14,101,577</u>	<u>90</u>
Significant contingent liabilities and unrecorded contract commitments						
Significant events after the balance sheet date						
3X2X	Total liabilities and equity		<u>\$ 17,934,809</u>	<u>100</u>	<u>\$ 15,690,529</u>	<u>100</u>

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

ASMEDIA TECHNOLOGY INC.
STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except earnings per share data)

	Items	Notes	Year ended December 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(16) and 7	\$ 6,009,012	100	\$ 6,987,470	100
5000	Operating costs	6(4)(21)(22)	(2,788,154)	(46)	(3,343,785)	(48)
5900	Gross profit		3,220,858	54	3,643,685	52
5910	Unrealised profit from sales		(25,998)	(1)	(15,544)	-
5920	Realised profit from sales		15,544	-	-	-
5950	Net operating margin		3,210,404	53	3,628,141	52
	Operating expenses	6(21)(22) and 7				
6100	Selling expenses		(101,150)	(2)	(98,174)	(2)
6200	General and administrative expenses		(182,486)	(3)	(159,862)	(2)
6300	Research and development expenses		(989,056)	(16)	(897,393)	(13)
6000	Total operating expenses		(1,272,692)	(21)	(1,155,429)	(17)
6900	Operating profit		1,937,712	32	2,472,712	35
	Non-operating income and expenses					
7100	Interest income	6(17)	5,293	-	8,545	-
7010	Other income	6(18)	6,533	-	384,115	6
7020	Other gains and losses	6(19)	(34,201)	(1)	(112,140)	(2)
7050	Finance costs	6(20)	(1,379)	-	(1,320)	-
7060	Share of profit of associates and joint ventures accounted for under equity method	6(5)				
			1,652,458	28	593,007	9
7000	Total non-operating income and expenses		1,628,704	27	872,207	13
7900	Profit before income tax		3,566,416	59	3,344,919	48
7950	Income tax expense	6(23)	(373,268)	(6)	(417,007)	(6)
8200	Profit for the year		\$ 3,193,148	53	\$ 2,927,912	42
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gain (loss) on defined benefit plan	6(11)	\$ 737	-	(\$ 755)	-
8316	Unrealised gain on investments in equity instruments at fair value through other comprehensive income	6(6)	256,854	4	22,552	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method		511,065	9	1,750,065	25
8310	Components of other comprehensive income that will not be reclassified to profit or loss		768,656	13	1,771,862	25
	Other comprehensive income that will be reclassified to profit or loss					
8370	Share of other comprehensive loss of associates and joint ventures accounted for using equity method		(227,542)	(4)	(337,579)	(5)
8500	Total comprehensive income for the year		\$ 3,734,262	62	\$ 4,362,195	62
	Earning per share (in dollars)	6(24)				
9750	Basic earnings per share		\$ 46.23		\$ 44.16	
9850	Diluted earnings per share		\$ 46.00		\$ 43.98	

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

ASMEDIA TECHNOLOGY INC.
STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Retained Earnings					Other Equity interest				Total equity
		Share capital - common stock	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	Losses on remeasurements of defined benefit plan	Other equity	
Year ended December 31, 2020											
Balance at January 1, 2020		\$ 600,379	\$ 450,995	\$ 254,162	\$ 11,841	\$ 1,267,534	\$ -	(\$ 3,040)	(\$ 383)	\$ -	\$ 2,581,488
Profit for the year		-	-	-	-	2,927,912	-	-	-	-	2,927,912
Other comprehensive income (loss)		-	-	-	-	-	(337,579)	1,772,617	(755)	-	1,434,283
Total comprehensive income (loss)		-	-	-	-	2,927,912	(337,579)	1,772,617	(755)	-	4,362,195
Appropriations of 2019 retained earnings	6(15)	-	-	-	-	-	-	-	-	-	-
- Legal reserve		-	-	96,521	-	(96,521)	-	-	-	-	-
Cash dividends of ordinary share		-	-	-	-	(828,522)	-	-	-	-	(828,522)
Share-based payments	6(12)	-	-	-	-	-	-	-	-	-	-
Issuance of employee restricted stocks		1,850	(1,850)	-	-	-	-	-	-	-	-
Compensation cost of employee restricted stocks		-	107,978	-	-	-	-	-	-	(56,427)	51,551
Issuance of new shares for shares in another company		90,000	6,534,000	-	-	-	-	-	-	-	6,624,000
Changes in equity of associates and joint ventures accounted for using equity method		-	1,310,865	-	-	-	-	-	-	-	1,310,865
Balance at December 31, 2020		\$ 692,229	\$ 8,401,988	\$ 350,683	\$ 11,841	\$ 3,270,403	(\$ 337,579)	\$ 1,769,577	(\$ 1,138)	(\$ 56,427)	\$ 14,101,577
Year ended December 31, 2021											
Balance at January 1, 2021		\$ 692,229	\$ 8,401,988	\$ 350,683	\$ 11,841	\$ 3,270,403	(\$ 337,579)	\$ 1,769,577	(\$ 1,138)	(\$ 56,427)	\$ 14,101,577
Profit for the year		-	-	-	-	3,193,148	-	-	-	-	3,193,148
Other comprehensive income (loss)		-	-	-	-	-	(227,542)	767,919	737	-	541,114
Total comprehensive income (loss)		-	-	-	-	3,193,148	(227,542)	767,919	737	-	3,734,262
Appropriations of 2020 retained earnings	6(15)	-	-	-	-	-	-	-	-	-	-
Legal reserve		-	-	292,791	-	(292,791)	-	-	-	-	-
Reversal of special reserve		-	-	-	(11,841)	11,841	-	-	-	-	-
Cash dividends		-	-	-	-	(1,661,349)	-	-	-	-	(1,661,349)
Share-based payments	6(12)	-	-	-	-	-	-	-	-	-	-
Compensation cost of employee restricted stocks		-	-	-	-	-	-	-	-	41,191	41,191
Retirement and reduction of employee restricted stocks		(48)	48	-	-	-	-	-	-	-	-
Changes in equity of associates and joint ventures accounted for using equity method	6(5)	-	66,937	-	-	-	-	-	-	-	66,937
Disposal of equity instrument measured at fair value through other comprehensive income by associates		-	-	-	-	120,636	-	(120,636)	-	-	-
Balance at December 31, 2021		\$ 692,181	\$ 8,468,973	\$ 643,474	\$ -	\$ 4,641,888	(\$ 565,121)	\$ 2,416,860	(\$ 401)	(\$ 15,236)	\$ 16,282,618

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

ASMEDIA TECHNOLOGY INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31	
		2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 3,566,416	\$ 3,344,919
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(7)(8)(21)	176,357	152,023
Amortisation	6(9)(21)	67,842	50,900
Net gain on financial assets at fair value through profit or loss	6(19)	(1,368)	(3,886)
Loss on disposal of property, plant and equipment	6(19)	1,401	-
Interest expense	6(20)	1,379	1,320
Interest income	6(17)	(5,293)	(8,545)
Dividend income	6(18)	(3,409)	-
Share-based payments	6(12)	41,191	51,551
Share of profit of associates and joint ventures accounted for using equity method	6(5)	(1,652,458)	(593,007)
Gain recognised in bargain purchase transaction	6(18)	-	(378,940)
Unrealised loss from sales	6(5)	10,454	15,544
Loss on disposal of investment	6(18)	-	2,624
Loss on lease modification	6(8)	-	40
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable, net		(48,004)	188,594
Accounts receivable - related parties		(70,722)	(48,213)
Other receivables		15,308	(29,177)
Inventory		(365,267)	(759,066)
Prepayments		(383,231)	(314,752)
Changes in operating liabilities			
Contract liabilities - current		28,579	(5,915)
Accounts payable		(40,367)	125,616
Notes payable		-	(144)
Other payables		119,450	341,518
Other payables - related parties		363	6
Other current liabilities		67,138	29,876
Other non-current liabilities		4	1
Cash inflow generated from operations		1,525,763	2,162,887
Income tax paid		(567,770)	(178,316)
Interest received		5,300	9,519
Dividends received	6(5)(18)	551,072	357,143
Interest paid		(1,379)	(1,320)
Net cash flows from operating activities		1,512,986	2,349,913
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(400,000)	(90,000)
Financial assets at fair value through other comprehensive income - non-current		-	(400,000)
Acquisition of property, plant and equipment	6(25)	(219,515)	(147,717)
Acquisition of intangible assets	6(25)	(87,474)	(75,780)
(Increase) decrease in refundable deposits		(3,878)	3,164
Net cash flows used in investing activities		(710,867)	(710,333)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of lease liabilities		(22,279)	(18,726)
Cash dividends paid	6(15)	(1,661,349)	(828,522)
Net cash flows used in financing activities		(1,683,628)	(847,248)
Net (decrease) increase in cash and cash equivalents		(881,509)	792,332
Cash and cash equivalents at beginning of year		2,615,534	1,823,202
Cash and cash equivalents at end of year		\$ 1,734,025	\$ 2,615,534

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



ASMedia Technology Inc.
Earning Distribution Table of 2021

Unit: NT\$

Account	Amount	Note
Unappropriated earnings – beginning	1,328,103,462	
Add: Retained Earnings Adjustments	120,635,108	
Adjusted unappropriated earnings at beginning (accumulated deficit)	1,448,738,570	
Add: 2021 net income	3,193,148,444	
Less: Legal reserve (10%)	(331,378,355)	
Less: Reversal of special reserve	0	
Accumulated distributable earnings at end of 2021	4,310,508,659	
Distributed items:		
Shareholder bonus	1,799,669,326	NT\$26 per share
Undistributed earnings – ending	0	
Unappropriated earnings – beginning	2,510,839,333	

Note: Earnings distribution of the year is appropriated from the 2021 after-tax distributable earnings.

Chairman:

General Manager:

Chief Accountant :

ASMedia Technology Inc.
Comparison Table of Procedures for Election of Directors

Article No.	After Revision	Before Revision	Reason
Amended Date	Jun 9, 2022	Jun 8, 2017	Amended Date
1	To establish a strong governance system and sound supervisory capabilities for the procedures for election of directors, and to strengthen management capabilities, these Procedures are adopted by the Company Act and relevant laws and regulation.	To establish a fair and open election and sound supervisory capabilities for the Company's directors and to strengthen management capabilities, these Procedures are adopted in accordance with the provisions of the Company Law and relevant laws and regulations for the purpose of compliance	Text revised
2	Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.	Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.	Text revised
4.1	The cumulative voting scheme shall be used for election of the directors at the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Each share will have voting rights in number equal to the Board directors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of directors shall be conducted together with the election of independent directors and non-independent directors, and the number of elected directors shall be calculated separately.	The cumulative voting method shall be used for election of the directors at the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. The number of directors with voting rights are separately calculated for independent and non-independent director position.	Text and actual operation revised for provision.
4.2	Election of directors at the Company shall be conducted in accordance with the candidate nomination system with the candidate list from the	Election of directors at the Company shall be conducted in accordance with the candidate nomination system with the candidate list from the	Modify based on actual operation.

Article No.	After Revision	Before Revision	Reason
	shareholders meeting. The number of directors will be as specified in the Company’s Articles of Incorporation and approved by the Board of Directors. Those receiving ballots representing the highest number of voting rights will be elected subsequently according to their respective number of votes for the independent and non-independent director positions. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.	shareholders meeting. The number of directors will be as specified in the Company’s articles of incorporation. Those receiving ballots representing the highest number of voting rights will be elected subsequently according to their respective number of votes for the independent and non-independent director positions. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.	
4.3	Before the election, the Chairman shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. The vote monitoring personnel is required to equip with shareholder status.	Before the election begins, the Chairman shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. The vote monitoring personnel is required to equip with shareholder status.	Text corrected in compliance with legal regulations
4.4	The Board of Directors or the convener of the election shall prepare ballots for directors in numbers corresponding to the Board directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.	The Company shall prepare ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.	Text revised
4.5	The ballot boxes shall be prepared by the Board of Directors or the convener of the election and publicly checked by the vote monitoring personnel before voting commences.	The ballot boxes shall be prepared by the Company and publicly checked by the vote monitoring personnel before voting commences.	Text revised
4.6	Deleted	If the candidate is a shareholder of the Company, voters shall fill in the “candidate” column the candidate’s name and	Text deleted

Article No.	After Revision	Before Revision	Reason
		shareholder’s number. If the candidate is not a shareholder of the Company, voters shall fill in the “candidate” column the candidate’s name, the candidate’s ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column.	
4.6	<p>A ballot is invalid under any of the following circumstances:</p> <p>4.6.1. The elector did not use the ballot prepared by the Board of Directors or the convener of the election.</p> <p>4.6.2. A blank ballot is placed in the ballot box.</p> <p>4.6.3. The writing is unclear and indecipherable or has been altered.</p> <p>4.6.4. The list of candidates for election does not match the candidate list from the Board of Directors.</p> <p>4.6.5. Ballots with other written characters or symbols and the number of voting rights allotted for the candidate.</p> <p>4.7.6 Deleted.</p> <p>4.6.6 The total number of voting rights cast by the candidate exceeds the total number of voting rights held by the candidate.</p> <p>4.6.7 The same ballot indicates two or more candidates were chosen.</p>	<p>A ballot is invalid under any of the following circumstances:</p> <p>4.7.1 The ballot was not prepared in accordance with these Procedures.</p> <p>4.7.2 A blank ballot is placed in the ballot box.</p> <p>4.7.3 The writing is unclear and indecipherable or has been altered.</p> <p>4.7.4 If the candidate is a shareholder of the Company, the name of shareholder’s number of the candidate filled in the ballot is inconsistent with the shareholders’ register; or if the candidate is not a shareholder of the Company, the name or ID number of the candidate filled in the ballot is incorrect.</p> <p>4.7.5 Ballots with other written characters or symbols in addition to candidate’s name, shareholder’s number (ID number) and the number of voting rights allotted for the candidate.</p> <p>4.7.6 The name of the candidates filled in the ballots being the same as another candidate’s name and the respective shareholder’s number (ID numbers) not</p>	Text and actual operation revised and Article number adjusted.

Article No.	After Revision	Before Revision	Reason
		<p>being indicated to distinguish them.</p> <p>4.7.7 The total number of voting rights cast by the candidate exceeds the total number of voting rights held by the candidate.</p> <p>4.7.8 The same ballot indicates two or more candidates were chosen.</p>	
4.7	<p>4.7 After the voting is completed, the result shall be announced by the Chairman on the site, including the list of directors elected and the number of their elected votes. The election ballots for the aforementioned election shall be sealed and signed by the monitoring personnel and kept in a safe place and preserved for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.</p>	<p>4.8 The list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the Chairman on the site.</p>	Text and revised and Article number adjusted.

ASMedia Technology Inc. Procedures for Election of Directors

- Article 1 Purpose
To establish a strong governance system and sound supervisory capabilities for the procedures for election of directors, and to strengthen management capabilities, these Procedures are adopted in accordance with the provisions of the Company Law and relevant laws and regulations for the purpose of compliance.
- Article 2 Scope
Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.
- Article 3 Authorities
3.1 Implementation unit: Finance and accounting department.
3.2 Amendment unit: Finance and accounting department.
- Article 4 Operating Procedures
4.1 The cumulative voting scheme shall be used for election of the directors at the Company. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Each share will have voting rights in number equal to the Board directors to be elected, and may be cast for a single candidate or split among multiple candidates. The election of directors shall be conducted together with the election of independent directors and non-independent directors, and the number of elected directors shall be calculated separately.
4.2 Election of directors at the Company shall be conducted in accordance with the candidate nomination system with the candidate list from the shareholders meeting. The number of directors will be as specified in the Company's Articles of Incorporation and approved by the Board of Directors. Those receiving ballots representing the highest number of voting rights will be elected subsequently according to their respective number of votes for the independent and non-independent director positions. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairman drawing lots on behalf of any person not in attendance.
4.3 Before the election, the Chairman shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel. The vote monitoring personnel is required to equip with shareholder status.
4.4 The Board of Directors or the convener of the election shall prepare ballots for directors in numbers corresponding to the Board directors to be

elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting.

- 4.5 The ballot boxes shall be prepared by the Board of Directors or the convener of the election and publicly checked by the vote monitoring personnel before voting commences.
- 4.6 A ballot is invalid under any of the following circumstances:
 - 4.6.1 The elector did not use the ballot prepared by the Board of Directors or the convener of the election.
 - 4.6.2 A blank ballot is placed in the ballot box.
 - 4.6.3 The writing is unclear and indecipherable or has been altered.
 - 4.6.4 The list of candidates for election does not match the candidate list from the Board of Directors.
 - 4.6.5 Ballots with other written characters or symbols and the number of voting rights allotted for the candidate.
 - 4.6.6 The total number of voting rights cast by the candidate exceeds the total number of voting rights held by the candidate.
 - 4.6.7 The same ballot indicates two or more candidates were chosen.
- 4.7 After the voting is completed, the result shall be announced by the Chairman on the site, including the list of directors elected and the number of their elected votes.

The election ballots for the aforementioned election shall be sealed and signed by the monitoring personnel and kept in a safe place and preserved for at least one year. However, if a lawsuit is filed by a shareholder in accordance with Article 189 of the Company Act, it shall be kept until the end of the lawsuit.

Article 5 Supplementary Rules

These Procedures and other contents shall comply with the Company Act, the articles of incorporation of the Company, relevant laws and regulations. These Procedures shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

ASMedia Technology Inc.
Comparison Table of Procedures for Acquisition or Disposal of Assets

Article No.	After Revision	Before Revision	Reason
Amended Date	Jun 9, 2022	Feb 13, 2020	Amended Date
Article 4	<p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found 	<p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When examining a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the 	Revise based on law and regulation

Article No.	After Revision	Before Revision	Reason
	<p>that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</p>	<p>personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and accurate, and that they have complied with applicable laws and regulations.</p>	
Article 5	<p>2. Trading conditions and the degree of authority in decision-making process (3) Each subsidiary of the Company may acquire non-operating real property or related right-of-use assets for an amount not exceeding 10% of the Company's net worth.</p> <p>4. Appraisal reports of real property, equipment or related right-of-use assets (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (i) The discrepancy between the appraisal result and</p>	<p>2. Trading conditions and the degree of authority in decision-making process (3) Each subsidiary of the Company may acquire non-operating real property or related right-of-use assets for an amount not exceeding 10% of the Company's paid-in capital.</p> <p>4. Appraisal reports of real property, equipment or related right-of-use assets (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of the Statement of Auditing Standards No. 20 published by the ROC Accounting</p>	Revise based on business operation and regulations

Article No.	After Revision	Before Revision	Reason
	<p>the transaction amount is 20% or more of the transaction amount.</p> <p>(ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p>	<p>Research and Development Foundation (referred to as “the ARDF” hereinafter) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(i) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(ii) The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.</p>	
Article 6	<p>1. No change.</p> <p>2. Trading conditions and the degree of authority in decision-making process</p> <p>(1) For securities that are traded on stock exchange or OTC market by the finance division, shall be authorized and approved by the Chairman in accordance with the Company’s authorization hierarchy. Each transaction amount exceeding 20% of the Company’s paid-in capital must be approved by the audit committee</p>	<p>1. No change.</p> <p>2. Trading conditions and the degree of authority in decision-making process</p> <p>(1) For securities that are traded at the stock exchange market or OTC market by the finance division, shall be authorized and approved by the Chairman in accordance with the Company’s authorization hierarchy. Each transaction amount exceeding 10% of the Company’s paid-in</p>	Revise based on business operation needs and regulations

Article No.	After Revision	Before Revision	Reason
	<p>in advance and submit to board of directors for resolution. However, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.</p> <p>(2) For securities that are not traded at the stock exchange market or OTC market, the net worth per share, profitability, and development potentials should, prior to the date of occurrence of the event, be valued by referring to the most recently certified or reviewed financial statements of the investment subject. Unless such securities are with market price available for reference or otherwise regulated by the Financial Supervisory Commission (hereinafter referred to as “the FSC”), also, shall be authorized and approved by the Chairman in accordance with the Company’s authorization hierarchy. Each transaction amount exceeding 10% of the Company’s paid-in capital must be approved by the audit committee in advance and submit to the board meeting for resolution. However, the board of directors may</p>	<p>capital must be approved by the audit committee in advance and submit to board of directors for resolution. However, with prior consent of the audit committee and the resolution by the board of directors, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.</p> <p>(2) For securities that are not traded at the stock exchange market or OTC market, the net worth per share, profitability, and development potentials should, prior to the date of occurrence of the event, be valued by referring to the most recently certified or reviewed financial statements of the investment subject. Unless such securities are with market price available for reference or otherwise regulated by the Financial Supervisory Commission (hereinafter referred to as “the FSC”), also, shall be authorized and approved by the Chairman in accordance with the Company’s authorization hierarchy. Each</p>	

Article No.	After Revision	Before Revision	Reason
	<p>authorize the Chairman to review and approve the process first and then report to the board of directors afterward.</p> <p>3. No change. 4. No change.</p>	<p>transaction amount exceeding 10% of the Company's paid-in capital must be approved by the audit committee in advance and submit to the board meeting for resolution. However, with prior consent of the audit committee and the resolution by the board of directors, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.</p> <p>3. No change. 4. No change.</p>	
Article 8	<p>2. Trading conditions and the level of authority in decision-making process</p> <p>(1) Memberships acquired or disposed shall be determined the trading conditions and price by referring to the market price with an analysis report composed for presentation; also, it is processed by the related department in accordance with the Company's authorization hierarchy. A transaction amount exceeding NT\$10 million must be submitted and approved by the board of directors for resolution in advance.</p> <p>(2) No change.</p>	<p>2. Trading conditions and the level of authority in decision-making process</p> <p>(1) Memberships acquired or disposed shall be determined the trading conditions and price by referring to the market price with an analysis report composed for presentation; also, it is processed by the related department in accordance with the Company's authorization hierarchy. A transaction amount exceeding NT\$3 million must be approved by the audit committee and submit to the board of directors for</p>	Correspond to the Company's operational needs

Article No.	After Revision	Before Revision	Reason
		resolution in advance. (2) No change.	

ASMedia Technology Inc. Procedures for Acquisition or Disposal of Assets

2022.6.9 amended

Article 1 The Company shall handle the acquisition or disposal of assets in compliance with the Procedures provided. The Procedures are stipulated in accordance with the provisions of Article 36-1 of the Securities and Exchange Act (“Regulations Governing the Acquisition and Disposal of Assets by Public Companies”) by the competent authorities, except where otherwise provided by other laws or regulations, such provisions shall govern.

Article 2 The term “assets” as used in the Procedures include the following:

1. Investment of long-term and short-term securities (including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities).
2. Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right-of-use assets.
6. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law and other major assets.

The terms defined in the Procedures shall be in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” by the competent authorities.

Article 3 The Company shall handle the acquisition or disposal of assets in compliance with the Procedures provided or in accordance with the law upon approval by the board of directors. If any director expresses objection with records or in written statements, the Company should fully consider the comments made from each independent director and shall include opinions of those who vote in favor or against and the reasons of dissent expressed in the meeting minutes.

Any transaction involving major assets or derivatives trading made by the Company shall be approved by more than half of all audit committee members and submit to the board of directors for a resolution. If approval of more than half of all audit committee members as required in the preceding paragraph is not obtained, the procedures may implemented 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.

Article 4 Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:

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

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
2. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.
3. They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.
4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable and that they have complied with applicable laws and regulations.

Where the Company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion.

Article 5 Acquisition or disposal process of real property, equipment or related right-of-use assets

1. Assessment and operating procedures
Real property, equipment or related right-of-use assets are acquired or

disposed of in accordance with property, plant and equipment cycle of the Company's internal control system.

2. Trading conditions and the degree of authority in decision-making process
 - (1) Real property or related right-of-use assets acquired or disposed shall be determined the trading conditions and price by referring to the notice of present value, assessment value, the actual price of nearby real estate transaction. An analytical report shall be composed and submit to Chairman for approval and resolution by the board of directors.
 - (2) Equipment or related right-of-use assets are acquired or disposed of by price inquiry, price comparison, price negotiation, or bidding; also, it is processed by the stratified unit heads in accordance with the Company's authorization hierarchy. Each transaction amount exceeding 10% of the paid-in capital collected must be approved by the audit committee in advance and submit to the board meeting for resolution; however, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.
 - (3) Each subsidiary of the Company may acquire non-operating real property or related right-of-use assets for an amount not exceeding 10% of the Company's net worth.
3. Executive department
For the acquisition or disposal of real property, equipment or related right-of-use assets, it should be presented for approval in accordance with the Company's authorization hierarchy and then executed by the implementing department or related department.
4. Appraisal reports of real property, equipment or related right-of-use assets
In acquiring or disposing of real property, equipment or related right-of-use assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of business equipment, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and comply with the following provisions:
 - (1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be approved by the audit committee in advance and submit to the board of directors for resolution. The same procedure applies whenever there is any subsequent change to the terms and conditions of the transaction.
 - (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.
 - (3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding

the reason for the discrepancy and the appropriateness of the transaction price:

- i. The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 - ii. The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
- (4) No more than three months may elapse between the date of appraisal report issued by a professional appraiser and the contract execution date; however, where the publicly announced current value for the same period is used and not more than six months have elapsed, an opinion is needed from the original professional appraiser.

Article 6 Acquisition or disposal process of securities

1. Assessment and operating procedures
Securities are acquired or disposed of in accordance with the investment cycle of the Company's internal control system.
2. Trading conditions and the degree of authority in decision-making process
 - (1) For securities that are traded at the stock exchange market or OTC market by the finance division, shall be authorized and approved by the Chairman in accordance with the Company's authorization hierarchy. Each transaction amount exceeding 20% of the Company's paid-in capital must be approved by the audit committee in advance and submit to board of directors for resolution. However, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.
 - (2) For securities that are not traded at the stock exchange market or OTC market, the net worth per share, profitability, and development potentials should, prior to the date of occurrence of the event, be valued by referring to the most recently certified or reviewed financial statements of the investment subject. Unless such securities are with market price available for reference or otherwise regulated by the Financial Supervisory Commission (hereinafter referred to as "the FSC"), also, shall be authorized and approved by the Chairman in accordance with the Company's authorization hierarchy. Each transaction amount exceeding 10% of the Company's paid-in capital must be approved by the audit committee in advance and submit to the board meeting for resolution. However, the board of directors may authorize the Chairman to review and approve the process first and then report to the board of directors afterward.
 - (3) The amount of securities invested by the Company and the subsidiary of the Company
 - i. Total investment amount in securities acquired by the Company may not exceed 350% of the Company's net worth; total investment amount in securities acquired by each subsidiary of the Company may not exceed 50% of the Company's net worth.
 - ii. The investment amount in single security acquired by the

Company may not exceed 350% of the Company's net worth; the investment amount in single security acquired by each subsidiary of the Company may not exceed 50% of the Company's net worth.

3. Executive department
For the investment in securities, a proposal shall submit for approval in accordance with Company's authorization hierarchy mentioned in Article 6-2, and then executed by the finance division.
4. Acquisition of the professional opinions
The Company acquiring or disposing of securities shall, prior to the date of occurrence of the event, engage a certified public accountant (CPA) to provide an opinion regarding the reasonableness of the transaction price if the dollar amount of the transaction reaches 20% of the Company's paid-in capital or NT\$300 million or more. If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).

Article 7 The Company that engages in transactions of any acquisition or disposal of assets from or to a related party shall be carried out in compliance with the Procedures and "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" by the competent authorities.

Article 8 Acquisition or disposal process of intangible assets or related right-of-use assets, or memberships

1. Assessment and operating procedures
The intangible assets or related right-of-use assets, or memberships are acquired or disposed in accordance with the process of the Company's internal control system.
2. Trading conditions and the level of authority in decision-making process
 - (1) Memberships acquired or disposed shall be determined the trading conditions and price by referring to the market price with an analysis report composed for presentation; also, it is processed by the related department in accordance with the Company's authorization hierarchy. A transaction amount exceeding NT\$10 million must be submitted and approved by the board of directors for resolution in advance.
 - (2) Intangible assets or related right-of-use assets acquired or disposed shall be determined the trading conditions and price by referring to the assessment report of experts or market price with an analysis report composed for presentation; also, it is processed by the related department in accordance with the Company's authorization hierarchy. A transaction amount exceeding 2% of the Company's net worth must be approved by the audit committee and submit to the board of directors for resolution in advance.
3. Executive department
For the acquisition or disposal of intangible assets, right-of-use assets or

memberships, it shall be submitted for approval in accordance with the Company's authorization hierarchy and then executed by the implementing department and finance division or administration department.

4. Appraisal reports of intangible assets, right-of-use assets or memberships
In acquiring or disposing of intangible assets, right-of-use assets or memberships, where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.

Article 9 Acquisition or disposal process of the claims of financial institution
Basically, the Company does not acquire or dispose the claims of financial institutions. If the Company plans to acquire or dispose the claims of financial institutions in the future, the Company will present it to the audit committee for approval in advance and submit to the board of directors for resolution, and then have the assessment and operating procedures regulated.

Article 10 The procedures of acquisition or disposal of derivatives trading

1. Trading principles and strategies
 - (1) The types of derivatives trading
The derivatives trading which the Company engage in are forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rates, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.
 - (2) Hedging operations
The Company has conducted derivatives trading for hedging purpose to hedge the risk exposure position. The derivatives for purposes other than hedging can be processed only by the unit heads authorized by the approval of the audit committee and the resolution of the board of directors.
 - (3) Division of responsibilities
 - i. Trade personnel: Transactions are processed in accordance with the authorization hierarchy. Trade personnel are to have the exposure positions computed weekly and assess the risk in accordance with the change in positions and financial market information.
 - ii. Confirmation personnel: To confirm transactions executed.
 - iii. Clearance personnel: Responsible for clearance process.
 - iv. The aforementioned position of trade, confirmation, and clearance must be conducted by personnel of the finance division independently. The trade partners must be informed in writing regarding the change in trade personnel before the

effective date.

- (4) Authorization hierarchy
- i. Authorization hierarchy for the amount of one transaction in a hedging transaction:

Component Supervisor	Authorization for the amount of one transaction
Chairman	Under USD\$10 million
Board of Directors	Over USD\$10 million

- ii. Transactions for a particular purpose must be processed by the unit heads authorized by the approval of the audit committee and the resolution of the board of directors.

- (5) Contract amount
- i. The outstanding contract amount of a hedging transaction is limited to the Company's risk exposure position.
 - ii. The outstanding contract amount of a transaction for a particular purpose is limited to 10% of the Company's income in the most recent quarter.

- (6) Loss limit
- i. The loss limit of the individual hedging transaction agreement or entire hedging transaction agreement is limited to 25% of the contract amount.
 - ii. The loss limit of the individual transaction for a particular purpose agreement or entire transaction for a particular purpose agreement is limited to 10% of the contract amount.

- (7) Performance evaluation
- i. Hedging transaction
Performance evaluation is based on the hedged items and the overall profit and loss of the hedging transaction.
 - ii. Transactions for a particular purpose
Performance evaluation is based on the specific projects and the overall profit and loss of the specific transactions.
 - iii. Finance division is to have transaction position valuation and market analysis provided to the chief financial officer periodically for reference in management and decision-making.

- (8) Periodically evaluation
- Derivatives trading positions held shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice per month. Evaluation reports shall be submitted to senior management personnel authorized by the board of directors.

2. Risk management measures

- (1) Credit risk
- Domestic and international financial institutions are the trading partners and their credit rating is included for consideration.

- (2) Market risk
- The risk of change in market price of derivatives due to the factors of interest rate, exchange rate, and others is controlled and managed in accordance of Clause (6) Loss Limit above.

- (3) Liquidity risk
The underwritten financial commodity must be in volatile form that can be written off reversely in market at any time; also, the commissioned financial institutions must have sufficient information and capability to conduct transactions in market.
 - (4) Cash-flow risk
The cash-flow risk of the derivatives in transaction must be considered for securing sufficient working capital in clearing process.
 - (5) Operational risk
 - i. The derivatives traders are to avoid operational risk by complying with Clause (3) Division of Responsibilities above.
 - ii. The personnel responsible for risk assessment, monitoring, and control must be in different department from the individuals stated in Clause (3) Division of Responsibilities above. The said personnel are also responsible for reporting to the board of directors or the senior management that is not in charge of transaction or position decision-making.
 - (6) Legal risk
The document to be signed with financial institutions must be reviewed by finance personnel, regulatory staff, or legal advisers in advance to avoid legal risk.
3. Internal audit
- (1) The Company engaging in derivatives trading shall establish a log book and record details in the log book according to the related acts.
 - (2) The Company's internal audit department shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If any material violation is found, the audit committee shall be notified in writing.
4. The supervision principles of the board of directors
- (1) The board of directors shall periodically evaluate whether derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.
 - (2) The board of directors shall authorize the senior management personnel to manage derivatives trading in accordance with the following principles:
 - i. Periodically evaluate the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the Procedures.
 - ii. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and report immediately to the board of directors, where an independent director shall be present at the meeting and express an opinion.
 - (3) The Company shall report to the earliest upcoming meeting of the

board of directors after it authorizes the relevant personnel to handle derivatives trading in accordance with the Procedures.

Article 11 For the assets acquired or disposed of lawfully by mergers, demergers, acquisitions, or transfer of shares, in addition to the Procedure, the Company has it processed in accordance with the Merger and Acquisition Act and “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” by the competent authorities.

Article 12 The reporting projects, reporting standard, reporting period, and reporting procedures of the Company’s assets acquisition and disposition is announced in accordance with the requirements of the competent authorities.

Article 13 The Company’s subsidiaries are to follow the following rules and regulations:

- (1) Subsidiaries are to have the assets acquisition or disposition processed in accordance with the Company’s procedures or defined rules governing assets acquisition or disposition.
- (2) If a subsidiary of the Company is not a public company in Taiwan, are to have the assets acquisition or disposition processed shall make public announcement as stated in the provisions of Article 12 above. The Company shall make a public disclosure on such event and report on behalf of the Company’s subsidiary.
- (3) If subsidiaries are to have the assets acquisition or disposition processed, it shall comply with the relevant regulations by announcing or disclose publicly or by the Company in accordance with the regulations. The Company shall enter the necessary information to be announced on behalf of the Company’s subsidiary into the designated reporting system on website.
- (4) Subsidiaries have the rules governing assets acquisition or disposition defined in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”, also, it is approved by the board of directors of the subsidiary before presenting to the shareholders’ meeting for resolution and the same also applies to amendment.

Article 14 Punitive provisions
The personnel of the Company shall handle the acquisition or disposal of assets in compliance with the Procedures provided. Violation of the Procedures will be punished in accordance with the Company’s human resource regulations.

Article 15 The “Procedures For Acquisition or Disposal of Assets” of the Company shall be approved by more than half of all audit committee members and submit to the board of directors for a resolution and then presented to the shareholders’ meeting for approval; the same applies when the procedures are amended. If any director expresses objection with records or in written statements, the Board shall take into full consideration of each independent

director's opinions and record in the minutes of the board of directors meeting if an independent director objects to or expresses reservations about any matter.

When the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by one-half or more of all audit committee members and submitted to the board of directors of the Company for a resolution. If approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.

Article 16 Any outstanding issues of the Procedures are processed in accordance with the governing law.