

Viking Tech Corporation
2022 Annual Shareholders' Meeting Minutes

Time: 9:00 a.m., Monday June 27 2022

Place: No.70 Guangfu N. Rd., Hukou Township, Hsinchu County. Viking's headquarter meeting
Room

Total Outstanding Brogent shares: 117,340,842 shares

Total shares represented by shareholders present in person or by proxy : 73,912,748 shares(among them 23,900,388 shares voted via electronic transmission.), accounting for 62.98% of the Company's total outstanding shares

Directors present: Tsai Kao-Ming(the Chairman of the Board of Directors) 、

Hu Chuang-Bin(Director) 、 Shen Bo-Ting(Independent Director) 、 Li Yi-Wen(Independent Director) 、 Huang Shi-Bing(Independent Director)

Chairman: Tsai Kao-Ming

Recorder: Lo Jui-Peng

I. Call Meeting to Order: The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II. Chairman's Address (omitted)

III. Report Items

Report I: 2021 Business Report. (Please reference Attachment)

Report II: 2021 Audit Committee's Review Report.(Please reference Attachment)

Report III: 2021 Employees' and Directors' Compensation Report.

Explanatory Notes: In accordance with the provisions of Article 24-2 of the Articles of Incorporation, the employees' and directors' compensation is approved by the board of directors of the Company, the distribution of the 2021 profit performance is NTD67,580,471 (10% of the profit) as the employees' compensation and is NTD33,790,236 (5% of the profit) as the directors' compensation. The said amounts are to be distributed in cash and be consistence with the estimated amounts recognized as the expense.

Proposed Adoptions

Proposal I: (Proposed by the Board of Directors)

Matters of Deliberation: 2021 Business Report and Financial Statements is proposed for adoption.

Explanatory Notes : 1.2021 Business Report and Financial Statements have been prepared, and the financial statements have been reviewed and verified by the two

independent auditors, Zheng Yahui and Chien-Yu Liu of KPMG Taiwan, and unqualified opinions were issued.

- 2.The aforesaid financial statements and the business report have been reviewed by the Audit Committee (Please reference Attachment)..
- 3.Be proposed for adoption..

Resolution:

RESOLVED,that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting : 73,912,748 (Including 23,900,388 shares from electronic voting).

Voting Results		% of the represented share present
Votes in favor (electronic votes)	70,308,328votes(20,497,997)	95. 12%
Votes against(electronic votes)	10,876 votes(10,876)	0. 01%
Invalid Votes(electronic votes)	0 votes(0)	0%
Votes abstained / Not Voted (electronic votes)	3,593,544 votes (3,391,515)	4. 86%

Report II: (Proposed by the Board of Directors)

Matters of Deliberation: 2021 Earnings Distribution Proposal, hereby propose to be adopted.

Explanatory Notes :

1. 2021 Earnings Distribution Table of the Company (Please reference Attachment)..
2. The proposed earnings distribution is allocated from Earnings in 2021 Available for Distribution. The total amount of cash dividends distributed to shareholders is NTD258,149,852.Each common share holder will entitled to receive a cash dividend of NTD2.2 per share. calculated to the dollar (rounded up to the dollar). The decimal following the integer dollar will be rounded off, and the odd sum will also be included in the other income accounts of this Company. And after the approval of the shareholders' meeting, the board of directors is authorized to set the record date of dividend payout. If the shareholder's dividend rate is changed due to the number of shares outstanding that are affected by shares buyback, the transfer of treasury shares or cash capital increase, etc., hereby the proposal is made to the shareholders' meeting to authorize the board of directors to handle the matter with full authority.
3. The earnings distribution proposal reviewed by the Audit Committee is hereby presented for ratification.

Resolution:

RESOLVED, that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting : 73,912,748 (Including 23,900,388 shares from electronic voting).

Voting Results		% of the represented share present
Votes in favor (electronic votes)	70,306,540 votes (20,496,209)	95.12%
Votes against (electronic votes)	13,870 votes (13,870)	0.01%
Invalid Votes (electronic votes)	0 votes (0)	0%
Votes abstained / Not Voted (electronic votes)	3,592,338 votes (3,390,309)	4.86%

Election Items.

Matters of Deliberation: Re-election for all the tenth directors

Explanatory Notes :

1. The term of the ninth directors will be expired on June 23, 2022, and the re-election will be held at the shareholders' meeting and be handled in accordance with the laws.
2. This proposal for the election of 9 directors (including 3 independent directors) with a term of three years, from June 27, 2022 to June 26, 2025, the term of incumbent directors will be expired on the completion of this shareholders' meeting.
3. The elections of the Company are based on the candidates nomination system. The directors shall be selected by shareholders from the list of candidates whose academic experience and other relevant information (Please reference Attachment).
4. Rules for Election of Directors please refer to Page 59 to 60 of this Manual.
5. Voting by Poll.

Result of voting: The list of be elected is as follows:

Position Title	Account number or identity document number	Name	be elected votes
Director	42420	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Hu Chuang-Bin	89,459,179
Director	42420	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Liang Yao-Ming	89,243,311

Position Title	Account number or identity document number	Name	be elected votes
Director	42420	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Mo Xue-Qiong	89, 234, 202
Director	58225	Hua-Jie Investment Co. Ltd. Representative: Tsai Kao-Ming	106, 326, 592
Director	80600	Jetbond Technology Co., Ltd. Representative: Wei Guo-Feng	81, 853, 950
Director	80600	Jetbond Technology Co., Ltd. Representative: Zhou Chang-Sean	81, 852, 218
Independent Director	R12027****	Shen Bo-Ting	17, 871, 422
Independent Director	F12343****	Li Yi-Wen	17, 871, 422
Independent Director	A12237****	Huang Shi-Bing	17, 871, 422

Proposed Resolutions

Proposal I: (Proposed by the Board of Directors)

Matters of Deliberation: Relief of 10th directors from non-competition restrictions is submitted for discussion.

Explanatory Notes :

1. In accordance with Article 209 of the Company Act, “a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval”.
2. It is to be proposed to the regular shareholders’ meeting having the non-competence clauses against the newly elected directors and their representatives lifted.
3. The lifting of the non-competence clauses against the directors is detailed as follows:

Job title	Name	Current job title held in other companies
Director	Hua-Jie Investment Co. Ltd. Representative: Tsai Kao-Ming	United Radiant Technology Corporation Independent Director
Director	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Mo Xue-Qiong	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd., Duanhua Branch Executive Vice President

4. Be submitted for discussion.

Resolution:

RESOLVED,that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting : 73,912,748 (Including 23,900,388 shares from electronic voting).

Voting Results		% of the represented share present
Votes in favor (electronic votes)	69, 866, 135 votes(20, 055, 804)	94. 52%
Votes against(electronic votes)	384, 773 votes(384, 773)	0. 52%
Invalid Votes(electronic votes)	0 votes(0)	0%
Votes abstained / Not Voted (electronic votes)	3, 661, 840votes (3,459, 811)	4. 95%

Proposal II: (Proposed by the Board of Directors)

Matters of Deliberation: A proposal for the amendment to the Company's "Procedures for the Acquisition and Disposal of Acquisition Assets" is hereby presented for discussion.

Explanatory Notes :

1. It is proposed to amend the Company's "Regulations Governing Acquisition or Disposal of Assets" in accordance with the provisions of the Jin-Guan-Zheng-Fa-Zi No. 1110380465 Letter issued by the Financial Supervisory Commission.
2. Comparison Table for Regulations Governing Acquisition or Disposal of Assets Before and After Revision (Please reference Attachment).
3. Be submitted for discussion.

Resolution:

RESOLVED,that the above proposal be and hereby was approved as proposed.

Voting Results: Shares present at the time of voting : 73,912,748 (Including 23,900,388 shares from electronic voting).

Voting Results		% of the represented share present
Votes in favor (electronic votes)	70, 235, 724 votes(20, 425, 393)	95. 02%
Votes against(electronic votes)	12, 476 votes(12, 476)	0. 01%
Invalid Votes(electronic votes)	0 votes(0)	0%
Votes abstained / Not Voted (electronic votes)	3, 664, 548votes (3,462, 519)	4. 59%

Other Business and Special Motion:

None

Meeting Adjourned At 9:32 AM

Viking Tech Corporation

2021 Business Report

I. Business Policy

The Company has been focusing on the development of automotive, industrial control, and resistors with special functions in recent years, which has been successfully certified and supported by major customers in the world. The Company's main products for sales include thin film precision resistors, MELF resistors, current sensing, high voltage, anti-surge, and anti-sulfur resistors.

The market demand increased rapidly and the market entered the new energy and intelligence era in 2021, automobile industry in particular, due to the rise of alternative fuel vehicles and smart equipment, the global emphasis on energy saving and carbon reduction, etc. In addition, another wave of demand for passive components has arrived due to the high demand of industrial control and other influential factors. The prevalence of pandemic in Europe and the United States remains severe, but is moving towards the direction of recovery; therefore, the development of 5G applications, electric vehicles, industrial control, etc. in Taiwan and China has been active with a rapid increase in the consumption of high-end passive components, resulting in a high demand for passive components. Therefore, the sales in 2021 was impressive with the sales target achieved ahead of schedule.

The company actively adjusts the customer structure and product structure based on the dominant precision and passive components with special specifications in the market. First of all, the company expands the production of automotive resistors, thin film resistors, and metal foil resistors that are in large demand, especially the MELF precision resistors in response to high market demand. Secondly, the company focuses on securing and expanding the market share of automotive, industrial control, and advanced consumer electronics, and improves the company's market position by soliciting more international manufacturers. Thirdly, rationally plans the deployment of production lines in Wuxi, Taiwan, and Kaohsiung, strengthens the construction of infrastructure to lay the foundation for the company's subsequent development; and provides customers with categorized product integration services.

The Company is also committed to research and development of various high-end, high reliability and high power components to meet the special needs of customers, to continuously develop products based on competitive advantages in niche markets, and to improve the product yield rate and reduce costs to improve competitiveness in response to the intensive business environment.

II. General Condition of Implementation

After the implementation of the original 2021 business policy, the annual achievement rate against the annual forecast revenue figures for 2021 was 124%, and revenue growth increased by 46% from the last period. In the coming year, the passive components remain desperately short of stock globally. After the Company invests in expanding the production of high-end components, revenue will continue to increase, indicating that the current business policy is in line with market demand.

III. Result of Implementation of Business Plan

The revenue under 2021 business plan is NTD 2,500,000 thousand and net income before tax is NTD 250,000 thousand, and after actual execution, the revenue is NTD 3,106,485 thousand, and net income before tax is NTD 592,897 thousand.

IV. Execution of the Budget Derivative of Operating Revenue and Expenditure:

Unit: In Thousands of New Taiwan Dollars

Item	BUDGET	FINAL	Achievement Rate%
Operating Revenue	2,500,000	3,106,485	124%
Operating Costs	-1,895,000	-2,095,677	111%
Gross Profit	605,000	1,010,808	167%
Operating Expenses	-360,127	-399,686	111%
Income from Operations	244,873	611,122	250%
Non-Operating Income and Expenses	5,127	-18,224	-355%
Net Income Before Tax	250,000	592,898	237%

Note: The aforesaid financial information is in adoption of the consolidated financial statements.

V. Profitability Analysis

Financial Structure	Debt Ratio (%)	24.67
	Long-term Fund to Property, Plant and Equipment Ratio (%)	272.19
Solvency	Liquidity Ratio (%)	305.45
	Quick Ratio (%)	192.31
	Interest Coverage Ratio	251.06
Operating Performance	Accounts Receivable Turnover (times)	4.98
	Average Collection Days	74
	Inventory Turnover (times)	2.40
	Accounts Payable Turnover(times)	7.84
	Average Inventory Turnover Days	152
	Property, Plant and Equipment Turnover (Times)	2.74
	Total Assets Turnover (times)	0.86
Profitability	Return on total assets (%)	13.38
	Return on Equity (%)	17.06
	Pre-tax Income to Paid-in Capital Ratio (%)	50.52
	Net Margin (%)	15.43
	Earnings per share (in one of New Taiwan Dollar)	4.04

Note: The aforesaid financial information is in adoption of the consolidated financial statements.

VI. Research and Development

1. Successful mass production of ARF high-frequency 40GHz thin film resistors;
2. Successful mass production of ARN aluminum nitride thin film resistor 0603 and 0805;
3. Successful mass production of CSM Metal Foil high-precision 0.5% products;
4. Successful mass production of CSM large size 2010 and 2512 Metal Foil resistors;
5. Successful mass production of ARHV high-voltage thin film resistors (1206, 2010);
6. Successful mass production of ARM high-stability thin-film resistors (0402-1206);
7. Successful mass production of ARP high-power thin-film resistors (1206);
8. Successful mass production of TFAN lithographic array resistors;
9. Successful development of ART 0402/0805/1206 automotive high-temperature thin-film resistors;
10. Successful development of ARTP 0402/0603 automotive high-temperature, high-power, thin-film resistors;
11. Successful development of CSN high-power low-resistance low-temperature coefficient thick-film resistors;
12. Successful development of CRW long-side thick-film automotive resistors;
13. Successful development of HVRC low-voltage coefficient thick-film resistors;
14. Successful development of LRP 2010 low-temperature coefficient Metal Foil resistors;
15. Successful development of LRP 2512 low-temperature coefficient automotive Metal Foil resistors;

Responsible person:

Tsai Kao-Ming

Managerial Personnel:

Hu Chuan-Bin

Accountant in charge of

the Company

Li Shun-He

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR21003481

To the Board of Directors and Shareholders of VIKING TECH CORPORATION

Opinion

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

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

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

The key audit matters in relation to the consolidated financial statements for the year ended December 31, 2021 are outlined as follows:

Cut-off risk error of revenue recognition

Description

Refer to Note 4(25) for accounting policy on revenue recognition. The Company is primarily engaged in exports and offers different credit terms to their customers. The credit terms for some customers are delivered at place and the timing for transferring the control of goods is based on the customer confirmation documents. Given that the revenue recognition process relies on manual processes and the large volume of daily sales transactions which are material to the financial statements, we thus consider sales cut-off as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of the sales recognition accounting policy.
2. Understood and tested the design and effectiveness of relevant internal controls when recognising the sales revenue.
3. Sampled delivery orders and customer confirmation documents during a certain period before and after the balance sheet date to ensure the accuracy of cut-off of sales revenue.

Assessment of allowance for inventory valuation losses

Description

Refer to Note 4(13) for accounting policies on inventory, Note 5 for significant accounting estimates and assumptions of inventory, and Note 6(5) for details of allowance for inventory valuation losses. The Company manufactures and sells thick and thin film passive components products. Due to the competitive market in the industry and the fluctuating prices, there is a higher risk of inventory losing value or becoming obsolete. The inventories are stated at the lower of cost and net realisable value and the possible losses arising from aged and obsolete inventories are also assessed. Given that the evaluation on the aged and obsolete inventories involves subjective judgement which results in estimation uncertainty and the impact of aged inventories and allowance for inventory valuation losses are material to the financial statements, we thus consider assessment of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood and assessed the reasonableness of allowance for inventory valuation losses policy including the historical sources of inventory clearance process.
2. Obtained the inventory assessment report prepared by the management and checked the completeness of the information on the inventory aging report.
3. Verified the accuracy of the intervals and relevant information used on the inventory aging report, ensured the allowance loss valuation and the provision policy are consistently applied and further assessed the reasonableness of the estimations of allowance for inventory valuation losses.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Viking Tech Corporation, as at and for the years ended December 31, 2021 and 2020.

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

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

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

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

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 ROC GAAS 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 ROC GAAS, 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 Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. 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 consolidated financial statements of the current period 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.

Cheng, Ya-Huei

Liu, Chien-Yu

For and on behalf of PricewaterhouseCoopers, Taiwan
February 25, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and 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, 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.

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 777,171	19	\$ 514,364	16
1110	Financial assets at fair value through profit or loss - current	6(2)	21,833	-	252,211	8
1136	Current financial assets at amortised cost, net	6(3)	108,600	3	-	-
1150	Notes receivable, net	6(4)	50,768	1	23,160	1
1170	Accounts receivable, net	6(4)	669,527	17	493,016	15
1180	Accounts receivable - related parties	6(4) and 7	1,842	-	1,435	-
1200	Other receivables		23,439	1	14,369	-
1210	Other receivables - related parties	7	468	-	471	-
1220	Current income tax assets	6(23)	25,264	1	25,264	1
130X	Inventories, net	6(5)	944,115	24	597,818	19
1410	Prepayments		41,655	1	30,259	1
1479	Other current assets	8	1,997	-	2,028	-
11XX	Total current assets		<u>2,666,679</u>	<u>67</u>	<u>1,954,395</u>	<u>61</u>
Non-current assets						
1600	Property, plant and equipment	6(6)(25) and 8	1,135,559	28	1,128,166	35
1755	Right-of-use assets	6(7)	21,971	1	25,815	1
1780	Intangible assets		3,304	-	5,699	-
1840	Deferred income tax assets	6(23)	27,505	1	25,789	1
1900	Other non-current assets	6(25)	130,529	3	67,061	2
15XX	Total non-current assets		<u>1,318,868</u>	<u>33</u>	<u>1,252,530</u>	<u>39</u>
1XXX	Total assets		<u>\$ 3,985,547</u>	<u>100</u>	<u>\$ 3,206,925</u>	<u>100</u>

(Continued)

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Liabilities and Equity	Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(8)(26)	\$ 105,000	3	\$ 15,000	1
2150	Notes payable		3,232	-	4,196	-
2170	Accounts payable		297,743	8	206,746	7
2180	Accounts payable - related parties	7	8,463	-	6,524	-
2200	Other payables	6(9)	323,013	8	170,189	5
2230	Current income tax liabilities	6(23)	93,757	2	10,954	-
2280	Current lease liabilities	6(7)	5,007	-	5,745	-
2320	Long-term liabilities, current portion	6(10)(26) and 8	21,383	1	27,968	1
2399	Other current liabilities		15,423	-	5,117	-
21XX	Total current liabilities		<u>873,021</u>	<u>22</u>	<u>452,439</u>	<u>14</u>
	Non-current liabilities					
2540	Long-term borrowings	6(10)(26) and 8	88,859	2	110,277	3
2570	Deferred income tax liabilities	6(23)	245	-	886	-
2580	Non-current lease liabilities	6(7)(26)	17,359	1	20,437	1
2600	Other non-current liabilities	6(26)	4,013	-	4,129	-
25XX	Total non-current liabilities		<u>110,476</u>	<u>3</u>	<u>135,729</u>	<u>4</u>
2XXX	Total Liabilities		<u>983,497</u>	<u>25</u>	<u>588,168</u>	<u>18</u>
	Equity attributable to owners of parent					
	Share capital	6(12)				
3110	Ordinary share		1,173,408	29	1,173,408	37
	Capital surplus	6(13)				
3200	Capital surplus		730,121	19	730,121	23
	Retained earnings	6(14)				
3310	Legal reserve		209,862	5	192,963	6
3320	Special reserve		10,371	-	12,265	-
3350	Unappropriated retained earnings		878,524	22	512,885	16
	Other equity	6(15)				
3400	Other equity interest		(12,514)	-	(10,371)	-
31XX	Total equity attributable to owners of the parent		<u>2,989,772</u>	<u>75</u>	<u>2,611,271</u>	<u>82</u>
36XX	Non-controlling interest		12,278	-	7,486	-
3XXX	Total equity		<u>3,002,050</u>	<u>75</u>	<u>2,618,757</u>	<u>82</u>
	Significant Contingent Liabilities and Contract Commitments	9				
	Significant Events After the Balance Sheet Date	11				
3X2X	Total liabilities and equity		<u>\$ 3,985,547</u>	<u>100</u>	<u>\$ 3,206,925</u>	<u>100</u>

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

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(16) and 7	\$ 3,106,485	100	\$ 2,126,186	100
5000	Operating costs	6(5)(21)(22) and 7	(2,095,677)	(67)	(1,612,577)	(76)
5900	Gross profit		<u>1,010,808</u>	<u>33</u>	<u>513,609</u>	<u>24</u>
	Operating expenses	6(21)(22)				
6100	Selling expenses		(139,596)	(5)	(116,493)	(5)
6200	General and administrative expenses		(194,887)	(6)	(143,875)	(7)
6300	Research and development expenses		(61,064)	(2)	(59,320)	(3)
6450	Expected credit (loss) profit	12(2)	(4,139)	-	7,638	-
6000	Total operating expenses		(399,686)	(13)	(312,050)	(15)
6900	Operating profit		<u>611,122</u>	<u>20</u>	<u>201,559</u>	<u>9</u>
	Non-operating income and expenses					
7100	Interest income	6(3)(17)	3,364	-	3,039	-
7010	Other income	6(18)	2,125	-	671	-
7020	Other gains and losses	6(2)(19)	(21,342)	(1)	(10,670)	-
7050	Finance costs	6(20)	(2,371)	-	(2,449)	-
7000	Total non-operating income and expenses		(18,224)	(1)	(9,409)	-
7900	Profitbefore income tax		<u>592,898</u>	<u>19</u>	<u>192,150</u>	<u>9</u>
7950	Income tax expense	6(23)	(113,319)	(4)	(20,631)	(1)
8200	Profit for the year		<u>\$ 479,579</u>	<u>15</u>	<u>\$ 171,519</u>	<u>8</u>
	Other comprehensive income, net					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Cumulative translation differences of foreign operations	6(15)	(\$ 2,413)	-	\$ 1,537	-
8500	Total comprehensive income for the year		<u>\$ 477,166</u>	<u>15</u>	<u>\$ 173,056</u>	<u>8</u>
	Profit, attributable to:					
8610	Owners of the parent		<u>\$ 474,517</u>	<u>15</u>	<u>\$ 168,996</u>	<u>8</u>
8620	Non-controlling interest		<u>\$ 5,062</u>	<u>-</u>	<u>\$ 2,523</u>	<u>-</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 472,374</u>	<u>15</u>	<u>\$ 170,890</u>	<u>8</u>
8720	Non-controlling interest		<u>\$ 4,792</u>	<u>-</u>	<u>\$ 2,166</u>	<u>-</u>
	Earnings per share	6(24)				
9750	Basic earnings per share		<u>\$</u>	<u>4.04</u>	<u>\$</u>	<u>1.44</u>
	Diluted earnings per share	6(24)				
9850	Diluted earnings per share		<u>\$</u>	<u>4.01</u>	<u>\$</u>	<u>1.43</u>

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

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Equity attributable to owners of the parent							Non-controlling interest	Total equity
		Share capital - common stock	Total capital surplus, additional paid-in capital	Legal reserve	Special reserve	Retained Earnings Total unappropriated retained earnings (accumulated deficit)	Financial statements translation differences of foreign operations	Total		
Year ended December 31, 2020										
Balance at January 1, 2020		\$ 1,173,408	\$ 730,121	\$ 178,592	\$ 7,524	\$ 445,140	(\$ 12,265)	\$ 2,522,520	\$ 5,320	\$ 2,527,840
Profit for the year		-	-	-	-	168,996	-	168,996	2,523	171,519
Other comprehensive income (loss) for the year	6(15)	-	-	-	-	-	1,894	1,894	(357)	1,537
Total comprehensive income (loss)		-	-	-	-	168,996	1,894	170,890	2,166	173,056
Distribution of retained earnings of 2019:	6(14)									
Legal reserve		-	-	14,371	-	(14,371)	-	-	-	-
Special reserve		-	-	-	4,741	(4,741)	-	-	-	-
Cash dividends		-	-	-	-	(82,139)	-	(82,139)	-	(82,139)
Balance at December 31, 2020		\$ 1,173,408	\$ 730,121	\$ 192,963	\$ 12,265	\$ 512,885	(\$ 10,371)	\$ 2,611,271	\$ 7,486	\$ 2,618,757
Year ended December 31, 2021										
Balance at January 1, 2021		\$ 1,173,408	\$ 730,121	\$ 192,963	\$ 12,265	\$ 512,885	(\$ 10,371)	\$ 2,611,271	\$ 7,486	\$ 2,618,757
Profit for the year		-	-	-	-	474,517	-	474,517	5,062	479,579
Other comprehensive income (loss) for the year	6(15)	-	-	-	-	-	(2,143)	(2,143)	(270)	(2,413)
Total comprehensive income (loss)		-	-	-	-	474,517	(2,143)	472,374	4,792	477,166
Distribution of retained earnings of 2020:	6(14)									
Legal reserve		-	-	16,899	-	(16,899)	-	-	-	-
Special reserve		-	-	-	(1,894)	1,894	-	-	-	-
Cash dividends		-	-	-	-	(93,873)	-	(93,873)	-	(93,873)
Balance at December 31, 2021		\$ 1,173,408	\$ 730,121	\$ 209,862	\$ 10,371	\$ 878,524	(\$ 12,514)	\$ 2,989,772	\$ 12,278	\$ 3,002,050

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

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED 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		\$ 592,898	\$ 192,150
Adjustments			
Adjustments to reconcile profit (loss)			
(Reversal of) provision for expected credit loss	12(2)	4,139	(7,638)
Depreciation	6(6)(7)(21)	201,797	202,696
Amortisation of intangible assets	6(21)	3,848	3,542
Interest income	6(17)	(3,364)	(3,039)
Interest expense	6(20)	2,371	2,449
Net gain on financial assets at fair value through profit or loss	6(2)(19)	621	(4,948)
Gain on disposal of property, plant and equipment	6(6)(19)	(607)	(3,297)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets mandatorily measured at fair value through profit or loss	6(2)	229,757	(47,800)
Notes receivable	6(4)	(27,744)	(8,087)
Accounts receivable	6(4)	(182,853)	(89,160)
Accounts receivable - related parties	6(4) and 7	(417)	(1,101)
Other receivables		(9,061)	(7,071)
Other receivables - related parties	7	3	21
Inventories	6(5)	(347,019)	(81,530)
Prepayments		(11,472)	3,435
Other current assets		31	76
Changes in operating liabilities			
Notes payable		(964)	2,116
Accounts payable		91,528	55,059
Accounts payable- related parties	7	1,964	(1,102)
Other payables	6(9)	119,859	10,497
Other current liabilities		10,336	(241)
Cash inflow generated from operations		675,651	217,027
Interest received		3,314	2,830
Interest paid		(1,996)	(2,098)
Income tax paid		(32,869)	(13,494)
Net cash flows from operating activities		644,100	204,265

(Continued)

VIKING TECH CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortized cost	6(3)	(\$ 125,898)	(\$ 12,845)
Proceeds from disposal of financial assets at amortized cost	6(3)		
		17,365	25,690
Acquisition of property, plant and equipment	6(6)(25)	(233,427)	(83,125)
Proceeds from disposal of property, plant and equipment	6(6)	710	3,305
Acquisition of intangible assets		(1,453)	(4,454)
Decrease in refundable deposits		(400)	3
Net cash flows used in investing activities		(343,103)	(71,426)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(26)	215,000	45,000
Repayments of short-term borrowings	6(26)	(125,000)	(60,000)
Repayments of long-term borrowings	6(26)	(28,003)	(27,739)
Repayments of principal portion of lease liabilities	6(26)	(6,537)	(6,421)
(Decrease) increase in guarantee deposits received	6(26)	(116)	(218)
Cash dividends paid	6(14)	(93,873)	(82,139)
Net cash flows used in financing activities		(38,529)	(131,517)
Effects of changes in foreign exchange rates		339	(2,905)
Net increase (decrease) in cash and cash equivalents		262,807	(1,583)
Cash and cash equivalents at beginning of year	6(1)	514,364	515,947
Cash and cash equivalents at end of year	6(1)	\$ 777,171	\$ 514,364

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

PWCR21000292

To the Board of Directors and Shareholders of VIKING TECH CORPORATION

Opinion

We have audited the accompanying balance sheets of VIKING TECH CORPORATION (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".

Basis for opinion

We conducted our audit of the financial statements as of and for the year ended December 31, 2021 and 2020 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 (ROC GAAS). Our responsibilities under those standards are further described in the Auditor's 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

The key audit matters in relation to the parent company only financial statements for the year ended December 31, 2021 are outlined as follows:

Cut-off risk error of revenue recognition

Description

Refer to Note 4(25) for accounting policy on revenue recognition. The Company is primarily engaged in export and offers different credit terms to their customers. The credit terms for some customers are upon delivery to a specific location and the timing for transferring the control of goods is based on the customer confirmation documents. Given that the revenue recognition process relies on manual processes and the large volume of daily sales transactions which are material to the financial statements, we thus consider sales cut-off as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Assessed the reasonableness of the sales recognition accounting policy.
2. Understood and tested the design and effectiveness of relevant internal controls when recognising the sales revenue.
3. Sampled delivery orders and customer confirmation documents during a certain period before and after the balance sheet date to ensure the accuracy of cut-off of sales revenue.

Assessment of allowance for inventory valuation losses

Description

Refer to Note 4(12) for accounting policies on inventory, Note 5 for significant accounting estimates and assumptions of inventory, and Note 6(4) for details of allowance for inventory valuation losses.

The Company manufactures and sells thick and thin film passive components products. Due to the competitive market in the industry and the fluctuating prices, there is a higher risk of inventory losing value or becoming obsolete. The inventories are stated at the lower of cost and net realisable value and the possible losses arising from aged and obsolete inventories are also assessed. Given that the evaluation on the aged and obsolete inventories involves subjective judgement which results in estimation uncertainty and the impact of aged inventories and allowance for inventory valuation losses are material to the financial statements, we thus consider assessment of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Understood and assessed the reasonableness of allowance for inventory valuation losses policy including the historical sources of inventory clearance process.
2. Obtained the inventory assessment report prepared by the management and checked the completeness of the information on the inventory aging report.
3. Verified the accuracy of the intervals and relevant information used on the inventory aging report, ensured that the allowance loss valuation and the provision policy are consistently applied and further assessed the reasonableness of the estimations of allowance for inventory valuation losses.

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.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ROC GAAS 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 ROC GAAS, 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 auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the 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 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.

Cheng, Ya-Huei

Liu, Chien-Yu

For and on behalf of PricewaterhouseCoopers, Taiwan
February 25, 2022

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and 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, 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.

VIKING TECH CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 614,683	16	\$ 325,142	11
1110	Financial assets at fair value through profit or loss - current	6(2)	21,833	1	252,211	8
1150	Notes receivable, net	6(3)	4,427	-	3,051	-
1170	Accounts receivable, net	6(3)	432,494	11	270,594	9
1180	Accounts receivable - related parties	6(3) and 7	398,032	10	257,327	8
1200	Other receivables		15,560	-	8,559	-
1210	Other receivables - related parties	7	468	-	471	-
1220	Current income tax assets	6(23)	25,264	1	25,264	1
130X	Inventories, net	6(4)	791,430	21	504,894	16
1410	Prepayments		30,672	1	20,934	1
1479	Other current assets	8	1,912	-	1,925	-
11XX	Total current assets		<u>2,336,775</u>	<u>61</u>	<u>1,670,372</u>	<u>54</u>
Non-current assets						
1550	Investments accounted for under equity method	6(5)	260,102	7	235,329	8
1600	Property, plant and equipment	6(6) and 8	1,086,411	28	1,091,188	35
1755	Right-of-use assets	6(7)	6,104	-	6,260	-
1780	Intangible assets		3,252	-	5,625	-
1840	Deferred income tax assets	6(23)	27,505	1	25,789	1
1900	Other non-current assets	6(25)	129,654	3	66,178	2
15XX	Total non-current assets		<u>1,513,028</u>	<u>39</u>	<u>1,430,369</u>	<u>46</u>
1XXX	Total assets		<u>\$ 3,849,803</u>	<u>100</u>	<u>\$ 3,100,741</u>	<u>100</u>

(Continued)

VIKING TECH CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(8)	\$ 105,000	3	\$ 15,000	1
2150	Notes payable		3,232	-	4,196	-
2170	Accounts payable	7	225,165	6	143,030	5
2200	Other payables	6(9) and 7	311,393	8	164,716	5
2230	Current income tax liabilities	6(23)	90,699	2	10,188	-
2280	Current lease liabilities	6(7)	2,265	-	2,204	-
2320	Long-term liabilities, current portion	6(10) and 8	21,383	1	27,968	1
2399	Other current liabilities		3,863	-	2,752	-
21XX	Total current Liabilities		<u>763,000</u>	<u>20</u>	<u>370,054</u>	<u>12</u>
Non-current liabilities						
2540	Long-term borrowings	6(10) and 8	88,859	2	110,277	4
2570	Deferred income tax liabilities	6(23)	245	-	886	-
2580	Non-current lease liabilities	6(7)	3,914	-	4,124	-
2600	Other non-current liabilities		4,013	-	4,129	-
25XX	Total non-current liabilities		<u>97,031</u>	<u>2</u>	<u>119,416</u>	<u>4</u>
2XXX	Total Liabilities		<u>860,031</u>	<u>22</u>	<u>489,470</u>	<u>16</u>
Equity						
Share capital		6(12)				
3110	Ordinary share		1,173,408	31	1,173,408	38
Capital surplus		6(13)				
3200	Capital surplus		730,121	19	730,121	24
Retained earnings		6(14)				
3310	Legal reserve		209,862	5	192,963	6
3320	Special reserve		10,371	-	12,265	-
3350	Unappropriated retained earnings		878,524	23	512,885	16
Other equity interest		6(15)				
3400	Other equity interest		(12,514)	-	(10,371)	-
3XXX	Total equity		<u>2,989,772</u>	<u>78</u>	<u>2,611,271</u>	<u>84</u>
Significant Contingent Liabilities and Unrecognised Contract Commitments		9				
Significant events after the balance sheet date		11				
3X2X	Total liabilities and equity		<u>\$ 3,849,803</u>	<u>100</u>	<u>\$ 3,100,741</u>	<u>100</u>

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

VIKING TECH CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Items	Notes	Year ended December 31			
		2021		2020	
		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(16) and 7	\$ 2,681,223	100	\$ 1,763,731	100
5000 Operating costs	6(4)(21)(22) and 7	(1,773,106)	(66)	(1,336,888)	(76)
5900 Gross Profit		908,117	34	426,843	24
5910 Unrealized profit from sales		(34,905)	(1)	(9,834)	-
5920 Realized profit from sales		9,834	-	4,556	-
5950 Net operating margin		883,046	33	421,565	24
Operating expenses	6(21)(22)				
6100 Selling expenses	7	(101,480)	(4)	(79,205)	(5)
6200 General and administrative expenses		(174,561)	(6)	(129,131)	(7)
6300 Research and development expenses		(61,064)	(2)	(59,320)	(3)
6450 Expected credit loss	12(2)	(3,754)	-	1,205	-
6000 Total operating expenses		(340,859)	(12)	(266,451)	(15)
6900 Operating profit		542,187	21	155,114	9
Non-operating income and expenses					
7100 Interest income	6(17)	410	-	490	-
7010 Other income	6(18)	2,693	-	1,007	-
7020 Other gains and losses	6(2)(19)	(20,718)	(1)	(7,873)	(1)
7050 Finance costs	6(20)	(2,125)	-	(2,158)	-
7070 Share of profit of associates and joint ventures accounted for using equity method, net	6(5)	51,987	2	32,786	2
7000 Total non-operating income and expenses		32,247	1	24,252	1
7900 Profit before income tax		574,434	22	179,366	10
7950 Income tax expense	6(23)	(99,917)	(4)	(10,370)	-
8200 Profit for the year		\$ 474,517	18	\$ 168,996	10
Other comprehensive income, net					
Components of other comprehensive income that will be reclassified to profit or loss					
8361 Other comprehensive income, before tax, exchange differences on translation	6(15)	(\$ 2,143)	-	\$ 1,894	-
8500 Total comprehensive income for the year		\$ 472,374	18	\$ 170,890	10
Earnings per share					
9750 Basic earnings per share	6(24)	\$ 4.04		\$ 1.44	
Diluted earnings per share from continuing operations					
9850 Diluted earnings per share	6(24)	\$ 4.01		\$ 1.43	

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

VIKING TECH CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Retained Earnings					Financial statements translation differences of foreign operations	Total equity
		Ordinary share	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings		
<u>Year ended December 31, 2020</u>								
Balance at January 1, 2020		\$ 1,173,408	\$ 730,121	\$ 178,592	\$ 7,524	\$ 445,140	(\$ 12,265)	\$ 2,522,520
Profit (loss)		-	-	-	-	168,996	-	168,996
Other comprehensive income	6(15)	-	-	-	-	-	1,894	1,894
Total comprehensive income		-	-	-	-	168,996	1,894	170,890
Distribution of retained earnings of 2019:	6(14)							
Legal reserve		-	-	14,371	-	(14,371)	-	-
Special reserve		-	-	-	4,741	(4,741)	-	-
Cash dividends		-	-	-	-	(82,139)	-	(82,139)
Balance at December 31, 2020		\$ 1,173,408	\$ 730,121	\$ 192,963	\$ 12,265	\$ 512,885	(\$ 10,371)	\$ 2,611,271
<u>Year ended December 31, 2021</u>								
Balance at January 1, 2021		\$ 1,173,408	\$ 730,121	\$ 192,963	\$ 12,265	\$ 512,885	(\$ 10,371)	\$ 2,611,271
Profit (loss)		-	-	-	-	474,517	-	474,517
Other comprehensive income	6(15)	-	-	-	-	-	(2,143)	(2,143)
Total comprehensive income		-	-	-	-	474,517	(2,143)	472,374
Distribution of retained earnings of 2020:	6(14)							
Legal reserve		-	-	16,899	-	(16,899)	-	-
Special reserve		-	-	-	(1,894)	1,894	-	-
Cash dividends		-	-	-	-	(93,873)	-	(93,873)
Balance at December 31, 2021		\$ 1,173,408	\$ 730,121	\$ 209,862	\$ 10,371	\$ 878,524	(\$ 12,514)	\$ 2,989,772

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

VIKING TECH CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 574,434	\$ 179,366
Adjustments			
Adjustments to reconcile profit (loss)			
(Reversal of) provision for expected credit loss	12(2)	3,754	(1,205)
Depreciation	6(6)(7)(21)	189,105	191,021
Amortisation of intangible assets	6(21)	3,826	3,520
Interest income	6(17)	(410)	(490)
Interest expense	6(20)	2,125	2,158
Share of profit of associates and joint ventures accounted for under equity method	6(5)	(51,987)	(32,786)
Net gain on financial assets at fair value through profit or loss	6(2)(19)	621	(4,948)
Gain on disposal of property, plant and equipment	6(6)(19)	(645)	(3,305)
(Realized) Unrealized profit on sale		25,071	5,278
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss	6(2)	229,757	(47,800)
Notes receivable	6(3)	(1,376)	(543)
Accounts receivable	6(3)	(165,654)	(41,897)
Accounts receivable - related parties	6(3) and 7	(140,705)	(82,108)
Other receivables		(6,996)	(3,733)
Other receivables - related parties		3	21
Inventories	6(4)	(286,536)	(77,140)
Prepayments		(9,738)	5,641
Other current assets		13	47
Changes in operating liabilities			
Notes payable		(964)	2,116
Accounts payable	7	82,135	47,311
Other payables	6(9) and 7	113,656	9,455
Other current liabilities		1,111	(99)
Cash inflow generated from operations		560,600	149,880
Interest received		405	518
Interest paid		(1,996)	(2,098)
Income tax paid		(21,763)	(3,983)
Net cash flows from operating activities		537,246	144,317

(Continued)

VIKING TECH CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Notes	Year ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(25)	(\$ 211,782)	(\$ 77,504)
Proceeds from disposal of property, plant and equipment		710	3,305
Acquisition of intangible assets		(1,453)	(4,454)
(Increase) decrease in refundable deposits		(400)	3
Net cash flows used in investing activities		(212,925)	(78,650)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings	6(26)	215,000	45,000
Repayments of short-term borrowings	6(26)	(125,000)	(60,000)
Repayments of long-term borrowings	6(26)	(28,003)	(27,739)
Repayments of principal portion of lease liabilities	6(26)	(2,788)	(2,701)
Decrease in guarantee deposits received	6(26)	(116)	(218)
Cash dividends paid	6(14)	(93,873)	(82,139)
Net cash flows used in financing activities		(34,780)	(127,797)
Net increase (decrease) in cash and cash equivalents		289,541	(62,130)
Cash and cash equivalents at beginning of year	6(1)	325,142	387,272
Cash and cash equivalents at end of year	6(1)	\$ 614,683	\$ 325,142

Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2021 financial statements of the Company that have been reviewed by the independent auditors, Lin Yukuan and Zheng Yahui of KPMG Taiwan, together with the business report and the earnings distribution proposal reviewed by the Audit Committee. The Committee is considered that there is no discrepancy and such reports are prepared in accordance with the provisions of Article 14-4 of Securities and Exchange Act and Article 219 of Company Act. Submitted for review and approval

To
Viking Tech Corporation 2022 Shareholders' Meeting

The convener of the Audit Committee. Shen Bo-Ting

February 25, 2022

Viking Tech Corporation

Earnings Distribution Table

2021

Unit: In One Dollar of New Taiwan Dollar

Beginning undistributed earnings balance	404,007,046
Add: Net Income After Tax	474,516,378
Minus: Appropriated as 10% legal reserve	(47,451,638)
Reversed special reserve	(2,142,592)
Earnings available for distribution	828,929,194
Distribution Items:	
shareholders extra dividend	258,149,852
Ending undistributed Earnings balance	570,779,342

Note 1. The proposed earnings distribution is NTD258,149,852 and each common share holder will be titled to receive a cash dividend of NTD2.2 per share.

Note 2. The record date of dividend payout is set by Broad of Directors.

Note 3. The dividend for individual shareholders will be distributed fdown to dollar, while the decimals will be rounded down to dollar.

Responsible person:
Tsai Kao-Ming

Managerial Personnel:
Hu Chuan-Bin

Accountant in charge of the
Company: Li Shun-He

【 Candidates List for Directors (including Independent Directors) 】

Position Title	Name	Academic Background	Work Experience	Shareholdings
Director	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Hu Chuang-Bin	Xiamen University Bachelor of Business Administration Professional Management	Staff, Deputy department head, Department head, Director of Strategic Development Department; Guangdong Fenghua Semiconductor Technology Co., Ltd. General Manager of Viking Tech Corporation	46,936,337 shares
Director	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Liang Yao-Ming	Tianjin University of Commerce Bachelor of Accounting and Professional Economics	Financial Manager of Guangdong Fenghua Semiconductor Technology Co., Ltd. Senior Manager of Guangdong Fenghua Semiconductor Technology Co., Ltd. Vice general manager of Viking Tech Corporation	46,936,337 shares
Director	Guangdong Fenghua Semiconductor Technology Co., Ltd. (China) Representative: Mo Xue-Qiong	South China University of Technology, Master of Industrial Engineering East China Jiao Tong University (ECJTU), Bachelor of Electrical Automation	Guangdong Fenghua Advanced Technology (Holding) Co., Ltd., Duanhua Branch – once held the position of technician, technical supervisor, R&D supervisor, technical director, planning director, assistant to President, Vice President, and Executive Vice President.	46,936,337 shares
Director	Hua-Jie Investment Co. Ltd. Representative: Tsai Kao-Ming	National Cheng Kung University Department of Accounting and Statistics	General Manager of China Bills Finance Co., Ltd. President of Eastern Realty Co., Ltd. President of Eastern Enterprise Development Co., Ltd. President of Eastern International Lease-Finance Co., Ltd. Director of Eastern Media International Corporation	200,000 shares

【 Candidates List for Directors (including Independent Directors) 】

Position Title	Name	Academic Background	Work Experience	Shareholdings
			Independent Director of United Radiant Technology Corp.	
Director	Jetbond Technology Co., Ltd. Representative: Guo-Feng Wei	Minghsin University of Science and Technology, Electronic Engineering Department	Sales Deputy Manager of Chunghwa Precision Test Tech. Co., Ltd. Sales Deputy Manager of Star Technologies, Inc. Sales Deputy Manager of JTT Test Solutions Partner Co., Ltd. Sales Junior VP of Jetbond Technology Co., Ltd.	5,000 shares
Director	Jetbond Technology Co., Ltd. Representative: Chang-Sean Zhou	National Cheng-Chi University Department of Law	President of Rui Zhe Management Consultant Co., Ltd. Chief Consultant of KeyStone Consulting (Shanghai) Company Chief Consultant of Reference Management Consulting Co., Ltd. Visiting Professor of the School of Continuing Education, Shanghai Jiao Tong University Independent Director of WW Holding Inc. Independent Director of Infortrend Technology, Inc. President of Zhuang Zhou Enterprise Management Consulting Co., Ltd. Human Resources Consultant of PwC Taiwan Human Resources Manager of PwC Taiwan Deputy Manager of Credit Department /	5,000 shares

【 Candidates List for Directors (including Independent Directors) 】

Position Title	Name	Academic Background	Work Experience	Shareholdings
			Human Resources Department of Synnex Technology International Corporation Legal Specialist of Uni-President Enterprises Corporation	
Independent Director	Shen Bo-Ting	National Chiao Tung University Department of Industrial Engineering and Management National Chung Cheng University Department of Finance National Taiwan University Completion of the Credit Course for Legal Study	Assistant Manager of Capital Market Department, Barits Securities Corporation (Mega Securities Co., Ltd.) Special assistant for Taiwan General Manager, Wal-Mart Ltd. Investment Manager, Taiwan Incubator SME Development Co. Assistant Manager of Cathay Venture Inc. Cathay Financial Holding Co., Ltd. Manager of the President Room, Finance and Accounting Division and Material Division, Tingyi Wei Chuan Special assistant for the President of Robert Bosch Taiwan Co. Ltd.) General Manager of Jiedeng Industrail Consulting Partnership accountant/ General Manager of Jianda alliance CPA partnership Vice General Manager of UniVenture Management Consulting Co., Ltd. Certified public accountant of Quanyin Accountant Firm General Manager of C&E Consulting	0 share
Independent	Li Yi-Wen	National Cheng-Chi University	Managing Attorney of Yuan-Jing Law	0 share

【 Candidates List for Directors (including Independent Directors) 】

Position Title	Name	Academic Background	Work Experience	Shareholdings
Director		Department of Law	FirmLegal Head of Eastern Home Shopping & Leisure Co., Ltd. Deputy Head of Diagnostic counseling group, National Association of Small & Medium Enterprises, R.O.C. · NASME Research Consultant of BOT Center, Taiwan Institute of Economic Research Attorney of Cheng-Tai Law Firm Judge Assistant of Supreme Administrative Court	
Independent Director	Huang Shi-Bing	California State University Master	Director of Public Relation Department, AmTRAN Technology. Business Director, Flexible Print Circuit Business Unit, Zhen Ding Technology Holding Limited (ZDT) Vice General Manager of Sales Department, Bowin Communication Associate Manager of Headquarter, Delta Electronics Group	0 share

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>Article 8: In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NTD300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business purpose, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the Board of Directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NTD1 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 	<p>Article 8: In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NTD300 million or more, the company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business purpose, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NTD1 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 	<p>Amended according to the law.</p>

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>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:</p> <p>(1) The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.</p> <p>(2) The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	<p>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 <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and</u> render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>(1)The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>(2)The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4.No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	
<p>Article 10: Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NTD300 million or more, except in transactions</p>	<p>Article10:Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NTD300 million or more, except in transactions with a domestic</p>	<p>Amended according to the law.</p>

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>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.</p>	<p>government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	
<p>Article 15: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a interested party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a interested party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NTD300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution:</p> <p>1. The purpose, necessity, and anticipated benefit of the acquisition or disposal of assets;</p>	<p>Article 15: When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a interested party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a interested party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NTD300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by one-half or more of all audit committee members and submitted to the board of directors for a resolution:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the interested party as a 	<p>Amended according to the law. The significantly related party transaction as specified in this article of the subsidiary that is not a public company in Taiwan should be submitted to the shareholders' meeting of the Company for approval; by the shareholders' meeting of the company shall be submitted, which is limited to its directly listed parent company of the Company.</p>

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>2. The reason for choosing the interested party as a transaction counterparty; With respect to the acquisition of real property or right-of-use assets thereof from an interested party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.</p> <p>3. The date and price at which the interested party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the interested party;</p> <p>4. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>5. Obtaining an appraisal report from a professional appraiser or a certified public account's opinion in compliance with the provisions of the preceding Article.</p> <p>6. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with the provisions of Article 46, and "within the preceding year" as used herein refers to</p>	<p>transaction counterparty. With respect to the acquisition of real property or right-of-use assets thereof from an interested party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17.</p> <p>3. The date and price at which the interested party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the interested party.</p> <p>4. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.</p> <p>5. Obtaining an appraisal report from a professional appraiser or a certified public account's opinion in compliance with the provisions of the preceding Article.</p> <p>6. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with the</p>	

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>when to be conducted between the Company, its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the board of directors of the Company may pursuant to Article 5 Paragraph 1 delegate the President to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1 Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. When the matter are submitted for discussion to the board of directors for discussion, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.. <p>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in</p>	<p>provisions of Article 46, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.</p> <p>when to be conducted between the Company, its subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the board of directors of the Company may pursuant to Article 5 Paragraph 1 delegate the President to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1 Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2 Acquisition or disposal of real property right-of-use assets held for business use. <u>Where the position of independent director has been created by the Company in accordance with laws,</u> when the matters are submitted for discussion to the board of directors pursuant to <u>Paragraph 1 herein,</u> the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any 	

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>paragraph 1 and the transaction amount will reach 10 percent or more of the Company’s total assets, the Company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders’ meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and the subsidiaries or between the subsidiaries.</p> <p>The transaction amount stated in Paragraph 1 and the preceding paragraph shall be calculated in accordance with the provisions of Article 46, Paragraph 2. Also, the “within the preceding year” as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly submitted to the shareholders’ meeting and Audit Committee and resolved by the Board of Directors need not be counted toward the transaction amount.</p>	<p>matter, it shall be recorded in the minutes of the board of directors meeting.</p>	
<p>Article 46: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1. Acquisition or disposal of real property or</p>	<p>Article 46: Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1.Acquisition or disposal of real property or</p>	<p>Amended according to the law.</p>

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>right-of-use assets thereof from or to an interested party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to an interested party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NTD300 million or more. However, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, spin-off, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Regulations.</p> <p>4. The transaction amount of an asset transaction other than any of those referred to in the preceding three subparagraphs, a disposal of debts by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NTD300 million. However, this shall not apply to the following circumstances:</p> <p>(1). Trading of domestic government bonds or</p>	<p>right-of-use assets thereof from or to an interested party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to an interested party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NTD300 million or more. However, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, spin-off, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the Regulations.</p> <p>4. The transaction amount of an asset transaction other than any of those referred to in the preceding three subparagraphs, a disposal of debts by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NTD300 million. However, this shall not apply to the following</p>	

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p><u>foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan</u></p> <p>(2). Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(3). Where equipment or right-of-use assets thereof for business purpose are acquired or disposed of, and furthermore the transaction counterparty is not an interested party, and the transaction amount does not reach NTD500 million or more.</p> <p>(4). Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not an interested party, the transaction amount the Company does not reach NTD500 million or more. (Based on thee amount the Company expects to invest in)</p> <p>The amount of aforesaid transactions shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction 	<p>circumstances:</p> <ol style="list-style-type: none"> (1). Purchase and sell the domestic government bonds. (2). Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. (3). Where equipment or right-of-use assets thereof for business purpose are acquired or disposed of, and furthermore the transaction counterparty is not an interested party, and the transaction amount does not reach NTD500 million or more. (4). Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not an interested party, the transaction amount 	

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
<p>amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" means the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with this Regulations need not be counted toward the transaction amount.</p>	<p>the Company does not reach NTD500 million or more. (Based on the amount the Company expects to invest in)</p> <p>The amount of aforesaid transactions shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" means the year preceding the date of occurrence of the current</p>	

Viking Tech Corporation
Regulations Governing Acquisition or Disposal of Assets
Comparison Table for the Amended Provisions

Revision Provision	Original Provision	Explanatory Notes
	transaction. Items duly announced in accordance with this Regulations need not be counted toward the transaction amount.	
<p>Article 60: The implementation is on November 30, 2006. The 1st amendment dated on May 18, 2007. The 2nd amendment dated on June 14, 2010. The 3rd amendment dated on June 27, 2011. The 4th amendment dated on June 15, 2012. The 5th amendment dated on June 23, 2014. The 6th amendment dated on June 25, 2015. The 7th amendment dated on June 14, 2017. The 8th amendment dated on June 24, 2019. <u>The 9th amendment dated on June 27, 2022.</u></p>	<p>Article 60: The implementation is on November 30, 2006. The 1st amendment dated on May 18, 2007. The 2nd amendment dated on June 14, 2010. The 3rd amendment dated on June 27, 2011. The 4th amendment dated on June 15, 2012. The 5th amendment dated on June 23, 2014. The 6th amendment dated on June 25, 2015. The 7th amendment dated on June 14, 2017. The 8th amendment dated on June 24, 2019.</p>	<p>The date of the amendment will be updated after such amendment is passed by the shareholders' meeting.</p>

Viking Tech Corporation

Regulations Governing Election of Directors

1. The election of the directors of the of the boards of the company shall be carried out in accordance with these Measures, except as otherwise provided for in the Company Law, the Securities Exchange Law and the Articles of Association of the Company.
2. Cumulative Voting System 2. The election of directors of the of the board of the company adopts cumulative voting method
The name of the elector can be replaced by the attendance number (or shareholder number) printed on the ballot paper.
In the election of the directors of the board of the company, each share has the same voting rights as the number of people to be elected. It is possible to elect one person in a centralized manner or to allocate a number of people.
3. The nomination system for candidates for the election of directors of the board of the company shall be elected in accordance with the quotas stipulated in the articles of association of the company. At the time of the election, the independent directors and the non-independent directors are elected together, but the independent directors and the general directors are separately counted. If there are more than two equal rights and exceed the specified number, the same number of people with the same number of rights will be drawn by lot, and those who are not present will be drawn by the chairman.
4. The selection of directors of the board of the Company shall take into account the overall configuration of the Board of Directors, the composition of the board of directors should be considered in a diversified manner and appropriate diversification guidelines should be developed for its own operations, operational style and development needs, including but not limited to the following two standards:
 1. Basic conditions and values: gender, age, nationality and culture.
 2. Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience.Board members should generally have the knowledge, skills and literacy necessary to perform their duties. The overall abilities of the board should be as follows:
 1. Operational judgment ability.
 2. Accounting and financial analysis capabilities.
 3. Management capabilities.
 4. Ability to deal with crisis.
 5. Industrial knowledge.
 6. International market outlook.
 7. Leadership.
 8. Decision-making ability.There shall be more than half of the seats between directors and no relatives within the scope of spouse or second degree of kinship.
5. The qualifications and selection of the independent directors of the board of directors of the Company shall be governed by the provisions of the “Public Issuance of Independent Directors of the Company and the Compliance Measures” and the “Code of Practice for Corporate Governance on the Listed Companies”.
6. The election of independent directors of the Company shall be in accordance with the procedures for the nomination system for candidates as stipulated in the first rule of Article 192 of the Company Law. The qualifications for the examination of candidates for independent directors, the background of academic experience and the existence of

Viking Tech Corporation
Regulations Governing Election of Directors

company law, the documents listed in Article 30 shall not be arbitrarily added with other documents of qualifications, and the results of the review shall be provided to the shareholders for reference and the independent directors shall be elected.

7. Before the election begins, the chairman shall designate a number of scrutinizers and counters with shareholder status to perform various duties. The ballot box was prepared by the company and was opened to the public by the scrutinizer before the vote.
8. The company prepares and elects the election votes of the same number of directors, and adds its weights to distribute the shareholders attending the shareholders' meeting.
9. The election ticket is invalid with one of the following circumstances:
 1. The ballot was not prepared by the authorized convener..
 2. Those who put in the ballot box with blank votes.
 3. Handwriting is blurred and cannot be identified or altered.
 4. The candidate whose name is entered in the ballot does not conform to those given in the director candidates list.
 5. Other words or marks are entered in addition to the candidate's number of voting rights allotted.
10. After the voting is completed, the ticket will be invoiced on the spot and the result of the billing will be announced by the chairman.
11. The elected directors are issued a notice of election by the board of directors of the company.
12. The matters not specified in these Measures shall be handled in accordance with the provisions of the Company Law and relevant laws and regulations.
13. These measures shall be implemented after the approval of the shareholders' meeting, and the same shall apply to the amendments.
14. Passed and adopted on June 29, 2000.
The first amendment was made on March 12, 2002.
The second amendment was made on May 18, 2007.
The third amendment was made on June 26, 2018.
The four amendment was made on June 28, 2021.