

HON HAI PRECISION INDUSTRY CO., LTD.

2022 Annual Shareholders' Meeting Meeting Handbook



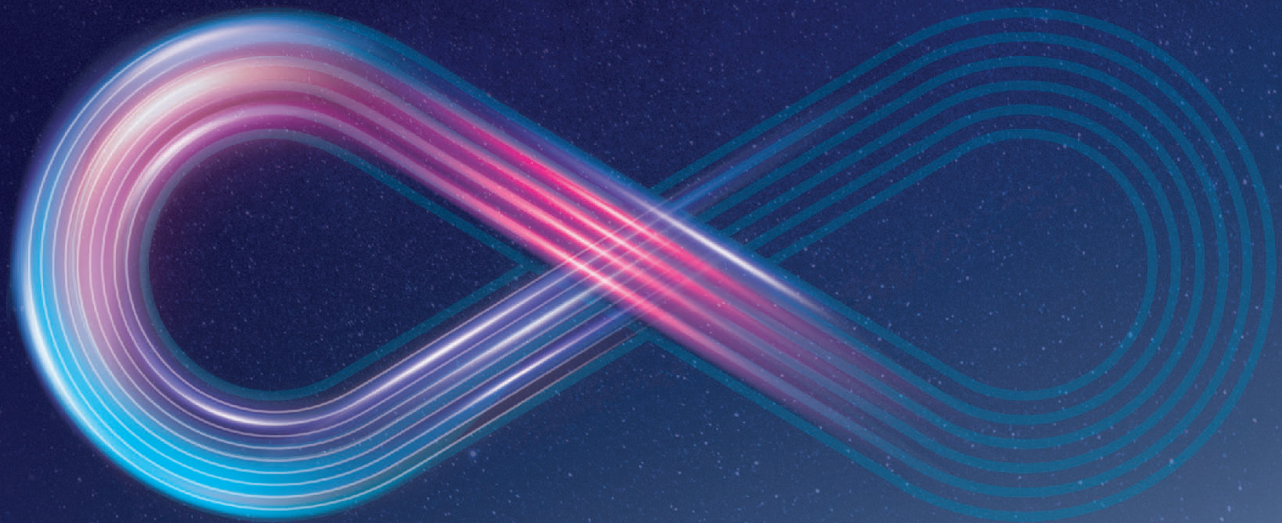
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數位健康



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新世代通訊

May 31. 2022

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Hon Hai Precision Industry Co., Ltd.
2022 Annual General Shareholders' Meeting

MEETING PROCEDURE

Meeting Type: On-site Shareholders' Meeting
Time of Meeting: May 31, 2022 (Tuesday) at 9:00 am
Location of Meeting: No.2 Zihyou Street, Tucheng Dist., New Taipei City, Taiwan

- I. Report the total number of shares represented at this AGM
- II. Meeting Commencement Announcement
- III. Chairperson's Address IV. Report Items
- IV. Report Items
- V. Ratification , Discussion and Election Items
- VI. Extraordinary Motions
- VII. Meeting Adjournment

Hon Hai Precision Industry Co., Ltd.

2022 Annual General Shareholders' Meeting

MEETING AGENDA

- I. Chairman to announce the commencement of meeting
- II. Report Items
 - (1) Report the business of 2021.
 - (2) Statutory Auditor's review of 2021 audited financial statements.
 - (3) Report on the 2021 employee compensation distributions.
 - (4) Report on the 2021 earnings distribution.
 - (5) Status report of Company's indirect investment in Mainland China.
 - (6) Status report of domestic and abroad corporate bond issuance.
- III. Ratification , Discussion and Election Items
 - (1) To approve 2021 Business Report and Financial Statements.
 - (2) To approve the proposal for distribution of 2021 earnings.
 - (3) Discussion of amendments to the Company's "Articles of Incorporation.
 - (4) Discussion of amendments to the Company's "Rules and Procedures of Shareholders' Meeting"
 - (5) Discussion of amendments to the Company's "Procedures for Asset Acquisition & Disposal"
 - (6) Discussion of the amendments to the Company's "Procedures for Lending Funds to Others."
 - (7) Discussion of the initial public listing of the Company's Hong Kong listed subsidiary "FIH Mobile Limited (Cayman)", through issuance of Rupee common stocks on the Indian Stock Exchange, through subsidiary "Bharat FIH Limited".
 - (8) Director Elections.
 - (9) To approve the lifting of director of non-competition restrictions
- IV. Extraordinary Motions
- V. Meeting Adjournment

REPORT ITEMS

Item 1:

2021 Business Report

Description:

1. Please refer to Attachment 1 (pages 24-30) for the Business Report.
2. Please refer to Attachment 3 (pages 32-58) for the Financial Statements.

Item 2:

Audit Committee's Review Report of 2021 audited financial statements

Description:

Please refer to Attachment 2 (page 31) for the Audit Committee's Review Report and the Accountant's Audit Report, respectively.

Item 3:

Report on the 2021 Employee Compensation Distributions

Description:

1. According to the Articles of Incorporation adopted by the Board, 5-7% of the company profit (if any) is to be set aside for employee remuneration.
2. The employee remuneration totaled NT\$8,122,669,781 in 2021, distributed in cash, taking up 5% of the profit of the year. There is no difference between the above resolution and the ratified cost for 2021.
3. The Chairman is authorized to handle any pending issues related to this item, or any changes needed due to fact changes or as required by the competent authorities.

Item 4:

Report on the 2021 Earnings distribution

Description:

1. The 2021 profit distribution program of the Company has been submitted by Board, in accordance with Article 28-1 of the Articles of Incorporation of the Company, as follows.
2. The available earnings for distribution were NT\$72,087,551,167 at the end of the 2021 period, and the Company distributed dividends of NT\$5.2.
3. The cash dividends will be calculated to the nearest NT dollar. The remainder will be transferred into the account of the Employee Welfare Committee.
4. Subject to the approval of the general shareholder's meeting, the Board of Directors is authorized to determine the ex-dividend date for the cash and stock dividend distribution and other related matters.
5. Prior to the ex-dividend date for the distribution, if the number of total shares outstanding has changed due to the repurchasing of shares by the Company, the transfer of treasury shares to employees, or the conversion of shares from domestic convertible bonds, etc., so that the ratios of the stock dividends and cash dividends are changed and need to be adjusted, the Board is authorized to make such adjustments.

Item 5:**Status report of the Company's new indirect investment in Mainland China****Description:**

The 2021 investments in the Chinese mainland, and status of approval by the Investment Commission, Ministry of Economic Affairs are as follows:

Approval Code	Company Name	Amount Approved (US\$)
10900350960	EFEIHU(YANTAI) LIMITED	1,148,250
10900350970	Lankao YuFu Precision Technology Co., Ltd.	52,899,782
11000113080	FuXiang Precision Industrial (KunShan) Co., Ltd.	200,000,000
11000113090	FuDing Electronic Technology (JiaShan) Co., Ltd.	100,000,000
11000113100	QUKUAILIAN INFORMATION TECHNOLOGY (SHENZHEN) CO., LTD.	736,591.33
11000176020	Sound Solutions (Zhenjiang) International Co., Ltd.	39,635,908.45
11000247600	Futaihua Precision Industry (Weihai) Co.,Ltd	71,700,000
11030003120	ANHUI HONGQING PRECISION MACHINE CO., LTD.	6,912,000
11030003140	Hong-Qi Mechatronics (Anhui) Co., Ltd.	10,137,600
11030008560	SHUNYUN TECHNOLOGY (ZHONGSHAN) LIMITED	5,952,000
11030010510	Leading Interconnect Semiconductor Technology (Shenzhen) Co., Ltd.	22,582,000
11030011360	FuYu Electronic Technology (HuaiAn) Co., Ltd.	10,891,500

Item 6:**Status report of domestic and abroad corporate bond issuance****Description:**

The Company issued domestic unsecured ordinary corporate bond and overseas convertible bonds Details as follows:

Unit: NT\$'000

Tranche/Category	The 1st Tranche of Unsecured Ordinary Corporate Bonds, 2021				
Date of Approval	May 5th 2021				
Date of Issuance	May 14th 2021				
Total Issuance Amount	12,000,000				
Face Value	1,000				
Issue Price	NT\$100 (at Par)				
Type of Bonds	Coupon A	Coupon B	Coupon C	Coupon D	Coupon E
Issuance Amount	1,300,000	2,100,000	5,700,000	2,200,000	700,000
Term	110.5.14	110.5.14	110.5.14	110.5.14	110.5.14
	∩	∩	∩	∩	∩
	113.5.14	115.5.14	117.5.14	120.5.14	125.5.14
Coupon Rate (Fixed Rate)	0.48%	0.54%	0.63%	0.73%	0.95%
Interest Payment	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate				
Principal Payment	100% principal repayment upon maturity				
Trustee	Bank SinoPac				
Debt Service Agency	The Chengchung Branch of Bank SinoPac				
Exercise of the Issuance	Exercised in Q2 2021				

Unit: NT\$'000

Tranche/Category	The 2nd Tranche of Unsecured Ordinary Corporate Bonds, 2021			
Date of Approval	September 17 th , 2021			
Date of Issuance	September 30 th , 2021			
Total Issuance Amount	15,450,000			
Face Value	1,000			
Issue Price	NT\$100 (at Par)			
Type of Bonds	Coupon A	Coupon B	Coupon C	Coupon D
Issuance Amount	2,550,000	10,300,000	2,400,000	200,000
Term	110.9.30	110.9.30	110.9.30	110.9.30
	∩	∩	∩	∩
	115.9.30	117.9.30	120.9.30	125.9.30
Coupon Rate (Fixed Rate)	0.51%	0.62%	0.70%	0.84%
Interest Payment	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate			
Principal Payment	100% principal repayment upon maturity			
Trustee	Bank SinoPac			
Debt Service Agency	The Chengchung Branch of Bank SinoPac			
Exercise of the Issuance	Exercised in Q4 2021			

Unit: NT\$'000

Tranche/Category	The 3rd Tranche of Unsecured Ordinary Corporate Bonds, 2021			
Date of Approval	November 29 th , 2021			
Date of Issuance	December 8 th , 2021			
Total Issuance Amount	12,150,000			
Face Value	1,000			
Issue Price	NT\$100 (at Par)			
Type of Bonds	Coupon A	Coupon B	Coupon C	Coupon D
Issuance Amount	1,000,000	5,500,000	4,000,000	1,650,000
Term	110.12.8	110.12.8	110.12.8	110.12.8
	~ 113.12.8	~ 115.12.8	~ 117.12.8	~ 120.12.8
Coupon Rate (Fixed Rate)	0.55%	0.63%	0.72%	0.82%
Interest Payment	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate			
Principal Payment	100% principal repayment upon maturity			
Trustee	Bank SinoPac			
Debt Service Agency	The Chengchung Branch of Bank SinoPac			
Exercise of the Issuance	Exercised in Q4 2021			

Tranche/Categor	First Overseas Unsecured Convertible Corporate Bond, 2021
Date of Approval	May 26 th , 2021
Date of Issuance	August 5 th , 2021
Total Issuance	USD \$700,000,000
Face Value	USD \$200,000 or if it exceeds USD \$200,000, an integer multiple of USD \$100,000
Issue Price	Issued at 100% of Face Value
Type of Bonds	Not Applicable
Issuance Amount	USD \$700,000,000
Term	August 5 th , 2021 ~ August 5 th , 2026
Coupon Rate (Fixed Rate)	0%
Interest Payment	From the date of the issuance, a simple interest is calculated and distributed once a year per coupon rate
Principal Payment	On the maturity date, the bonds will be redeemed by the issuing company based on the face value plus the annual interest rate of -0.41% (interest accrued every six months). The redemption amount at maturity will be converted into New Taiwan Dollars (NTD) at a fixed exchange rate, and the NTD amount will be converted into U.S. dollars at the current exchange rate (in reference to the exchange rate displayed by Taipei Forex Inc. at 11:00 a.m.).
Trustee	Citigroup International Limited
Debt Service Agency	Citibank, N.A., London Branch
Exercise of the Issuance	Exercised in Q3 2021

RATIFICATION, DISCUSSION AND ELECTION ITEMS

Proposal 1:

To approve 2021 Business Report and Financial Statements

(Proposed by the Board of Directors)

Description:

1. The 2021 Business Report and the Financial Statements have been approved by the Board of Directors and have been reviewed by the Audit Committee.
2. Please refer to Attachment 1 through Attachment 3 (pages 32-58) for the documents mentioned above.

Resolution:

Proposal 2:**To approve the proposal for distribution of 2021 earnings.**

(Proposed by the Board of Directors)

Description:

The 2021 Earnings Distribution Plan of the Company has been submitted by the Board of Directors, in accordance with the Company Act and the Company's Articles of Incorporation, as shown in the following table.

Resolution:

Hon Hai Precision Industry Co., Ltd.
2021 Earnings Allocation Table

Unit: NT\$

Items	Amount	Note
Net Income of 2021	139,320,331,648	
Add: 2021 Disposal of investments in equity instruments at fair value through other comprehensive income	795,774,394	
Add: 2021 remeasurements of defined benefit plans	82,276,938	
Add: Changes in equity of associates and joint ventures accounted for using equity method	1,185,791,840	
The total amount of after-tax net income for the period and other items adjusted to the current year's undistributed earnings other than after-tax net income for the period	141,384,174,820	
Minus: Legal Reserve (10%)	14,138,417,482	
Minus: Set aside special reserve	2,190,766,817	
Earnings in 2021 available for distribution	125,054,990,521	
Add: Unappropriated retained earnings at the beginning of period	729,809,168,984	
Retained earnings available for distribution as of December 31, 2021	854,864,159,505	
Distributable Items:		
Cash Dividends	72,087,551,167	NT\$5.2 per share
Unappropriated retained earnings	782,776,608,338	

Note1: Priority to distribute 2021 available earnings.

Note2: According to Article 28-1 of the Company's Articles of Incorporation, the board of directors is authorized to draft an appropriation plan in accordance with the dividend policy.

President: Liu, Young-Way CEO: Liu, Young-Way Accounting Manager: Chou, Joung Kai

Proposal 3:

Discussion of amendments to the Company's "Articles of Incorporation." Please Discuss.

(Proposed by the Board of Directors)

Description:

1. In accordance with the provisions of Article 172-2 of the Company Act, the shareholders' meeting of the company may be held by video conference, and it is proposed to amend Article 10 of the Company's Articles of Association.
2. The Articles of Incorporation Amendment Comparison Table can be found in Attachment 4 (page 59)

Resolution:

Proposal 4:

Discussion of amendments to the Company's "Rules and Procedures of Shareholders' Meeting". Please discuss.

(Proposed by the Board of Directors)

Description:

1. In accordance with the provisions of Article 172-2 of the Company Act, the shareholders' meeting of the company may be held by video conference, and it is proposed to amend Article 10 of the Company's Articles of Association.
2. The Articles of Incorporation Amendment Comparison Table can be found in Attachment 5 (page 60-62)

Resolution:

Proposal 5:

Discussion of amendments to the Company's "Procedures for Asset Acquisition & Disposal".

Please discuss.

(Proposed by the Board of Directors)

Description:

1. In accordance with amendments in articles of laws and regulation "Regulations Governing the Acquisition and Disposal of Assets by Public Companies", amendments are proposed for the Company's "Procedures for Asset Acquisition & Disposal".
2. The proposed amendments to the Company's "Procedures for Asset Acquisition & Disposal" are shown in a comparison table on Attachment 6 (pages 63-71).

Resolution:

Proposal 6:

Discussion of the amendments to the Company’s “Procedures for Lending Funds to Others.” Please Discuss.

Description:

1. In accordance with the laws and regulations, partial amendments are proposed for the Company’s “Procedures for Lending Funds to Others”.
2. The proposed amendments to the Company’s “Procedures for Lending Funds to Others” are shown in a comparison table on Attachment 7 (page 72).

Resolution:

Proposal 7:

Discussion of the initial public listing of the Company's Hong Kong listed subsidiary "FIH Mobile Limited (Cayman)", through issuance of Rupee common stocks on the Indian Stock Exchange, through subsidiary "Bharat FIH Limited". Please discuss.

Description:

1. The purpose of applying for overseas listing:
BFIH Limited (hereinafter, "BFIH"), a subsidiary of a Hong Kong-listed subsidiary of FIH Mobile Limited (Cayman) (hereinafter, "FIH"). FIH is a subsidiary of Hon Hai Precision Industry Co., Ltd. (the "Company"). BFIH is expanding its business in India, and to enhance competitiveness, it intends to issue an initial public offering of rupee ordinary shares to the National Stock Exchange of India Limited and Bombay Stock Exchange Limited and apply for listing (hereinafter, the "Offering").
2. The impact on the Company's finance and business, expected adjustments regarding organizational structure and business, and the impact of the aforementioned adjustments on the Company:
 - (1) Financial Impacts
 - I. BFIH remains a consolidated subsidiary of the Company (Group) after its listing. The shareholding ratio of FIH to BFIH will be reduced from the current 100% to 75% after listing. The dilution of equity will minutely affect the attributable profit of BFIH towards the Company (Group) in the future. The revenue and profit of FIH will increase due to the introduction of new businesses; the release of FIH shares will not generate profit or loss but will increase the shareholders' equity of the Company (Group), accounting for approximately 0.2% of the Group's shareholders' equity. In addition, at least 40% of the 12.5% of the proceeds from FIH's share release is expected to pay special cash dividends to shareholders.
 - II. After BFIH is listed on the Indian capital market, the Company (Group) will have independent fund-raising capabilities in India, providing a more efficient financing environment for the Company's future working capital and capital expenditure needs, which will assist BFIH expand its business in the Indian market, and enhance global competitiveness of the Company (Group).
 - (2) Business Impacts
 - I. BFIH's listing in India will enhance the Company's (Group) reputation in India's capital market, allowing local financial institutions, international rating agencies and investors to better understand BFIH's importance in India's electronic foundry industry, and to attract investments in BFIH to ensure sufficient funds for cultivation of the electronic foundry business in India and expand into other fields.
 - II. Furthermore, it will help attract other well-known international manufacturers to cooperate with the Company (Group) to jointly develop the Indian market.

- (3) Estimated Organizational Structure and Business Adjustments
 - I. Organizational structure adjustments

FIH will still indirectly hold BFIH equity through its wholly-owned subsidiaries in mainland China, Execustar International Limited (Cayman), Worthy Ray Limited (B.V.I.), Wonderful Stars Pte. Ltd. (Singapore) and Aptech Electronics Pte. Ltd. (Singapore), etc., BFIH remains a subsidiary of FIH. In addition, the Company (Group) has not adjusted the shareholding structure of FIH or the organizational structure of BFIH itself.
 - II. Business Adjustments

The BFIH IPO will improve the transparency of BFIH and FIH's respective business operations, finance, governance and enhance intrinsic value, which will yield positive benefits for the development of the Company (Group).
 - (4) Estimated impact of organizational structure and business adjustment on Hon Hai Precision Industry Co., Ltd.

All in all, the issuance and listing as a whole has no significant impact on the Company (Group).
3. The Method of Dispersing BFIH's Equity, the Expected Reduction in Shareholding Ratio, the Basis for Price Determination, the Parties or Negotiated Parties of Equity Transfer:
- (1) The method of Shareholding Dispersion, the Expected Reduction of Shareholding Ratio

BFIH will release its shares by both issuing new shares, and selling its original shares held by its original shareholder, Wonderful Stars Pte. Ltd., with a dilution ratio of approximately 12.5% each, and FIH's shareholding in BFIH will be reduced from 100% to approximately 75%. The shareholding ratio of the Company (Group) in FIH remains unchanged. However, the final number of issuances and the reduction of the shareholding ratio will be determined by BFIH through negotiation with the underwriters in accordance with laws and regulations, capital needs, communication with regulatory agencies and market conditions.
 - (2) Price Basis

It will be handled in accordance with India's Securities and Exchange Board of India (SEBI) rules, regulations, and applicable guidelines and notices.
 - (3) Parties or Negotiated Parties of Equity Transfer

The shares will be released to the public in accordance with the rules of the SEBI (Issuance of Capital and Disclosure Requirements).
4. Whether it will affect the continued listing of Hon Hai Precision Industry Co., Ltd.

This aforementioned issuance and listing pertains to a subsidiary of FIH, a Hong Kong-listed subsidiary of the Company (Group), which is listed and traded in overseas securities markets. Based on the comprehensive judgment of the abovementioned equity dilution ratio and financial and business impact, it will not affect the continued listing of the Company on the

Taiwan Stock Exchange.

5. In order to accommodate the issuance and listing of BFIH, the board of directors authorizes the chairman of the board, or the person designated by the chairman to make adjustments according to the implementation situation, the opinions of the relevant government authorities, laws and regulations of the listing place, market conditions, or based on the actual situation; and has full authority to deal with the matters related to the Company's issuance and listing by BFIH, including but not limited to issuing a letter of commitment and handling all Company matters in relation to the issuance and listing.

Resolution:

Proposal 8:

Director Elections. Please elect.

(Proposed by the Board of Directors)

Description:

1. The term of the Company's current directors and supervisors will expire by June 30, 2022. In accordance with the Articles of Incorporation, a comprehensive re-election of directors and supervisors shall be conducted during this year's annual general shareholders' meeting.
2. There are nine seats of directors (including five independent directors) for this year. The office term is three years, from July 1, 2022 to June 30, 2025.
3. The candidate nomination system is adopted for this year's election of directors. The list of the director nominees has been suggested by the first nomination committee meeting in 2022 and approved by the fourth Board meeting in 2022. Shareholders shall select and appoint directors from the candidate list. Their educations, experience, and other related information are shown in Attachment 8 (pages 73-75)
4. Please elect.

Resolution:

Proposal 9:

To approve the lifting of director of non-competition restrictions.

(Proposed by the Board of Directors)

Description:

In accordance with the Article 209 of the Company Act, it is proposed to lift the non-competition restrictions to the following director candidates, so as to assist the company's business development.

Category	Candidate Name	Company Name and Concurrent Position
Directors	Liu, Young-Way	Chairperson, Foxsemicon Integrated Technology Inc. Chairperson of Foxtron Vehicle Technologies Co., Ltd.
Independent Directors	Wang, Kuo-cheng	Independent Director, HannStar Board Corporation Independent Director, Apex Medical Corp

Resolution:

Extraordinary Motions

Adjournment

ATTACHMENTS

Hon Hai Precision Industry Co., Ltd.
Attachment 1: Business Report

The outbreak of the COVID-19 pandemic more than two years ago has had a substantial impact on the existing model of globalization. This has changed the ecology of the industry, human consumption behavior, and even the overall economic structure. Thus, we have witnessed reorganizations of the industrial chain, developments of the digital economy, and the emergence of new economic models. While the pandemic is indeed a crisis, there are also many transformational opportunities.

Building on Hon Hai's foundation of expertise in the ICT industry, the Company adopts a "right customer, right product, and right time" as our ethos to embark on new technological development alongside our global-leading customers; and create an increasingly comprehensive smart lifestyle for humankind. In the spirit of "perpetual betterment", we have continuously improved Group's core strengths. Facing ever-changing technologies and business environments, Hon Hai's global reach, strong vertical integration and execution enables us to demonstrate the overall competitiveness of the Group in the face challenging global political and business scenarios; ensuring our pole position amongst key clients and products, allowing the Company to maintain its position as a global leader.

In 2021, even though the impact of the pandemic has caused very drastic changes and uncertainties in the workflow and supply chain, we have successfully overcome these challenges and delivered above expectations. Consolidated revenue for the year reached NT\$5.994 trillion, an increase of 636.2 billion over the previous year, an increase of approximately 12%, and a new record high; the net profit attributable to the parent company for the current period was NT\$139.3 billion, and the earnings per share was a record TWD 10.05, an increase of roughly 37% over the previous year, earnings per share were also the highest since 2008.

Financial and Profitability Analysis					
Unit: Million NTD	2017	2018	2019	2020	2021
Revenue	4,706,736	5,293,803	5,342,811	5,358,023	5,994,174
Gross Profit	303,007	332,030	315,868	302,919	362,127
Operating Income	112,570	136,147	114,897	110,827	148,959
Net Profit	138,734	129,065	115,309	101,795	139,320
EPS (Unit: NTD)	8.01	8.03	8.32	7.34	10.05
Gross Profit Margin	6.44%	6.27%	5.91%	5.65%	6.04%
Operating Profit Margin	2.39%	2.57%	2.15%	2.07%	2.49%
Net Profit Margin	2.95%	2.44%	2.16%	1.90%	2.32%
Debt Ratio	65.61%	60.59%	57.85%	59.88%	59.75%

Continued Strategies for the Information and Communication Industry

The Company's existing core businesses includes four major product categories: smart consumption, cloud networking, computer terminals, and components and others. Benefiting from strong demand for consumer electronics and increased component sales in 2021, we achieved more than double-digit growth and improved gross profit margins.

Affected by a mix of geopolitics, the pandemic, and inflation this year, the market will be more volatile and more challenging. Although the tight supply of some components has eased, it has not been completely resolved, and will be until the second half of the year for better clarity.

Among them, smart consumer products and computer terminal products have experienced considerable growth in the past two years, and their performance will stabilize this year. We will continue to focus on high-end and niche products and will continue to leverage our leading R&D technology, extensive production capacity and mass production capacity to maintain our lead.

The pandemic has driven enterprises and individuals to adopt cloud services, coupled with the rise of AI, blockchain, metaverse, and even electric vehicles, all of which require large and stable high-speed computing and data centers. In 2021, Hon Hai's server revenue has reached the trillion mark, and simultaneously is the world's largest server manufacturer. This year, we expect continued growth in demand, and Hon Hai will also take advantage of its global presence, extensive scale, and joint development of forward-looking technologies with customers to expand its leadership in cloud network products; especially CSP products, which will be our leading ICT offering and an important growth driver.

At the same time, through the established customer base and product composition, we have gradually increased our portfolio of components to improve the overall profitability. This year, we expect the component and other product categories to see the most significant revenue growth of the four categories.

Overall, we will continue to strengthen our market position and improve profitability by optimizing management, adjusting product mix, and focusing on technology research and development, with aims to maximize EPS. The stable cash flow generated by the ICT offerings every year will serve as a strong backing for Hon Hai to develop new businesses and will also sufficiently support the stable annual cash dividend distribution, which is also one of our advantages.

Flourishing New Business

Since initiating "F1.0 optimization of the status-quo; F2.0 digital transformation; F3.0 transformation and upgrade" plans three years ago, we have continued to push forward. By expanding the use of digital technology tools, Hon Hai's operations have not only been unaffected by the pandemic in the past two years, but at the same time posted record high revenues. Last year, the Chengdu factory, Zhengzhou factory, and Wuhan factory were also selected as lighthouse factories, highlighting the continued results of F1.0/F2.0.

In terms of F3.0, the negative effects of the pandemic last year did not deter our pace of

transformation. We completed the development of new vehicles within a year, and released three self-developed electric vehicles on the 2021 Hon Hai Tech Day (HHTD21): Model C SUV, The Model E premium business sedan and the Model T electric bus; taking the opportunity to showcase our determination as a global new vehicle manufacturer and demonstrate our speed and efficiency capabilities. Among them, the electric bus has been officially delivered in Taiwan this year, which has been praised and well-received by the market, further cementing the Company's vehicle manufacturing capabilities. Going forward, we will continue to expand the customer base at home and abroad.

We also acknowledge the trend of de-globalization and regional manufacturing, we must maintain an innovative operational mindset to create a win-win situation on the national, local company, and the Hon Hai supply chain levels. Therefore, we utilized the cooperation model of Build-Operate-Localize to localize the operational supply chain, which enables local companies to participate in growth opportunities, allowing partners to share the results, and also enable the global coverage of Hon Hai Electric Vehicles develop in a systemic manner.

In 2021, we have achieved success through various alliances. Through the acquisition of the automobile production base of Lordstown Motors in Ohio, USA, we have obtained a production-ready team and capacity to produce electric vehicles in North America. In the future, we will also create products for key customers such as Fisker and Lordstown. In addition, we have begun cooperation with Thailand PTT to establish and cultivate the electric vehicle industry in Thailand, and will commence building a factory this year. We have also cooperated with Indonesia and Saudi Arabia, and will also build EV and battery related supply chains in these two countries in the future.

Hon Hai's electric vehicle development strategy has not only attracted the cooperation of new car manufacturers, but has also gradually been favored by existing car brands. For example, with Stellantis, the fourth largest car manufacturer in the world, we have established a joint venture company in the smart cockpit market; and are jointly developing automotive chips to meet the needs of future automobiles toward design modularization and functional differentiation. Our goal is to invite customers to enter the global market together.

At the same time as we enhance of vehicle manufacturing business, Hon Hai also places emphasis on key components of electric vehicles. Last year, we invested in an upstream battery material factory, and also cooperated with international manufacturers on motor products, acquire key technologies, to jointly developed the international market. The goal is to provide a complete service from platform; chassis design; three key electrical components (Battery, motor and electric control system products); component supply; software; electronic motor architecture; to vehicle manufacturing, so as to enhance the value to customers.

The MIH alliance has already onboarded 2,300 partners from more than 60 countries around the world, which further proves that the electric vehicle industry must work together as a team to achieve win-win and common prosperity. In addition to assisting these partners in business and technology, we have jointly established a new energy vehicle industry fund with CTBC Financial Holding to invest in high-quality companies in the field of new energy vehicle related technologies or manufacturing, enables Taiwan's electronic technology, jointly with traditional

automobile industries to join the leading frontier for global new energy vehicles, fueling Taiwan's industrial growth and economic transformation.

Semiconductors is one of our new businesses focuses to support future ICT growth and electric vehicle business. Last year, we invested in a FAB in Malaysia, acquired a six-inch FAB in Taiwan, established a joint venture with Yageo to establish XSEMI, and cooperated with Stellantis to develop and design automotive chips. We also plan to set up a new FAB locally with our Indian partners. We believe that our diversified layout in the semiconductor business can provide customers with high-quality and a stable supply one-stop shopping service, and allow us to better deploy our value chain structure.

Research Development Status

In order to maintain the Company's lead in the ICT industry, Hon Hai invested more than 100 billion in research and development last year. Our R&D center a comprehensive R&D team and a deep technical talent pool, which can cooperate with customers to invest in the development of new products, new materials, new processes and new technologies.

The Hon Hai Research Institute established last year aims to emphasize key technologies in the next three to seven years. The institute established the first "Ion Trap Laboratory" in Taiwan last year, investing in the development of ion traps to seize the opportunity for the development of quantum computing technology.

With the mass adoption of 5G, the application of artificial intelligence, and the metaverse driving the demand for high-speed transmission and efficient computing; servers will also enter the era of a new generation of high-speed transmission interfaces. We have designed a series of servers with X86 and ARM infrastructure equipped with a new generation of high-speed transmission interfaces, and are expected to enter mass production in the second half of 2022, driving a new wave of data center replacements. At the same time, we have developed a series of advanced energy-saving cooling technologies, some products have already been successfully introduced to customers, and more advanced cooling technology products will be launched this year.

Our strategy in Metaverse focuses on providing platforms, complete solutions from wearable devices, software, infrastructure, applications, and access. The Company will also combine powerful external partners, and in the future, through cooperation with various metaverse parties, deepen product capabilities and technical capabilities in software and on the cloud.

In the electric vehicle business in 2022, we will continue to design new cars and invest in the development of key components and solutions. Among the key components, battery technology is of the utmost important, key among which are high-safety lithium iron phosphate batteries, solid-state batteries and upstream related materials. We will continue to speed up research and development, and start planning a battery manufacturing base in Taiwan, so that the two technologies of lithium iron phosphate battery and solid-state battery can be applied to domestic electric buses, electric passenger cars, and electric scooters sooner.

In the research and development of electric vehicle software, our core approach is one of a Software Defined Enterprise, and will launch open platforms, calculation software and other

software projects that meet demands of EV vehicles. The focus is on smart cockpit and ride experience applications, intelligent in-vehicle operating systems, and safe autonomous driving functions. Hon Hai officially announced a software R&D center last year, which will assemble more than 1,500 software application talents within the Group, and is expect to recruit more than 1,000 senior software R&D engineers within three years, as an important starting point for "Hon Hai - Defined by Software" going forwards.

Over the past year, we have accelerated the progress of semiconductor research and development, and started the process technology development of third-generation semiconductor silicon carbide to supply the high-voltage key power-related components required for the mass production of electric vehicles. In the development of 2.5D/3D advanced packaging technology, such as substrate-less fan-out packaging and 5G millimeter-wave antenna packaging technology have been launched successively to provide high-performance computing, artificial intelligence, high-frequency communication and other customer needs. For key components of assisted driving in vehicles, we have launched the world's smallest first-generation product in the lidar chip, and are continually optimizing to achieve higher accuracy and meet the needs of future autonomous driving sensing. In automotive ICs, we will work with customers to develop automotive microprocessors, SoCs and small ICs with new electronic and motor architectures for next-generation electric vehicles to assist the Group in the long-term development of electric vehicle technology and businesses.

Effects of the External Competitive Environment, Regulatory Environment and Overall Business Environment

As far as the external competitive environment is concerned, the technology and specifications of consumer electronic products are changing with each passing day, which increasingly toughens industrial competition. But overall, Hon Hai has accumulated nearly 50 years of exquisite management strength for talents, funds, logistics, and technology, in-turn creating the industry's largest entry barrier. We also continue to strengthen upstream and downstream integration, improve technical abilities, and stabilize mass production and cost control; allowing us to brave challenges of industrial competition.

The huge seasonal fluctuations in the ICT industry are also characteristics that make it very difficult for many manufacturers to deal with. The recent addition of geopolitics and the impact of the pandemic on supply chains has exacerbated this characteristic. Hon Hai will overcome these challenges by leveraging its large scale, diverse customers and products, and strong execution. The Company continues to foster intimate collaborative relationships with customers and respond to the needs of customers and the market in real time. Because of the industrial development trend of regionalized manufacturing, we will continue to deploy globally to respond to this change.

In regards to the domestic and foreign regulatory environment, countries around the world are promoting environmental protection regulations, and global brand-leader customers have also formulated stringent supplier codes, which are strictly required by all suppliers. The company will continue to cultivate research and development and mass production, in order to achieve the goal of green carbon-reduction manufacturing. The Company continues to closely monitor

possible changes in the legal environment, and actively proposes countermeasures to reduce operational risks.

As the overall business environment becomes more complex, including the pandemic, inflation, international geopolitical risks, etc., and countries have begun to adopt tighter monetary policies and raise interest rates, making future changes and volatility more difficult to predict. The Company continues to pay close attention to changes in the overall environment and prudently formulate the best business strategy.

Continuous Efforts for Social Responsibility

Hon Hai believes that responsible business operations must take into account both operating results and corporate social responsibility. Therefore, we propose the concept of "Sustainable Management = EPS + ESG". Last year, we formulated the Group's ESG vision and six major strategies, and this year we will also set and further announce long-term ESG goals.

Hon Hai values ESG values in line with international standards. In addition to responding to CA100+ and committing to achieve net zero carbon emissions by 2050, we have completed the carbon inventory for participation in SBTi; furthermore, we will be announcing future carbon reduction targets. At the same time, Hon Hai officially became a TCFD supporter, committing to implement the TCFD disclosure framework. In order to respond more actively to the global net zero emission movement, we participated in the "Alliance for Net Zero Emission" as a co-sponsor. In the future, we will use Hon Hai's influence to promote ESG throughout the entire value chain.

For the corporate governance facet, we also set up a nomination committee under the board of directors to assist the board of directors to strengthen the management mechanism this year; with aims to improve the corporate governance structure, and lay the foundation for the sustainable development of the Company.

Evident from the sweeping impact of the pandemic globally and in Taiwan, with the authorization and assistance of relevant units, Hon Hai and Yongling Foundation have allied with other social stakeholders to introduce vaccines and provide them to Taiwan's medical and epidemic prevention system, fulfilling social responsibilities.

External Honors and Affirmation

Facing the ever-changing global landscape, digital transformation has become a standard for enterprise operation and management. Hon Hai utilized top manufacturing technologies accumulated in the past, efficient supply chain management capabilities as the basis, and combines various innovative technologies to create a clear development path for digital transformation. In-turn, Hon Hai was awarded the "Digital Transformation Leader Award", "Smart Manufacturing Leader Award" and "Digital Transformation Revolution Award" from the Harvard Business Review.

Hon Hai continues to focus on the growth of its own business, and ranks 18th in revenue among Forbes 2000 companies; simultaneously ranking 22nd in the world in Fortune Global 500. In addition to business operations, we also pay attention to our employees and the investors. Last

year, we ranked 1st in Taiwan by Forbes as the best employer in the world and won the "Best IR Website" award from the world's authoritative "Investor Relations Magazine" (IR Magazine).

Hon Hai's efforts and achievements in ESG have been highly recognized externally for three consecutive years. In 2021, it won the Global Corporate Sustainability Award and the Leadership Award, among others; and was selected as a constituent stock of the ESG relevant index, showing that while in pursuit of EPS, Hon Hai is also deeply committed towards ESG initiatives, sparing no effort to achieve sustainable development and core Environmental, Social, and Governance facets.

Looking towards the future, Hon Hai will continue to maintain a "Sustainable Management = EPS + ESG" philosophy. As global citizens, we strive to continuously improve business performance, while promoting a friendly environmental and sound governance culture. We have also expanded to share these achievements with shareholders, for three consecutive years, the distribution rate of cash dividends has exceeded 50%. This year's cash dividend per share is also the highest since our listing in 1991. We will continue to improve and bring stable returns and increase value to our shareholders.

President: Liu, Young-Way CEO: Liu, Young-Way Accounting Manager: Chou, Joung Kai

Hon Hai Precision Industry Co., Ltd.
Attachment 2: Audit Committee's Review Report

The Board of Directors has prepared the Company's Financial Statements, 2021 Business Report and proposal for distribution of 2021 earnings. Of which, the Financial Statements have been audited by PricewaterhouseCoopers Taiwan. The Financial Statements, 2021 Business Report and proposal for distribution of 2021 earnings have been audited by us as Audit Committee of the Company. We deem no inappropriateness on these documents. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report. Please review.

Hon Hai Precision Industry Co., Ltd.

Chairperson of the Audit Committee:

On the date of April 20, 2022

Hon Hai Precision Industry Co., Ltd.
Attachment 3: Independent Auditors' Report and 2021 Financial Statements

Audit Reports of Independent Accountants

Financial Review No. 21004024 (2022)

To Hon Hai Precision Industry Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Hon Hai Precision Industry Co., Ltd. (hereinafter referred to as 'Hon Hai') as of December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, parent company only statements of changes in equity, parent company only statements of cash flows as of January 1 to December 31, 2021 and 2020, and notes to the parent company only financial statements (including a summary of significant accounting policies).

In our opinion, based on our audit results and the audit reports of other public accountants, the above-mentioned parent company only financial statements present fairly, in all material aspects, the parent company only financial position of Hon Hai as of December 31, 2021 and 2020, and its parent company only financial performance and parent company only cash flows as of January 1 to December 31, 2021 and 2020 in accordance with "Regulations Governing the Preparation of Financial Reports by Securities Issuers."

Basis for Opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants," and the generally accepted auditing standards in the Republic of China ("ROC GAAS"). Our responsibility under such standards will be further explained in the section titled "Independent accountant's responsibilities for the audit of the parent company only financial statements." Our staffs subject to the independence requirements are complied with the Codes of Professional Ethics for Certified Public Accountants in the Republic of China (the "Codes"), independent of Hon Hai, and have fulfilled other ethical responsibilities in accordance with the Codes. Based on our audits and the audit reports of other independent accountants, 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 refer to those matters that, in our professional judgment, were of most significance in the audit of Hon Hai's 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters of Hon Hai's 2021 parent company only financial statements are as follows:

Cut-off of hub sales revenue

Description

For accounting policies on revenue recognition, please refer to Note 4 (32) in the Parent Company Only Financial Statements.

Hon Hai's revenue from hub sales, among other sales patterns, is recognized when customers pick up goods from the hub (i.e. when control over goods is transferred). For pick-ups from the hub, Hon Hai recognizes sales revenue based on movements of inventories contained in the statements or other information provided by the hub custodians. As the hubs are located around the world with numerous custodians, the frequency and contents of statements provided by custodians vary, and the process of revenue recognition involves numerous manual procedures, these factors may potentially result in inaccurate timing of sales revenue recognition and a discrepancy between physical inventory quantities in the hubs and quantities as reflected in accounting records.

As there are numerous daily sales revenue transactions from hubs and the transaction amounts prior to and after the balance sheet date are significant to the financial statements, the cut-off of hub sales revenue was identified as one of the key audit matter.

How our audit addressed the matter

We performed the following audit procedures:

1. Assessed and tested the appropriateness of internal controls over cut-off of hub sales revenue for a specific time prior to and after the balance sheet date, including agreeing to respective supporting documents provided by hub custodians, and validated the proper timing of recognizing movements of inventories and respective transfer of the cost of goods sold.
2. Confirmed by letter or conducted on-site count of inventory quantities held at hubs and agreed to accounting records.

Allowance for inventory valuation losses

Description

Refer to Note 4(13) for accounting policies on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(6) for details of inventories. As of December 31, 2021, Hon Hai's inventories and allowance for inventory valuation losses amounted to NT\$81,193,336 thousand and NT\$1,774,735 thousand, respectively.

Hon Hai and its subsidiaries are primarily engaged in the manufacture and sales of electronic products. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. Hon Hai and its subsidiaries measure inventories sold in the ordinary course of business at the lower of cost and net realizable value; the net realizable value for goods aged over a certain period of time or identified individually as obsolete is derived based on the historical experience of dealing with obsolete inventories. The aforementioned allowance for inventory valuation loss mainly comes from goods aged over a certain period of time or identified individually as obsolete or damaged.

As the amounts of inventories are material, the types of inventories vary, and the estimation of net realizable value for individually obsolete or damaged inventories is subject to management's judgment, we consider allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following procedures in relation to the provision for inventory valuation losses for individually obsolete or damaged inventories:

1. Ensured consistent application of accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
2. Validated the appropriateness of system logic of inventory aging report utilized by management to ensure proper classification of inventories aged over a certain period of time.
3. Evaluated the reasonableness of inventories individually identified as obsolete or damaged with supporting documents and agreed to information obtained from physical inventory.
4. Discussed with management the net realizable value of inventories aged over a certain period of time and individually identified as obsolete or damaged, validated respective supporting documents and re-performed the calculation.

Other matters – Reference to audits of other independent accountants

Investment accounted for under the equity method included in the Parent Company Only Financial Statements of Hon Hai Precision Industry Co., Ltd. was not audited by us, but by other independent accountants. Therefore, among our opinion on the aforementioned Parent Company Only Financial Statements, the stated amounts and other related information disclosed in Note 13 were based on the audit reports of other independent accountants. As of December 31, 2021 and 2020, the investment accounted for under the equity method amounted to NT\$37,931,908 thousand and NT\$36,873,056 thousand, 1.13% and 1.11% of total assets respectively. Based on the financial statements for 2021 and 2020 audited by other independent accountants, the recognized comprehensive income (comprising share of profit or loss in subsidiaries, associates and joint ventures accounted for under the equity method, and share of other comprehensive income in subsidiaries, associates and joint ventures accounted for under the equity method) amounted to a gain of NT\$1,816,278 thousand and a loss of NT\$224,548 thousand, 1.32% and 0.20% of total comprehensive income respectively.

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

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

In preparing the parent company only financial statements, management is responsible for assessing Hon Hai’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 Hon Hai or to cease operation, or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing Hon Hai’s financial reporting process.

Independent accountant’s responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a 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. Such misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with 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 parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
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 Hon Hai's internal controls.
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 Hon Hai's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause Hon Hai to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Hon Hai to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit, and for forming an audit opinion on the parent company only financial statements.

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

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

From the matters communicated with those charged with governance, we determine the key audit matters for Hon Hai's 2021 parent company only financial statements. We describe these matters in our 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.

PricewaterhouseCoopers, Taiwan

Hsu, Yung-Chien

CPA

Hsu, Sheng-Chung

Former Securities Commission of the Ministry of Finance

Approval No.: (84) Taiwan-Finance-Securities (6) 13377

Financial Supervisory Commission

Approval No.: Jin-Guan-Zheng-Shen-Zi No. 1010034097

March 23, 2022

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Balance Sheets
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars

Assets	Notes	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
Current assets					
1100 Cash and cash equivalents	6 (1)	\$ 34,327,574	1	\$ 283,147,770	9
1100 Financial assets at fair value through profit or loss - current	6 (2)	117,245	-	967,325	-
1136 Financial assets at amortized cost - current	6 (4)	-	-	3,000,000	-
1170 Accounts receivable, net	6(5)	557,394,998	17	353,798,480	11
1180 Net accounts receivable - related parties	7	152,485,706	5	237,960,074	7
1200 Other receivables		632,794	-	930,046	-
1210 Other receivables - related parties	7	846,757,460	25	810,529,936	24
130X Inventory	6(6)	79,418,601	2	82,325,585	2
1410 Prepayments	7	523,984	-	771,066	-
1470 Other current assets		408,165	-	-	-
11XX Total current assets		<u>1,672,066,527</u>	<u>50</u>	<u>1,773,430,282</u>	<u>53</u>
Non-current assets					
1517 Financial assets at fair value through other comprehensive income - non-current	6 (3)	3,461,708	-	2,508,831	-
1535 Financial assets at amortized cost - non-current	6 (4) and 8	49,900	-	22,500	-
1550 Investments accounted for under the equity method	6(7)	1,670,886,425	50	1,539,863,379	47
1600 Property, plant and equipment	6(8)	6,606,000	-	4,137,352	-
1755 Right-of-use assets	6(9) and 7	383,625	-	138,408	-
1840 Deferred income tax assets	6 (26)	2,108,434	-	2,306,974	-
1900 Other non-current assets		567,777	-	968,273	-
15XX Total non-current assets		<u>1,684,063,869</u>	<u>50</u>	<u>1,549,945,717</u>	<u>47</u>
1XXX Total assets		<u>\$ 3,356,130,396</u>	<u>100</u>	<u>3,323,375,999</u>	<u>100</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Balance Sheets
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars

Liabilities and equity	Notes	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
Current liabilities					
2100 Short-term loans	6 (10)	\$ 140,184,570	4	\$ 113,123,855	4
2110 Short-term notes and bills payable	6 (11)	21,289,515	1	37,562,534	1
2120 Financial liabilities at fair value through profit or loss - current	6 (2)	899,028	-	2,261,752	-
2170 Accounts payable		71,514,945	2	104,475,755	3
2180 Accounts payable - related parties	7	1,093,197,042	33	1,176,021,972	35
2200 Other payables	7	421,300,561	12	399,162,636	12
2230 Current income tax liabilities	6 (26)	7,839,147	-	5,786,690	-
2250 Provisions for liabilities - current	6 (15)	2,277	-	81,915	-
2280 Leasing liabilities - current	7	84,739	-	42,651	-
2320 Long-term liabilities within one year or one business cycle	6 (13)	35,952,994	1	37,189,347	1
2399 Other current liabilities - other					
		<u>25,731,536</u>	<u>1</u>	<u>22,926,966</u>	<u>1</u>
21XX Total current liabilities		<u>1,817,996,354</u>	<u>54</u>	<u>1,898,636,073</u>	<u>57</u>
Non-current liabilities					
2530 Bonds payable	6 (12)	143,633,116	4	119,599,388	4
2540 Long-term loans	6 (13)	-	-	1,000,000	-
2570 Deferred income tax liabilities	6 (26)	12,475,908	1	5,361,244	-
2580 Leasing liabilities - non-current	7	301,548	-	100,372	-
2600 Other non-current liabilities	6 (14)	1,266,160	-	1,401,546	-
25XX Total non-current liabilities		<u>157,676,732</u>	<u>5</u>	<u>127,462,550</u>	<u>4</u>
2XXX Total liabilities		<u>1,975,673,086</u>	<u>59</u>	<u>2,026,098,623</u>	<u>61</u>
Equity					
Share capital					
3110 Share capital - common stock	6 (16)	138,629,906	4	138,629,906	4
Capital surplus					
3200 Capital surplus	6 (17)	202,084,430	6	202,645,942	6
Retained earnings					
3310 Legal reserve	6 (18)	170,755,591	5	161,043,748	5
3320 Special reserve		87,315,126	2	102,451,720	3
3350 Unappropriated retained earnings		871,193,344	26	779,836,380	24
Other equity interest					
3400 Other equity interest	6 (19)	(89,505,893)	(2)	(87,315,126)	(3)
3500 Treasury stocks	6 (16)	(15,194)	-	(15,194)	-
3XXX Total equity		<u>1,380,457,310</u>	<u>41</u>	<u>1,297,277,376</u>	<u>39</u>
Significant contingent liabilities and unrecognized contract commitments					
Significant events after the balance sheet date					
3X2X Total liabilities and equity		<u>\$ 3,356,130,396</u>	<u>100</u>	<u>\$ 3,323,375,999</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements. Please refer to it as well.

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Statements of Comprehensive Income
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars
(Except for earnings per share expressed in New Taiwan Dollar)

Item	Notes	2021		2020	
		Amount	%	Amount	%
4000 Operating revenue	6 (20) and 7	\$ 3,643,676,647	100	\$ 3,060,945,666	100
5000 Operating costs	6 (6) (23) (24) and 7	(3,587,431,454)	(98)	(3,000,519,878)	(98)
5900 Operating profit - gross		<u>56,245,193</u>	<u>2</u>	<u>60,425,788</u>	<u>2</u>
Operating expenses	6 (23) (24), 7 and 12 (2)				
6100 Selling expenses		(3,423,388)	-	(2,197,101)	-
6200 General and administrative expenses		(7,759,960)	-	(6,774,341)	-
6300 Research and development expenses		(7,950,914)	(1)	(7,617,439)	-
6000 Total operational expenses		<u>(19,134,262)</u>	<u>(1)</u>	<u>(16,588,881)</u>	<u>-</u>
6900 Operating profit		<u>37,110,931</u>	<u>1</u>	<u>43,836,907</u>	<u>2</u>
Non-operating income and expenses					
7100 Interest income	6 (21)	294,831	-	847,867	-
7010 Other income		466,578	-	410,204	-
7020 Other gains and losses	6 (22)	(8,760,173)	-	89,308	-
7050 Finance cost	6 (25)	(2,351,743)	-	(3,043,118)	-
7070 Shares of profit (loss) of subsidiaries, associates and joint ventures accounted for under the equity method	6 (7)	<u>127,570,302</u>	<u>3</u>	<u>71,884,083</u>	<u>2</u>
7000 Total non-operating income and expenses		<u>117,219,795</u>	<u>3</u>	<u>70,188,344</u>	<u>2</u>
7900 Profit before income tax		<u>154,330,726</u>	<u>4</u>	<u>114,025,251</u>	<u>4</u>
7950 Income tax expense	6 (26)	(15,010,394)	-	(12,230,444)	(1)
8200 Net income for the period		<u>\$ 139,320,332</u>	<u>4</u>	<u>\$ 101,794,807</u>	<u>3</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Statements of Comprehensive Income
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars
(Except for earnings per share expressed in New Taiwan Dollar)

Item	Notes	2021		2020	
		Amount	%	Amount	%
Other comprehensive income - net					
Components not to be reclassified to profit or loss					
8311 Remeasurement of defined benefit plan	6 (14)	\$ 102,846	-	(\$ 47,626)	-
8316 Unrealized gains and losses on valuation of investment in equity instruments measured at fair value through other comprehensive income	6 (19)	967,631	-	1,018,558	-
8330 Shares of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method - components not to be reclassified to profit or loss	6 (19)	19,232,710	1	20,124,048	1
8349 Income tax related to components that are not reclassified subsequently to profit or loss	6 (26)	(20,569)	-	9,525	-
8310 Components not to be reclassified to profit or loss - total		<u>20,282,618</u>	<u>1</u>	<u>21,104,505</u>	<u>1</u>
Components that may be reclassified to profit or loss					
8361 Exchange difference arising from translation of foreign operation financial statements	6 (19)	(14,662,888)	(1)	(12,757,150)	-
8380 Shares of other comprehensive income of subsidiaries, associates and joint ventures accounted for under the equity method - components that may be reclassified to profit or loss	6 (19)	(6,932,446)	-	2,094,637	-
8360 Components that may be reclassified to profit or loss - total		(21,595,334)	(1)	(10,662,513)	-
8300 Other comprehensive income - net		<u>(\$ 1,312,716)</u>	<u>-</u>	<u>\$ 10,441,992</u>	<u>1</u>
8500 Total comprehensive income		<u>\$ 138,007,616</u>	<u>4</u>	<u>\$ 112,236,799</u>	<u>4</u>
Earnings per share					
9750 Basic earnings per share	6 (27)	\$	10.05	\$	7.34
9850 Diluted earnings per share		\$	9.91	\$	7.28

The accompanying notes are an integral part of these parent company only financial statements. Please refer to it as well.

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Statements of Changes in Equity
December 31, 2021 and 2020
Unit: Expressed in thousands of New Taiwan Dollars

Notes	Share capital - common stock	Capital surplus - issued at premium	Retained earnings			Exchange difference arising from translation of foreign operation financial statements	Other equity interest (losses on financial assets at fair value through other comprehensive income)	Financial derivative instrument profit and loss	Treasury stocks	Total
			Legal reserve	Special reserve	Unappropriated retained earnings					
2020										
	Balance - January 1	\$ 138,629,906	\$ 199,333,371	\$ 149,512,874	\$ 60,399,927	\$ 794,615,182	\$ 11,437,746	\$ -	\$ (5,150,944)	\$ 1,239,984,346
	Net income	-	-	-	-	101,794,807	-	-	-	101,794,807
6 (19)	Other comprehensive income	-	-	-	-	(38,101)	21,142,606	-	-	10,441,992
	Total comprehensive income	-	-	-	-	101,756,706	21,142,606	-	-	112,236,799
6 (18)	Earnings allocation and distribution in 2019:									
	Legal reserve	-	-	11,530,874	-	(11,530,874)	-	-	-	-
	Special reserve	-	-	-	42,141,793	(42,141,793)	-	-	-	-
	Cash dividends	-	-	-	-	(58,224,561)	-	-	-	(58,224,561)
6 (17)	Changes in equity of associates and joint ventures accounted for under the equity method	-	-	-	-	18,221	-	-	-	18,221
6 (17)	Recognition of adjustments arising from changes in ownership in subsidiaries	-	10,032	-	-	-	-	-	-	10,032
	Subsidiaries' disposal of equity instruments measured at fair value through other comprehensive income	-	3,252,539	-	-	-	-	-	-	3,252,539
	Balance - December 31	\$ 138,629,906	\$ 202,645,942	\$ 161,043,748	\$ 102,451,720	\$ 779,836,380	\$ 46,56,501	\$ -	\$ (5,150,944)	\$ 1,297,272,376
2021										
	Balance - January 1	\$ 138,629,906	\$ 202,645,942	\$ 161,043,748	\$ 102,451,720	\$ 779,836,380	\$ 37,236,853	\$ -	\$ (5,150,944)	\$ 1,297,272,376
	Net income	-	-	-	-	139,320,332	-	-	-	139,320,332
6 (19)	Other comprehensive income	-	-	-	-	(19,402,600)	20,200,341	165,645	-	16,363,386
	Total comprehensive income	-	-	-	-	119,917,732	20,200,341	165,645	-	140,283,718
6 (18)	Earnings allocation and distribution in 2020:									
	Legal reserve	-	-	9,711,843	-	(9,711,843)	-	-	-	-
	Special reserve	-	-	-	(5,136,594)	(5,136,594)	-	-	-	(10,273,438)
	Cash dividends	-	-	-	-	(55,451,962)	-	-	-	(55,451,962)
6 (17)	Changes in equity of associates and joint ventures accounted for under the equity method	-	-	-	-	1,185,792	-	-	-	1,185,792
6 (17)	Recognition of adjustments arising from changes in percentage of ownership in subsidiaries	-	(4,642,079)	-	-	-	-	-	-	(4,642,079)
	Disposal of equity instruments measured at fair value through other comprehensive income	-	3,744,555	-	-	-	1,326	-	-	3,744,555
	Subsidiaries' disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	(1,326)	-	-	-	(1,326)
	Recognition of equity components of convertible bonds - stock options	-	336,012	-	-	797,100	797,100	-	-	1,930,212
	Balance - December 31	\$ 138,629,906	\$ 202,084,430	\$ 170,755,591	\$ 87,315,126	\$ 871,093,344	\$ 56,641,420	\$ 165,645	\$ (5,150,944)	\$ 1,380,457,310

The accompanying notes are an integral part of these parent company only financial statements. Please refer to it as well.

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Statements of Cash Flows
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	<u>Notes</u>	<u>2021</u>	<u>2020</u>
Profit before tax		\$ 154,330,726	\$ 114,025,251
Adjustments			
Adjustments to reconcile profit(loss)			
Effect of foreign exchange on foreign			
currency cash	(	148,265)	(167,481)
Depreciation expense	6 (23)	453,547	458,899
Amortization expense	6 (23)	377,814	347,786
Loss on expected credit impairment	12 (2) (	1,310,383)	1,017,112
Gain on disposal or retirement of property,	6 (22)		
plant and equipment	(	30,210)	(30,505)
Net (Gain) loss on financial assets or	6 (22)		
liabilities measured at fair value through profit or			
loss		6,394,642	4,950,322
Share of profit or loss of associates and joint	6 (7)		
ventures accounted for under the equity method	(	127,570,302)	(71,884,083)
Valuation of long-term loans in foreign			
currency		-	32,472
Interest expense	6 (25)	2,239,223	2,955,602
Interest income	6 (21) (	294,831)	(847,867)
Dividend income	(	58,433)	-
Changes in operating assets and liabilities			
Changes in operating assets, net			
Financial assets mandatorily measured at			
fair value through profit or loss	(	6,907,286)	(4,543,895)
Notes receivable	(	2,261)	10,252
Accounts receivable	(	203,576,920)	67,534,666
Accounts receivable – related parties		85,475,225	(73,765,660)
Other receivables		299,143	290,462
Inventory		2,906,984	15,598,657
Prepayments	(	169,773)	(14,473)
Changes in operating liabilities, net			
Accounts payable	(	32,960,810)	44,915,487
Accounts payable – related parties	(	82,824,930)	140,001,342
Other payables	(	2,877,404)	(77,861,715)
Unearned revenue		1,539,467	3,603,385
Other current liabilities		1,265,103	4,001,655
Provisions for liabilities - current	(	79,638)	(291,065)
Accrued pension liabilities	(	32,540)	(33,919)
Cash inflow (outflow) generated from operating			
activities	(	203,562,112)	170,302,687
Income taxes paid	(	5,665,302)	(7,021,501)
Cash inflow (outflow) generated from			
operating activities, net	(	209,227,414)	163,281,186

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD.
Parent Company Only Statements of Cash Flows
December 31, 2021 and 2020

Unit: Expressed in thousands of New Taiwan Dollars

	<u>Notes</u>	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of investments accounted for under the equity method	6(7)	(\$ 7,627,005)	(\$ 13,277,607)
Acquisition of property, plant and equipment	6 (28)	(2,935,280)	(470,260)
Decrease (increase) in other assets		23,547	(169,143)
Other receivables - related parties		5,109,325	22,182,739
Decrease (increase) in financial assets at amortized cost - current		3,000,000	(3,000,000)
Acquisition of financial assets measured at amortized cost - increase in non-current		(27,400)	-
Disposal of property, plant and equipment	6 (28)	96,230	44,804
Decrease in receivables arising from purchase of raw materials on behalf of others		(14,989,028)	110,138,809
Interest received		283,764	844,961
Dividend received		2,286,405	21,586,132
Return of capital from investments accounted for using equity method	6 (7)	-	5,721,800
Cash inflow generated from investing activities, net		(14,779,442)	143,602,235
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term loans	6(28)	27,060,715	943,655
Increase (decrease) in short-term notes and bills payables	6(28)	(16,300,000)	8,700,000
Issuance of corporate bonds	6(28)	59,135,638	33,050,000
Repayments of corporate bonds	6(28)	(23,700,000)	(27,100,000)
Redemption of overseas corporate bonds	6(28)	-	(1,817,558)
Repayments of long-term loans	6(28)	(13,500,000)	(6,574,507)
Cash dividends paid	6(18)	(55,451,962)	(58,224,561)
Interest Paid		(2,119,632)	(2,724,823)
Repayment of leasing principal	6(28)	(86,364)	(101,406)
Cash outflow generated from financing activities, net		(24,961,605)	(53,849,200)
Effects of foreign exchange rates		148,265	167,481
Increase (decrease) in cash and cash equivalents		(248,820,196)	253,201,702
Cash and cash equivalents, beginning of period		283,147,770	29,946,068
Cash and cash equivalents, end of period		<u>\$ 34,327,574</u>	<u>\$ 283,147,770</u>

The accompanying notes are an integral part of these parent company only financial statements.
Please refer to it as well.

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of Hon Hai Precision Industry Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Hon Hai Precision Industry Co., Ltd. and its subsidiaries (the "Group") as of December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, as well as the consolidated statements 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, based on our audits and the reports of other independent auditors, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of 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 Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the 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 Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other independent accountants, 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 Group's 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion

thereon, we do not provide a separate opinion on these matters.

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

Cut-off of hub sales revenue

Description

Refer to Note 4(35) for accounting policies on revenue recognition.

The Group recognises revenue upon acceptance of the goods by the customers (when control of the products is transferred) if picked up from hub. For pick-ups from hub, the Group recognises sales revenue based on movements of inventories contained in the statements or other information provided by the hub custodians. As the hubs are located around the world with numerous custodians, the frequency and contents of statements provided by custodians vary, and the process of revenue recognition involves numerous manual procedures, these factors may potentially result in inaccurate timing of sales revenue recognition and discrepancy between the physical inventory the quantities in the hubs and quantities as reflected in accounting records.

As there are numerous daily sales revenue transactions from hubs and the transaction amounts prior to and after the balance sheet date are significant to the financial statements, we identified cut-off of hub sales revenue as a key audit matter.

How our audit addressed the matter

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

- A. Assessed and tested the appropriateness of internal controls over cut-off of hub sales revenue for a specific period prior to and after the balance sheet date, including agreeing to respective supporting documents provided by hub custodians, and validated the proper timing of recognising movements of inventories and respective transfer of cost of goods sold.
- B. Confirmed or conducted physical count of inventory quantities held at hubs and agreed to accounting records.

Allowance for inventory valuation losses

Description

Refer to Note 4(14) for accounting policies on inventory valuation, Note 5(2)3 for uncertainty of accounting estimates and assumptions in relation to inventory valuation losses, and Note 6(8) for details of inventories. As of December 31, 2021, the Group's inventories and allowance for inventory valuation losses amounted to NT\$690,728,262 thousand and NT\$18,582,897 thousand, respectively.

The Group is primarily engaged in manufacturing and sales of 3C electronic products. Due to rapid technological innovations, short lifespan of electronic products and fluctuations in market prices, there is a higher risk of inventory losses arising from market value decline or obsolescence. The Group recognises inventories at the lower of cost and net realisable value, and the net realisable value is estimated based on historical experience. An allowance for inventory valuation losses is provided for those inventories aged over a certain time and those individually identified as obsolete or damaged.

As the amounts of inventories are material, the types of inventories vary, and the estimation of net realisable value for individually obsolete or damaged inventories is subject to management's judgment, we consider allowance for inventory valuation losses a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the provision for inventory valuation losses for individually obsolete or damaged inventories:

- A. Ensured consistent application of accounting policies in relation to allowance for inventory valuation losses and assessed the reasonableness of these policies.
- B. Validated the appropriateness of system logic of inventory aging report utilised by management to ensure proper classification of inventories aged over a certain period.
- C. Evaluated the reasonableness of inventories individually identified as obsolete or damaged by checking the related supporting documents and comparing with the information obtained from physical inventory.
- D. Discussed with management the net realisable value of inventories aged over a certain period and individually identified as obsolete or damaged, validated respective supporting documents and reperformed the calculation.

Impairment assessment on goodwill arising from acquisition of Belkin International Inc. ("Belkin") and its subsidiaries.

Description

Refer to the Note 4(20) for accounting policy on impairment assessment of non-financial assets, Note 5(2)2 for the critical accounting estimates and assumptions in relation to impairment assessment of goodwill, Note 6(14) for the details of impairment loss.

As of December 31, 2021, the Group had goodwill arising from acquisition of Belkin and its subsidiaries for NT\$10,531,410 thousand.

Impairment assessment was performed based on the value in use calculation using the discounted

cash flow model to determine the recoverable amounts of the cash-generating unit (“CGU”). Significant judgment and estimates about the key assumptions including expected growth rate and discount rate applied to future cash flow forecast are required and will influence the collectible amount and the impairment of goodwill significantly due to the significant judgments and inherent uncertainty. Therefore, we consider the impairment assessment on goodwill arising from acquisition of Belkin and its subsidiaries a key audit matter.

How our audit addressed the matter

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

- A. Understanding and validating the key control procedures performed by management, including review and approval of financial budgets and assumptions.
- B. Assessing the appropriateness of the valuation methodology used in determining the recoverable amount.
- C. Involved valuation specialists to assess the reasonableness of the key assumptions, including expected growth rate, expected gross margin and discount rate used as follows:
 - (a) Evaluated the assumptions used, mainly expected growth rate and expected gross margin used in the impairment assessment by comparing them to historical results, economic and industry forecast;
 - (b) Benchmarked the discount rate range which is used in determining the recoverable amount against certain market data and industry research; and
 - (c) Performed sensitivity analysis over key assumptions used in the model to evaluate the potential impact on the recoverable amounts.

Other matter – Reference to audits of other independent auditors

We did not audit the financial statements of certain consolidated subsidiaries. Those financial statements were audited by other independent auditors, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements relative to these consolidated subsidiaries was based solely on the reports of other independent auditors. Total assets of those consolidated subsidiaries amounted to NT\$145,992,392 thousand and NT\$151,573,867 thousand, constituting 3.73% and 4.13% of the consolidated total assets as of December 31, 2021 and 2020, respectively, and total operating revenues amounted to NT\$202,530,777 thousand and NT\$232,746,063 thousand, constituting 3.38% and 4.34% of the consolidated total operating revenues for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion on the parent company only financial statements of Hon Hai Precision Industry Co., Ltd. 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 the 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 are free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these consolidated financial statements.

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

- A. 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 controls.
- B. 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 controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- E. 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.
- F. 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 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.

Hsu, Yung-Chien Hsu, Sheng-Chung
for and on behalf of PricewaterhouseCoopers, Taiwan
March 23, 2022

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

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,059,417,011	27	\$ 1,232,794,015	34
1110	Financial assets at fair value through profit or loss - current	6(2)	1,332,824	-	6,285,594	-
1120	Current financial assets at fair value through other comprehensive income	6(3)	130,622	-	-	-
1136	Financial assets at amortised cost, net-current	6(4) and 8	48,008,438	1	38,783,566	1
1139	Current financial assets for hedging	6(5)	1,068,785	-	-	-
1170	Accounts receivable, net	6(6)	1,125,762,611	29	903,070,230	25
1180	Accounts receivable - related parties	7	35,455,895	1	39,414,164	1
1200	Other receivables	6(7)(12)	59,510,406	2	58,237,719	2
1210	Other receivables - related parties	7	2,777,421	-	5,285,774	-
130X	Inventory	6(8)	672,145,365	17	582,113,735	16
1410	Prepayments	7	18,057,414	1	18,664,505	-
1470	Other current assets	6(4)	10,750,494	-	-	-
11XX	Total current assets		<u>3,034,417,286</u>	<u>78</u>	<u>2,884,649,302</u>	<u>79</u>
Non-current assets						
1510	Financial assets at fair value through profit or loss - non-current	6(2)	88,481,743	2	83,681,186	2
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	112,718,725	3	87,074,089	2
1535	Financial assets at amortised cost, net - non-current	6(4) and 8	23,449,084	1	18,786,030	1
1550	Investments accounted for using equity method	6(9)	194,593,652	5	175,199,441	5
1600	Property, plant and equipment	6(10) and 8	310,107,309	8	287,091,978	8
1755	Right-of-use assets	6(11) and 7	40,260,192	1	46,268,685	1
1760	Investment property - net	6(13)	10,356,499	-	11,083,273	-
1780	Intangible assets	6(14)	45,352,837	1	44,760,083	1
1840	Deferred income tax assets		20,443,452	-	19,946,852	1
1900	Other non-current assets	6(12)(15) and 8	28,697,615	1	15,734,671	-
15XX	Total non-current assets		<u>874,461,108</u>	<u>22</u>	<u>789,626,288</u>	<u>21</u>
1XXX	Total assets		<u>\$ 3,908,878,394</u>	<u>100</u>	<u>\$ 3,674,275,590</u>	<u>100</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term loans	6(17)	\$ 546,372,008	14	\$ 446,422,100	12
2110	Short-term notes and bills payable	6(16)	23,999,117	1	39,101,893	1
2120	Financial liabilities at fair value	6(2)				
	through profit or loss - current		964,015	-	2,291,221	-
2170	Accounts payable		1,055,155,222	27	1,037,912,518	28
2180	Accounts payable - related parties	7	21,022,980	-	27,680,046	1
2200	Other payables	6(18) and 7	213,094,933	5	220,177,215	6
2230	Current tax liabilities		26,474,025	1	24,004,318	1
2250	Provisions for liabilities - current	6(25)	2,876,585	-	4,136,517	-
2280	Current lease liabilities	7	7,364,055	-	9,058,272	-
2320	Long-term liabilities, current portion	6(20)(21)	38,586,760	1	56,950,211	2
2399	Other current liabilities, others	6(19)	61,770,571	2	48,523,000	1
21XX	Total current liabilities		<u>1,997,680,271</u>	<u>51</u>	<u>1,916,257,311</u>	<u>52</u>
Non-current liabilities						
2530	Corporate bonds payable	6(20)	226,258,790	6	201,691,563	5
2540	Long-term loans	6(21)	49,340,778	1	31,593,197	1
2550	Provisions for liabilities - non-current	6(25)	430,648	-	407,915	-
2570	Deferred income tax liabilities		32,228,229	1	18,805,119	1
2580	Non-current lease liabilities	7	18,217,030	1	20,390,740	1
2600	Other non-current liabilities	6(24)	11,462,530	-	10,983,336	-
25XX	Total non-current liabilities		<u>337,938,005</u>	<u>9</u>	<u>283,871,870</u>	<u>8</u>
2XXX	Total liabilities		<u>2,335,618,276</u>	<u>60</u>	<u>2,200,129,181</u>	<u>60</u>
Equity						
Equity attributable to owners of parent						
	Share capital	6(26)				
3110	Common stock		138,629,906	4	138,629,906	4
	Capital reserve	6(27)				
3200	Capital surplus		202,084,430	5	202,645,942	5
	Retained earnings	6(28)				
3310	Legal reserve		170,755,591	4	161,043,748	4
3320	Special reserve		87,315,126	2	102,451,720	3
3350	Unappropriated retained earnings		871,193,344	22	779,836,380	21
	Other equity interest	6(29)				
3400	Other equity interest		(89,505,893)	(2)	(87,315,126)	(2)
3500	Treasury stocks	6(26)	(15,194)	-	(15,194)	-
31XX	Equity attributable to owners of the parent		<u>1,380,457,310</u>	<u>35</u>	<u>1,297,277,376</u>	<u>35</u>
36XX	Non-controlling interest	6(30)	192,802,808	5	176,869,033	5
3XXX	Total equity		<u>1,573,260,118</u>	<u>40</u>	<u>1,474,146,409</u>	<u>40</u>
	Commitments and Contingent Liabilities	9				
	Subsequent Events	11				
3X2X	Total liabilities and equity		<u>\$ 3,908,878,394</u>	<u>100</u>	<u>\$ 3,674,275,590</u>	<u>100</u>

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
4000	Operating revenue	6(31) and 7	\$ 5,994,173,882	100	\$ 5,358,023,065	100
5000	Operating costs	6(8)(35)(36) and 7	(5,632,046,836)	(94)	(5,055,104,342)	(94)
5900	Net operating margin		<u>362,127,046</u>	<u>6</u>	<u>302,918,723</u>	<u>6</u>
	Operating expenses	6(35)(36)				
6100	Selling expenses		(30,505,863)	(1)	(27,243,581)	(1)
6200	General and administrative expenses		(77,592,927)	(1)	(70,737,182)	(1)
6300	Research and development expenses		(105,068,764)	(2)	(94,110,512)	(2)
6000	Total operating expenses		(213,167,554)	(4)	(192,091,275)	(4)
6900	Operating profit		<u>148,959,492</u>	<u>2</u>	<u>110,827,448</u>	<u>2</u>
	Non-operating income and expenses					
7100	Interest income	6(32)	32,456,041	1	47,934,352	1
7010	Other income	6(33)	15,183,191	-	11,887,533	-
7020	Other gains and losses	6(34)	526,797	-	7,314,465	-
7050	Finance costs	6(37)	(21,958,495)	-	(40,317,013)	-
7060	Share of profit of associates and joint ventures accounted for using equity method	6(9)	<u>18,404,717</u>	<u>-</u>	<u>7,825,449</u>	<u>-</u>
7000	Total non-operating income and expenses		<u>44,612,251</u>	<u>1</u>	<u>34,644,786</u>	<u>1</u>
7900	Profit before income tax		<u>193,571,743</u>	<u>3</u>	<u>145,472,234</u>	<u>3</u>
7950	Income tax expense	6(38)	(39,748,702)	-	(31,146,647)	(1)
8200	Profit for the period		<u>\$ 153,823,041</u>	<u>3</u>	<u>\$ 114,325,587</u>	<u>2</u>

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNTS)

Items	Notes	Year ended December 31				
		2021		2020		
		AMOUNT	%	AMOUNT	%	
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311	Gain (loss) on remeasurement of defined benefit plans	6(22)	\$ 102,846	-	(\$ 47,626)	-
8316	Unrealised gain on valuation of financial assets at fair value through other comprehensive income	6(3)(29)(30)	21,768,401	-	19,999,225	-
8320	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(29)	1,382,226	-	497,658	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(38)	(4,162,768)	-	9,525	-
8310	Other comprehensive income that will not be reclassified to profit or loss		<u>19,090,705</u>	-	<u>20,458,782</u>	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361	Financial statements translation differences of foreign operations	6(29)(30)	(16,100,213)	-	(15,380,879)	-
8368	Gains on hedging instrument	6(5)	230,467	-	-	-
8370	Share of other comprehensive (loss) income of associates and joint ventures accounted for using equity method	6(29)	(7,098,091)	-	2,094,637	-
8399	Income tax related to components of other comprehensive income	6(5)	(34,570)	-	-	-
8360	Other comprehensive loss that will be reclassified to profit or loss		(23,002,407)	-	(13,286,242)	-
8300	Other comprehensive (loss) income for the period		<u>(\$ 3,911,702)</u>	-	<u>\$ 7,172,540</u>	-
8500	Total comprehensive income for the period		<u>\$ 149,911,339</u>	<u>3</u>	<u>\$ 121,498,127</u>	<u>2</u>
Profit attributable to:						
8610	Owners of the parent		\$ 139,320,332	3	\$ 101,794,807	2
8620	Non-controlling interest		<u>14,502,709</u>	-	<u>12,530,780</u>	-
			<u>\$ 153,823,041</u>	<u>3</u>	<u>\$ 114,325,587</u>	<u>2</u>
Comprehensive income attributable to:						
8710	Owners of the parent		\$ 138,007,616	3	\$ 112,236,799	2
8720	Non-controlling interest		<u>11,903,723</u>	-	<u>9,261,328</u>	-
			<u>\$ 149,911,339</u>	<u>3</u>	<u>\$ 121,498,127</u>	<u>2</u>
Earnings per share (in dollars)						
9750	Basic earnings per share	6(39)	\$ 10.05		\$ 7.34	
9850	Diluted earnings per share		<u>\$ 9.91</u>		<u>\$ 7.28</u>	

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

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE 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		\$ 193,571,743	\$ 145,472,234
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(35)	70,125,301	60,952,265
Amortisation	6(35)	5,355,858	4,161,469
Cost of share-based payments	6(36)	2,462,747	4,403,815
(Reversal of allowance) provision for doubtful accounts and sales discount	12(2)	(658,060)	1,705,559
Impairment loss	6(34)	340,910	959,481
(Gain) loss on disposal of property, plant and equipment, net	6(34)	(1,403,856)	873,283
Gain on financial assets or liabilities at fair value through profit or loss, net	6(34)	(2,531,148)	(13,727,567)
Share of profit of associates and joint ventures accounted for using equity method	6(9)	(18,404,717)	(7,825,449)
Gain on disposal of investments	6(34)	(2,938,622)	(633,645)
Interest expense	6(37)	21,802,778	40,148,900
Interest income	6(32)	(32,456,041)	(47,934,352)
Dividend income	6(33)	(10,255,146)	(4,891,042)
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss, mandatorily measured at fair value		2,084,199	9,572,395
Hedging instruments		(872,887)	-
Notes receivable		(474,576)	190,805
Accounts receivable		(222,942,664)	83,147,102
Accounts receivable due from related parties		3,959,755	6,788,779
Other receivables		(2,486,599)	(5,026,811)
Inventories		(92,416,772)	(66,341,558)
Prepayments		607,091	1,231,069
Changes in operating liabilities			
Accounts payable		16,082,865	167,233,525
Accounts payable to related parties		(6,657,066)	(7,829,082)
Other payables		(2,824,458)	18,463,204
Provisions for liabilities		(1,237,199)	1,449,186
Contract liabilities		(3,869,649)	1,751,652
Other current liabilities		17,057,120	9,687,771
Accrued pension liabilities		(107,570)	16,324
Cash (outflow) inflow generated from operations		(69,086,663)	403,999,312
Income taxes paid		(29,125,721)	(26,375,395)
Net cash flows (used in) from operating activities		(98,212,384)	377,623,917

(Continued)

HON HAI PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	Year ended December 31	
		2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of financial assets at fair value through profit or loss		(\$ 12,937,297)	(\$ 12,793,651)
Proceeds from disposal of financial assets at fair value through profit or loss		895,727	14,729,300
(Proceeds) acquisition of financial assets at amortised cost-current		(11,040,305)	14,171,311
Acquisition of financial assets at amortised cost-non-current		(6,841,404)	(7,420,291)
Proceeds from repayments of financial assets at amortised cost		2,177,550	1,279,800
Acquisition of financial assets at fair value through other comprehensive income		(6,588,694)	(5,150,525)
Proceeds from disposal of financial assets at fair value through other comprehensive income		2,854,295	3,326,838
Other receivables due from related parties		3,818,959	17,101,208
Decrease in other receivables		1,478,468	-
Increase in other current assets		(8,935,061)	-
Net cash flow from acquisition of subsidiaries		(4,880,142)	(1,211,884)
Proceeds from disposal of subsidiaries		(879,654)	-
Acquisition of investments accounted for using equity method		(8,914,530)	(3,131,377)
Proceeds from disposal of investments accounted for using equity method		1,252,721	657,350
Acquisition of property, plant and equipment	6(41)	(92,295,684)	(65,500,041)
Proceeds from disposal of property, plant and equipment	6(41)	7,769,102	6,104,599
Proceeds from disposal of investment property		341,796	-
Acquisition of right-of-use assets		(1,193,845)	(1,495,068)
Proceeds from disposal of right-of-use assets		-	397,145
Acquisition of intangible assets		(1,009,445)	(541,250)
Decrease in other non-current assets		(15,702,745)	(375,283)
Dividends received		23,298,892	10,168,019
Interest received		35,109,420	62,711,773
Investing activities		<u>139,314</u>	<u>1,557,802</u>
Net cash flows (used in) from investing activities		(92,082,562)	34,585,775
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in short-term loans		99,435,408	65,556,050
(Decrease) increase in short-term notes and bills payable		(15,129,779)	8,549,712
Proceeds from issuing bonds		62,180,438	72,922,000
Repayments of bonds		(40,506,000)	(40,199,748)
Proceeds from long-term debt		23,144,614	1,877,645
Repayments of long-term debt		(16,526,109)	(12,043,607)
Increase in other non-current liabilities		507,550	449,683
Payment of lease liabilities		(10,805,466)	(7,701,599)
Changes in non-controlling interests	6(30)	2,322,773	3,110,549
Cash dividends paid to non-controlling interest	6(30)	(3,292,721)	(2,685,915)
Proceeds from issuing shares by subsidiaries to non-controlling interests	6(30)	5,000,000	-
Interest paid		(26,597,352)	(56,728,260)
Cash dividends paid	6(28)	(55,451,962)	(58,224,561)
Net cash flows from (used in) financing activities		<u>24,281,394</u>	<u>25,118,051</u>
Net effect of changes in foreign currency exchange rates		(7,363,452)	(12,161,988)
Net (decrease) increase in cash and cash equivalents		(173,377,004)	374,929,653
Cash and cash equivalents at beginning of year		1,232,794,015	857,864,362
Cash and cash equivalents at end of year		<u>\$ 1,059,417,011</u>	<u>\$ 1,232,794,015</u>

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

Hon Hai Precision Industry Co., Ltd.

Attachment 4: Articles of Incorporation Amendment Comparison Table

Before Amendments	After Amendments	Description
<p>Article 10:</p> <p>Shareholders' meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders' meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.</p> <p>Electronic voting is one of the voting methods adopted by the Shareholders' Meeting.</p> <p>The voting procedures shall follow the related provisions issued by the competent authorities.</p>	<p>Article 10:</p> <p>Shareholders' meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders' meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary.</p> <p>Electronic voting is one of the voting methods adopted by the Shareholders' Meeting.</p> <p>The voting procedures shall follow the related provisions issued by the competent authorities.</p> <p><u>Shareholders' meeting may be held via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person; and are subject to prescriptions provided for by the competent authority in charge of securities affairs, including the prerequisites, procedures, and other compliance matters.</u></p>	<p>In accordance to visual communication network related shareholder meetings articulated in Article 172-2 of the Company Act.</p>
<p>Article 31:</p> <p>These Articles of Incorporation were enacted on January 5, 1974.</p> <p>The 1st amendment was made on January 20, 1974.</p> <p>The 2nd amendment was made on November 30, 1974.</p> <p>The 3rd amendment was made on July 28, 1975.</p> <p>...</p> <p>The 48th Amendment was made on June 22, 2016.</p> <p>The 49th Amendment was made on June 21, 2019.</p> <p>The 50th Amendment was made on June 23, 2020.</p>	<p>Article 31:</p> <p>These Articles of Incorporation were enacted on January 5, 1974.</p> <p>The 1st amendment was made on January 20, 1974.</p> <p>The 2nd amendment was made on November 30, 1974.</p> <p>The 3rd amendment was made on July 28, 1975.</p> <p>...</p> <p>The 48th Amendment was made on June 22, 2016.</p> <p>The 49th Amendment was made on June 21, 2019.</p> <p>The 50th Amendment was made on June 23, 2020.</p> <p><u>The 51st Amendment was made on May 31, 2022.</u></p>	<p>Updated to reflect amendment dates of this revision.</p>

Hon Hai Precision Industry Co., Ltd.

Attachment 5: Amendments to the Company’s “Rules and Procedures of Shareholders’ Meeting” Comparison Table

Before Amendments	After Amendments	Description
<p>Article 2: The shareholders or their representatives present shall wear identification and may hand in attendance cards in lieu of signing the attendance book. The number of shares shall be counted based on the certificate of attendance as furnished plus the quantity of shares for which the voting power is exercised via electronic transmission.</p>	<p>Article 2: The shareholders or their representatives present shall wear identification and may hand in attendance cards in lieu of signing the attendance book. The number of shares shall be counted based on the certificate of attendance as furnished plus the quantity of shares for which the voting power is exercised via electronic transmission, <u>and via the visual communication network.</u> <u>In the case if the shareholders' meeting is held by visual communication network, shareholders who wish to attend via this medium should register at the place or website designated by the company two days prior to the shareholders' meeting.</u></p>	Amended to encompass visual communication network related shareholder meetings
<p>The location of shareholders meeting shall be the Company’s current location or such other place that is convenient for shareholders to attend. The meeting shall not commence earlier than 9AM or later than 3PM.</p>	<p>The location of shareholders meeting shall be the Company’s current location or such other place that is convenient for shareholders to attend. The meeting shall not commence earlier than 9AM or later than 3PM. <u>When the company convenes a shareholders' meeting via visual communication networks, it is not subject to the restriction on the venue of the preceding paragraph.</u> <u>For the visual communication network shareholders' meeting, registration should be accepted on the visual communication platform of the shareholders' meeting 30 minutes prior the start of the meeting. Shareholders who have completed the registration shall be deemed to have attended the shareholders' meeting in person.</u></p>	Amended to encompass visual communication network related shareholder meetings
<p>Article 11: A shareholder may not speak more than twice on the same resolution without the chairman’s consent, with five minutes maximum for each</p>	<p>Article 11: A shareholder may not speak more than twice on the same resolution without the chairman’s consent, with five minutes maximum for each</p>	Amended to encompass visual communication network related

Before Amendments	After Amendments	Description
<p>speech. The chairman may stop any shareholder who violates the above rules or exceeds the scope of the agenda item.</p>	<p>speech. The chairman may stop any shareholder who violates the above rules or exceeds the scope of the agenda item. <u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words, and the first two provisions do not apply.</u></p>	<p>shareholder meetings</p>
<p>Article 15: The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder</p>	<p>Article 15: The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder <u>In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.</u> <u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply. For a meeting to be postponed or resumed under the previous paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected</u></p>	<p>Amended to encompass visual communication network related shareholder meetings</p>

Before Amendments	After Amendments	Description
	<p><u>shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</u></p> <p><u>When postponing or resuming a meeting according to the third paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders who are listed on the register of shareholders whose transfer of books was originally scheduled to be closed are entitled to attend the shareholders' meeting.</u></p> <p><u>During a postponed or resumed session of a shareholders meeting held under the third paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online.</u></p>	

Hon Hai Precision Industry Co., Ltd.

Attachment 6: Amendments to the Company's "Procedures for Asset Acquisition & Disposal" Comparison Table

Before Amendments	After Amendments	Description
<p>Article 6 Appraisal Report or Opinions</p> <p>i. Where the Company receives an appraisal report or opinion from accountants, lawyers or securities underwriters, all of these professional agents nor their appraisers, accountants, lawyers or securities underwriters shall meet the following requirements:</p> <ol style="list-style-type: none"> 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p>	<p>Article 6 Appraisal Report or Opinions</p> <ol style="list-style-type: none"> 1. Where the Company receives an appraisal report or opinion from accountants, lawyers or securities underwriters, all of these professional agents nor their appraisers, accountants, lawyers or securities underwriters shall meet the following requirements: <ol style="list-style-type: none"> (a) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. (b) May not be a related party or de facto related party of any party to the transaction. (c) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the <u>regulations of the trade associations to which it belongs and</u></p>	<p>In accordance with the revision of the Financial Supervisory Commission's "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".</p>

Before Amendments	After Amendments	Description
<p>(a) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(b) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(c) They shall undertake an item-by-item evaluation of the <u>comprehensiveness</u>, <u>accuracy</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(d) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report o opinion, and that they have evaluated and found that the information used is reasonable and <u>accurate</u>, and that they have complied with applicable laws and regulations.</p> <p>... (omitted below)</p>	<p>the following:</p> <p>(a) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(b) When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(c) They shall undertake an item-by-item evaluation of the <u>appropriateness</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(d) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable and <u>appropriate</u>, and that they have complied with applicable laws and regulations.</p> <p>... (omitted below)</p>	
<p>Article 7: Procedures for Acquisition or Disposal of Real Estate, Equipment or Right-of-use Assets</p> <p>1. Evaluating Procedure: The Company's assessment of the acquisition or disposal of real estate, equipment or right-of-use assets shall be conducted by the asset-carrying department for the</p>	<p>Article 7: Procedures for Acquisition or Disposal of Real Estate, Equipment or Right-of-use Assets</p> <p>1. Evaluating Procedure: The Company's assessment of the acquisition or disposal of real estate, equipment or right-of-use assets shall be conducted by the asset-carrying department for the</p>	<p>In accordance with the revision of the Financial Supervisory Commission's "Regulations Governing the Acquisition and Disposal of Assets</p>

Before Amendments	After Amendments	Description
<p>feasibility assessment report and shall be approved by the management department and the Company's approval authority.</p> <p>2. Operating Procedure:</p> <p>(a) In acquiring or disposing of real estate, equipment or right-of-use assets, where the transaction amounts to 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event unless the A&D is made with a domestic government agency, or engages others to build on its own land, or engages others to build on a rental land or the A&D asset is business equipment or right-of-use asset. The A&D transaction shall further comply with the following provisions:</p> <p>(1) The transaction shall be addressed to and pass the board resolution if it takes limit price, specific price or special price as the reference basis of the transaction price; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant be consulted <u>in accordance with the Accounting Standards</u></p>	<p>feasibility assessment report and shall be approved by the management department and the Company's approval authority.</p> <p>2. Operating Procedure:</p> <p>(a) In acquiring or disposing of real estate, equipment or right-of-use assets, where the transaction amounts to 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event unless the A&D is made with a domestic government agency, or engages others to build on its own land, or engages others to build on a rental land or the A&D asset is business equipment or right-of-use asset. The A&D transaction shall further comply with the following provisions:</p> <p>(1) The transaction shall be addressed to and pass the board resolution if it takes limit price, specific price or special price as the reference basis of the transaction price; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained.</p> <p>(3) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant be consulted to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction</p>	<p>by Public Companies ".</p>

Before Amendments	After Amendments	Description
<p><u>Bulletin No. 20 issued by the Accounting Research and Development Foundation of the Republic of China (hereinafter referred to as the "Accounting Research and Development Foundation") shall be engaged</u> to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. 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>(b) After the assets are acquired, they should be registered, managed and used in accordance with the Company's " Assets Management Regulations".</p> <p>3. Omitted..</p>	<p>price:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>III. 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>(b) After the assets are acquired, they should be registered, managed and used in accordance with the Company's " Assets Management Regulations".</p> <p>3. Omitted..</p>	
<p>Article 8: Procedures for Acquisition or Disposal of Securities</p> <p>Evaluation procedure</p> <p>1. In case where the Company acquires or disposes of securities shall, prior to the date of occurrence of the event, obtain financial statements of the</p>	<p>Article 8: Procedures for Acquisition or Disposal of Securities</p> <p>1. Evaluation procedure</p> <p>(a) In case where the Company acquires or disposes of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing</p>	<p>In accordance with the revision of the Financial Supervisory Commission's "Regulations Governing the Acquisition and Disposal of Assets</p>

Before Amendments	After Amendments	Description
<p>issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price.</p> <p>2. If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>In case when the accountant needs to use the expert report, he should follow the provisions of the Bulletin of Auditing Standards No. 20 issued by the Accounting Research and Development Foundation.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>2. ... (omitted)</p>	<p>company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price.</p> <p>(b) If the dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>2. ... (omitted)</p>	<p>by Public Companies ".</p>
<p>Article 11 Procedure for Related Party Transactions</p> <p>1. (omitted)</p> <p>2. Determination Procedure for Authorization Limit</p> <p>(a) If the real estate or real property right-of-use assets or non-real estate or real property right-of-use assets transaction amount up to 20% of the paid-up capital or 10% of the total assets or above NTD 300 million is acquired from or disposed of with a related party, it shall submit following data to the board for approval and the supervisor for recognition before signing any trade</p>	<p>Article 11 Procedure for Related Party Transactions</p> <p>1. (omitted)</p> <p>2. Determination Procedure for Authorization Limit</p> <p>(a) If the real estate or real property right-of-use assets or non-real estate or real property right-of-use assets transaction amount up to 20% of the paid-up capital or 10% of the total assets or above NTD 300 million is acquired from or disposed of with a related party, it shall submit following data to the board for approval and the supervisor for recognition before signing any trade</p>	<p>In accordance with the revision of the Financial Supervisory Commission's "Regulations Governing the Acquisition and Disposal of Assets by Public Companies ".</p>

Before Amendments	After Amendments	Description
<p>contract or making any payment. However, for equipment acquired or disposed, right-of-use assets or real property right-of-use assets held for business use, between the Company and its subsidiaries of less than 10% of the paid-up capital or between subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, it is permissible to be approved first by the chairman and then ratified at the next board of directors meeting by submitting the proposal:</p> <ol style="list-style-type: none"> (1) Purposes, necessity and expected benefit for from the acquisition or disposal of assets. (2) Reasons for choosing the related party as the transaction counterpart. (3) If any real estate or right-of-use asset is to be acquired from the related party, evaluation materials to assess the reasonableness of the conditions of scheduled transactions shall be provided in accordance with Sections 3(a), 3(b), 3(c), 3(d) and 3(f) of this Article. (4) Date and price of original acquisition by the related party, the original transaction counterpart of the related party, and the relationship between the original counterpart and the Company as well as the related party. (5) Estimates of the balance sheet for every month of the coming year starting from contract establishment month, and evaluations of the necessity of the transaction and the reasonableness of the use of funds. (6) The appraisal report from professional appraisers or the opinion from the accountant shall be performed accordance with Section 1 of this Article. 	<p>contract or making any payment. However, for equipment acquired or disposed, right-of-use assets or real property right-of-use assets held for business use, between the Company and its subsidiaries of less than 10% of the paid-up capital or between subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, it is permissible to be approved first by the chairman and then ratified at the next board of directors meeting by submitting the proposal:</p> <ol style="list-style-type: none"> (1) Purposes, necessity and expected benefit for from the acquisition or disposal of assets. (2) Reasons for choosing the related party as the transaction counterpart. (3) If any real estate or right-of-use asset is to be acquired from the related party, evaluation materials to assess the reasonableness of the conditions of scheduled transactions shall be provided in accordance with Sections 3(a), 3(b), 3(c), 3(d) and 3(f) of this Article. (4) Date and price of original acquisition by the related party, the original transaction counterpart of the related party, and the relationship between the original counterpart and the Company as well as the related party. (5) Estimates of the balance sheet for every month of the coming year starting from contract establishment month, and evaluations of the necessity of the transaction and the reasonableness of the use of funds. (6) The appraisal report from professional appraisers or the opinion from the accountant shall be performed accordance with Section 1 of this Article. 	

Before Amendments	After Amendments	Description
<p>(7) Restrictions and other important covenants for the transaction</p> <p>(b) The calculation of transaction amount provided herein above shall be done according to provisions of Section 2(g) of Article 14. The referred to “within one year” shall start from the transaction date and trace back to one year. The part which has been submitted the board for approval and the supervisor for recognition is excluded.</p> <p>(c) Acquiring assets beyond the mentioned in Section 2(a)(1) from the related party or disposing of them shall be done in accordance with the first three Articles.</p> <p>3. (omitted)</p>	<p>(7) Restrictions and other important covenants for the transaction</p> <p>(b) <u>If the Company or a subsidiary thereof that is not a domestic public company will have a transaction set out in 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 public company and its subsidiaries, or transactions between its subsidiaries.</u></p> <p>(c) The calculation of transaction amount provided herein above shall be done according to provisions of Section 2(g) of Article 14. The referred to “within one year” shall start from the transaction date and trace back to one year. The part which has been submitted the board for approval and the supervisor for recognition is excluded.</p> <p>(d) Acquiring assets beyond the mentioned in Section 2(a)(1) from the related party or disposing of them shall be done in accordance with the first three Articles.</p> <p>3. (omitted)</p>	
<p>Article 14: Procedures for Public Disclosure of Information</p> <p>1. (omitted)</p> <p>2. Disclosure Items and Standards</p> <p>(1) Acquisition or disposal of real estate or real property right-of-use assets with a related party regardless of its transaction price, or of assets other than real estate or real property right-of-use assets with a</p>	<p>Article 14: Procedures for Public Disclosure of Information</p> <p>1. (omitted)</p> <p>2. Disclosure Items and Standards</p> <p>(1) Acquisition or disposal of real estate or real property right-of-use assets with a related party regardless of its transaction price, or of assets other than real estate or real property right-of-use assets with</p>	<p>In accordance with the revision of the Financial Supervisory Commission's "Regulations Governing the Acquisition and Disposal of Assets by Public Companies".</p>

Before Amendments	After Amendments	Description
<p>related party for the transaction price over 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets or above NT\$300 million. Trading of government bonds, bonds with call or put options and subscription or redemption of money market funds issued by domestic securities investment trust companies are excluded herein.</p> <p>(2) Merger, Division, Acquisitions or Shares Transfer</p> <p>(3) The loss in derivatives reaches to upper loss limit, including in total or of an individual contract as regulated in the procedure.</p> <p>(4) Acquisition or disposal of equipment/machinery or respective right-of-use used for operation, the trading counterparty is not a related party, and the transaction amount is above and inclusive of NT\$1 billion.</p> <p>(5) Real estates acquired under an arrangement for commissioned construction on self-owned or rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and respective transaction is not with a related party, and the amount the company expects to invest in the transaction is above and inclusive of NT\$500 million.</p> <p>(6) Any transaction, other than those referred in the preceding six subparagraphs including disposal of receivables by a financial institution or investment in mainland China that reaches 20 percent of the Company's paid-in capital or exceeds NT\$300 million. However, the following circumstances shall not apply:</p> <ol style="list-style-type: none"> a. Trading of domestic government bonds. b. Trading of bonds with call or put options, or subscription or 	<p>a related party for the transaction price over 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets or above NT\$300 million. Trading of government bonds, bonds with call or put options and subscription or redemption of money market funds issued by domestic securities investment trust companies are excluded herein.</p> <p>(2) Merger, Division, Acquisitions or Shares Transfer</p> <p>(3) The loss in derivatives reaches to upper loss limit, including in total or of an individual contract as regulated in the procedure.</p> <p>(4) Acquisition or disposal of equipment/machinery or respective right-of-use used for operation, the trading counterparty is not a related party, and the transaction amount is above and inclusive of NT\$1 billion.</p> <p>(5) Real estates acquired under an arrangement for commissioned construction on self-owned or rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and respective transaction is not with a related party, and the amount the company expects to invest in the transaction is above and inclusive of NT\$500 million.</p> <p>(6) Any transaction, other than those referred in the preceding six subparagraphs including disposal of receivables by a financial institution or investment in mainland China that reaches 20 percent of the Company's paid-in capital or exceeds NT\$300 million. However, the following circumstances shall not apply:</p> <ol style="list-style-type: none"> a. Trading of domestic government 	

Before Amendments	After Amendments	Description
<p>redemption of money market funds issued by domestic securities investment trust companies.</p> <p>(7) "Within the preceding year" s used in the preceding four paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>a. The amount of any individual transaction.</p> <p>b. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.</p> <p>c. The cumulative transaction amount of real property or real property right-of-use asset acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.</p> <p>d. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>3. (Omitted below)</p>	<p>bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>b. Trading of bonds with call or put options, or subscription or redemption of money market funds issued by domestic securities investment trust companies.</p> <p>(7) "Within the preceding year" s used in the preceding four paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>a. The amount of any individual transaction.</p> <p>b. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same trading counterparty within the preceding year.</p> <p>c. The cumulative transaction amount of real property or real property right-of-use asset acquisitions and disposals (cumulative acquisitions and disposals, respectively) within the same development project within the preceding year.</p> <p>d. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>3. (Omitted below)</p>	

Hon Hai Precision Industry Co., Ltd.

Attachment 7: Amendments to the Company’s “Operational Procedures for Lending Funds to Others” Comparison Table

Before Amendments	After Amendments	Description
<p>Article 5 Total Lending Amount and Financing Limit for Individual Entities</p> <p>1. (Omitted)</p> <p>2. Financing Limit to Individual Entities</p> <p>(a) In the case of lending funds to companies or firms who have a business relationship with the Company, the total lending amount of an individual borrower shall not exceed the total amount of the business transactions between the Company and the borrower. The “total amount of the business transactions” refers the amount of purchases or sales during the recent year or the estimate for the next year, whichever is higher, but shall not exceed 10% of the net value of the Company.</p> <p>(b) In the case of lending funds to the companies or firms in need of short-term financing, the total lending amount to an individual borrower shall not exceed 10% of the net value of the Company.</p> <p>3~5. (Omitted)</p>	<p>Article 5 Total Lending Amount and Financing Limit for Individual Entities</p> <p>1. (Omitted)</p> <p>2. Financing Limit to Individual Entities</p> <p>(a) In the case of lending funds to companies or firms who have a business relationship with the Company, the total lending amount of an individual borrower shall not exceed the total amount of the business transactions between the Company and the borrower. The “total amount of the business transactions” refers the amount of purchases or sales during the recent year, whichever is higher, but shall not exceed 10% of the net value of the Company.</p> <p>(b) In the case of lending funds to the companies or firms in need of short-term financing, the total lending amount to an individual borrower shall not exceed 10% of the net value of the Company.</p> <p>3~5. (Omitted)</p>	<p>Adjusted content in accordance with amendments in related laws and regulations.</p>

Hon Hai Precision Industry Co., Ltd.

Attachment 8: Directors and Independent Directors Candidates List

Type	Name	Gender	Education	Past Experiences	Current Position	Shares Held	Government or Legal Representative of
Directors	Liu, Young-way	M	<ul style="list-style-type: none"> Master's Degree of Electrical Engineering and Computer Science, University of Southern California. Bachelor of Electrophysics, National Chiao Tung University 	<ul style="list-style-type: none"> Chairman, Socle Technology Corporation. Executive Assistant to the Chairman, Hon Hai Precision Industry Co., Ltd. CEO, Princeton Technology Corp. Founder, ADSL IC Design House, Integrated Telecom Express Inc. Founder, ITE Technology Inc. Founder, Young Micro Systems 	<ul style="list-style-type: none"> Chairman, Hon Hai Technology Group (FOXCONN) CEO, Hon Hai Precision Industry Co., Ltd. Chairman, Foxsemicon Integrated Technology Inc Chairman, Foxtron Vehicle Technologies Co.,Ltd. Director, Fu Tai International Investment Co., Ltd Chairman, MIH Consortium Director, Shanghai Ketai Century Technology Co., Ltd. 	656,219	N/A
Directors	Gou, Tai-ming (Terry Gou)	M	<ul style="list-style-type: none"> Chinese Maritime College 	<ul style="list-style-type: none"> Chairman, Hon Hai Technology Group (FOXCONN) CEO, Hon Hai Precision Industry Co., Ltd. Director of Taiwan Electrical Equipment Association Chairman of Mold Industry Association 	<ul style="list-style-type: none"> Founder, Hon Hai Technology Group (FOXCONN) 	1,742,198,518	N/A
Directors	Wang, Cheng-yang	M	<ul style="list-style-type: none"> MBA, University of Tennessee 	<ul style="list-style-type: none"> Vice President, Product BU, Foxconn International WLBG Sony Ericsson 	<ul style="list-style-type: none"> President, Business Group A, Hon Hai Technology Group (FOXCONN) 	1,483,078	Hon Jin International Investment Co., Ltd.
Directors	Dr. Christina Yee-ru Liu	F	<ul style="list-style-type: none"> Ph.D. in Economics, The University of Chicago (specialization in History of Economic Thought, International Trade, and International Finance) 	<ul style="list-style-type: none"> Minister of Finance, Taiwan Minister of the Council for Economic Planning and Development, Taiwan Two-term Legislator, Taiwan Member, Economic Development Commission, Hong Kong Chief Economic Advisor, ChinaTrust Financial Holding Co., Ltd., Taiwan Chief Economic Advisor, Daiwa Institute of Research, Tokyo Board Member, Taiwan Fund (listed NYSE) Board Member, Taiwan Stock Exchange 	<ul style="list-style-type: none"> Director, Hon Hai Technology Group (FOXCONN) Managing Director, Bellwether International Group, Hong Kong Member, Global Council of Asia Society (USA) Adjunct Professor, Department of Finance, National Taiwan University Senior Consultant, Chinese National Federation of Industries Consultant, Taiwan Electrical and Electronic Manufacturers' Association 	1,483,078	Hon Jin International Investment Co., Ltd.

Type	Name	Gender	Education	Past Experiences	Current Position	Shares Held	Government or Legal Representative of
				<ul style="list-style-type: none"> Professor and Director, Department of Finance and Graduate Institute of Finance, National Taiwan University Professor at numerous universities including City University of New York, Australian National University, Chinese University (Hong Kong), Tsinghua University (Beijing), and Nanjing University (Nanjing). 			
Independent Director	James Wang	M	<ul style="list-style-type: none"> EMBA, School of Business Administration, National Taiwan University. Bachelor of Business Administration, College of Management, National Taiwan University. 	<ul style="list-style-type: none"> Chairman, Les enphants Co. Ltd Executive Director, Chain Stores and Franchise Association Executive Director, Marketing Communication Executive International Executive Director, Taiwan Excellent Brand Association 	<ul style="list-style-type: none"> Independent Director, Audit, Remuneration, Nomination Committee Member, Hon Hai Technology Group (FOXCONN) Independent Director, Audit and Remuneration Committee Member, Luo Lih Fen Holding Independent Director and Audit Committee Chair, HannStar Board Corporation. Independent Director, Audit and Remuneration Committee Member, Apex Medical Corporation Remuneration Committee Member, E & E Recycling 	0	N/A
Independent Director	Kuo, Ta-wei	M	<ul style="list-style-type: none"> PhD of Computer Science, The University of Texas at Austin. Master of Computer Science, The University of Texas at Austin. Bachelor of Information Engineering, National Taiwan University. 	<ul style="list-style-type: none"> Acting President, National Taiwan University Academic Vice President, National Taiwan University Distinguished Researcher and Director, Research Center for Information Technology, Academia Sinica Convener, Ministry of Science and Technology/Department of Engineering and Technologies Distinguished Professor, Department of Computer Science and Information Engineering, National Taiwan University Fellow, European Academy of Sciences and Arts Fellow, National Academy of Inventors 	<ul style="list-style-type: none"> Independent Director, Audit, Remuneration, Nomination Committee Member, Hon Hai Technology Group (FOXCONN) Distinguished Professor, Department of Computer Science and Information Engineering, National Taiwan University Chair Professor, Information Engineering, College of Engineering Director, and Senior Consultant to the President, City University of Hong Kong 	0	N/A

Type	Name	Gender	Education	Past Experiences	Current Position	Shares Held	Government or Legal Representative of
Independent Director	Huang, Qing-yuan	M	<ul style="list-style-type: none"> Masters of Business, Nihon University PhD of Business, Nihon University 	<ul style="list-style-type: none"> Independent Director, Taiwan Glass Ind Director, Taiwan Stock Exchange Independent Director, Cathay Life Insurance and Cathay Financial Holding Co. Ltd. Managing (Independent) Director, Cathay United Bank Executive Director and President of APAC Region, Daiwa Securities Capital Markets Co. Ltd. President, Daiwa Securities Capital Markets Co. Ltd. (Hong Kong) 	<ul style="list-style-type: none"> Chairman, Tokyo Star Bank (Japan) Director, Taipei Financial Center Corporation 	0	N/A
Independent Director	Liu, Len-yu	M	<ul style="list-style-type: none"> Doctor of Laws, Stanford University Masters of Laws, Harvard University National Taipei University Bachelor and Master of Laws, National Taipei University 	<ul style="list-style-type: none"> Chairman, Taiwan Futures Exchange Director, Taiwan Stock Exchange Director, Securities and Futures Investors Protection Center (SFIPC) Committee Member, Fair Trade Commission 	<ul style="list-style-type: none"> Presiding Attorney, L&Y Attorneys at Law Adjunct Professor, College of Law, National Chengchi University Adjunct Professor, Department of Law, National Taipei University Visiting Professor, School of Law, Shih Hsin University 	0	N/A
Independent Director	Chen, Yue-min	F	Economics, National Taiwan University	<ul style="list-style-type: none"> Director-general, National Treasury Administration, Central Bank of the Republic of China (Taiwan) Supervisor, Joint Credit Information Center 	<ul style="list-style-type: none"> Managing (Independent) Director, Land Bank of Taiwan 	0	N/A

APPENDICES

Hon Hai Precision Industry Co., Ltd.

Appendix 1: Rules and Procedures of Shareholders' Meeting

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures.
2. The shareholders or their representatives present shall wear identification and may hand in attendance cards in lieu of signing the attendance book. The number of shares shall be counted based on the certificate of attendance as furnished plus the quantity of shares for which the voting power is exercised via electronic transmission.
3. The participation and voting by shareholders shall be duly calculated based on the number of shares they hold. If shareholders propose to count the attendance, the chairperson may not proceed. In the resolution, if the attendance has reached the statutory quota, the proposal is considered approved.
4. The location of shareholders meeting shall be the Company's current location or such other place that is convenient for shareholders to attend. The meeting shall not commence earlier than 9AM or later than 3PM.
5. If a shareholders' meeting is convened by the board, the chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, the vice chairman shall preside at the meeting on the chairman's behalf; if the Company does not have a vice chairman or the vice chairman is on leave or cannot perform his duties for some reason, the chairman shall designate one managing director to act on his behalf. If the Company does not have a managing director, the chairman shall designate one director to act on his behalf. If the chairman has not appointed an agent or the designated director cannot perform his duties for some reason, the meeting chair shall be

elected from among the directors present. If the meeting is convened by any other person besides the board of directors who is entitled to convene the meeting, such person shall be the chairman to preside at the meeting. If there are more than two persons convening the meeting, then shall be the one elected by the other.

6. The Company may appoint designated attorneys, certified public accounts, or other relevant persons to attend shareholders' meetings. The staff members who take charge of the shareholders' meeting affairs shall wear identification certificates or armbands.
7. The Company shall record the shareholders' meetings by audio or video and keep the recording for at least one year.
8. The chairman shall call the meeting to order at the time scheduled for the meeting, provided, however, that if during such a shareholders' meeting a majority of the total number of outstanding shares ceases to be present, the chairman may postpone the shareholders' meeting to a later time, provided, however, that the maximum number of times a shareholder meeting
9. The agenda for the shareholders' meetings shall be set by the Board of Directors if the meeting is convened by the Board of Directors. The meeting shall be conducted in accordance with the agenda, which may not be altered without a resolution adopted at the shareholders' meeting. The preceding provisions of this Article apply mutatis mutandis to cases where shareholders' meetings are convened by any person(s), other than the Board of Directors, entitled to convene the meeting. Unless otherwise resolved at the shareholders' meeting, the chairman may not announce adjournment of the meeting unless the scheduled agenda items (including Extemporary Motions) set forth in the preceding provisions of this Article are concluded. If the chairman announces adjournment of the meeting and violates these rules of procedure, the meeting may be continued after electing one of the attendees to be the meeting chairman in accordance to the approval of the majority of the votes represented by the attending shareholders. After the meeting is adjourned, shareholders may not separately elect

a chairman and resume the meeting at the original or another venue.

10. When a shareholder attending the meeting wishes to speak, he or she shall first fill out a speaker's card, specifying therein the major points of his or her speech, account number (or number appeared on attendance pass) and account name. The chairman shall determine sequence of shareholders' speeches. A shareholder in attendance who submits a speaker's slip but does not speak shall be deemed to have not spoken. In the case where the contents of a shareholder's speech differ from those specified on the speaker's card, the contents of the actual speech shall prevail. Unless otherwise permitted by the chairman and speaking shareholder, no shareholder shall interrupt the speech of the speaking shareholder; the chairman shall stop any such interruptions.
11. A shareholder may not speak more than twice on the same resolution without the chairman's consent, with five minutes maximum for each speech. The chairman may stop any shareholder who violates the above rules or exceeds the scope of the agenda item.
12. Any legal entity designated as proxy by shareholder(s) to be present at the meeting may appoint only one representative to attend the meeting. If a corporate shareholder designates two or more representatives to attend the meeting, only one of the representatives so designated may speak on any one motion.
13. The chairman may respond or designate other persons to respond after an attending shareholder's speech.
14. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution.
15. The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder.

16. During the process of the meeting, the chairman may announce a recess at an appropriate time.
17. Unless otherwise specified in the Company Act and the Articles of Incorporation, resolutions shall be adopted by a majority of the votes represented by the attending shareholders. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after inquiry by the chairman.
18. Unless listed in the handbook, the contents of new proposals shall ask the chairman or master of ceremonies to be read to attending shareholders. If there is an amendment or replacement proposal to the original proposal, the chairman shall decide the sequence of voting for such proposals, provided that if any one of the proposals has been approved, the others shall be deemed vetoed and no further voting is required.
19. The chairman may direct disciplinary officers (or security personnel) to maintain the order of the Meeting. For identification purposes, they shall wear a badge bearing the words of “disciplinary officer.”
20. If the matters do not apply to these rules, they shall be pursuant to the Company Act and other laws and regulations.
21. These rules and procedures shall be effective after ratification at the shareholders’ meetings. The same applies to modifications.

Hon Hai Precision Industry Co., Ltd.

Appendix 2: Articles of Incorporation

Chapter I

General Provisions

- Article 1 The Company, organized under the Company Act as a Company limited by shares, and shall be named Hon Hai Precision Industry Co., Ltd. (hereinafter, “the Company”).
- Article 2 The Company’s scope of business is as follows:
2. C801010 Basic Industrial Chemical Manufacturing
 3. C801030 Precision Chemical Materials Manufacturing
 4. C802170 Toxic and Concerned Chemical Substances Manufacturing
 5. C805050 Industrial Plastic Products Manufacturing
 6. CA01090 Aluminum Casting Manufacturing
 7. CA01130 Copper Material Rolls overextends and Crowding
 8. CA01990 Other Non-ferrous Metal Basic Industries
 9. CA02010 Metal Architectural Components Manufacturing
 10. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
 11. CA04010 Metal Surface Treating
 12. CB01010 Machinery and Equipment Manufacturing
 13. CB01020 Office Machines Manufacturing
 14. CB01030 Pollution Controlling Equipment Manufacturing
 15. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
 16. CC01020 Electric Wires and Cables Manufacturing
 17. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
 18. CC01060 Wired Communication Equipment and Apparatus Manufacturing
 19. CC01070 Telecommunication Equipment and Apparatus Manufacturing
 20. CC01080 Electronic Parts and Components Manufacturing. The development, design, manufacture and sale of connectors, cable assemblies and parts for computer networking systems, telecommunications, fiber optical and optoelectronic products.
 21. CC01090 Batteries Manufacturing
 22. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
 23. CC01110 Computers and Computing Peripheral Equipments Manufacturing
 24. CC01120 Data Storage Media Manufacturing and Duplicating
 25. CC01990 Electrical Machinery, Supplies Manufacturing
 26. CD01030 Automobiles and Parts Manufacturing
 27. CD01060 Aircraft and Parts Manufacturing

28. CE01010 Precision Instruments Manufacturing
29. CE01021 Metrological Instruments Manufacturing
30. CE01030 Photographic and Optical Equipment Manufacturing
31. CE01040 Watches and Clocks Manufacturing
32. CE01990 Other Photographic and Optical Instruments Manufacturing
33. CQ01010 Die Manufacturing
34. E603050 Cybernation Equipments Construction
35. E603090 Illumination Equipments Construction
36. E701040 Basic Telecommunications Equipment Construction
37. E801030 Interior Light Rigid Frame Construction
38. F106010 Wholesale of Ironware
39. F106030 Wholesale of Die
40. F107060 Toxic and Concerned Chemical Substances Wholesale Trade
41. F107200 Wholesale of Chemistry Raw Material
42. F110010 Wholesale of Clocks and Watches
43. F111090 Wholesale of Building Materials
44. F113010 Wholesale of Machinery
45. F113020 Wholesale of Household Appliance
46. F113030 Wholesale of Precision Instruments
47. F113050 Wholesale of Computing and Business Machinery Equipment
48. F113060 Wholesale of Metrological Instruments
49. F113070 Wholesale of Telecom Instruments
50. F113100 Wholesale of Pollution Controlling Equipments
51. F113110 Wholesale of Batteries
52. F113990 Wholesale of Other Machinery and Equipment
53. F116010 Wholesale of Photographic Equipment
54. F118010 Wholesale of Computer Software
55. F119010 Wholesale of Electronic Materials
56. F206010 Retail Sale of Ironware
57. F207060 Toxic and Concerned Chemical Substances Retail
58. F207200 Retail sale of Chemistry Raw Material
59. F210010 Retail Sale of Watches and Clocks
60. F211010 Retail Sale of Building Materials
61. F213010 Retail Sale of Household Appliance
62. F213030 Retail sale of Computing and Business Machinery Equipment
63. F213040 Retail Sale of Precision Instruments
64. F213050 Retail Sale of Metrological Instruments
65. F213060 Retail Sale of Telecom Instruments
66. F213080 Retail Sale of Machinery and Equipment
67. F213100 Retail Sale of Pollution Controlling Equipments
68. F213990 Retail Sale of Other Machinery and Equipment
69. F218010 Retail Sale of Computer Software
70. F219010 Retail Sale of Electronic Materials
71. F401010 International Trade
72. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import

73. F401181 Metrological Instruments Importing
74. G801010 Warehousing and Storage
75. H701010 Residence and Buildings Lease Construction and Development
76. H701020 Industrial Factory Buildings Lease Construction and Development
77. H703100 Real Estate Rental and Leasing
78. H704031 Real Estate Agencies
79. H704041 Real Estate Agency Operation
80. I101100 Aviation Consultancy
81. I301010 Software Design Services
82. I301030 Digital Information Supply Services
83. I501010 Product Designing
84. IF04010 Harmless Checking Services
85. IG03010 Energy Technical Services
86. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval
87. I301020 Data Processing Services
88. JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops
89. CD01040 Motor Vehicles and Parts Manufacturing
90. IG01010 Biotechnology Services
91. IG02010 Research Development Service
92. CF01011 Medical Materials and Equipment Manufacturing
93. F108031 Wholesale of Drugs, Medical Goods
94. F208031 Retail sale of Medical Equipments

- Article 3 The Company may provide endorsements and guarantees and act as a guarantor.
- Article 4 The Company is headquartered in New Taipei City, Taiwan and when necessary may establish branches or subsidiaries at home and abroad according to resolutions by the board of directors. By a resolution of the board of directors, the Company may engage in domestic or foreign investment in other companies. The total amount of the Company's investment in other companies is exempted from the prohibition against exceeding 40 percent of paid-up capital described in Article 13 of the Company Act.
- Article 5 Public announcements of the Company shall be made in accordance with the provisions of Article 28 of the Companies Act.

Chapter II

Shares

- Article 6 The authorized capital of the Company is NT\$180 billion, consisting of 18 billion shares, all common stock, with a par value of NT\$10 per share. The board of directors is authorized to issue the shares in separate installments as required, of which 500 million shares are reserved for stock options with warrants or corporate

bonds for the exercise of stock options. The board of directors is also authorized to issue shares in separate installments as required.

- Article 7 The share certificates of the Company shall without exception be in registered form, signed by, or affixed with the seals of, at least three directors, and authenticated by the competent governmental authority upon issuance. Shares issued by the Company need not be in certificate form.
- Article 8 All stock processing and related activities, unless otherwise specified by laws and regulations, shall follow the “Guidelines for Stock Operations for Public Companies” issued by the Financial Supervisory Commission.
- Article 9 All entries in the shareholders register due to share transfers shall be suspended for 60 days prior to an ordinary shareholders meeting, or for 30 days prior to an extraordinary shareholders meeting, or for 5 days prior to the record date fixed for distributing dividends, bonus, or any other benefit.

Chapter III

Shareholders’ Meeting

- Article 10 Shareholders’ meetings of the Company are of two kinds: regular shareholders meetings and extraordinary shareholders meetings. The regular shareholders’ meeting is called once per year within six months of the close of the fiscal year. Extraordinary shareholders meetings may be called in accordance with applicable laws and regulations whenever necessary. Electronic voting is one of the voting methods adopted by the Shareholders’ Meeting. The voting procedures shall follow the related provisions issued by the competent authorities.
- Article 11 The shareholders’ meeting shall be convened by the board of directors. The chairman of the board shall be the chairman presiding at the meeting. If the chairman of the board is on leave or cannot perform his duties for some reason, pursuant to Article 208 of the Company Act, the shareholders’ meeting shall be convened by others who have the right to convene a meeting and he or she shall be the chairman. If there is more than one person with the rights to convene a shareholders’ meeting, they shall nominate a chairman from among themselves.
- Article 12 For any shareholders’ meeting, a shareholder may appoint a proxy to attend the meeting by using the proxy form issued by the Company and specifying the scope of proxy.
- Article 13 Each shareholder of the Company is entitled to one vote per share, unless otherwise provided by applicable law or regulation.
- Article 14 Unless otherwise provided by applicable law or regulation, a resolution of the

shareholders' meeting shall be adopted by the consent of a majority of the votes represented by those in attendance at the meeting, in person or by proxy, by shareholders who represent a majority of the total issued shares.

- Article 15 The resolutions of the shareholders meeting shall be recorded in the minutes, and such minutes shall be signed by or sealed with the stamp of the chairman of the meeting. Such minutes, together with the attendance list and proxies, shall be filed and kept at the head office of the Company and announced to all shareholders within 20 days.

Chapter IV

Board of Directors and the Audit Committee

- Article 16 The Company shall have seven to eleven directors, with three-year office term. Directors are elected and appointed by the shareholders' meeting from candidates in accordance with the candidate nomination system of Article 192-1 of the Company Act. Candidate(s) may continue in office if re-elected. The aggregate shareholding percentages of the entire bodies of directors shall comply with the regulations prescribed by the securities supervisory authorities.
- Article 16-1 Pursuant to Article 14-2 and Article 183 of the Securities and Exchange Act, the Company's board of directors shall include at least two independent directors, and independent directors should be no less than 1/5 of the total number of directors.
- Article 17 The board of directors shall consist of the directors of the Company; the chairman of the board of directors shall be elected from among the directors by a majority of directors in attendance at a meeting attended by at least two-thirds of the directors. The chairman of the board of directors shall represent the Company in external matters. If the chairman of the board is on leave or cannot perform his duties for some reason, the chairman shall designate a director to act on his behalf. If the chairman has not appointed an agent or the designated director cannot perform his duties for some reason, the directors shall nominate one from among themselves to act on behalf of the chairman.
- Article 18 Except for the first meeting of the board of directors of every new term, which shall be convened pursuant to Article 203 of the Company Act, all other meetings of the board of directors shall be convened by the chairman of the board of directors. Unless otherwise provided for by applicable law or regulation, a resolution of the board of directors shall be adopted by the consent of a majority of the votes represented by those the majority in attendance at the board of directors meeting. Directors shall attend meetings of the board of directors. If a director is unavailable to attend a meeting in person, the director may issue a power of attorney for the given meeting specifying the scope of the authorized powers to authorize another director to attend the meeting on the director's behalf, provided

that a director may represent only one other director at a meeting pursuant to Article 205 of the Company Act. Meetings of the board of directors shall be called once per quarter, and extraordinary sessions may be convened only when necessary. Article 18-1 Pursuant to Article 14-2 and Article 183 of the Securities and Exchange Act, the Company's board of directors shall include at least two independent directors, and independent directors should be no less than 1/5 of the total number of directors.

- Article 19 The authorities of the board of directors are as follows:
1. The Company's business focus, business and long-term development plans shall be decided by the board of directors.
 2. Propose the Company's annual budget plan.
 3. Propose to increase or decrease Company capital.
 4. Propose profit distribution or a plan for recovery of losses.
 5. Propose major contracts.
 6. Propose to revise the Articles of Incorporation.
 7. Set up Company organizational structures and business rules.
 8. Setup, dissolution, re-organization, and dismissal of branch offices.
 9. Commissioning and decommissioning of the Company's CEO, deputy general managers and managers.
 10. Convening of the shareholders' meeting.
 11. Propose the acquisition or disposal of the Company's major assets.
 12. Propose external endorsements and guarantees or schedule foreign investments.
 13. Propose to increase the Company's capital plan by dividends, bonus, or reserves.
 14. The authorities pursuant to Article 202 of the Company Act.
 15. Resolutions regarding shareholder cash bonuses, legal reserve, and additional paid-in capital.
- Article 20 If there is a shortfall of one-third of directors, the Board of Directors shall convene a shareholders' meeting for the by-election. The term of newly elected directors shall continue for the original term of the directors replaced, except in the case of a comprehensive re-election of all directors.
- Article 21 The resolutions of the meetings of the board of directors shall be recorded in the minutes, and such minutes shall be signed by or sealed with the stamp of the chairman of the meeting. Such minutes, together with the attendance list, shall be filed and kept at the head office of the Company and announced to all directors within 20 days.
- Article 22 (deleted)
- Article 23 (deleted)
- Article 24 When the term of the board of the directors has expired and no time to hold the

re-election, the term of the directors shall be extended until the newly elected directors take office. The Board of Directors shall set up functional committees. The Committee members' qualifications, duties and related matters shall be defined by the Board of Directors in accordance with the related laws and regulations. The company sets up the Audit Committee to replace the role of Supervisors. The Audit Committee shall be comprised of all independent directors, whose number shall be no less than three, and one of whom will be the convener.

Article 25 The Board of Directors is authorized to decide the compensation to all directors at a rate consistent with general practices in the industry. The Board of Directors is authorized to purchase liability insurance for directors, in accordance with a resolution of the board of directors adopted by consent of a majority of the votes represented by those the majority in attendance at the board of directors meeting.

Chapter V

Manager

Article 26 The Company may appoint one Chief Executive Officer, whose commissioning, decommissioning and pay rate shall be as pursuant to Article 29 of the Company Act.

Chapter VI

Accounting

Article 27 After the close of each fiscal year, the following reports shall be prepared by the board of directors and submitted to the regular shareholders' meeting for ratification.

1. Business Report.
2. Financial Statements.
3. Proposal Concerning Appropriation of Net Profits or Recovering of Losses.

Article 28 If the Company reports a surplus (Surplus refers to profit before tax deducted appropriated employee compensation), 5%-7% of which shall be set aside as employee compensation. If the Company has accumulated losses, the Company shall reserve an amount to offset it. Employee compensations mentioned in preceding paragraph shall be distributed in stocks or in cash. The payment shall apply to employees in the subsidiaries as well whoever meets criteria developed by Directors. The proceeding two paragraphs shall be based on resolutions by the Board of Directors and reported to the shareholders' meeting.

Article 28-1 The annual net income of the Company shall be appropriated in accordance with the priorities listed as follows:

1. Recovering of Losses.
2. Appropriation of 10% for legal capital reserve.

3. Appropriate or return to Special capital reserve pursuant to applicable law or regulation.

As to the earnings available for appropriation to shareholders including accumulated un-appropriated earnings and earnings available for appropriation of this year, the board of directors is authorized to draft an appropriation plan in accordance with the dividend policy in Section 3 of this Article.

The Company is currently at a developing stage. The Company's dividend distribution policy is subject to the Company's current and future investment environment, fund requirements, competition from local and abroad, and capital budgets, as well as taking into consideration of the interests of shareholders and the long-term financial planning. Shareholder dividends are set aside on accumulated un-appropriated earnings, which shall not be less than 15% of earnings available for appropriation for the year and cash dividends shall not be less 10% of total dividends.

- Article 29 The Company may transfer stock to employees at a price that is lower than the actual average price of the shares, or the Company may issue employee stock options at a price that is lower than the common stock closing price of the issue date, pursuant to a resolution approved by the majority of total issued shares represented at the shareholders' meeting and the consent of more than two-thirds of the attending shareholders' voting rights.

Chapter VI

Accounting

- Article 30 Any matters not sufficiently provided for in these Articles of Incorporation shall be handled in accordance with the Company Act and other applicable laws or regulations.
- Article 31 These Articles of Incorporation were enacted on January 5, 1974.
The 1st amendment was made on January 20, 1974.
The 2nd amendment was made on November 30, 1974.
The 3rd amendment was made on July 28, 1975.
The 4th amendment was made on August 19, 1975.
The 5th amendment was made on January 5, 1976.
The 6th amendment was made on February 23, 1976.
The 7th amendment was made on November 29, 1977.
The 8th amendment was made on August 25, 1978.
The 9th amendment was made on April 15, 1982.
The 10th amendment was made on March 10, 1983.
The 11th amendment was made on April 24, 1984.
The 12th amendment was made on September 1, 1984.
The 13th amendment was made on April 10, 1986.

The 14th amendment was made on December 10, 1986. The
15th amendment was made on November 6, 1987.
The 16th amendment was made on April 29, 1989.
The 17th amendment was made on October 2, 1989.
The 18th amendment was made on October 24, 1989.
The 19th amendment was made on December 20, 1989.
The 20th amendment was made on December 31, 1989.
The 21st amendment was made on May 19, 1990.
The 22nd amendment was made on April 28, 1991.
The 23rd amendment was made on May 27, 1992.
The 24th amendment was made on June 21, 1993.
The 25th amendment was made on May 21, 1994.
The 26th amendment was made on June 10, 1995.
The 27th amendment was made on June 24, 1996.
The 28th amendment was made on June 21, 1997.
The 29th amendment was made on October 7, 1997.
The 30th amendment was made on June 15, 1998.
The 31st amendment was made on June 1, 1999.
The 32nd amendment was made on June 2, 2000.
The 33rd amendment was made on May 31, 2001.
The 34th amendment was made on June 10, 2002.
The 35th amendment was made on December 24, 2003.
The 36th amendment was made on June 10, 2004.
The 37th amendment was made on June 14, 2005.
The 38th amendment was made on June 14, 2006.
The 39th amendment was made on June 8, 2007.
The 40th amendment was made on June 2, 2008.
The 41st amendment was made on April 16, 2009.
The 42nd amendment was made on June 8, 2010.
The 43rd amendment was made on June 8, 2011.
The 44th amendment was made on June 18, 2012.
The 45th amendment was made on June 26, 2013.
The 46th amendment was made on June 25, 2014.
The 47th Amendment was made on June 25, 2015
The 48th Amendment was made on June 22, 2016.
The 49th Amendment was made on June 21, 2019.
The 50th Amendment was made on June 23, 2020.

Hon Hai Precision Industry Co., Ltd.

Appendix 3: Regulations Governing the Election of Directors and Independent Directors

1. The directors of this Company shall be elected in accordance with the rules specified herein.
2. In the election of directors of this Company, each share shall have voting rights equivalent to the number of seats to be elected and such voting rights can be combined to vote for one person or divided to vote for several persons. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
3. At the beginning of the election, the chair shall appoint several persons each to check and record the ballots. The persons to check the ballots may be appointed from among the shareholders present.
4.
 - a) The Directors of the Company shall, in accordance to director seats specified in the Articles of Incorporation of this Company, determine candidates who acquire more votes should win the seats of directors. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
 - b) This Company's directors shall be elected by adopting the candidate nomination system specified in Article 192-1 of the ROC Company Law. The election of independent directors and non-independent directors shall be held together; provided, however, that the number of independent directors and non-independent directors elected shall be calculated separately. Candidates who acquire more votes should win the seats of directors.
5. Election ballots shall be issued by the board of directors. According to the attendance card number, one person is entitled to one ballot, and number of voting ballots should represent seats being elected. Each ballot proportionately reflects the share the voting rights of each shareholder.
6. Electors may select one from the list of "candidates" compiled by the company in the "elected" column of each ballot paper. Shareholders voting through electronic voting is not limited by this clause.
7. Ballots shall be deemed void under the following conditions:
 - a. Voter who do not conform in accordance with clauses stipulated in Article 5.
 - b. Ballots not placed in the ballot box.
 - c. Blank ballots not completed by the voter.

- d. Two or more selected "candidates".
 - e. Writing is illegible or has been altered by the voter.
 - f. Including other writings or words in addition to filling in the list of "candidates" compiled by this Company.
 - g. The number of candidates filled in exceeds the specified number of candidates to be selected.
 - h. The total votes cast by the voter exceeding the total voting rights of such voter.
8. The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the chair at the meeting.
9. The board of directors shall issue notifications to the directors elected.
10. These rules and any revision thereof shall become effective after approval at the shareholders' meeting

Hon Hai Precision Industry Co., Ltd.

Appendix 4: Shareholdings of Directors and Independent Directors

1. As of 04/02/2022, all directors and independent directors' minimum shareholding number and actually registered holding shares.

Title	Minimum number of shares to be held	Shares actually held in share register
Director	160,000,000	1,751,837,955

2. As of 04/02/2021, table of shares held by all directors and independent directors.

Title	Name	Shares actually held in share register
Chairman	Liu, Young-Way	656,219
Vice Chairman	Hon Jin International Investment Co., Ltd. Representative: Lee, Jay	1,483,078
Director	Gou, Tai-Ming (Terry Gou)	1,742,198,518
Director	Lu, Fang-Ming	7,489,580
Director	Hon Jin International Investment Co., Ltd. Representative: Lu, Sung-Ching	1,483,078
Director	Fu Chu Technology Co., Ltd. Representative: Christina Yee-ru Liu	10,560
INED	James Wang	0
INED	Kuo, Tei-Wei	0
INED	Kung, Kuo-Chuan	0

