



Stock Code: 5274

ASPEED Technology Inc.

2022 ANNUAL SHAREHOLDERS' MEETING

MEETING AGENDA (TRANSLATION)

May 31, 2022

The reader is advised that this meeting agenda has been prepared originally in Chinese. If there is any conflict between Chinese version and English version, the Chinese version shall prevail.

Table of Contents

1. Call Meeting to Order.....	1
2. Meeting Agenda	2
(1) Report Items.....	4
(2) Acknowledgement	4
(3) Proposed Resolutions	5
(4) Extemporary Motions.....	10
3. Attachment.....	11
(1) 2021 Business Report	11
(2) Audit Committee’s Review Report.....	14
(3) Report 2021 employees’ profit sharing bonus and directors’ compensation	15
(4) 2021 Earnings Distribution	16
(5) To accept 2021 Consolidated Financial Statements.....	17
(6) To accept 2021 Parent company only Financial Statements	27
4. Appendix.....	37
(1) Shareholding of all Directors.....	37
(2) The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate	38

ASPEED Technology Inc.

Procedure for the 2022 Annual Shareholders' Meeting (Translation)

1. Call meeting to order
2. Chairman Remarks
3. Reports Items
4. Acknowledgements
5. Proposed Resolutions
6. Extemporaneous Motions
7. Meeting Adjourned

ASPEED Technology Inc.
Year 2022
Agenda of Annual Meeting of Shareholders

1. Time : 9:00 a.m. on May 31, 2022
2. Place : Darwin Hall, 2F, No. 1, Industry East Road 2, Hsinchu Science Park
Attendants : All shareholders or their proxy holders
Chairman : Dr. Chris Lin, Chairman of the Board of Directors
3. Chairman Remarks
4. Reports Items
 - (1) To report the business of 2021
 - (2) Audit Committee's review report on the 2021 financial statements
 - (3) Report on 2021 employees' profit sharing bonus and directors' compensation
 - (4) Report on the cash dividend distribution of 2021
 - (5) Report of a proposed amendment to the "Corporate Governance Best Practice Principles"
 - (6) Report of a proposed amendment to the "Sustainable Development Best Practice Principles"
 - (7) Report of a proposed amendment to the "Guidelines for the Adoption of Codes of Ethical Conduct"
 - (8) Report of a proposed amendment to the "Procedures for Ethical Management and Guidelines for Conduct"
5. Acknowledgements
 - (1) Adoption of the 2021 Business Report and Financial Statements
 - (2) Adoption of the Proposal for Distribution of 2021 Profits
6. Proposed Resolutions
 - (1) Proposal For a New Share Issue Through Capitalization Of Capital Reserve

- (2) Issuance Rules of 2022 Restricted Stock Awards Plan
 - (3) Amendment to “Articles of Incorporation”
 - (4) Amendment to “Procedures Governing the Acquisitions or Disposition of Assets”
- 7. Extemporaneous Motions
 - 8. Meeting Adjourned

1. Report Items

- (1) : To report the business of 2021. (Proposed by the Board of Directors)
Explanation : Please refer to page 11~13 Attachment 1.
- (2) : Audit Committee's review report on the 2021 financial statements.
(Proposed by the Board of Directors)
Explanation : Please refer to page 14 Attachment 2.
- (3) : Report on 2021 employees' profit sharing bonus and directors' compensation. (Proposed by the Board of Directors)
Explanation : Please refer to page 15 Attachment 3.
- (4) : Report on the cash dividend distribution of 2021. (Proposed by the Board of Directors)
Explanation : Please refer to page 16 Attachment 4.
- (5) : Report of a proposed amendment to the "Corporate Governance Best Practice Principles". (Proposed by the Board of Directors)
Explanation : Please refer to the Chinese version of the Handbook for details.
- (6) : Report of a proposed amendment to the "Sustainable Development Best Practice Principles". (Proposed by the Board of Directors)
Explanation : Please refer to the Chinese version of the Handbook for details.
- (7) : Report of a proposed amendment to the "Guidelines for the Adoption of Codes of Ethical Conduct". (Proposed by the Board of Directors)
Explanation : Please refer to the Chinese version of the Handbook for details.
- (8) : Report of a proposed amendment to the "Procedures for Ethical Management and Guidelines for Conduct." (Proposed by the Board of Directors)
Explanation : Please refer to the Chinese version of the Handbook for details.

2. Acknowledgements

- (1) : Adoption of the 2021 Business Report and Financial Statements.
(Proposed by the Board of Directors)
Explanation : The 2021 Business Report, Independent Auditors' Report, and the Aforementioned Financial Statements were approved by the Board of Directors, and audited by independent auditors of Deloitte &

	Touche.
	Please refer to page 17~36 Attachment 5 and 6.
Resolution	:
(2)	Adoption of the Proposal for Distribution of 2021 Profits. (Proposed by the Board of Directors)
Explanation	The Proposal for Distribution of 2021 Profits were approved by the Board of Directors. Please refer to page 16 Attachment 4.

3. Proposed Resolutions

- | | | |
|-------------|---|---|
| (1) | : | Proposal For a New Share Issue Through Capitalization Of Capital Reserve (Proposed by the Board of Directors) |
| Explanation | : | <p>In accordance with the provisions of Subparagraphs 1 and 2 of Paragraph 1 of Article 241 of the Company Act, where capital reserves are allocated to capital, the total amount allocated each year shall not exceed 10% of the paid-in capital. The increase of new share issue through capitalization of capital reserve described as follows:</p> <ol style="list-style-type: none"> 1. Number of issued shares: 3,435,506 shares. 2. Denomination per share: NT\$10. 3. The total amount issued: NT\$34,355,060. 4. Proportion of original shareholders' subscription or free allotment: 100 shares are allotted free of charge for every thousand shares. 5. Treatment of abnormal odd shares and overdue shares:
If the allotment is less than one share, the shareholder may, within 5 days from the date of closing the transfer of accounts, go through the registration process with the company's stock agency and make up the whole share. Article 240 of the Act stipulates that the distribution shall be made in cash until Yuan (rounded down below Yuan), and the chairman shall be authorized to contact a specific person to subscribe for it at face value. 6. The rights and obligations of the new shares issued this time: they are the same as the original shares, and are issued without entities. 7. Purpose of this capital increase: To strengthen the capital structure. |

8. Other matters that should be stated:

(1) Once approved by the ordinary shareholders' meeting and submitted to the competent authority for approval, it is proposed to request the ordinary shareholders' meeting to authorize the board of directors to set another base date for allotment and capital increase and related matters.

(2) If the company's actual number of outstanding shares is affected by the order of the competent authority or subjective and objective factors, and it becomes necessary to adjust the allotment rate of shareholders, it is proposed to request the ordinary shareholders' meeting to authorize the board of directors to handle such matters.

Resolution :

(2) : Issuance Rules of 2022 Restricted Stock Awards Plan (Proposed by the Board of Directors)

Explanation : 1. In order to attract and retain talents, motivate and to foster the best interests of the Company and its shareholders, and further ensure the alignment of shareholders' interests with those of the Company's employees and in accordance with Article 267 of the Company Law and the "Issuer's Offering and Regulations on Issuance of Marketable Securities" and other relevant regulations, it is proposed to issue "2022 Restricted Stock Awards Plan".

2. Terms of the proposed Restricted Stock Awards are as below:

a. Total issuance:

No more than 60,000 ordinary shares, each with a par value of NT\$10. The actual number of shares to be issued will be submitted to the board of directors for resolution after the proposal for the issuance of Restricted Stock Awards Plan has been approved by the shareholders' meeting and the competent authority.

b. Determination of terms and conditions:

(I) Issue price: Issued at NT\$0 per share, that is, free distribution of employees without cash consideration.

(II) Acquired conditions:

(a) Employees must remain employed on each vested day after they are allocated new shares of Restricted Stock Awards, and have not violated the company's labor contract, work rules, non-compete, confidentiality agreement or contract with the company

during the period, and any other agreement with the company. The set personal performance evaluation indicators and the company's operating goals; the maximum shareholding ratios that can be acquired on the vesting date of each year are: The upper limit of the proportion of vested shares in 2023 is 35%, the upper limit of the proportion of vested shares in the two years from 2023 to 2024 is 70%, and the upper limit of the proportion of vested shares in the three years from 2023 to 2025 is 100%. However, the actual share ratio and number of shares that can be acquired must be calculated according to the vested ratio set by the individual performance and the achievement of the company's operating objectives in each year of the performance period. Based on the settlement figures in 2021, the performance periods are calculated from the three settlement performance periods of 2022, 2023 and 2024, for a total of three performance periods. The growth rate of operating profit is based on the number of shares that can be settled across years. The calculation results are up to the number of shares, and those less than one share are unconditionally discarded.

(b) The personal performance target is the performance appraisal grade of at least S (inclusive) in the most recent year after the expiry of the vested period, and the work results reach the personal performance standard set by the company, which is agreed by the company and individual employees.

(c) The company's operating target is based on the growth rate of operating profit. The minimum vested share ratio is 1.8%, the target value is 300%, and the target value is 100%. Whether the target value is reached is calculated by the unconditional round-off method. If the performance reaches the target value, the obtained ratio is calculated by the interpolation method; the calculation by the interpolation method is rounded to the percentile. The determination of achievement of performance indicators and standards shall be based on the consolidated financial statements audited and certified by accountants corresponding to each performance period.

c. After an employee has been allocated new shares of Restricted Stock Awards granted by the company, in the event of a violation of the company's labor contract, work rules, etc., the company

has the right to take back and cancel his shares without compensation for the new restricted employee rights shares he has been allocated but has not yet met the acquired conditions.
d. Treatment of employees who do not meet the vested conditions or inheritance:

The allotted new shares with restricted employee rights will be withdrawn and cancelled by the company free of charge if the acquired conditions are not met.

e. Dividends derived from rights issue allotted during the vested period: The company gives it to its employees free of charge.

f. Types of shares to be issued: new ordinary shares of the Company.

3. Employee qualifications and the number of shares to be allocated:

(I) Employee qualifications:

(a) Limited to employees who are on the job and have achieved certain performance on the date of granting new shares to restrict the rights of employees. The number of shares allotted to qualified employees will take into account factors such as the company's operating goals and personal performance, and will be submitted to the board of directors for approval after being approved by the chairman. . However, employees with the status of managers or directors with the status of employees shall first obtain the approval of the Compensation and Remuneration Committee.

(b) Number of shares allotted to employees:

The company grants a single employee the cumulative number of shares subscribed by issuing employee stock option certificates in accordance with the provisions of Article 56-1, Paragraph 1 of the Offering Guidelines, and the total number of new shares with restricted employee rights obtained by adding up the cumulative number shall not exceed the total number of issued shares. 0.3% of the shares, plus the number of shares that can be subscribed to a single employee by the company's issuance of employee stock option certificates in accordance with Paragraph 1 of Article 56 of the Offering Guidelines, shall not exceed 1% of the total number of shares issued.

4. Necessary reasons for this new share restriction on employee rights:

In order to attract and retain the required talents, motivate employees and enhance the centripetal force of employees, to jointly create the interests of the company and shareholders, and to ensure that the interests of the company's employees and shareholders are combined.

5. Estimated expenses:

(I) Estimated expenses:

Calculated on the basis of the acquired conditions, the estimated total expensed amount is approximately NT\$161,700,000. If issued in early October of Year 2022, based on the aforementioned assumptions and estimates, the estimated expenses for the years from 2022 to 2025 are approximately NT\$25,266,000, NT\$86,914,000, NT\$37,393,000 and NT\$12,127,000 respectively.

(II) Dilution of the company's earnings per share and other matters affecting shareholders' equity:

Based on the current issued shares of the company, it is estimated that from 2022 to 2025, the possible impact of the expensed amount on the earnings per share is approximately NT\$0.74, NT\$2.53, NT\$1.09 and NT\$0.35, respectively. The possible dilution is still limited, so there is no significant impact on shareholders' equity.

6. After the aforesaid content has been approved by the ordinary shareholders' meeting, the matters of 2022 Restricted Stock Awards are recorded by the board of directors in accordance with the relevant laws and regulations.

7. If any revision or adjustment has to be made due to any instruction of the competent authority or amendment to the laws and regulations, it is proposed that the ordinary Shareholders' Meeting authorize the Board of Directors or the person authorized by the Board of Directors to handle all relevant matters regarding the granting of the Restricted Stock Awards.

Resolution :

(3) : Amendment to "Articles of Incorporation". (Proposed by the Board of Directors)

Explanation : 1. In order to make the method of the company's shareholders' meeting more flexible, in accordance with the provisions of Article 172-2 Paragraph 1 of the Company Law, the company's

articles of incorporation expressly stipulate that the shareholders' meeting may be held by video conference or other methods announced by the central competent authority. It is proposed to amend some provisions of the "Articles of Incorporation" of the Company.

2. Please refer to the Chinese version of the Handbook for details.

Resolution :

(4) : Amendment to "Procedures Governing the Acquisitions or Disposition of Assets". (Proposed by the Board of Directors)

Explanation : 1. In order to conform to the amendments of relevant laws and regulations, the Company plans to amend the Company's "Procedures Governing the Acquisitions or Disposition of Assets".

2. Please refer to the Chinese version of the Handbook for details.

Resolution :

4. Extemporary Motions

5. Meeting Adjourned

Attachment
Attachment 1

ASPEED Technology Inc.
2021 Business Report

Dear shareholders,

In 2021, the world was still at the mercy of COVID-19 and lifestyles and work patterns have changed and the global economy trembled. Under these circumstances, the demand for semiconductors remained robust. Despite the challenge of the global semiconductor capacity squeeze last year, our business was at a record high. With dedicated efforts from all of our colleagues, ASPEED Technology was pleased to announce that our revenue and profits last year were both the highest in history. The revenue totaled NT\$3,637,632 thousand for 2021, up by 18.74% from NT\$3,063,552 thousand in 2020. The net profits reached NT\$1,312,925 thousand for 2021, up by 30.68% from NT\$1,004,689 thousand in 2020. Earnings per share stood at NT\$38.30, and the gross margin and operating margin were 65.31% and 45.36%, respectively, for 2021. Going forward, the world will gradually move toward digital transformation post-COVID-19. ASPEED Technology responds to industry and market changes by prioritizing the health and welfare of employees and strengthening responsiveness and agility. The purpose is to maintain normal operations, provide quality and continuous services to customers and return to shareholders and society.

Since inception, ASPEED Technology has been dedicated to innovation, R&D and product development on all fronts. Digital transformation and remote working during the pandemic and the growing demand for a plethora of cloud services in the maturing 5G environment are expected to underpin the continued growth of the server and cloud computing market. ASPEED Technology maintains No. 1 position in the global market for our signature product, baseboard management controller (BMC) SoC. Yes, we do not stop here. Going forward, we will progress from product selling to platform building by reaching beyond the server market. We seek to create possibilities with depth and breadth, and by expanding use cases and clientele and strengthening customer relations. Other than the server market, we proactively develop BMC products for switch equipment, storage equipment and artificial intelligence (AI) computing. For the server market, we seek to develop different chips such as RoT (Root of Trust) security chips and Mini BMC/Bridge IC which can successfully increase the shipment for single server in the future. We focus our portfolio of PC/AV extension SoC on the mainstream market for AVoIP 1G. After years of hard work, the revenue more than doubled last year. The AVoIP 1G product will become our second signature product as we expect to establish

market leadership in the second half of this year. We are also planning for AVoIP 2.5G as the next generation product, in order to gradually complete our product lineups for different market requirements. In response to the growing demand for new working style and video conferencing post-COVID-19, Cupola360 spherical image processor SoC will gradually serve key customers as the brand for 360-degree image capturing for videoconferencing equipment. Cupola360 Studio software is also creating significant benefits. Going forward, we continue to develop use cases in image software, AI, AR/VR, smart factories and smart cities. ASPEED Technology continues to pursue growth with a steadfast BMC product and a gradually expanding non-BMC portfolio (PC/AV extension SoC and Cupola360 spherical image processor SoC).

In January, 2022, we are pleased to announce the appointment of Mr. CJ Hsieh as the Chief Operating Officer of the company. With nearly 30 years of experience in IC design and upstream and downstream semiconductor industries, Mr. Hsieh held senior management positions in global operations, procurement, R&D, and sales at various companies, providing him with complete industry experience as well as extensive knowledge of supplier relationships and major CPU brands. For future innovation and continuous growth, we have especially hired Mr. CJ Hsieh to leverage on his past experience in the semiconductor industry and to bring in international management capabilities to help ASPEED move forward.

In light of the importance of sustainable development, in 2021 we released ASPEED Technology's first 2020 Sustainability Report. Besides operational achievements and performance, we want all stakeholders to understand our corporate governance, environmental, and social contributions. For our products, we use green design concepts to provide customers with the most appropriate SoC solutions that optimize their energy efficiency. At the same time, we continue to invest in strengthening our Company's green R&D. For corporate governance, we insist on operational transparency and emphasize upholding the rights and interests of employees, shareholders, and stakeholders. We implement corporate governance best practice principles and a code of ethical conduct, in order to achieve robust corporate governance. For social measures, ASPEED Technology shares operational profits with employees. In 2020, we ranked 10th among firms listed on the TWSE for average salary of non-management employees, a highlight of the ongoing attention we pay towards employee welfare and talent management. We also take great pride in giving back to society by striving to be a good corporate citizen, including through CSR fulfillment. In 2021, ASPEED Technology has established a

Sustainability Committee that support greater participation in corporate governance, environmental, and social issues. We will continue to develop core technological advantages and green energy-saving products that support global sustainable development. We will balance our pursuit of higher profits with corporate sustainable management and giving back to society.

Looking to the future, we believe that digital transformation is the trend for all industries. Far-reaching and diverse cloud services and applications will also continue growing. We provide the right products to address market needs with constant and accurate positioning. Meanwhile, the drive for sustainable development and the green environment is the shared mission for all corporates. ASPEED Technology continues to invest in R&D in order to enhance competitive advantages and highlight green concepts into product design. We strive for growth together with upstream suppliers and downstream customers across the semiconductor supply chain. In addition, we spare no effort in the development of semiconductor talents and the investment for sustainable operation. We practice good corporate governance and optimize organizational management in order to maximum profits for shareholders. “Daring in innovation and willing to share” has always been the motto for ASPEED Technology. Going forward, we hope to drive our sustainable and vibrant development with continuous innovations. Finally, we thank our shareholders for long-standing support. We will continue to work hard so that our shareholders, customers and employees can enjoy the fruit of our success.

Chairman Chris Lin

President Chris Lin

Attachment 2

ASPEED Technology Inc. Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Financial Statements, and proposal for allocation of earnings. The CPA firm of Deloitte & Touche was retained to audit ASPEED's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of ASPEED Technology Inc. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

ASPEED Technology Inc.

Chairman of the Audit Committee: Chyan Yang

Attachment 3

ASPEED Technology Inc. Report 2021 employees' profit sharing bonus and directors' compensation

The Board of Directors in the 7th Board Meeting of the 5th session approved 2021 employees' profit sharing bonus and directors' compensation on March 7, 2022 and distributed as follows:

1. Employees' profit sharing bonus

Explanation:

- (1) 2021 employees' total profit sharing bonus is estimated NT\$ 141,518,018, and a new share issue through capitalization of earnings employee' profit sharing bonus. The total number of employee' profit sharing bonus stocks to be issued shall be determined by the closing price of NT\$ 2,695 of the day (March 4th) before the Board of Directors meeting, and employee' profit sharing bonus stocks of the NT\$ 141,518,018 (52,511 shares), and the remaining NT\$ 873 that is less than 1 share shall be distributed in cash.
- (2) The shareholder rights and obligations of the new shares are the same as those of existing shares.
- (3) After the submit of the competent authority, the new shares will be distributed on a record date determined by the chairman that the Board of Directors authorized.
- (4) It is proposed that the chairman be authorized to take any action that may be required in connection with the capital increase plan as a result of any amendment to applicable laws or regulations or as required by the competent authorities.
- (5) The employee' profit sharing bonus estimate for 2021 was consistent with the actual amount distributed.

2. Directors' compensation

Explanation:

- (1) 2021 directors' compensation is estimated at NT\$ 17,689,752, and the full shall be distributed in cash.
- (2) The directors' compensation estimate for 2021 was consistent with the actual amount distributed.

Attachment 4

ASPEED Technology Inc. 2021 Earnings Distribution

Unit: NT\$

Item	Amount	Note
Undistributed retained earnings of previous years	24,406,637	
Plus: Net income of 2021	1,312,925,414	
Minus: 10% Legal reserve	(131,292,541)	
Plus: Reversal of Special reserve	23,722,677	
Earnings available for distribution	1,229,762,187	
Distribution items:		
Dividends to common shareholders – Cash	(1,202,427,170)	NT\$35.0 per share
Unappropriated retained earnings	27,355,017	

Note: The Chairman is authorized to determine the cash dividend record date, payment date and the distribution percentage upon the approval of the profit distribution proposal.

Chairman: Chris Lin Manager: Chris Lin Chief Financial Officer: Tina Chiu

Attachment 5

English Translation of a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
ASPEED Technology Inc.

Opinion

We have audited the accompanying consolidated financial statements of ASPEED Technology Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group’s consolidated financial statements for the year ended December 31, 2021 are stated as follows:

Recognition of revenue

The Group operates principally as a supplier of multimedia integrated circuits (ICs) and computer peripherals oriented ICs. For the year ended December 31, 2021, the Group recognized revenue of NT\$3,637,632 thousand, which increased by 19% compared with that of last year, refer to Note 21 for related information. Due to the increasing market demand for remote server management system, the significant changes in the amount of the Group's operating revenue in recent years have a significant impact on the consolidated financial statements for the year ended December 31, 2021. For customers whose sales growth rates were significant, we considered the existence and occurrence of sales as key audit matters of the current period.

The audit procedures that we performed included, but not limited to the following: We evaluated the appropriateness of the Company's accounting policies relating to revenue recognition. We obtained an understanding of the internal controls over the approval of sales order and shipping. We tested the effectiveness of those internal controls and selected samples of sales documents to verify the sales authenticity by inspecting sales details, including cash collections in the audited period and the subsequent period. Moreover, we checked for abnormalities between the recorded sales and cash received.

Other Matter

We have also audited the parent company only financial statements of ASPEED Technology Inc. as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ming Yuan Chung and Yi Shin Kao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2022

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020		LIABILITIES AND EQUITY		2021		2020	
	Amount	%	Amount	%			Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES					
Cash and cash equivalents (Note 6)	\$ 1,977,448	43	\$ 1,548,713	42	Trade payables (Note 16)		\$ 264,119	6	\$ 87,414	2
Financial assets at fair value through profit or loss - current (Note 7)	532,115	12	352,850	10	Payables to related parties (Note 28)		-	-	13,208	-
Trade receivables, net (Note 8 and 21)	828,723	18	515,341	14	Accrued compensation of employees and remuneration		159,208	3	121,913	3
Inventories (Note 9)	157,513	4	166,062	4	of directors (Note 22)		81,622	2	54,349	2
Prepayments and other current assets (Note 15)	12,967	-	92,218	2	Other payables (Note 17)		222,026	5	149,615	4
Total current assets	3,508,766	77	2,675,184	72	Current tax liabilities (Note 23)		39,686	1	32,809	1
					Provisions - current (Note 18)		23,668	-	23,939	1
NON-CURRENT ASSETS					Lease liabilities - current (Note 12)		140,868	3	106,349	3
Financial assets at fair value through profit or loss - non-current (Note 7)	82,686	2	-	-	Other current liabilities (Note 17 and 21)		-	-	-	-
Property, plant and equipment (Note 11)	188,662	4	143,889	4	Total current liabilities		931,197	20	589,596	16
Right-of-use assets (Note 12)	63,909	2	89,749	3	NON-CURRENT LIABILITIES					
Goodwill (Notes 5 and 13)	369,040	8	369,040	10	Deferred tax liabilities (Note 23)		35,143	1	49,209	1
Other intangible assets, net (Note 14)	272,637	6	379,252	10	Lease liabilities - non-current (Note 12)		37,689	1	61,702	2
Deferred tax assets (Note 23)	48,978	1	40,144	1	Provisions - non-current (Note 18)		6,447	-	6,447	-
Refundable deposits (Note 15)	10,411	-	10,420	1	Total non-current liabilities		79,279	2	117,358	3
Other non-current assets (Note 15)	11,593	-	2,954	-	Total liabilities		1,010,476	22	706,954	19
Total non-current assets	1,047,916	23	1,035,448	28	SHAREHOLDERS' EQUITY (Note 20)					
					Capital					
					Share capital		343,694	8	343,200	9
					Capital surplus		1,371,130	30	1,273,540	34
					Retained earnings					
					Legal reserve		470,328	10	369,858	10
					Special reserve		45,891	1	34,592	1
					Unappropriated earnings		1,337,332	30	1,028,380	28
					Total retained earnings		1,853,551	41	1,432,830	39
					Other equity		(22,169)	(1)	(45,892)	(1)
					Total equity		3,546,206	78	3,003,678	81
TOTAL	\$ 4,556,682	100	\$ 3,710,632	100	TOTAL		\$ 4,556,682	100	\$ 3,710,632	100

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

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21, 28 and 32)				
Sales	\$ 3,636,161	100	\$ 3,063,403	100
Other operating revenue	<u>1,471</u>	<u>-</u>	<u>149</u>	<u>-</u>
Total operating revenue	3,637,632	100	3,063,552	100
OPERATING COSTS (Notes 9, 22 and 28)	<u>1,262,074</u>	<u>35</u>	<u>1,127,698</u>	<u>37</u>
GROSS PROFIT	<u>2,375,558</u>	<u>65</u>	<u>1,935,854</u>	<u>63</u>
OPERATING EXPENSES (Note 22)				
Selling and marketing expenses	62,623	2	57,832	2
General and administrative expenses	154,272	4	130,008	4
Research and development expenses	<u>506,283</u>	<u>14</u>	<u>477,233</u>	<u>16</u>
Total operating expenses	<u>723,178</u>	<u>20</u>	<u>665,073</u>	<u>22</u>
INCOME FROM OPERATIONS	<u>1,652,380</u>	<u>45</u>	<u>1,270,781</u>	<u>41</u>
NON-OPERATING INCOME AND EXPENSES (Note 22)				
Interest income	10,141	-	10,284	1
Other income	5,043	-	5,339	-
Other gains and losses	(54,221)	(1)	(55,898)	(2)
Finance costs	<u>(3,266)</u>	<u>-</u>	<u>(3,458)</u>	<u>-</u>
Total non-operating income and expenses, net	<u>(42,303)</u>	<u>(1)</u>	<u>(43,733)</u>	<u>(1)</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,610,077	44	1,227,048	40
INCOME TAX EXPENSE (Note 23)	<u>297,152</u>	<u>8</u>	<u>222,359</u>	<u>7</u>
NET INCOME FOR THE YEAR	1,312,925	36	1,004,689	33

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(1,167)</u>	<u>-</u>	<u>(1,995)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,311,758</u>	<u>36</u>	<u>\$ 1,002,694</u>	<u>33</u>
NET INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 1,312,925</u>	<u>36</u>	<u>\$ 1,004,689</u>	<u>33</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	<u>\$ 1,311,758</u>	<u>36</u>	<u>\$ 1,002,694</u>	<u>33</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 38.30</u>		<u>\$ 29.38</u>	
Diluted	<u>\$ 38.17</u>		<u>\$ 29.25</u>	

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

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Per Share Data)**

	Share capital - Ordinary Shares		Retained Earnings				Other Equity		
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficit)	Employee Unearned Compensation	Exchange Differences on Translation of the Financial Statements of Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2020	34,184	\$ 341,848	\$ 1,145,044	\$ 286,740	\$ 31,499	\$ 862,848	\$ (32,371)	\$ (2,222)	\$ 2,633,386
Appropriations of prior year's earnings	-	-	-	83,118	-	(83,118)	-	-	-
Legal reserve	-	-	-	-	3,093	(3,093)	-	-	(752,946)
Special reserve	-	-	-	-	-	(752,946)	-	-	-
Cash dividends to shareholders - NT\$22.00 per share	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2020	-	-	-	-	-	1,004,689	-	-	1,004,689
Other comprehensive loss after tax	-	-	-	-	-	-	-	(1,995)	(1,995)
Comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,004,689	-	(1,995)	1,002,694
Employee share bonus - Record date: August 10, 2020	98	976	91,385	-	-	-	-	-	92,361
Issuance of restricted shares under employees share options on February 5, 2020 and March 2, 2020	40	400	38,157	-	-	-	(38,557)	-	-
Cancellation of restricted shares under employees share options on August 3, 2020	(2)	(24)	(1,046)	-	-	-	1,070	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	28,183	-	28,183
BALANCE AT DECEMBER 31, 2020	34,320	343,200	1,273,540	369,858	34,592	1,028,380	(41,675)	(4,217)	3,003,678
Appropriations of prior year's earnings	-	-	-	100,470	-	(100,470)	-	-	-
Legal reserve	-	-	-	-	11,299	(11,299)	-	-	-
Special reserve	-	-	-	-	-	(892,204)	-	-	(892,204)
Cash dividends to shareholders - NT\$26.00 per share	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2021	-	-	-	-	-	1,312,925	-	-	1,312,925
Other comprehensive loss after tax	-	-	-	-	-	-	-	(1,167)	(1,167)
Comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	1,312,925	-	(1,167)	1,311,758
Employee share bonus - Record date: August 13, 2021	60	602	107,763	-	-	-	-	-	108,365
Cancellation of restricted shares under employees share options on March 8, 2021	(5)	(45)	(4,239)	-	-	-	4,284	-	-
Cancellation of restricted shares under employees share options on August 11, 2021	(2)	(27)	(2,543)	-	-	-	2,570	-	-
Cancellation of restricted shares under employees share options on November 8, 2021	(4)	(36)	(3,391)	-	-	-	3,427	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	14,609	-	14,609
BALANCE AT DECEMBER 31, 2021	34,369	\$ 343,694	\$ 1,371,130	\$ 470,328	\$ 45,891	\$ 1,337,332	\$ (16,385)	\$ (5,384)	\$ 3,546,206

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

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,610,077	\$ 1,227,048
Adjustments for:		
Depreciation expense	93,826	91,765
Amortization expense	124,923	115,647
Net gain on fair value changes of financial assets designated as at fair value through profit or loss	(550)	1,979
Finance costs	3,266	3,458
Interest income	(10,141)	(10,284)
Compensation cost of employee restricted shares	14,609	28,183
Loss on disposal of property, plant and equipment	1,746	98
Gain on disposal of financial assets	(378)	(7,740)
Write-down (reversal) of inventories	(4,067)	10,682
Net gain on foreign currency exchange	(38,808)	(35,519)
Loss on disposal of Inventories	4,694	2,552
Gain on lease modification	(8)	-
Recognition of provisions	6,877	6,238
Changes in operating assets and liabilities:		
Trade receivables (related parties included)	(321,126)	97,635
Inventories	7,922	(97,218)
Other current assets	77,807	(75,062)
Trade payables (related parties included)	165,054	(52,424)
Other payables	9,078	11,332
Other current liabilities	47,183	(27,339)
Payables for compensation of employees and remuneration of directors	145,660	110,773
Other non-current liabilities	-	(108)
Cash generated from operations	1,937,644	1,401,696
Interest paid	(3,266)	(3,458)
Income taxes paid	(246,550)	(221,567)
Net cash generated from operating activities	<u>1,687,828</u>	<u>1,176,671</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(279,411)	(251,888)
Proceeds from sale of financial assets at fair value through profit or loss	18,388	67,740
Payments for property, plant and equipment	(93,149)	(84,083)
Disposal of property, plant and equipment	-	61
Decrease in refundable deposits	9	1,518
		(Continued)

ASPEED TECHNOLOGY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Payments for intangible assets	(26,658)	(52,854)
Increase in prepayments for equipment	(93)	(2,954)
Increase in other prepayments	(3,150)	-
Interest received	<u>10,141</u>	<u>10,586</u>
Payments for intangible assets	(26,658)	(52,854)
Net cash used in investing activities	<u>(373,923)</u>	<u>(311,874)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(24,263)	(23,733)
Cash dividends	<u>(892,204)</u>	<u>(752,946)</u>
Net cash used in financing activities	<u>(916,467)</u>	<u>(776,679)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>31,297</u>	<u>38,636</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	428,735	126,754
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,548,713</u>	<u>1,421,959</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,977,448</u>	<u>\$ 1,548,713</u>

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

Attachment 6

English Translation of a Report Originally Issued in Chinese

INDEPENDENT AUDITORS' REPORT

The Board of Directors and the Shareholders
ASPEED Technology Inc.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Company’s financial statements for the year ended December 31, 2021 are stated as follows:

Recognition of revenue

The Company operates principally as a supplier of multimedia integrated circuits (ICs) and computer peripherals oriented ICs. For the year ended December 31, 2021, the Company recognized revenue of NT\$3,637,632 thousand, which increased by 19% compared with that of last year, refer to Note 21 for related information. Due to the increasing market demand for remote server management system, the significant changes in the amount of the Company's operating revenue in recent years have a significant impact on the financial statements for the year ended December 31, 2021. For customers whose sales growth rates were significant, we considered the existence and occurrence of sales as key audit matters of the current period.

The audit procedures that we performed included, but not limited to the following: We evaluated the appropriateness of the Company's accounting policies relating to revenue recognition. We obtained an understanding of the internal controls over the approval of sales order and shipping. We tested the effectiveness of those internal controls and selected samples of sales documents to verify the sales authenticity by inspecting sales details, including cash collections in the audited period and the subsequent period. Moreover, we checked for abnormalities between the recorded sales and cash received.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Ming Yuan Chung and Yi Shin Kao.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 7, 2022

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and financial statements shall prevail.

ASPED TECHNOLOGY INC.

BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020		LIABILITIES AND EQUITY		2021		2020	
	Amount	%	Amount	%			Amount	%	Amount	%
CURRENT ASSETS					CURRENT LIABILITIES					
Cash and cash equivalents (Note 6)	\$ 1,938,022	43	\$ 1,511,379	41	Trade payables (Note 16)		\$ 264,119	6	\$ 87,414	3
Financial assets at fair value through profit or loss - current (Note 7)	532,115	12	352,850	10	Payables to related parties (Note 28)		-	-	13,208	-
Trade receivables, net (Note 8 and 21)	828,723	18	515,341	14	Accrued compensation of employees and remuneration					
Inventories (Note 9)	157,513	3	166,062	4	of directors (Note 22)		159,208	4	121,913	3
Prepayments and other current assets (Note 15)	11,193	-	88,863	2	Other payables (Note 17)		64,945	1	36,097	1
Total current assets	3,467,566	76	2,634,495	71	Other payables to related parties (Note 28)		7,427	-	8,447	-
					Current tax liabilities (Note 23)		222,026	5	149,615	4
NON-CURRENT ASSETS					Provisions - current (Note 18)		39,686	1	32,809	1
Financial assets at fair value through profit or loss - non-current (Note 7)	82,686	2	-	-	Lease liabilities - current (Note 12)		20,534	-	20,873	1
Investment accounted for using equity method (Notes 10 and 30)	43,508	1	42,953	1	Other current liabilities (Note 17 and 21)		140,868	3	106,245	3
Property, plant and equipment (Note 11)	188,523	4	143,664	4	Total current liabilities		918,813	20	576,621	16
Right-of-use assets (Note 12)	58,745	2	81,399	2	NON-CURRENT LIABILITIES					
Goodwill (Notes 5 and 13)	369,040	8	369,040	10	Deferred tax liabilities (Note 23)		35,143	1	49,209	1
Other intangible assets, net (Note 14)	270,018	6	374,538	10	Lease liabilities - non-current (Note 12)		35,522	1	56,248	2
Deferred tax assets (Note 23)	40,314	1	33,022	1	Provisions - non-current (Note 18)		6,447	-	6,447	-
Refundable deposits (Note 15)	10,138	1	10,138	1	Total non-current liabilities		77,112	2	111,904	3
Other non-current assets (Note 15)	11,593	-	2,954	-	Total liabilities		995,925	22	688,525	19
Total non-current assets	1,074,565	24	1,057,708	29	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Note 20)					
					Share capital					
					Ordinary shares		343,694	8	343,200	9
					Capital surplus		1,371,130	30	1,273,540	34
					Retained earnings					
					Legal reserve		470,328	10	369,858	10
					Special reserve		45,891	1	34,592	1
					Unappropriated earnings		1,337,332	30	1,028,380	28
					Total retained earnings		1,853,551	41	1,432,830	39
					Other equity		(22,169)	(1)	(45,892)	(1)
					Total equity		3,546,206	78	3,003,678	81
TOTAL	<u>\$4,542,131</u>	<u>100</u>	<u>\$3,692,203</u>	<u>100</u>	TOTAL		<u>\$4,542,131</u>	<u>100</u>	<u>\$3,692,203</u>	<u>100</u>

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

ASPEED TECHNOLOGY INC.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 21 and 28)				
Sales	\$ 3,636,161	100	\$ 3,063,403	100
Other operating revenue	<u>1,471</u>	<u>-</u>	<u>149</u>	<u>-</u>
Total operating revenue	3,637,632	100	3,063,552	100
OPERATING COSTS (Notes 9, 22 and 28)				
Cost of goods sold	<u>1,262,074</u>	35	<u>1,127,698</u>	37
GROSS PROFIT	<u>2,375,558</u>	<u>65</u>	<u>1,935,854</u>	<u>63</u>
OPERATING EXPENSES (Notes 22 and 28)				
Selling and marketing expenses	62,623	2	57,832	2
General and administrative expenses	115,810	3	97,558	3
Research and development expenses	<u>546,955</u>	<u>15</u>	<u>512,758</u>	<u>17</u>
Total operating expenses	<u>725,388</u>	<u>20</u>	<u>668,148</u>	<u>22</u>
INCOME FROM OPERATIONS	<u>1,650,170</u>	<u>45</u>	<u>1,267,706</u>	<u>41</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 22)	10,071	-	10,141	1
Other income (Notes 22 and 28)	5,079	-	5,375	-
Other gains and losses (Note 22)	(54,149)	(1)	(55,756)	(2)
Finance costs (Note 22)	(3,126)	-	(3,249)	-
Share of profit or loss of subsidiaries	<u>1,722</u>	<u>-</u>	<u>2,576</u>	<u>-</u>
Total non-operating income and expenses, net	<u>(40,403)</u>	<u>(1)</u>	<u>(40,913)</u>	<u>(1)</u>
INCOME BEFORE INCOME TAX FROM CONTINUING OPERATIONS	1,609,767	44	1,226,793	40
INCOME TAX EXPENSE (Note 23)	<u>296,842</u>	<u>8</u>	<u>222,104</u>	<u>7</u>
NET INCOME FOR THE YEAR	<u>1,312,925</u>	<u>36</u>	<u>1,004,689</u>	<u>33</u>

(Continued)

ASPEED TECHNOLOGY INC.

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	<u>(1,167)</u>	<u>-</u>	<u>(1,995)</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(1,167)</u>	<u>-</u>	<u>(1,995)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 1,311,758</u>	<u>36</u>	<u>\$ 1,002,694</u>	<u>33</u>
EARNINGS PER SHARE (Note 24)				
Basic	<u>\$ 38.30</u>		<u>\$ 29.38</u>	
Diluted	<u>\$ 38.17</u>		<u>\$ 29.25</u>	

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

(Concluded)

ASPED TECHNOLOGY INC.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020**
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Share Capital		Capital Surplus		Retained Earning		Unappropriated Earnings (Accumulated Deficit)		Other Equity		Total Equity
	Shares (In Thousands)	Ordinary Shares			Legal Reserve	Special Reserve			Employee Unearned Compensation	Exchange Differences on Translation of the Financial Statements of Foreign Operations	
BALANCE AT JANUARY 1, 2020	34,184	\$ 341,848	\$ 1,145,044		\$ 286,740	\$ 31,499	\$ 862,848		\$ (32,371)	\$ (2,222)	\$ 2,633,386
Appropriation of prior year's earnings	-	-	-	-	83,118	-	(83,118)	-	-	-	-
Legal reserve	-	-	-	-	-	3,093	(3,093)	-	-	-	-
Special reserve	-	-	-	-	-	-	(752,946)	-	-	-	(752,946)
Cash dividends to shareholders - NT\$22.00 per share	-	-	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2020	-	-	-	-	-	-	1,004,689	-	-	-	1,004,689
Other comprehensive loss after tax	-	-	-	-	-	-	-	(1,925)	-	-	(1,925)
Comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	-	1,004,689	-	-	(1,925)	1,002,764
Employee share bonus - Record date: August 10, 2020	98	-	91,385	-	-	-	-	-	-	-	92,361
Issuance of restricted shares under employees share options on February 5, 2020 and March 2, 2020	40	400	38,157	-	-	-	-	-	(38,557)	-	-
Cancellation of restricted shares under employees share options on August 3, 2020	(2)	(24)	(1,046)	-	-	-	-	-	1,070	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	-	28,183	-	28,183
BALANCE AT DECEMBER 31, 2020	34,320	343,200	1,273,540		369,858	34,592	1,028,380		(41,675)	(4,217)	3,003,678
Appropriation of prior year's earnings	-	-	-	-	100,470	-	(100,470)	-	-	-	-
Legal reserve	-	-	-	-	-	11,299	(11,299)	-	-	-	-
Special reserve	-	-	-	-	-	-	(892,204)	-	-	-	(892,204)
Cash dividends to shareholders - NT\$26.00 per share	-	-	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2021	-	-	-	-	-	-	1,312,925	-	-	-	1,312,925
Other comprehensive loss after tax	-	-	-	-	-	-	-	-	-	(1,027)	(1,027)
Comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	1,312,925	-	-	(1,027)	1,311,898
Employee share bonus - Record date: August 13, 2021	60	602	107,763	-	-	-	-	-	-	-	108,365
Cancellation of restricted shares under employees share options on March 8, 2021	(5)	(45)	(4,239)	-	-	-	-	-	4,284	-	-
Cancellation of restricted shares under employees share options on August 11, 2021	(2)	(27)	(2,543)	-	-	-	-	-	2,570	-	-
Cancellation of restricted shares under employees share options on November 8, 2021	(4)	(36)	(3,391)	-	-	-	-	-	3,427	-	-
Compensation cost of restricted shares for employees	-	-	-	-	-	-	-	-	14,609	-	14,609
BALANCE AT DECEMBER 31, 2021	34,369	\$ 343,604	\$ 1,371,120		\$ 470,238	\$ 48,891	\$ 1,332,332		\$ (16,785)	\$ (5,384)	\$ 3,546,206

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

ASPEED TECHNOLOGY INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 1,609,767	\$ 1,226,793
Adjustments for:		
Depreciation expense	90,761	88,515
Amortization expense	122,828	113,551
Net loss (gain) on fair value changes of financial assets designated as at fair value through profit or loss	(550)	1,979
Finance costs	3,126	3,249
Interest income	(10,071)	(10,141)
Compensation cost of employee restricted shares	14,609	28,183
Share of gain of subsidiaries	(1,722)	(2,576)
Loss on disposal of property, plant and equipment	1,746	-
Gain on disposal of financial assets	(378)	(7,740)
Write-down (reversal of) of inventories	(4,067)	10,682
Net gain on foreign currency exchange	(37,956)	(33,948)
Loss on disposal of Inventories	4,694	2,552
Recognition of provisions	6,877	6,238
Gain on lease modification	(8)	-
Changes in operating assets and liabilities		
Trade receivables (related parties included)	(321,126)	97,635
Inventories	7,922	(97,218)
Other current assets	77,664	(73,927)
Trade payables (related parties included)	165,054	(52,424)
Other payables (related parties included)	9,633	9,303
Other current liabilities	47,287	(27,440)
Payables for compensation of employees and remuneration of directors	<u>145,660</u>	<u>110,773</u>
Cash generated from operations	1,931,750	1,394,039
Interest paid	(3,126)	(3,249)
Income tax paid	<u>(245,789)</u>	<u>(221,957)</u>
Net cash generated from operating activities	<u>1,682,835</u>	<u>1,168,833</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(279,411)	(251,888)
Proceeds from sale of financial assets at fair value through profit or loss	18,388	67,740
Payments for property, plant and equipment	(93,149)	(84,083)
Increase in refundable deposits	-	547
Payments for intangible assets	(26,658)	(52,854)
		(Continued)

ASPEED TECHNOLOGY INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Increase in prepayments for equipment	(93)	(2,954)
Increase in other prepayments	(3,150)	-
Interest received	<u>10,071</u>	<u>10,443</u>
Net cash used in investing activities	<u>(374,002)</u>	<u>(313,049)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of the principal portion of lease liabilities	(21,283)	(20,820)
Cash dividends	<u>(892,204)</u>	<u>(752,946)</u>
Net cash used in financing activities	<u>(913,487)</u>	<u>(773,766)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>31,297</u>	<u>38,636</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	426,643	120,654
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,511,379</u>	<u>1,390,725</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,938,022</u>	<u>\$ 1,511,379</u>

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

(Concluded)

Appendix
Appendix 1

ASPEED Technology Inc.
Shareholding of all Directors

1. The shareholdings of the Company's Directors and percentage of shareholdings required by law are listed below:

The Company's total outstanding shares:	34,355,062
Total shareholdings of all Directors required by law:	3,600,000
As of April 2, 2022, total shareholdings of all Directors (except Independent Directors)	7,102,735

2. As of April 2, 2022, the cut-off date of this Shareholders' Meeting, the individual Directors and their aggregate shareholdings are listed below:

Title	Name	Date Elected	Shareholding on the record date	
			Number of shares	%
Chairman	Chris Lin	30-July-21	345,510	1.01%
Director	Xian Hua Investment Co., Ltd. Corporate Representative - Arnold Yu	30-July-21	538,644	1.57%
Director	Linvest Wealth Corp. Corporate Representative -Luke Chen	30-July-21	4,775,524	13.90%
Director	Linvest Fortune Corp. Corporate Representative -Hung-Ju Huang	30-July-21	1,074,884	3.13%
Director	Ted Tsai	30-July-21	368,173	1.07%
Independent Director	Chyan Yang	30-July-21	—	—
Independent Director	Dyi-Chung Hu	30-July-21	—	—
Independent Director	Sheng-Lin Chou	30-July-21	—	—
Independent Director	John C. Lin	30-July-21	—	—
Holding of all Directors			7,102,735	20.68%

Note: The shares held by independent directors shall not be counted in the calculation of director shareholdings.

Appendix 2

The Impact of Stock Dividend Issuance on Business Performance, EPS, and Shareholder Return Rate

Item		Year	2022 (Estimated)
Initial paid-up capital			343,694,370
Stock and cash dividends allocation (Note 1)	Cash dividend per share		NTD 35.0
	Stock dividend per share from capital increase by surplus		0
	Stock dividend per thousand shares from capital increase by capital surplus		100 shares
Change in operating performance	Operating income		Not applicable (Note 2)
	Percentage of increase (decrease) in operating income compared to the same period of last year		
	Net income after tax		
	Percentage of increase (decrease) in net income after tax compared to the same period of last year		
	Earnings per share		
	Percentage of increase (decrease) in EPS compared to the same period of last year		
	Annual average ROI (reciprocal of annual average PE ratio)		
Pro forma EPS and PE	If all dividends from capital increase by surplus are distributed in cash	Pro forma EPS	
		Pro forma annual average ROI	
	If no capital increase from capital surplus is implemented	Pro forma EPS	
		Pro forma annual average ROI	
	If no capital increase from capital surplus is implemented and all dividends from capital increase by surplus are distributed in cash	Pro forma EPS	
Pro forma annual average ROI			

Note 1: Upon approval at the shareholders' meeting on May 31, 2022.

Note 2: The Company does not publish any 2022 financial forecast. Therefore, it is not required to disclose 2022 forecast information.