

漢唐集成股份有限公司

UNITED INTEGRATED SERVICES CO., LTD.

2020 General Shareholders' Meeting

Agenda Handbooks

Date: May 28, 2020

Location: Chinatrust Executive House (No.219-2, Sec. 3, Zhongxing Rd., Xindian
Dist., New Taipei City)

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UNITED INTEGRATED SERVICES CO., LTD.

2020 General Shareholders' Meeting

- I. Call the meeting
- II. Chairperson remarks
- III. Company Reports
- IV. Proposals
- V. Discussion
- VI. Extemporary Motions
- VII. Meeting adjourn

UNITED INTEGRATED SERVICES CO., LTD.

2020 General Shareholders' Meeting

Time: May 28, 2020 (Thursday), 9:00AM

Location: Chinatrust Executive House (No.219-2, Sec. 3, Zhongxing Rd., Xindian Dist., New Taipei City)

(I) Call the meeting

(II) Chairperson remarks

(III) Company Reports

(1) 2019 Business report

(2) 2019 Audit Committee's audit report

(3) 2019 Report on remuneration to employees and directors

(4) 2019 Report on allocation of earnings

(5) Investment in Mainland China

(IV) Proposals

(1) Motion for 2019 business report and financial statements

(2) Motion for 2019 allocation of earnings

(V) Discussion:

(1) To amend the Company's "Parliamentary Rules for Shareholders' Meetings" in part.

(VI) Extemporaneous Motions

(VII) Meeting adjourn

I. Company Reports:

(I) The 2019 business report is submitted for review.

Remark: Please see Annex I1 for the business report (see P.5).

(II) The 2019 Audit Committee's audit report is submitted for review.

Remark: Please see Annex II for the Company's 2019 Audit Committee's audit report (see P.6).

(III) The 2019 report on remuneration to employees and directors is submitted for review.

Remark: 1. According to Article 12 of the Articles of Incorporation, if the Company retains profit at the end of the year, it shall contribute 6%~10% thereof as the remuneration to employees, and no more than 2% thereof as the remuneration to directors.

2. 10% provided as the remuneration to employees, totaling NT\$390,000,000, and no more than 2% as the remuneration to directors, totaling NT\$33,000,000, both paid in cash.

(IV) The 2019 report on allocation of earnings is submitted for review.

Remark: 1. According to Article 19 of the Articles of Incorporation, the Board of Directors is authorized to resolve that the shareholders' stock dividend and bonus shall be allocated in cash and also reported to a shareholders' meeting.

2. The stock dividend and bonus to shareholders, NT\$2,477,627,074, are allocated to distribute the cash dividends at NT\$13 per share. The cash dividends are rounded down to the nearest whole number. The fractional balance of dividends less than NT\$ 1 will be summed up and recognized as other income of the Company.
3. The motion is passed upon resolution by the Board of Directors and the Chairman of the Board of Director is also authorized to set the ex-dividend date, date of allocation and other matters separately. Where the changes in the Company's capital stock, if any, affect the number of outstanding shares and thereby cause changes the shareholders dividend ratio, in which case certain correction is needed, the Chairman of the Board shall be responsible for dealing with it with full power.

(V) The investment in Mainland China is reported for review.

Remark: So far, the Company's investment projects which have been approved by Investment Commission, MOEA and already executed in Mainland China include the following:

1. Su Yuan Trading (Shanghai) Co., Ltd. (formerly known as UNITED INTEGRATED SERVICES CO., LTD.), with paid-in capital

- amounting to US\$1 million and 100% shareholdings.
2. Jiangxi Hantang System Integration Co., Ltd., with paid-in capital amounting to RMB100 million and 75% shareholdings.
 3. Suzhou Hantai System Integration Co., Ltd., with paid-in capital amounting to US\$12 million and 100% shareholdings.
 4. Jiangxi Construction Engineering Group Co., Ltd., with paid-in capital amounting to RMB1.0435 billion and 19.8% shareholdings.
 5. Beijing Han He Tang Medical Device Co., Ltd., with paid-in capital amounting to US\$1 million and 100% shareholdings.

II. Proposals

1st Motion: The motion for 2019 business report and financial statements is submitted for acknowledgment. (Proposed by the Board of Directors)

Remark: The Company's 2019 business report and financial statements are passed upon resolution of the Board of Directors, and already audited by the Audit Committee. For details, please see Annex I and Annex III (see P5, P7~P22).

Resolution:

2nd Motion: The motion for 2019 allocation of earnings is submitted for acknowledgment. (Proposed by the Board of Directors)

Remark: The Company's 2019 allocation of earnings is passed upon resolution of the Board of Directors, and already audited by the Audit Committee. For details, please see Annex IV (see P23).

Resolution:

III. Discussion:

1st Motion: The motion for amendments to the Company's "Parliamentary Rules for Shareholders' Meetings" in part is proposed for resolution. (Proposed by the Board of Directors)

Remark: In response to the practical operations, the Company needs to amend the "Parliamentary Rules for Shareholders' Meetings" in part. Please refer to Annex V for a comparison table of the provisions before and after the amendment (see P24).

Resolution:

Extemporaneous Motions

IV. Meeting adjourn

Annex I

Business report

I. Business plan implementation results

With the efforts spent by all colleagues and support from shareholders, the Company's operating results in 2019 included the consolidated operating revenue amounting to NT\$23.92 billion, and income before tax amounting to NT\$3.729 billion.

The Company's 2019 consolidated operating revenue is stated as following by category of major products:

Unit: NT\$ thousand		
Item	Amount	Ratio
System integration	23,516,033	98.31%
Maintenance service	51,252	0.21%
Design business and product sales	353,348	1.48%
Total	23,920,633	100.0%

II. Analysis on profitability in 2019

The Company's 2019 profitability indicators are stated as following:

ROA=13.22%

ROE=35.67%

Profit margin=12.10 %

EPS (NT\$/share)=14.77

III. 2020 Business Outlook

(I) Business Goals

In 2019, the markets in Mainland China and Singapore decline significantly, and the operating revenue declined from 47% in 2018 to 19.4%. Notwithstanding, the market in Taiwan grew by multiples. Therefore, the overall operating revenue still kept growing considerably.

In 2019, the overseas market growth remained sluggish, while the market in Taiwan was still likely to grow. It is expected that the overall operating revenue will hit the record again in 2020.

(II) Business Policy and Development Strategy

For the purpose of the Company's long-term management and development, the Company will strengthen the internal management and also upgrade its competitiveness in cost, quality and technology significantly. Meanwhile, the Company will train more staff in the cross-strait and introduce related system elites. Especially, the Company needs to strengthen its business in Mainland China to prepare for the business growth in Mainland China. At present, in the Company's professional field, although the revenue and competitiveness have been ahead of the peers, the Company will strive to enhance its operation this year and improve the construction method to reduce costs and increase profitability in order to increase market share and keep the competitors in distance. In terms of products, the wireless security monitoring system department has achieved considerably, but research and development and business development must be further deepened.

(III) Effect of external competition, legal environment, and the overall business environment

The Company's market share in the high-tech industry of Taiwan is increasing year by year, and the Company's competitors with scale and competitiveness are very limited. In the market of Mainland China, the competitors include the local companies, and peers from Taiwan and

foreign countries. Therefore, the competition is considered more intensive in the market of Mainland China. However, Chinese market is relatively large. The Company is a first-class brand with competition advantage comparing to the competitors. Therefore, the Company still has certain advantages to compete in Chinese market.

The Company has developed the market in Singapore successfully in the past few years. This can help the Company's future development very much.

Chairman:

Manager:

Chief Accountant:

Annex II

UNITED INTEGRATED SERVICES CO., LTD.

Audit Committee's audit report

Whereas

The 2019 standalone financial statements and 2019 consolidated financial statements of the Company and its subsidiaries as submitted by the Board of Directors have been audited by Tsung-Ling Li, CPA and Tzu-Hui Li of KPMG Taiwan, which, together with the business report and motion for allocation of earnings, were confirmed by the Audit Committee. Accordingly, the Audit Committee hereby produces said report in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act. Please review it accordingly.

To:

2020 General Shareholders' Meeting

UNITED INTEGRATED SERVICES CO., LTD.

Convener of the Audit Committee: Ting Ho

Date: March 24, 2020

Annex III

Independent Auditors' Report

To the Board of Directors of United Integrated Services Co., Ltd.:

Opinion

We have audited the consolidated financial statements of United Integrated Services Co., Ltd. and its Subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018 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.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("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 Certification of Financial Statements by Certified Public Accountants and the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

Some directors of United Integrated Services Co., Ltd. were convicted of violating the Securities Exchange Act by the Taiwan High Court. For circumstances of these cases, please refer to Note12 (b) of the consolidated financial statements. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of certain investee companies under the equity method and Note 13(b) "Information on investees of the consolidated financial statements". Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these investee companies, is based solely on the reports of other auditors. The investments in the investee companies constituted 3.63% and 3.64% of the consolidated total assets, as of December 31, 2019 and 2018, respectively.

For the years then ended, the recognized shares of profit of associates accounted for using the equity method of these investee companies constituted 1.26% and 2.10% of the consolidated total profit before tax, respectively.

United Integrated Services Co., Ltd. has prepared its parent-company-only financial statements as of and for the years ended December 31, 2019 and 2018, on which we have issued an unqualified opinion with the Emphasis of Matter or Other Matter paragraph.

Key Audit Matters

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

1. Revenue recognition

For the accounting policies related to revenue recognition, please refer to Note 4 (o) "Revenue recognition"; for further reference of accounting estimates and assumption uncertainties of revenue recognition, please refer to Note 5 (b) "Revenue recognition"; for information of revenue recognition, please refer to Note 6 (v) "Revenue from contracts with customers".

Description of Key Audit Matter:

The Group recognizes construction contract revenue by percentage of completion method. The percentage of completion is based on the contract costs incurred as of the financial statements reporting date, representing the percentage of the estimated total contract costs. Because construction contract accounting involves a high level of estimation and judgment, revenue recognition has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: the test of the effectiveness of the internal control related to the timing and precision of revenue recognition. Through sampling and reviewing new construction contracts throughout the Group's reporting period, we obtained annual project revenue statistics and validated the correctness of revenue recognized on the project.

2. Accounts receivable impairment assessment

For the accounting policies related to the impairment assessment of accounts receivable, please refer to Note 4 (g) "Financial instruments"; for further reference of accounting estimates and assumption uncertainties of the impairment assessment of accounts receivable, please refer to Note 5 (a) "Impairment assessment of accounts receivable"; for information of the impairment assessment of accounts receivable, please refer to Note 6 (c) "Notes and trade receivables".

Description of Key Audit Matter:

The Group recognized expected credit loss in accordance with the Group's policy of allowance for accounts receivable, and established its estimation based on its clients' credit risk, historical experiences of credit loss, and rational expectation of future economic conditions. Since the accounting of expected credit loss of accounts receivable involves a high level of estimation and judgment, the impairment assessment of accounts receivable has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: (i) understanding the accounting policies of the impairment assessment of notes and trade receivables; (ii) implementing sampling procedures to examine the accuracy of accounts receivable aging report; (iii) analyzing the changes of the aging of accounts receivable in each period; (iv) examining historical collection records; (v) examining subsequent collection status to evaluate the reasonableness of the Group's recognition of allowance for impairment loss.

3. Financial instruments assessment

For the accounting policies related to the assessment of financial instruments, please refer to Note 4 (g) "Financial Instruments"; for further reference of accounting estimates and judgments of fair value of financial instruments, please refer to Note 5 (c) "Fair value of financial instruments"; for information of the fair value of financial instruments, please refer to Note 6 (y) "Fair value hierarchy information".

Description of Key Audit Matter:

The accounting of the assessment of financial instruments involves a high level of estimation and judgment. Therefore, the assessment of financial instruments has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: (i) the test of the investment cycle and related financial reporting procedures, involving measurements and the internal control of financial reporting disclosures. (ii) assessing the reasonableness of valuation techniques of the financial assets measured at fair value without active market prices, including testing valuation models and inspecting the significant unobservable inputs to ensure that the applied valuation techniques were in accordance with IFRS 13 "Fair Value Measurement".

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 with the IFRSs, IASs, IFRIC, 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, the 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 the 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 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 the management.
4. Conclude on the appropriateness of the 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 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 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 audit resulting in this independent auditors' report are Jung-Lin, Lee and Tzu-Hui, Lee.

KPMG

Taipei, Taiwan (Republic of China)
March 24, 2020

Notes to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with the 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 accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollar)

Assets	December 31, 2019		December 31, 2018			Liabilities and Equity	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:				
1100 Cash and cash equivalents (note6(a))	\$ 6,391,222	28	7,029,298	34	2130	Current contract liabilities (note6(v))	\$ 6,515,385	28	6,943,358	33
1110 Current financial assets measured at fair value through profit or loss (note6(b)(y))	214,179	1	149,575	1	2150	Notes payable (note6(y))	14,439	-	241,795	1
1140 Current contract assets (note6(v))	1,680,082	7	2,176,124	10	2160	Notes payable—related parties (note6(y) and 7)	-	-	38,960	-
1150 Notes receivable, net (note6(c))	117,359	1	581,743	3	2170	Accounts payables (note6(y))	5,520,443	24	4,100,557	20
1170 Accounts receivables, net (note6(c)(v))	4,786,032	21	3,822,249	18	2180	Accounts payables—related parties (note6(y) and 7)	99,754	-	84,831	-
1221 Current tax assets	14,485	-	14,485	-	2220	Other payables—related parties (note7)	160,183	1	153,885	1
130X Inventories (note6(d))	37,697	-	39,233	-	2230	Current tax liabilities	551,331	3	444,470	2
1410 Prepayments (note6(e))	1,192,905	5	1,453,776	7	2250	Current provisions (note6(n))	16,743	-	13,354	-
1470 Other current assets (note6(l) and 8)	4,720,264	20	2,058,412	10	2280	Current lease liabilities (note6(p)(y))	18,390	-	-	-
Total current assets	19,154,225	83	17,324,895	83	2300	Other current liabilities (note6(o)(r)(y))	1,041,584	5	840,428	4
Non-current assets:						Total current liabilities	13,938,252	61	12,861,638	61
1510 Non-current financial assets measured at fair value through profit or loss (note6(f)(y))	6,347	-	7,879	-	2550	Non-Current liabilities:				
1517 Non-current financial assets measured at fair value through other comprehensive income (note6(g)(y))	2,051,779	9	1,636,961	8	2570	Non-current provisions (note6(r))	288,952	2	334,415	2
1550 Investments accounted for under equity method (note6(h))	837,973	4	756,814	4	2580	Deferred tax liabilities (note6(s))	102,607	-	118,983	1
1600 Property, plant and equipment (note6(i))	778,132	3	806,633	4	2645	Non-current lease liabilities (note6(p)(y))	10,141	-	-	-
1755 Right-of-use assets (note6(j))	59,443	-	-	-		Guarantee deposits received (note6(y))	7,571	-	8,802	-
1780 Intangible assets (note6(k))	2,705	-	1,341	-		Total non-current liabilities	409,271	2	462,200	3
1840 Deferred tax assets (note6(s))	156,384	1	84,696	-	31XX	Total liabilities	14,347,523	63	13,323,838	64
1900 Other non-current assets (note6(l) and 8)	38,348	-	191,384	1	3100	Equity attributable to owners of parent (note6(g)(r)(s)(t)):				
Total non-current assets	3,931,111	17	3,485,708	17	3200	Common stock	1,905,867	8	1,905,867	9
						Capital surplus	373,561	2	374,156	2
						Retained earnings:				
					3310	Legal reserve	1,730,497	6	1,515,740	7
					3320	Special reserve	-	-	112,888	1
					3350	Unappropriated earnings	3,625,577	16	2,780,424	13
							5,356,074	22	4,409,052	21
					3400	Other equity	931,964	4	565,261	3
						Total equity attributable to owners of parent	8,567,466	36	7,254,336	35
					36XX	Non-controlling interests	170,347	1	232,429	1
						Total equity	8,737,813	37	7,486,765	36
Total assets	\$ 23,085,336	100	20,810,603	100		Total liabilities and equity	\$ 23,085,336	100	20,810,603	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2019 and 2018

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

		2019		2018	
		Amount	%	Amount	%
Operating Revenues (note6(v) and 7):					
4520	Construction revenue	\$ 23,516,033	98	17,898,319	99
4600	Service and design revenue	404,600	2	229,615	1
	Operating revenue, net	<u>23,920,633</u>	<u>100</u>	<u>18,127,934</u>	<u>100</u>
Operating costs (note6(d)(k)(p)(r)(w), 7 and 12):					
5520	Construction cost	19,362,693	81	14,786,885	82
5600	Service and design cost	206,700	1	157,608	1
	Total operating costs	<u>19,569,393</u>	<u>82</u>	<u>14,944,493</u>	<u>83</u>
	Gross profit from operations	<u>4,351,240</u>	<u>18</u>	<u>3,183,441</u>	<u>17</u>
Operating expenses (note6(c)(k)(p)(q)(r)(w),7 and 12):					
6100	Selling expenses	33,759	-	32,382	-
6200	Administrative expenses	817,208	4	695,937	4
6300	Research and development expenses	35,100	-	36,070	-
6450	Expected credit losses	57,875	-	46,952	-
	Total operating expenses	<u>943,942</u>	<u>4</u>	<u>811,341</u>	<u>4</u>
	Net operating income	<u>3,407,298</u>	<u>14</u>	<u>2,372,100</u>	<u>13</u>
7010	Other income (note6(x) and 7)	187,448	1	389,382	2
7020	Other gains and losses (note6(x))	(59,617)	-	72,258	-
7100	Interest income	154,532	1	146,014	1
7510	Interest expense (note6(p)(x) and 7)	(7,168)	-	(6,368)	-
7370	Share of profit of associations and joint ventures accounted for using equity method (note6(h))	46,896	-	63,636	-
	Total non-operating income and expenses	<u>322,091</u>	<u>2</u>	<u>664,922</u>	<u>3</u>
	Net income from continuing operations before tax	<u>3,729,389</u>	<u>16</u>	<u>3,037,022</u>	<u>16</u>
7950	Less: Income tax expenses (note6(s))	835,508	4	762,853	4
	Net income	<u>2,893,881</u>	<u>12</u>	<u>2,274,169</u>	<u>12</u>
8300	Other comprehensive income(note6(g)(r)(s)):				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans	47,955	-	(21,830)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	414,818	2	(954,501)	(5)
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(773)	-	(133)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	9,591	-	(9,567)	-
	Items that may not be reclassified subsequently to profit or loss	<u>452,409</u>	<u>2</u>	<u>(966,897)</u>	<u>(5)</u>
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation	(57,644)	-	(39,178)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(8,431)	-	-	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(9,921)	-	(6,397)	-
	Items that may be reclassified subsequently to profit or loss	<u>(56,154)</u>	<u>-</u>	<u>(32,781)</u>	<u>-</u>
8300	Other comprehensive income	<u>396,255</u>	<u>2</u>	<u>(999,678)</u>	<u>(5)</u>
8500	Comprehensive income	<u>\$ 3,290,136</u>	<u>14</u>	<u>1,274,491</u>	<u>7</u>
Profit attributable to:					
8610	Owners of parent	\$ 2,815,298	12	2,147,566	11
8620	Non-controlling interests	78,583	-	126,603	1
		<u>\$ 2,893,881</u>	<u>12</u>	<u>2,274,169</u>	<u>12</u>
Comprehensive income attributable to:					
8710	Owners of parent	\$ 3,219,592	14	1,155,079	6
8720	Non-controlling interests	70,544	-	119,412	1
		<u>\$ 3,290,136</u>	<u>14</u>	<u>1,274,491</u>	<u>7</u>
9750	Basic earnings per share (note6(u))	<u>\$ 14.77</u>		<u>9.42</u>	
9850	Diluted earnings per share (note6(u))	<u>\$ 14.57</u>		<u>9.27</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollar)

Equity attributable to owners of parent

		Share capital		Retained earnings			Exchange differences on translation of foreign operations	Other equity Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity	Total equity attributable to owners of parent	Non-controlling interests	Total equity	
		Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings							Total retained earnings
Balance on January 1, 2018	A1	\$ 2,382,334	611,987	1,394,285	133,666	1,937,098	3,465,049	(37,898)	1,583,250	1,545,352	8,004,722	205,435	8,210,157
Net income	D1	-	-	-	-	2,147,566	2,147,566	-	-	-	2,147,566	126,603	2,274,169
Other comprehensive income	D3	-	-	-	-	(12,396)	(12,396)	(25,590)	(954,501)	(980,091)	(992,487)	(7,191)	(999,678)
Total comprehensive income	D5	-	-	-	-	2,135,170	2,135,170	(25,590)	(954,501)	(980,091)	1,155,079	119,412	1,274,491
Appropriation and distribution of retained earnings:													
Legal reserve	B1	-	-	121,455	-	(121,455)	-	-	-	-	-	-	-
Special reserve	B3	-	-	-	(20,778)	20,778	-	-	-	-	-	-	-
Cash dividends	B5	-	(238,233)	-	-	(1,191,167)	(1,191,167)	-	-	-	(1,429,400)	-	(1,429,400)
Other changes in capital surplus:													
Changes in equity of associates and joint ventures accounted for using equity method	C7	-	402	-	-	-	-	-	-	-	402	-	402
Capital reduction	E3	(476,467)	-	-	-	-	-	-	-	-	(476,467)	-	(476,467)
Changes in non-controlling interests	O1	-	-	-	-	-	-	-	-	-	-	(92,418)	(92,418)
Balance on December 31, 2018	Z1	1,905,867	374,156	1,515,740	112,888	2,780,424	4,409,052	(63,488)	628,749	565,261	7,254,336	232,429	7,486,765
Net income	D1	-	-	-	-	2,815,298	2,815,298	-	-	-	2,815,298	78,583	2,893,881
Other comprehensive income	D3	-	-	-	-	37,591	37,591	(48,115)	414,818	366,703	404,294	(8,039)	396,255
Total comprehensive income	D5	-	-	-	-	2,852,889	2,852,889	(48,115)	414,818	366,703	3,219,592	70,544	3,290,136
Appropriation and distribution of retained earnings:													
Legal reserve	B1	-	-	214,757	-	(214,757)	-	-	-	-	-	-	-
Special reserve	B3	-	-	-	(112,888)	112,888	-	-	-	-	-	-	-
Cash dividends	B5	-	-	-	-	(1,905,867)	(1,905,867)	-	-	-	(1,905,867)	-	(1,905,867)
Other changes in capital surplus:													
Changes in equity of associates and joint ventures accounted for using equity method	C7	-	(595)	-	-	-	-	-	-	-	(595)	-	(595)
Changes in non-controlling interests	O1	-	-	-	-	-	-	-	-	-	-	(132,626)	(132,626)
Balance on December 31, 2019	Z1	\$ 1,905,867	373,561	1,730,497	-	3,625,577	5,356,074	(111,603)	1,043,567	931,964	8,567,466	170,347	8,737,813

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollar)

	<u>2019</u>	<u>2018</u>
AAAA Cash flows from (used in) operating activities:		
A10000 Income before income tax	\$ 3,729,389	3,037,022
A20000 Adjustments:		
A20010 Adjustments to reconcile profit (loss):		
A20100 Depreciation expense	40,948	27,408
A20200 Amortization expense	3,802	3,708
A20300 Expected credit loss	57,875	46,952
A20400 Net (gain) loss on financial assets measured at fair value through profit or loss	(52,933)	15,206
A20900 Interest expense	7,168	6,368
A21200 Interest income	(154,532)	(146,014)
A21300 Dividend income	(93,980)	(356,400)
A22300 Share of profit of associates and joint ventures accounted for using equity method	(46,896)	(63,636)
A22500 Gain on disposal of property, plant and equipment	(2,390)	(1)
A20010 Total adjustments to reconcile loss	<u>(240,938)</u>	<u>(466,409)</u>
A30000 Changes in operating assets and liabilities:		
A31000 Changes in operating assets:		
A31125 Decrease (increase) in current contract assets	495,923	(480,815)
A31130 Decrease (increase) in notes receivable	464,384	(284,771)
A31150 Increase in accounts receivables	(1,014,631)	(2,458,634)
A31200 Decrease (increase) in inventories	1,536	(4,276)
A31230 Decrease (increase) in prepayments	260,871	(831,960)
A31240 Decrease (increase) in other current assets	96,298	(3,110)
A31000 Subtotal of changes in operating assets	<u>304,381</u>	<u>(4,063,566)</u>
A32000 Changes in operating liabilities:		
A32125 (Decrease) increase in current contract liabilities	(427,973)	386,068
A32130 (Decrease) increase in notes payable	(227,356)	194,934
A32140 (Decrease) increase in notes payable—related parties	(38,960)	38,960
A32150 Increase in accounts payables	1,419,886	1,847,998
A32160 Increase in accounts payables—related parties	14,923	34,432
A32190 Decrease in other payables—related parties	-	(21,623)
A32200 Increase in current provisions	3,389	10,149
A32230 Increase in other current liabilities	201,156	371,530
A32240 Increase in net defined benefit liability	2,492	3,314
A32000 Subtotal of changes in operating liabilities	<u>947,557</u>	<u>2,865,762</u>
A30000 Total changes in operating assets and liabilities	<u>1,251,938</u>	<u>(1,197,804)</u>
A20000 Total adjustments	<u>1,011,000</u>	<u>(1,664,213)</u>
A33000 Cash inflow generated from operations	4,740,389	1,372,809
A33100 Interest received	157,461	135,539
A33300 Interest paid	(870)	-
A33500 Income taxes paid	(813,961)	(329,869)
AAAA Net cash flows from operating activities	<u>4,083,019</u>	<u>1,178,479</u>
BBBB Cash flows from (used in) investing activities:		
B00100 Acquisition of financial assets at fair value through profit or loss	(10,139)	(826)
B00200 Proceeds from disposal of financial assets at fair value through profit or loss	-	1,806
B01800 Acquisition of investments accounted for using equity method	(99,449)	(10,382)
B02700 Acquisition of property, plant and equipment	(6,972)	(9,564)
B02800 Proceeds from disposal of property, plant and equipment	4,143	2,603
B03700 Decrease (increase) in guarantee deposits paid	94,821	(104,253)
B04200 Decrease in other receivables	-	6,345
B04500 Acquisition of intangible assets	(1,823)	-
B06600 Increase in other financial assets	(3,045,311)	(87,094)
B06700 (Increase) decrease in other non-current assets	(1,906)	2,176
B07600 Dividends received	457,051	80,903
BBBB Net cash flows used in investing activities	<u>(2,609,585)</u>	<u>(118,286)</u>
CCCC Cash flows from (used in) financing activities:		
C03100 (Decrease) increase in guarantee deposits received	(1,231)	4,279
Payment of lease liabilities	(14,530)	-
C04500 Cash dividends paid	(1,905,867)	(1,429,400)
C04700 Capital reduction payments to shareholders	-	(476,467)
C05800 Changes in non-controlling interests	(132,626)	(92,418)
CCCC Net cash flows used in financing activities	<u>(2,054,254)</u>	<u>(1,994,006)</u>
DDDD Effect of exchange rate changes on cash and cash equivalents	(57,256)	(32,639)
EEEE Net decrease in cash and cash equivalents	(638,076)	(966,452)
E00100 Cash and cash equivalents at beginning of period	7,029,298	7,995,750
E00200 Cash and cash equivalents at end of period	<u>\$ 6,391,222</u>	<u>7,029,298</u>

Independent Auditors' Report

To the Board of Directors of United Integrated Services Co., Ltd.:

Opinion

We have audited the financial statements of United Integrated Services Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2019 and 2018 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.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, 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 Certification of Financial Statements by Certified Public Accountants and the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter

Some directors of United Integrated Services Co., Ltd. were convicted of violating the Securities Exchange Act by the Taiwan High Court. For circumstances of these cases, please refer to Note 12 (b) of the financial statements. Our opinion is not modified in respect of this matter.

Other Matter

We did not audit the financial statements of certain investee companies under the equity method and Note 13(b) "Information on investees of the financial statements". Those statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for these investee companies, is based solely on the reports of other auditors. The investments in the investee companies constituted 4.22% and 4.26% of the total assets, as of December 31, 2019 and 2018, respectively.

For the years then ended, the recognized shares of profit of associates accounted for using the equity method of these investee companies constituted 1.34% and 2.37% of the total profit before tax, respectively.

Key Audit Matters

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

1. Revenue recognition

For the accounting policies related to revenue recognition, please refer to Note 4 (o) "Revenue recognition"; for further reference of accounting estimates and assumption uncertainties of revenue recognition, please refer to Note 5 (b) "Revenue recognition"; for information of revenue recognition, please refer to Note 6 (t) "Revenue from contracts with customers".

Description of Key Audit Matter:

The Company recognizes construction contract revenue by percentage of completion method. The percentage of completion is based on the contract costs incurred as of the financial statements reporting date, representing the percentage of the estimated total contract costs. Because construction contract accounting involves a high level of estimation and judgment, revenue recognition has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: the test of the effectiveness of the internal control related to the timing and precision of revenue recognition. Through sampling and reviewing new construction contracts throughout the Company's reporting period, we obtained annual project revenue statistics and validated the correctness of revenue recognized on the project.

2. Accounts receivable impairment assessment

For the accounting policies related to the impairment assessment of accounts receivable, please refer to Note 4 (f) "Financial instruments"; for further reference of accounting estimates and assumption uncertainties of the impairment assessment of accounts receivable, please refer to Note 5 (a) "Impairment assessment of accounts receivable"; for information of the impairment assessment of accounts receivable, please refer to Note 6 (c) "Notes and trade receivables".

Description of Key Audit Matter:

The Company recognized expected credit loss in accordance with the Company's policy of allowance for accounts receivable, and established its estimation based on its clients' credit risk, historical experiences of credit loss, and rational expectation of future economic conditions. Since the accounting of expected credit loss of accounts receivable involves a high level of estimation and judgment, the impairment assessment of accounts receivable has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: (i) understanding the accounting policies of the impairment assessment of notes and trade receivables; (ii) implementing sampling procedures to examine the accuracy of accounts receivable aging report; (iii) analyzing the changes of the aging of accounts receivable in each period; (iv) examining historical collection records; (v) examining subsequent collection status to evaluate the reasonableness of the Company's recognition of allowance for impairment loss.

3. Financial instruments assessment

For the accounting policies related to the assessment of financial instruments, please refer to Note 4 (f) "Financial Instruments"; for further reference of accounting estimates and judgments of fair value of financial instruments, please refer to Note 5 (c) "Fair value of financial instruments"; for information of the fair value of financial instruments, please refer to Note 6 (w) "Fair value hierarchy information".

Description of Key Audit Matter:

The accounting of the assessment of financial instruments involves a high level of estimation and judgment. Therefore, the assessment of financial instruments has been identified as one of the key audit matters for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: (i) the test of the investment cycle and related financial reporting procedures, involving measurements and the internal control of financial reporting disclosures. (ii) assessing the reasonableness of valuation techniques of the financial assets measured at fair value without active market prices, including testing valuation models and inspecting the significant unobservable inputs to ensure that the applied valuation techniques were in accordance with IFRS 13 "Fair Value Measurement".

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, the 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 the 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 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 the management.
4. Conclude on the appropriateness of the 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 the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Jung-Lin, Lee and Tzu-Hui, Lee.

KPMG

Taipei, Taiwan (Republic of China)
March 24, 2020

Notes to Readers

The accompanying parent company only financial statements are intended only to present the financial position, financial performance and cash flows in accordance with the 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' audit report and parent company only financial statements, the Chinese version shall prevail.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD.

Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollar)

Assets		December 31, 2019		December 31, 2018		Liabilities and Equity		December 31, 2019		December 31, 2018	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents (note6(a))	\$ 4,349,076	22	5,802,022	33	2130	Current contract liabilities (note6(t))	\$ 5,568,691	28	5,894,776	33
1110	Current financial assets measured at fair value through profit or loss (note6(b)(w))	214,179	1	149,575	2	2150	Notes payable (note6(w))	14,149	-	241,531	1
1140	Current contract assets (note6(t))	880,164	4	1,002,722	6	2160	Notes payable—related parties (note6(w) and 7)	-	-	38,960	-
1150	Notes receivable, net (note6(c))	1,859	-	3,035	-	2170	Accounts payables (note6(w))	3,808,665	19	2,610,173	14
1170	Accounts receivables, net (note6(c)(t))	3,408,266	17	2,789,672	16	2180	Accounts payables—related parties (note6(w) and 7)	115,841	1	112,197	1
1180	Accounts receivables—related parties (note6(c) and 7)	46,149	-	66,904	-	2200	Other payables(note6(p)(w))	691,923	3	629,254	3
1220	Current tax assets	14,485	-	14,485	-	2220	Other payables—related parties (note7)	160,183	1	153,885	1
130X	Inventories (note6(d))	42,029	-	44,134	-	2230	Current tax liabilities	486,933	2	336,632	2
1410	Prepayments (note6(e))	1,012,546	5	1,041,684	6	2250	Current provisions (note6(m))	16,743	-	13,354	-
1470	Other current assets (note6(l), 7 and 8)	4,832,698	25	2,003,552	11	2280	Current lease liabilities (note6(n)(w))	12,357	-	-	-
	Total current assets	<u>14,801,451</u>	<u>74</u>	<u>12,917,785</u>	<u>74</u>	2300	Other current liabilities	7,616	-	7,600	-
Non-current assets:							Total current liabilities	<u>10,883,101</u>	<u>54</u>	<u>10,038,362</u>	<u>55</u>
1510	Non-current financial assets measured at fair value through profit or loss (note6(f)(w))	6,347	-	7,879	-		Non-Current liabilities:				
1517	Non-current financial assets measured at fair value through other comprehensive income (note6(g)(w))	2,051,779	11	1,636,961	9	2550	Non-current provisions (note6(p))	288,952	1	334,415	2
1550	Investments accounted for under equity method (note6(h))	2,048,791	10	2,314,018	13	2570	Deferred tax liabilities (note6(q))	102,607	1	118,983	1
1600	Property, plant and equipment (note6(i))	553,061	3	560,187	3	2580	Non-current lease liabilities (note6(n)(w))	6,928	-	-	-
1755	Right-of-use assets (note6(j))	19,164	-	-	-	2645	Guarantee deposits received (note6(w))	2,143	-	2,004	-
1780	Intangible assets (note6(k))	2,705	-	1,341	-		Total non-current liabilities	<u>400,630</u>	<u>2</u>	<u>455,402</u>	<u>3</u>
1840	Deferred tax assets (note6(q))	156,384	1	84,696	-		Total liabilities	<u>11,283,731</u>	<u>56</u>	<u>10,493,764</u>	<u>58</u>
1940	Long-term other receivables—related parties (note7)	203,876	1	218,682	1	31XX	Equity (note6(g)(p)(q)(r)):				
1995	Other non-current assets (note6(l) and 8)	7,639	-	6,551	-	3100	Common stock	1,905,867	10	1,905,867	11
	Total non-current assets	<u>5,049,746</u>	<u>26</u>	<u>4,830,315</u>	<u>26</u>	3200	Capital surplus	373,561	2	374,156	2
							Retained earnings:				
						3310	Legal reserve	1,730,497	9	1,515,740	9
						3320	Special reserve	-	-	112,888	1
						3350	Unappropriated earnings	3,625,577	18	2,780,424	16
								<u>5,356,074</u>	<u>27</u>	<u>4,409,052</u>	<u>26</u>
								<u>931,964</u>	<u>5</u>	<u>565,261</u>	<u>3</u>
						3400	Other equity	8,567,466	44	7,254,336	42
							Total equity	<u>8,567,466</u>	<u>44</u>	<u>7,254,336</u>	<u>42</u>
							Total liabilities and equity	<u>\$ 19,851,197</u>	<u>100</u>	<u>17,748,100</u>	<u>100</u>
	Total assets	<u>\$ 19,851,197</u>	<u>100</u>	<u>17,748,100</u>	<u>100</u>						

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

UNITED INTEGRATED SERVICES CO., LTD.**Statements of Comprehensive Income****For the years ended December 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollar, Except Earnings Per Share)**

		2019		2018	
		Amount	%	Amount	%
Operating Revenues (note6(t) and 7):					
4520	Construction revenue	\$ 19,039,765	98	9,352,741	98
4600	Service and design revenue	394,044	2	220,976	2
Operating revenue, net		19,433,809	100	9,573,717	100
Operating costs (note6(d)(k)(p)(u), 7 and 12):					
5500	Construction cost	15,278,348	79	7,109,722	75
5600	Service and design cost	205,796	1	167,948	2
Total operating costs		15,484,144	80	7,277,670	77
Gross profit from operations		3,949,665	20	2,296,047	23
Operating expenses (note6(c)(k)(n)(o)(p)(u), 7 and 12):					
6100	Selling expenses	33,549	-	32,363	-
6200	Administrative expenses	724,890	4	604,691	6
6300	Research and development expenses	35,099	-	36,070	-
7055	Expected credit losses	48,443	-	36,733	-
Total operating expenses		841,981	4	709,857	6
Net operating income		3,107,684	16	1,586,190	17
Non-operating income and expenses:					
7010	Other income (note6(v) and 7)	155,591	1	373,337	4
7020	Other gains and losses (note6(v) and 7)	(51,735)	-	91,091	1
7100	Interest income	142,044	-	139,197	1
7510	Interest expense (note6(n)(v) and 7)	(6,578)	-	(6,298)	-
7375	Share of profit of subsidiaries, associations and joint ventures accounted for using equity method (note6(h))	147,994	1	497,540	5
Total non-operating income and expenses		387,316	2	1,094,867	11
Net income from continuing operations before tax		3,495,000	18	2,681,057	28
7950	Less: Income tax expenses (note6(q))	679,702	3	533,491	6
Net income		2,815,298	15	2,147,566	22
Other comprehensive income(note6(g)(p)(q)):					
Items that may not be reclassified subsequently to profit or loss:					
8311	Gains (losses) on remeasurements of defined benefit plans	47,955	-	(21,830)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	414,818	2	(954,501)	(10)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(773)	-	(133)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	9,591	-	(9,567)	-
Items that may not be reclassified subsequently to profit or loss		452,409	2	(966,897)	(10)
Items that may be reclassified subsequently to profit or loss:					
8360	Exchange differences on translation	(49,605)	-	-	-
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(8,431)	-	(31,987)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	(9,921)	-	(6,397)	-
Items that may be reclassified subsequently to profit or loss		(48,115)	-	(25,590)	-
8300	Other comprehensive income	404,294	2	(992,487)	(10)
8500	Comprehensive income	\$ 3,219,592	17	1,155,079	12
9750	Basic earnings per share (note6(s))	\$ 14.77		9.42	
9850	Diluted earnings per share (note6(s))	\$ 14.57		9.27	

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)

UNITED INTEGRATED SERVICES CO., LTD.**Statements of Changes in Equity****For the years ended December 31, 2019 and 2018****(Expressed in Thousands of New Taiwan Dollar)**

	Share capital		Retained earnings				Exchange differences on translation of foreign operations	Other equity		Total equity	
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings		Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity		
Balance on January 1, 2018	A1	\$ 2,382,334	611,987	1,394,285	133,666	1,937,098	3,465,049	(37,898)	1,583,250	1,545,352	8,004,722
Net income	D1	-	-	-	-	2,147,566	2,147,566	-	-	-	2,147,566
Other comprehensive income	D3	-	-	-	-	(12,396)	(12,396)	(25,590)	(954,501)	(980,091)	(992,487)
Total comprehensive income	D5	-	-	-	-	2,135,170	2,135,170	(25,590)	(954,501)	(980,091)	1,155,079
Appropriation and distribution of retained earnings:											
Legal reserve	B1	-	-	121,455	-	(121,455)	-	-	-	-	-
Special reserve	B3	-	-	-	(20,778)	20,778	-	-	-	-	-
Cash dividends	B5	-	(238,233)	-	-	(1,191,167)	(1,191,167)	-	-	-	(1,429,400)
Other changes in capital surplus:											
Changes in equity of associates and joint ventures accounted for using equity method	C7	-	402	-	-	-	-	-	-	-	402
Capital reduction	E3	(476,467)	-	-	-	-	-	-	-	-	(476,467)
Balance on December 31, 2018	Z1	1,905,867	374,156	1,515,740	112,888	2,780,424	4,409,052	(63,488)	628,749	565,261	7,254,336
Net income	D1	-	-	-	-	2,815,298	2,815,298	-	-	-	2,815,298
Other comprehensive income	D3	-	-	-	-	37,591	37,591	(48,115)	414,818	366,703	404,294
Total comprehensive income	D5	-	-	-	-	2,852,889	2,852,889	(48,115)	414,818	366,703	3,219,592
Appropriation and distribution of retained earnings:											
Legal reserve	B1	-	-	214,757	-	(214,757)	-	-	-	-	-
Special reserve	B3	-	-	-	(112,888)	112,888	-	-	-	-	-
Cash dividends	B5	-	-	-	-	(1,905,867)	(1,905,867)	-	-	-	(1,905,867)
Other changes in capital surplus:											
Changes in equity of associates and joint ventures accounted for using equity method	C7	-	(595)	-	-	-	-	-	-	-	(595)
Balance on December 31, 2019	Z1	\$ 1,905,867	373,561	1,730,497	-	3,625,577	5,356,074	(111,603)	1,043,567	931,964	8,567,466

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements and Report Originally Issued in Chinese)
UNITED INTEGRATED SERVICES CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollar)

		2019	2018
AAAA	Cash flows from (used in) operating activities:		
A10000	Income before income tax	\$ 3,495,000	2,681,057
A20000	Adjustments:		
A20010	Adjustments to reconcile profit (loss):		
A20100	Depreciation expense	18,685	12,082
A20200	Amortization expense	965	1,909
A20300	Expected credit loss	48,443	36,733
A20400	Net (gain) loss on financial assets measured at fair value through profit or loss	(52,933)	15,206
A20900	Interest expense	6,578	6,298
A21200	Interest income	(142,044)	(139,197)
A21300	Dividend income	(93,980)	(356,400)
A22400	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(147,994)	(497,540)
A22500	Gain on disposal of property, plant and equipment	(1,643)	(241)
A20010	Total adjustments to reconcile loss	(363,923)	(921,150)
A30000	Changes in operating assets and liabilities:		
A31000	Changes in operating assets:		
A31125	Decrease (increase) in current contract assets	122,439	(321,246)
A31130	Decrease in notes receivable	1,176	91
A31150	Increase in accounts receivables	(667,037)	(2,174,528)
A31160	Decrease (increase) in accounts receivables – related parties	20,755	(50,650)
A31200	Decrease (increase) in inventories	2,105	(4,916)
A31230	Decrease (increase) in prepayments	29,138	(982,965)
A31240	Decrease in other current assets	28,241	31,029
A31000	Subtotal of changes in operating assets	(463,183)	(3,503,185)
A32000	Changes in operating liabilities:		
A32125	(Decrease) increase in current contract liabilities	(326,085)	1,393,209
A32130	(Decrease) increase in notes payable	(227,382)	195,396
A32140	(Decrease) increase in notes payable – related parties	(38,960)	38,960
A32150	Increase in accounts payables	1,198,492	1,426,053
A32160	Increase in accounts payables – related parties	3,644	13,425
A32180	Increase in other payables	62,669	-
A32200	Increase in current provisions	3,389	10,149
A32230	Increase in other current liabilities	16	242,357
A32240	Increase in net defined benefit liability	2,492	3,314
A32000	Subtotal of changes in operating liabilities	678,275	3,322,863
A30000	Total changes in operating assets and liabilities	215,092	(180,322)
A20000	Total adjustments	(148,831)	(1,101,472)
A33000	Cash inflow generated from operations	3,346,169	1,579,585
A33100	Interest received	141,170	128,791
A33300	Interest paid	(280)	-
A33500	Income taxes paid	(617,135)	(147,966)
AAAA	Net cash flows from operating activities	2,869,924	1,560,410
BBBB	Cash flows from (used in) investing activities:		
B00100	Acquisition of financial assets at fair value through profit or loss	(10,139)	(826)
B00200	Proceeds from disposal of financial assets at fair value through profit or loss	-	1,806
B01800	Acquisition of investments accounted for using equity method	(99,449)	(10,382)
B02700	Acquisition of property, plant and equipment	(4,024)	(4,678)
B02800	Proceeds from disposal of property, plant and equipment	3,227	2,580
B03800	Decrease in guarantee deposits paid	768	744
B04200	Decrease in other receivables	-	181,854
B04500	Acquisition of intangible assets	(1,823)	(90)
B06000	Decrease in long-term other receivables – related parties	18,948	9,498
B06500	Increase in other financial assets	(3,061,663)	(77,334)
B06700	Increase in other non-current assets	(475)	(563)
B07600	Dividends received	746,367	80,902
BBBB	Net cash flows (used in) from investing activities	(2,408,263)	183,511
CCCC	Cash flows from (used in) financing activities:		
C03100	Increase in guarantee deposits received	139	292
C04020	Payment of lease liabilities	(8,879)	-
C04500	Cash dividends paid	(1,905,867)	(1,429,400)
C04600	Capital reduction payments to shareholders	-	(476,467)
CCCC	Net cash flows used in financing activities	(1,914,607)	(1,905,575)
EEEE	Net decrease in cash and cash equivalents	(1,452,946)	(161,654)
E00100	Cash and cash equivalents at beginning of period	5,802,022	5,963,676
E00200	Cash and cash equivalents at end of period	\$ 4,349,076	5,802,022

See accompanying notes to parent company only financial statements.

Annex IV

UNITED INTEGRATED SERVICES CO., LTD.
2019 Allocation of Earnings

Unit: NT\$

Item	Amount	Remarks
Undistributed earnings at the beginning of the period	772,687,155	
Add: Net profit after tax	2,815,297,482	
Add: Changes in current actuarial income	37,590,241	
Less: Legal reserve (10%)	(285,288,772)	
Allocable earnings	3,340,286,106	
Distribution items		
Cash allocable to shareholders (NT\$13 per share)	2,477,627,074	
Undistributed earnings at the end of the period	862,659,032	

Note 1: According to the Company's earnings allocation policy, the 2019 allocable earnings shall be the priority in the allocation.

Note 2: The stock dividends allocable in 2020 are estimated to be 190,586,698 shares.

Chairman:

Manager:

Chief Accountant:

Annex V

UNITED INTEGRATED SERVICES CO., LTD.

Comparison Table of the Provisions Before and After the amendment to the "Parliamentary Rules for Shareholders' Meetings"

Provisions	Provisions before the amendment	Provisions after the amendment	Remarks
Article 5	<p>Where the shareholders' meeting is assembled by the Board, the Board shall stipulate the meeting agenda. The shareholders' meeting shall progress in accordance of arranged agenda, which can only be changed by the resolution of the shareholders' meeting.</p> <p>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.</p> <p>The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.</p> <p>Except for the proposals included in the agenda, if any shareholder intends to propose other proposals or amendments or alternatives to the original proposal, it should be seconded by other shareholders; also, the shareholding of the proposer and the shareholder who seconded the motion should be more than 1% of the total outstanding shares. It is not a motion and will not be discussed or voted on. After a resolution is made and the meeting is adjourned, the shareholders may not elect</p>	<p>Where the shareholders' meeting is assembled by the Board, the Board shall stipulate the meeting agenda. <u>The related motions (including extemporary motions and amendments to the original motions) shall be subject to the voting by poll.</u> The shareholders' meeting shall progress in accordance of arranged agenda, which can only be changed by the resolution of the shareholders' meeting.</p> <p>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.</p> <p>The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.</p> <p>(Deleted)</p>	<p>In response to the e-voting system adopted throughout the Company and in order to practice the spirit of voting by poll, Paragraph 1 is amended accordingly.</p> <p>Deleted the restriction on the shareholders' right to propose and second motions per the letter of MOEA under Jing-Shang-Zi No. 09202170620 dated August 19, 2003.</p>

	another Chairman to continue the meeting at the original site or another place.		
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Appendix I

UNITED INTEGRATED SERVICES CO., LTD. - Rules of Procedure for Shareholders Meetings -

Amended on June 14, 2016

Amended on June 12, 2018

- Article 1: Unless otherwise provided in laws, the Company's shareholders' meetings shall follow the Rules
- Article 2: The shareholders referred to herein shall mean the shareholders per se and the proxies attending meetings on behalf of them.
- Article 3: The attending shareholders shall carry the attendance card with them. The shareholders' meeting shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
- Article 4: The Chairman shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the Chairman may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made.
If the quorum is not met after two postponements, but the attending shareholders represent one-thirds or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act.
When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairman may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.
- Article 5: Where the shareholders' meeting is assembled by the Board, the Board shall stipulate the meeting agenda. The shareholders' meeting shall progress in accordance of arranged agenda, which can only be changed by the resolution of the shareholders' meeting.
The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the Board of Directors.
The Chairman may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding

two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.

Except for the proposals included in the agenda, if any shareholder intends to propose other proposals or amendments or alternatives to the original proposal, it should be seconded by other shareholders; also, the shareholding of the proposer and the shareholder who seconded the motion should be more than 1% of the total outstanding shares. It is not a motion and will not be discussed or voted on. After a resolution is made and the meeting is adjourned, the shareholders may not elect another Chairman to continue the meeting at the original site or another place.

Article 6: When a meeting is in progress, the chairperson may announce a break based on time considerations. A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days for the motion that could not be concluded in the meeting without the need of issuing a notice and announcement.

Article 7: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the Chairman. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. When a shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the Chairman and the shareholder that has the floor; the Chairman shall stop any violation.

Article 8: Every shareholder's speech to single motion shall be no more than twice, unless the chairperson agrees so, and each speech shall be no more than three minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item or disturbs the order of the proceeding, the Chairman may stop such act or terminate the speech discretionally or upon the request of other shareholders.

Article 9: Where the chairperson thinks the motions brought up by shareholders are ready to vote, the chairperson may proclaim the closure of discussion and proceed to vote.

Article 10: The voting of motions shall be approved by more than 50% of the voting powers from present shareholders unless the Company Act and the Articles of Incorporation regulate otherwise. At the time of a vote, for each proposal, the Chairman or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by

a poll of the shareholders.

A shareholder shall be entitled to one vote for each share held, shareholders may have proxies attended the meeting on their behalf. With the exception of a trust enterprise, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

Article 11: The attendance and voting at the shareholders' meeting shall be calculated in accordance with shares.

Article 12: The place for convening a shareholders' meeting shall be held inside the premises of the head office, or any other place convenient for presence of shareholders, and suitable for holding of the said meeting. The time for commencing the said meeting shall not be earlier than 9:00AM or later than 3:00PM.

Article 13: If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of Board. When the Chairman is on leave or for any reason unable to exercise the powers of the chairman, the Vice Chairman shall act in place of the Chairman. If there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the Chairman shall appoint one of the directors to act as the chairperson. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as the chairperson.

If a shareholders meeting is convened by a party with power to convene but other than the Board of Directors, the convening party shall chair the meeting.

Article 14: The Company may designate its attorney, certified public accountant, or other relevant persons to attend the meeting. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

Article 15: The Company should record with audio and video devices the whole process of the shareholders' meeting, beginning at the signing of shareholders, the process of the meeting, and casting and counting the ballots.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. Where shareholders file a lawsuit according to

Article 189 of the Company Act, said video and audio data shall be kept until the resolution of the litigation.

- Article 16: Where there are amendments or alternatives to single motion, the chairperson decide the voting order of such alone with original motion. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- Article 17: When a juristic person serves as an agent to attend the shareholders' meeting, it may only appoint one person as a representative at the meeting. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
- Article 18: The chairperson may reply in person or assign relevant personnel to reply after shareholders attended the shareholders' meeting spoke.
- Article 19: The chairperson assigns the scrutinizers and tellers of the motion voting and election. The scrutinizers shall possess the shareholder identity.
The results of the voting shall be announced on-site at the meeting, and a record made of the vote.
- Article 20: The chairperson shall direct picketers or security to maintain the order of the shareholders' meeting place. When proctors (or security personnel) help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
- Article 21: Upon occurrence of the significant disasters, such as air raid warning, earthquake, and fire during the meeting, if any, the chairperson shall announce the closure or suspension of the meeting and evacuate all attendees. Upon expiration of one hour after the disaster is relieved, the chairperson shall announce the time for reopening the meeting.
- Article 22: Any matters not covered herein shall be implemented in accordance with the Company Act, other related laws & regulations, and the Company's Articles of Incorporation.
- Article 23: The Rules shall be implemented upon approval per the resolution made by a shareholders' meeting. The same shall apply where the Rules are amended.

Appendix II

UNITED INTEGRATED SERVICES CO., LTD. - Articles of Association -

Chapter I General Provisions

Article 1: The Company is organized in accordance with the Company Act and named as UNITED INTEGRATED SERVICES CO., LTD. The Company's name in English is "UNITED INTEGRATED SERVICES CO., LTD."

Article 2: The Company's business lines are stated as following:

1. CB01010 Machinery and Equipment Manufacturing.
2. CB01030 Pollution Controlling Equipment Manufacturing.
3. CC01060 Wired Communication Equipment and Apparatus Manufacturing.
4. CC01070 Telecommunication Equipment and Apparatus Manufacturing.
5. CC01080 Electronic Parts and Components Manufacturing.
6. CC01110 Computers and Computing Peripheral Equipments Manufacturing.
7. CE01010 Precision Instruments Manufacturing.
8. CF01011 Medical Materials and Equipment Manufacturing.
9. E101011 Synthesis Construction.
10. E103101 Environmental Protection Construction.
11. E501011 Water Pipe Construction.
12. E599010 Pipe Lines Construction.
13. E601010 Electric Appliance Construction.
14. E602011 Frozen and Air-conditioning Engineering.
15. E603040 Fire Fighting Equipments Construction.
16. E603050 Cybernation Equipments Construction.
17. E603080 Traffic Signals Construction.
18. E604010 Machinery Installation Construction.
19. E605010 Computing Equipments Installation Construction.
20. E701010 Telecommunications Construction.
21. E701030 Restrained Telecom Radio Frequency Equipments and Materials Construction.
22. EZ05010 Apparatus Installation Construction.
23. F108031 Wholesale of Drugs, Medical Goods.
24. F113010 Wholesale of Machinery.

25. F113030 Wholesale of Precision Instruments.
26. F113050 Wholesale of Computing and Business Machinery Equipment.
27. F113070 Wholesale of Telecom Instruments.
28. F113090 Wholesale of Traffic Signal Equipments and Materials.
29. F113100 Wholesale of Pollution Controlling Equipments.
30. F117010 Wholesale of Fire Fighting Equipments.
31. F118010 Wholesale of Computer Software.
32. F119010 Wholesale of Electronic Materials.
33. F208031 Retail sale of Medical Equipments.
34. F213040 Retail Sale of Precision Instruments.
35. F218010 Retail Sale of Computer Software.
36. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import. (Limited to radio transmitters, radio transceivers, and radio receivers)
37. I103060 Management Consulting Services.
38. I301010 Software Design Services.
39. IF01010 Fire Fighting Equipments Overhauling.
40. IF02010 Electricity Equipments Checking and Maintenance.
41. IG03010 Energy Technical Services.
42. J101050 Sanitary and Pollution Controlling Services.
43. J101060 Wastewater (Sewage) Treatment.
44. JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops.
45. JE01010 Rental and Leasing Business.
46. CC01101 Restrained Telecom Radio Frequency Equipments and Materials Manufacturing
47. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company's head office is situated in Taipei City and, when necessary, may set up branches locally or overseas upon resolution adopted at the meeting of the Board of Directors.

Article 4: The Company shall make public announcements in the manners referred to in the Company Act and the competent authority's requirements.

Chapter II Shares

Article 5: The Company's authorized capital shall be in the amount of NT\$3 billion, divided into 300 million shares, at a par value of NT\$10 per share, to be issued in batch. The Board of Directors is authorized to issue the unissued shares in batch, if necessary.

Article 5-1. The treasury stock purchased by the Company pursuant to laws may be transferred to the employees of the controlled or subordinate company who meet certain conditions. The Company's employee stock warrants or restrictive shares may be available to the employees of the controlled or subordinate company who meet certain conditions. When the Company issues stock shares, the employees of the controlled or subordinate company who meet certain conditions are entitled to subscribe shares.

Article 6: The total investment made by the Company may exceed 40% of the Company's paid-in capital, and the Company is allowed to make guarantees externally for peers.

Article 7: The stock certificates of the Company shall be nominal and issued after being signed or sealed by the directors on behalf of the Company and after being authenticated by the bank which is competent to certify shares under the laws pursuant to laws. The shares issued by the Company are exempted from printing stocks, and should be registered with the centralized securities depository institutions.

Article 8: The Company shall suspend the transfer of stocks sixty days prior to the shareholders' meeting, thirty days prior to the special shareholders' meeting, or five days prior to the record date for the distribution of dividends, bonuses or other interests.

Chapter III Shareholders' meeting

Article 9: Shareholders' meetings of the Company include the general shareholders' meetings and special shareholders' meetings. The general shareholders' meetings shall be convened once a year by the Board of Directors within six months after the close of each fiscal year pursuant to laws. The special shareholders' meetings may be convened at any time pursuant to laws, whenever it is necessary.

Article 10: A shareholder who is unavailable to attend a shareholders' meeting in person may appoint a proxy to attend the shareholders' meeting on his behalf, with power of attorney expressly

specifying the scope of the authorized powers. It is to be handled in accordance with the provisions of the Company Act and the “Regulations Governing the use of Proxies for Attendance at the Shareholder Meetings of Public Companies” issued by the competent authorities.

Article 11: A shareholder shall be entitled to one voting right for each share held by him/her, unless he meets any circumstances referred to in Article 179 of the Company Act.

Article 12: The resolutions of the shareholders meeting, unless otherwise regulated by law, shall be reached with the attendance of the shareholders that represent the majority of the shares issued, and with the consent of the attending shareholders that represent the majority of the voting rights.
Shareholders who exercise their voting rights by electronic means are deemed to be present in person, and their related matters are handled in accordance with the law.

Chapter IV Directors/Audit Committee

Article 13: The Company shall appoint 7~10 directors including no less than 3 independent directors who shall be no less than one-fifths of the whole directors, serving the term of office for 3 years and eligible for re-election. The nomination system for candidates is adopted in the election of directors. The provisions of the nomination system are handled in accordance with the provisions of Article 192-1 of the Company Act.

Article 13-1. The Company's Board of Directors shall convene the meeting at least for once per quarter. The causes for convening the meeting shall be specified in the written notice to be sent to all directors 7 days before the meeting. In the case of emergency, the meeting may be convened at any time. The Board of Directors may notify the convention of meeting in writing or vial fax or email.

Article 14: The Board of Directors shall consist of directors. A Chairman shall be elected from and among the directors upon approval of a majority of the directors presented at a meeting attended by more than two-thirds of the whole directors. The Chairman shall act on behalf of the Company externally. The duties of the Board of Directors:

1. Authorization of the long-term business policy.
2. Approval of important regulations and contracts.

3. Authorization of appointment/dismissal of managers.
4. Establishment and termination of important branches/divisions.
5. Authorization of budget and financial reports.
6. Proposal to the shareholders' meeting the motions to amend the Articles of Incorporation, change capital and dissolve or consolidate the Company.
7. Proposal to the shareholders' meeting the motions to allocate earnings or cover losses.
8. Resolution of other important motions.

Article 15: When the Chairman asks for leave or cannot exercise his powers for any reason, his proxy shall handle the matters in accordance with Article 208 of the Company Act.
If the director is unable to attend the board meeting for any reason, he may entrust other directors to act by proxy, but the representative is limited to be entrusted by a director only.

Article 16: For the remunerations of all directors, the Board of Directors is authorized to determine it according to their participation in and contribution to the Company's operations and by referring to the standards of the industry. The Company may purchase liability insurance for the directors during their office term according to the liability for the responsibility range.

Chapter V The management

Article 17: The Company may have one president, and several vice presidents. The appointment, removal and remuneration thereof shall be conducted in accordance with Article 29 of Company Act.

Chapter VI Accounting

Article 18: The Company shall, at the end of each fiscal year, have the Board of Directors had the following reports prepared and presented to the shareholders meeting for approval: (1) business report (2) financial statements (3) earnings distribution or loss compensation statement.

Article 19: If the Company retains profit at the end of year, it shall contribute 6%~10% thereof as the remuneration to employees. The remuneration may be paid in the form of stock or in cash subject to resolution made by the Board of Directors. The employees include those of parents or subsidiaries of the Company who meet

certain specific requirements. Meanwhile, the Company may contribute no more than 2% of said profit as the remuneration to directors subject to the resolution by the Board of Directors. The remuneration to employee and directors shall be reported in the shareholders meeting.

However, when the company still has accumulated losses, it should retain an amount to make up for the loss in advance, and then appropriate remuneration to employees and directors according to the ratio stated in the preceding paragraph.

Article 19-1.

If the Company has retained earnings according to its annual financial account, it may, after paying all taxes, and making up all past losses, set aside a 10% legal reserve, and a special reserve, if necessary, pursuant to laws, unless the reserve as allocated has attained the Company's paid-in capital. The remainder, if any, shall be provided as or reversed to special reserve pursuant to laws. The balance, if any, shall be included into the unappropriated accumulated earnings for prior year and allocated as bonus and dividends to shareholders based on the motion for allocation of earnings proposed by the Board of Directors as resolved by a shareholders' meeting.

Where the earnings referred to in the preceding paragraph are intended to be allocated in cash, the Board of Directors is authorized to allocate the same per special resolution and report it to a shareholders' meeting.

The Company's dividend policy is based on current and future development plans, considering the investment environment, capital needs, and domestic and international competition, and taking into account the interests of shareholders and other factors, in order to stabilize business development and protect investors' rights and interests. The dividends to shareholders can be in the form of cash dividend and/or stock dividend; also, the cash dividend is not less than 25% of the total dividend.

Article 19-1.

Where the Company incurs no loss, it may, pursuant to a resolution to be adopted by a shareholders' meeting as required by the Company Act, distribute new shares or cash, in whole or in part, from the legal reserve more than 25% of the paid-in capital and capital surplus which satisfies the Company Act. In the case of the distribution in cash, the Board of Directors is authorized to allocate the same per special resolution and report it to a shareholders' meeting.

Article 20: Any matters not covered herein shall be implemented in accordance with the Company Act.

Article 21: The Articles were enacted on August 19, 1982.
1st amendments hereto were made on September 2, 1982.
2nd amendments hereto were made on February 4, 1983.
3rd amendments hereto were made on May 18, 1984.
4th amendments hereto were made on August 12, 1985.
5th amendments hereto were made on July 1, 1986.
6th amendments hereto were made on November 7, 1986.
7th amendments hereto were made on July 31, 1987.
8th amendments hereto were made on October 23, 1987.
9th amendments hereto were made on November 6, 1987.
10th amendments hereto were made on June 29, 1988.
11th amendments hereto were made on March 2, 1990.
12th amendments hereto were made on October 18, 1990.
13th amendments hereto were made on December 18, 1990.
14th amendments hereto were made on October 30, 1991.
15th amendments hereto were made on June 4, 1994.
16th amendments hereto were made on October 29, 1994.
17th amendments hereto were made on November 10, 1994.
18th amendments hereto were made on April 11, 1995.
19th amendments hereto were made on May 10, 1997.
20th amendments hereto were made on May 11, 1998.
21st amendments hereto were made on June 7, 1999.
22nd amendments hereto were made on May 26, 2000.
23rd amendments hereto were made on May 16, 2001.
24th amendments hereto were made on May 20, 2002.
25th amendments hereto were made on May 27, 2003.
26th amendments hereto were made on October 31, 2003.
27th amendments hereto were made on May 27, 2004.
28th amendments hereto were made on June 10, 2005.
29th amendments hereto were made on June 9, 2006.
30th amendments hereto were made on June 10, 2009.
31st amendments hereto were made on June 18, 2010.
32nd amendments hereto were made on June 17, 2014.
33rd amendments hereto were made on June 16, 2015.
34th amendments hereto were made on June 14, 2016.
35th amendments hereto were made on June 22, 2017.
36th amendments hereto were made on June 12, 2018.
37th amendments hereto were made on June 19, 2019.

Appendix III

UNITED INTEGRATED SERVICES CO., LTD.

Director's shareholdings

- I. The Company's paid-in capital is NT\$1,905,866,980, and the issued shares total 190,580,698 shares.
- II. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratio at Public Companies," if more than two independent directors are elected, the shareholding ratio of all directors and supervisors that is calculated proportionally will be reduced to 80%. The Company's whole directors shall hold 11,435,201 shares in total pursuant to laws. The Company has an audit committee, and the regulation of supervisor share ownership does not apply to the Company.
- III. The list of individual or aggregated shareholding of the directors recoded on the shareholder roster until the book closure date of the general shareholders' meeting (March 30, 2020): Already satisfying the percentage required by laws.

Director's shareholdings

March 30, 2020

Job title	Name or Title	Shareholding	Shareholding ratio (%)
Chairman	C.S. Chen	2,902,434	1.52%
Director	Belle Lee	8,825,867	4.63%
Director	Benny Chen	1,888,840	0.99%
Director	Joseph Lee	186	0.00%
Director	Kuan-Ming Lin	0	0.00%
Independent Director	Kuo-Chi Tsai	0	0.00%
Independent Director	Ting Hou	0	0.00%
Independent Director	James Kao	0	0.00%
Shareholdings of all directors		13,617,327	7.14%