

# Internal Control System's Implementation Status

## Statement of Internal Control

### Tripod Technology Corporation

#### Statement of Internal Control

February 25<sup>th</sup>, 2021

The Company states the following for its internal control of 2020 according to self-evaluation results:

1. The Company understands that establishing, implementing and maintaining internal control system are the duties of the Company's board of directors and managers and the Company already established the system. The purpose is to provide reasonable assurance of the accomplishments of goals including the effect and efficiency of operations (including profits, performance and protecting asset safety), reliable, timely, transparent reports and compliance with related regulations.
2. The internal control system has its natural limitations. No matter how complete the design, effective internal control system also can only offer reasonable assurance for accomplishment for abovementioned three goals; also, with the changes of environment and condition, internal control system effectiveness may change accordingly. Nevertheless, the Company's internal control system features self-monitoring mechanism. Should errors be identified, the Company will immediately launch corrections.
3. The Company determines whether design and execution of internal control system are effective by items of the effectiveness of internal control system according to the rules of "Regulations Governing Establishment of Internal Control Systems by Public Companies" (The Regulations). The determining items of the internal control system of the Regulations are the procedure of management control, dividing the system into five factors: 1. Control environment, 2. Risk evaluation, 3. Control operation, 4. Information and communication and 5. Monitoring operation. Each factor includes several items. The aforementioned items are explained in the rules of The Regulations.
4. The Company already adopts the above internal control system determining items to evaluate internal control system design and execution effectiveness.
5. Based on the previous evaluation results, the Company regards the internal control system of December 31<sup>st</sup>, 2020 (including monitoring and management of subsidiaries) including the accomplishments of goals and reports of the effect and efficiency of operations are reliable, timely, transparent and internal control system design and execution compliant with related regulation are effective and can reasonably ensure that the above goals can be reached.
6. The Statement will become the major content of the Company's annual report and prospectus while is made public. The aforementioned public content, if bearing any falsehood or hiding any illegal matters, will carry legal responsibilities ruled by provisions under Article 20, 32, 171 and 174 of Securities and Exchange Act.
7. The Statement was passed by the board of directors meeting in February 25<sup>th</sup>, 2021, with 10 attending directors all agreeing the content of the Statement.

Tripod Technology Corporation  
Chairperson: Jing-Chun Wang  
President: Jing-Chun Wang