

Operation of the Audit Committee:

1. The term of the Company's previous Audit Committee is expired on August 4, 2021 and a by-election was conducted on the same date.
2. The Audit Committee have convened 6 (A) meetings in the most recent year, with the attendance by independent directors as follows:

Title	Name	Actual Attendances (B)	Frequency of Proxy Attendance	Actual Attendance Rate (%) [B/A] (Notes 1 & 2)	Remarks
Ind. Director	Chen Shui-Jin	6	-	100%	Re-elected
Ind. Director	Chen Jian-Nan	5	1	83%	Re-elected
Ind. Director	Li Zong-Ying	3	-	100%	Incumbent (Note 3)
Ind. Director	Chuang Wen-Jing	3	-	100%	Incumbent (Note 3)
Ind. Director	Tsai Wu-Ying	3	-	100%	New (Note 4)
Ind. Director	Lei Shin-Jung	3	-	100%	New (Note 4)

Other Matters for Recordation:

1. Where there is any of the following circumstances in the operation of the audit committee, Date of Audit Committee Meeting, Period, Proposal Contents、Independent Director Objections, Reservations or Material Suggestions, Resolutions by the Audit Committee and Handling of Audit Committee Opinions by the Company shall be specified.

(1) Matters as prescribed in Article 14-5 of the Securities and Exchange Act:

Date of Audit Committee Meeting	Proposal Contents	Resolutions by the Audit Committee	Handling of Audit Committee Opinions by the Company
2021.03.25	<ol style="list-style-type: none"> 1. To review the Company's 2020 Business Report. 2. To review the Company's 2020 Standalone and Consolidated Financial Reports. 3. To review the Company's 2020 Earnings Distribution. 4. To review the Company's 2020 "Internal Control System Statement". 5. To review Loaning of Funds by the Company and its Subsidiaries. 6. To review the Company's CPA Independence and Suitability Evaluation. 7. To review the Company's CPA Professional Charge in 2021. 8. To review the Changes in the Company's Accounting Manager. 9. To review the loans of MERIDA Bicycle (CHINA) Co., Ltd. under commission to MERIDA Bicycle (Jiangsu) Co., Ltd. 	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.03.25.
2021.05.11	<ol style="list-style-type: none"> 1. To review Loaning of Funds by the Company and its Subsidiaries. 2. To review acquisition of assets by the Company's subsidiary Merida & Centurion Germany GmbH. 	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.05.11.
2021.06.29	<ol style="list-style-type: none"> 1. To review Loaning of Funds by the Company and its Subsidiaries. 2. To review the Increase in Ceilings of Endorsement and Guarantees by the Company to subsidy Merida Bike Ltd. 	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.06.29.

Date of Audit Committee Meeting	Proposal Contents	Resolutions by the Audit Committee	Handling of Audit Committee Opinions by the Company
2021.08.12	1. To review Loaning of Funds by the Company and its Subsidiaries. ° 2. To review the Company's Finance Manager Changes.	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.08.12.
2021.08.24	1. To review Loaning of Funds by the Company and its Subsidiaries. ° 2. Credits by Fubon Bank (China) Co., Ltd. Suzhou Branch to the Company's Reinvestment Business. 3. The Company's intention to make endorsements and guarantees to MERIDA Bicycle (Jiangsu) Co., Ltd.	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.08.24.
2021.11.11	1. To review Loaning of Funds by the Company and its Subsidiaries. ° 2. To review the Company's Planning of Annual Audit Plans for 2022. 3. To review the Company's intention to make endorsements and guarantees to MERIDA Bicycle (Jiangsu) Co., Ltd. 4. To review loans of MERIDA Bicycle (Shandong) Co., Ltd. under commission to MERIDA Bicycle (Jiangsu) Co., Ltd.	Adopted by all attending members (Independent Director Objections or Reservations: None)	Adopted by all attending directors in the Board meeting on 2021.11.11.

(2) Other matters yet to be adopted by the Audit Committee but approved by two-third of all directors through resolution other than foregoing matters: None.

2. Concerning implementation of recusals from proposals which an independent director is a stakeholder, Name of Independent Directors, Proposal Contents, Reason for Required Recusal and Participation in Voting: None.
3. Communications between Independent Directors and Internal Audit Supervisors and Accountants (shall include material matters, and methods and results thereof concerning the Company's financial and business situations):

Date of Communication Meeting	Proposal Contents	Communication Method	Communication Result
2021.03.25	1. Explanations on Scope of Annual Audit. 2. In response to the COVID-19 pandemic, inventory check and financial statements audit to subsidiaries in Mainland China shall be handled in accordance with the Guidelines on the Matters of Notice under the Adoption of Remote Working Model issued by Securities and Futures Bureau, Financial Supervisory Commission. 3. Audit Results and Adjustments to the Company's 2020 Annual Financial Report. 4. Recent Regulations Update-Corporate Governance 3.0. 5. Explanations on 2020 Key Audit Matters (KAM)	Presentations and Discussions	Acknowledged with no further opinions.

2021.11.11	<ol style="list-style-type: none"> 1. Brief Introduction of Audit Team. 2. Explanations on Merida Group Investment Framework. 3. Review Results and Adjustments to the Company's Q3 2020 Financial Report. 4. Explanations on the Scope and Manners Adopted in Audits to Merida Group by Deloitte. 5. Evaluation in Matters of Fraud. 6. Explanations on Identification of Significant Risks. 7. Explanations on Key Audit Matters. 8. CPA Independence Statement. 	Presentations and Discussions	Acknowledged with no further opinions.
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Note 1: If an independent director has resigned before the end of the year, the date of resignation shall be indicated in the remarks column. The actual attendance rate (%) shall be calculated by the number of meetings held by the Audit Committee throughout his/her term and his/her actual attendance.

Note 2: If there is a by-election of independent directors, the new or incumbent independent directors shall be listed, and the status the independent directors being incumbent, new, or the date the independent director has been re-elected and the date of by-election shall be indicated in the remarks column. The actual attendance rate (%) shall be calculated by the number of meetings held by the Audit Committee throughout his/her term and his/her actual attendance.

Note 3: Independent directors Li Zong-Ying and Chuang Wen-Jing: discharged on August 4, 2021.

Note 4: Independent directors Tsai Wu-Ying and Lei Shin-Jung: assumed office on August 4, 2021.