

Taiwan Fructose Co., Ltd.

Handbook for the 2021 Annual Meeting of Shareholders

Meeting Handbook

(Translation)

Notice to readers

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

MEETING TIME: June 24, 2021

PLACE: No.75, Ln.1156 Nanqing Rd., Luzhu Dist., Taoyuan City,

Taiwan. (Administrative Building 1F)

Taiwan Fructose Co., Ltd.

Procedure for the 2021 Annual Meeting of Shareholders

Call the Meeting to Order and Chairperson Remarks

A. Report Items

B. Adoption Items

C. Discussion Items

D. Other Proposals and Extemporaneous Motions

E. Adjournment

Taiwan Fructose Co., Ltd.

Year 2021

Agenda of Annual Meeting of Shareholders

Time: 9:00 a.m., Tuesday, June 24, 2021

Place: No.75, Ln. 1156, Nanqing Rd., Luzhu Dist., Taoyuan City, Taiwan

A. The agenda for the Meeting are as follows:

(1) Report Items:

(a) Business Report of 2020.

(b) Audit committee's Review Report on the 2020 Financial Statements.

(c) The Directors' and employees' remuneration of 2020.

(d) Execution status of Treasury stocks transferring in latest year.

(e) Amendment to the Code of Ethical Conduct.

(2) Matters for Ratification:

(a) 2020 Business Report and Financial Statements.

(b) Distribution of 2020 profits.

(3) Matters for Discussion:

(a) Amendment to the Articles of Incorporation.

(b) Amendment to the Rules and Procedures of Shareholders' Meeting.

(4) Other proposals and Extemporary motions:

(5) Adjournment:

A. Report Items

Item 1:

Business Report of 2020.

Description:

- (1) The Company's Net Operating Revenue was NT\$3,897,342 thousand dollar in 2020, an increase of NT\$211,751 thousand dollar (5.1%) from NT\$4,109,093 thousand dollar in 2019. Due to the increased in international raw materials, the gross profit rate drop, and profit after tax was NT\$218,959 thousand dollar which was decrease of 80.8% compared with the 2019 (NT\$121,058 thousand dollar).
- (2) The 2020 Business Report please refer to Attachment 1.

Item 2:

Audit committee's Review Report on the 2020 Financial Statements.

Description:

- (1) The 2020 Financial Statements were reviewed by Audit committee and approved by the Board of Directors. According to the Company act, it is not ineligible.
- (2) The 2020 Audit committee's Review Report please refer to Attachment 2.
- (3) Request Audit committee's convener to read audit report.

Item 3:

The Directors' and employees' remuneration of 2020.

Description:

- (1) It is processed in accordance with the Article 27 of "Articles of Incorporation" of the Company, over 2% of thereof should be set aside as employee compensation, and less than 2% set aside as compensation for the Directors and Supervisors.
- (2) The Board of Directors of the Company resolved that NT\$ 4,207,482 of Directors' remuneration and NT\$ 4,207,488 of employees' remuneration will be distributed by cash.

Item 4:

Execution status of Treasury stocks transferring in latest year.

Description:

The Company completed a share purchase program in lastest year:

- (1) Date of Board resolution: 2020/3/16
- (2) Purpose of the buyback: To maintain the Company's credit and shareholder's

equity.

- (3) Buyback period: 2020/3/17~2020/5/15
- (4) Number of shares bought back: 10,838,000
- (5) Number of shares bought back as a percentage of total outstanding shares:
6.27%
- (6) Total value of shares bought back: NT\$ 110,949,616
- (7) The average buyback price per share: NT\$ 10.24
- (8) Number of shares cancelled: 10,838,000

Item 5:

Amendment on the Ethical of Conduct.

Description:

- (1) Amend according to the OTC letter No.10900582661 on June 12, 2020.
- (2) Amend Article 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, and 14 of the Ethical of Conduct.
- (3) The full regulation please refer to Appendix 1.

B. Adoption Items

Proposal 1:

Adoption of the Company's 2020 Business Report, Financial Statements and Consolidated Financial Statements.

(Proposed by the Board of Directors)

Description:

- (1) The Business report, financial statements and consolidated financial statements of the Company for the year of 2020 have been approved by the Board of Directors and subsequently examined by Audit committee.
- (2) The Business Report and Financial Statements and Consolidated Financial Statements please refer to Attachment 1.

Resolution:

Proposal 2:

Adoption of the Company's Distribution of 2020 Profits.

(Proposed by the Board of Directors)

Description:

- (1) The Company's Distribution of 2020 Profits please refer to Attachment 3.
- (2) Taiwan Fructose Co., Ltd. The proposed cash dividend to shareholders is NT\$ 105,359,041 (equivalent to NT\$0.65 per share). Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date, payment date, and other relevant issues.
- (3) In the event that, before the distribution record date, the proposed profit distribution is affected by an amendment to relevant laws or regulations, a request by the competent authorities, or a buyback of shares or issuance of new shares for transferring treasury shares to employees or for equity conversion in connection with domestic or overseas convertible corporate bonds or other convertible securities or employee stock options, it is proposed that the Board of Directors be authorized to adjust the cash to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.

Resolution:

C. Discussion Items

Proposal 1:

Amendment to the Articles of Incorporation.

(Proposed by the Board of Directors)

Description:

- (1) In accordance with the provisions of the Company Act No.240, authorized Board of Directors with more than 2/3 attend the meeting and half of the directors agree the distribution of year profit may distribute as cash dividend, and report on the shareholder meeting.
- (2) Amend according to the Securities and Exchange Law NO. 41 and the Financial Supervisory Commission letter No.1090150022 and 10901500221, amend the dividend policy of special surplus reserve.
- (3) The Company hereby proposes to amend Article 5, 27-1, and 29 of the Articles of Incorporation.
- (4) The full regulation please refer to Appendix 1.

Resolution:

Proposal 2:

Amendment to the Rules and Procedures of Shareholders' Meeting.

(Proposed by the Board of Directors)

Description:

- (1) Amend according to the OTC letter No.11000519042 on February 9, 2021.
- (2) The Company hereby proposes to amend Article 4, 9, 22, and 23 of the Rules and Procedures of shareholders' meeting.
- (3) The full regulation please refer to Appendix 2.

Resolution:

E. Other Proposals and Extemporaneous Motions

F. Adjournment

2020 Business Report

(1) 2020 Business Plan Implementation Results

(Unit: NTD thousand dollar)

Project	2020	2019	Difference	Variation(%)
Sales	3,897,342	4,109,093	(211,751)	(5.15)%
Cost of Sales	(3,320,076)	(3,683,768)	363,692	9.87%
Gross profit	577,266	425,325	151,941	35.72%
Total Operating expenses	(275,873)	(253,988)	(21,885)	(8.62)%
Net operating profit	301,393	171,337	130,056	75.91%
Other non-operating income and expenses	11,050	(40,822)	51,872	127.07%
Pre-Tax Income	312,443	130,515	181,928	139.39%
Income Tax Expense	(93,484)	(9,457)	(84,027)	(888.51)%
Annual net profit	218,959	121,058	97,901	80.87%

(2) 2020 Budget Implementation Status

(Unit: NTD thousand dollar)

Project	2020	2020Budget	Achievement rate (%)
Sales	3,897,342	4,559,839	85%
Cost of Sales	-3,220,076	-3,998,121	83%
Gross profit	577,266	561,718	102%
Total Operating expenses	-275,873	-273,256	101%
Net operating profit	301,393	288,462	104%
Other non-operating income and expenses	11,050	-35,924	131%
Pre-Tax Income	312,443	252,538	124%
Income Tax Expense	-93,484	-50,538	185%
Annual net profit	218,959	202,000	108%

(3) Financial revenue and expenditure as well as profitability analysis.

Annual Analysis Project		Financial analysis	
		2020	2019
Capital structure analysis	Current ratio (%)	157.03%	162.44%
	Debts ratio (%)	47.68%	45.55%
	Long term funds to fixed assets (%)	151.13%	145.65%
Profitability	Shareholders' return on equity (%)	8.01%	4.51%
	Per-tax income to capital (%)	18.61%	7.29%
	Rate of return (%)	5.61%	2.94%
	Basic earnings per share (NTD)	0.92	0.39

Taiwan Fructose Co., Ltd.

Audit Committee's Review Report

Submitted for Approval

The Board of Directors has formulated and submitted the 2020 Business Report, Financial Report, Surplus Distribution Case Report, and Consolidated Finance Statement whereby the audit of the Balance Sheet, Consolidated Income Statement, Equity Change Table, Cash Flow Statement, and Consolidated Financial Statement have been completed by the Audit committee to ensure there are no inconsistencies. The formulation of this report therefore conforms to the provisions provided by the Securities Exchange Act No.14-4 and Article 219 of the Company Act.

Please Review

Respectfully submitted,

Taiwan Fructose 2021 General Shareholders' Meeting

Audit Committee Convener CHEN, CHIH-JANG

March 29, 2021

Taiwan Fructose Co. Ltd 2020 Profit Distribution Table		
		Unit: NT\$
Beginning retained earnings		29,953,068
Plus: Current period net profit after tax		151,566,289
Other consolidated income	(241,535)	
Surplus available for distribution	(36,167,098)	
subtracted : Distribution items		
1. Legal reserve (10%)	(15,132,475)	
Opening undistributed earnings& undistributed earnings		129,978,249
subtracted :		
cash dividend (NT\$0.65 per share)*162,090,832 (share)	(105,359,041)	
Unappropriated retained earnings		24,619,208

Taiwan Fructose Co., Ltd.

Codes of Ethical Conduct

Article 1 Purpose

In order to guide the behavior of the Company's directors and managers to comply with ethical standards, and to enable the Company's stakeholders to better understand the Company's ethical standards, these guidelines have been formulated to facilitate compliance.

Article 2

Directors and managers of the company (including general managers or their equivalents, assistant general managers or their equivalents, deputy assistant general managers or their equivalents, chief financial and chief accounting officers, and other persons authorized to manage affairs and sign documents on behalf of a company) should act in line with ethical standards.

Article 3 Prevention of conflicts of interest

The directors and managers of the company should handle official duties in an objective and efficient manner, and are not allowed to take up positions, but intend to obtain improper benefits for themselves, their spouses or relatives within their second degree of kinship.

If the Company and the aforementioned personnel or their affiliated companies have fund loans, endorsement guarantees, major asset transactions, or purchases and sales transactions, they shall follow the Company's "Procedures for loaning of Funds" and "Procedures for Making Endorsement and Guarantee" and "Procedures of the Acquisition and Disposal of Assets".

Article 4 Minimizing incentives to pursue personal gain

The directors and managers of the company should avoid the following behaviors through the use of the company's property, information or the convenience of their duties:

- (1) Seeking an opportunity to pursue personal gain by using company property or information or taking advantage of their positions.
- (2) Obtaining personal gain by using company property or information or taking advantage of their positions.

(3) Compete with the company.

The directors and managers of the company are responsible for maintaining or increasing the legitimate interests that the Company can obtain.

Article 5 Confidentiality

The directors and managers of the company shall be bound by the obligation to maintain the confidentiality of any information regarding the Company itself or its suppliers and customers, except when authorized or required by law to disclose such information.

Confidential information includes any undisclosed information that, if exploited by a competitor or disclosed, could result in damage to the company or the suppliers and customers.

Article 6 Fair trade

The directors and managers of the company shall treat all suppliers and customers, competitors, and employees fairly, and may not obtain improper benefits through manipulation, nondisclosure, or misuse of the information learned by virtue of their positions, or through misrepresentation of important matters, or through other unfair trading practices.

Article 7 Safe guarding and proper use of company assets

The directors and managers of the company have the responsibility to safeguard company assets and to ensure that they can be effectively and lawfully used for official business purposes; any theft, negligence in care, or waste of the assets will all directly impact the company's profitability.

Article 8 Legal compliance

The company shall strengthen its compliance with the Securities and Exchange Act and other applicable laws, regulations, and by laws.

Article 9 Encourage reporting of any illegal or unethical activities

The company shall raise awareness of ethics internally and encourage employees to report to the audit committee, manager, internal audit supervisor or other appropriate individual upon suspicion or discovery of any activity in violation of a law or regulation or the code of ethical conduct.

To encourage employees to report illegal conduct, the company shall establish a concrete whistle-blowing system and make employees aware that the company will use its best efforts to ensure the safety of informants and protect them from reprisals.

Article 10 Disciplinary measures

When the directors and managers of the company violate this code, the company shall handle the matter in accordance with the disciplinary measures prescribed in the code, and shall without delay disclose on the Market Observation Post System (MOPS) the date of the violation by the violator, reasons for the violation, the provisions of the code violated, and the disciplinary actions taken. It is advisable that the company establish a relevant complaint system to provide the violator with remedies.

Article 11

(delete)

Article 12 Procedure for exemption

The code of ethical conduct adopted by a company must require that any exemption for directors, supervisors, or managerial officers from compliance with the code be adopted by a resolution of the board of directors, and that information on the date on which the board of directors adopted the resolution for exemption, objections or reservations of independent directors, and the period of, reasons for, and principles behind the application of the exemption be disclosed without delay on the MOPS, in order that the shareholders may evaluate the appropriateness of the board resolution to forestall any arbitrary or dubious exemption from the code, and to safeguard the interests of the company by ensuring appropriate mechanisms for controlling any circumstance under which such an exemption occurs.

Article 13

The Company shall disclose the code of ethical conduct it has adopted, and any amendments to it, on the Company's website, annual reports and prospectuses and on the MOPS.

Article 14

This standard should be implemented after amend by the board, and submitted to the shareholders' meeting.

The rules were enacted on March 3, 2014.

The 1st amendment was made on March 25, 2015.

The 2nd amendment was made on May 12, 2021.

Taiwan Fructose Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

Article 1

The Company is incorporated as a company limited by shares under the Company Act, and its name is Taiwan Fructose Co., Ltd.

Article 2

The Company is engaged in the following businesses:

1. Manufacturing, processing and trading of starch, maltose, glucose, fructose, and new compound syrup;
2. Manufacturing, processing and trading of dairy products, ice products, confectionery, biscuits, frozen foods, and dehydrated foods;
3. Manufacturing, processing and trading of canned foods, fruit juices, jams, fruits, vegetables, and quail foods;
4. CA02060 Metal Containers Manufacturing;
5. CC01060 Wired Communication Equipment and Apparatus Manufacturing;
6. CC01070 Telecommunication Equipment and Apparatus Manufacturing;
7. CC01080 Electronic Parts and Components Manufacturing;
8. CD01030 Automobiles and Parts Manufacturing;
9. Import and export trading business of previous products and raw materials (excluding futures).
10. Operation of farms, fishing farms, playgrounds, supermarkets, and hotel restaurants.
11. A102060 Grain Commerce
12. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The aggregate total of outward investment by the Company is free of the 40% of the Company's paid-in capital as set forth under Article 13 of the Company Act.

Article 4

The Company applies for external guarantees and endorsements of bills to the

company organization, and is limited to the business needs of the Company and the invested company's operating projects, or the inter-bank guarantee business.

Article 5

The corporation shall have its head office in Taoyuan city, and may have branches or offices established abroad appropriate as resolved by the Board of Directors.

Chapter 2 Shares

Article 6

Public announcements of the Corporation shall be duly made according to related laws.

Article 7

The total capital of the Company is NT\$2,000,000,000 (consisting of 200,000,000 shares at NT\$10 per share). The shares are issued in installments.

Article 8

Stocks issued by the Company are not required to be printed. However the corporation shall contact the securities depository and custodian institution for registration of the share certificates.

Article 9

The Company's shareholder services shall performed according to the Criteria Governing Handling of Stock Affairs by Public Stock Companies law and related laws.

Article 10

Transfer of title for stocks shall be suspended within sixty days prior to the regular shareholder's meeting; or within thirty days prior to the special shareholder's meeting; or within five days prior to the base date determined for the distribution of dividends, bonus, or other benefits.

Chapter 3 Shareholder's Meeting

Article 11

Shareholders' meeting shall be of two types: regular meeting and special meeting. Regular meeting shall be convened within six months after the close of each fiscal year. Special meeting shall be convened in accordance with the related laws if necessary.

Article 12

In case a shareholder is unable to attend a shareholders' meeting, the shareholder may issue a proxy form to appoint a proxy on his/her behalf to attend such meeting in accordance with Article 177 of the Company Act. Any other matters should be handled in accordance with the Regulations Governing the use of Proxies for Attendance at shareholder Meeting of Public Companies.

Article 13

Each share of stock shall be entitled to one vote.

Article 14

Any resolution at a shareholders' meeting shall be adopted if voted in favor by the majority of votes at a shareholders' meeting at which shareholders of more than one-half of the total issued and outstanding shares are present.

Article 15

The chairman of the shareholders' meeting shall preside in accordance with Article 128-1 and Article 208 of the Company Act.

Article 16

The resolutions of the shareholders' meeting shall be recorded in the minutes, and such minutes shall be signed by the chairman of the meeting, then distributed to every shareholder within 20 days after the meeting. The distributed can be made by way of public announcement. The minutes must detail the date and venue of the meeting, the name of the chairman and the summary and results of meeting agendas. The minutes must be retained indefinitely. Shareholders' attendance sheets and proxy forms shall be retained as required by the relevant Laws.

Chapter 4 Directors and the Audit Committee**Article 17**

The Company shall have a total of 9 Directors (including 3 independent Directors), who shall be elected by the shareholders' meeting from those with disposing capacity for a term of 3 years.

Directors shall be elected by adopting candidate nomination systems as specified in Article 192-1 of the Company Act.

Article 17-1

In accordance with Article 14-4 of the Securities and Exchange Act, Taiwan Fructose Co. may establish the independent Board Committee organized by the Independent Directors. Duties, meeting rules, and other matters to be complied with the audit committee should be handled in accordance with relevant laws and the procedures of the audit committee should be established by the Board of Directors.

Article 18

The resolutions of the Board, unless otherwise required by The Company Act, shall be resolved by a simple majority of the Directors at a Board meeting attended by at least 50% of all the Directors. If the Chairman absence for reasons can't attend to the shareholders' meeting, the Chairman of the Board of Directors need to appoint a representative chairman to convene the shareholders' meeting.

Article 19

In case the Chairman of the Board of Directors absence for reasons can't attend to the shareholders' meeting to exercise his power and authority for any cause, a designate shall be selected according to Article 208 of the Company Act.

Article 20

The Board of Directors exercises the following authorities:

1. Drafts the Company's business strategies and plans.
2. Drafts the Company's earnings appropriation proposals.
3. Decides the increase/decrease of raised capital.
4. Approval of major policies within The Company.
5. Dismissal of company managers and important personnel.
6. Subsidiaries setting and abolition.
7. Preparation of budget review and final accounts.
8. Other legally mandated rules and authority conferred by the shareholders' meeting.

Article 21

(Deleted)

Article 22

Over half of the Directors shall attend a Board of Directors meeting unless otherwise provided by the Company Act, and consent shall be passed by the majority of the attending Directors. If a Director cannot attend, the Director shall issue a power of attorney and list the scope or authorization for the convening matter to entrust

other Directors to attend by proxy. However, one proxy may only attend on behalf of one absentee.

Article 23

(Deleted)

Article 24

Where all Directors attend the Company's duties, the Company shall pay them with remuneration disregarding whether the Company operates at a profit or loss. The amount of the remuneration shall be duly determined with reference to the extent of their contribution and also with reference to the rate normally prevalent in the horizontal trades.

Article 25

The Company may set up managerial officers who shall be duly appointed, discharged and paid in accordance with Article 29 of the Company Act.

Chapter 5 Accounting

Article 26

The fiscal year of the Company shall be from January 1 to December 31 of each year. After the end of each fiscal year, the following reports shall be prepared by the Board of Directors, which deliver the same to the Audit Committee for 30 days before the convention of the general shareholders' meeting, and such documents, as well as the audit report made by the Audit Committee, shall be submitted to the general shareholders' meeting for acceptance.

1. Business Report.
2. Financial statement.
3. Earnings distribution or loss reimbursement proposal.

Article 27

If the Company makes profits for current year, over 2% shall be set aside as compensation for employees, and less than 2% as compensation for Directors and supervisors.

1. The resolution shall be adopted by a majority vote at a meeting of the Board of Directors attend by at least two-third of the total number of Directors and submitted to the shareholders' meeting.
2. The employee remuneration issuance results shall be reported to the shareholders' meeting.

3. Employees may be compensated in shares or in cash. Employees who qualify for compensation may include those of the Company's subsidiaries who meet specific criteria.

Article 27-1

After paying taxes in accordance with the law and making up for the accumulated losses, 10% will be added to the statutory surplus reserve, and the special surplus reserve shall be set aside or reverted to the special surplus reserve in accordance with Article 41 of the Securities and Exchange Law.

If there is a balance, the same shall be accumulated after undistributed surplus, the board of directors drafts a surplus distribution plan; when dividends and bonuses are distributed by issuing new shares, they should be distributed after the resolution of the shareholders' meeting; when dividends and bonuses are distributed by cash, in accordance with Article 240, Item 5 of the Company Act, It is required to authorize the board of directors to attend the meeting of more than two-thirds of the directors and the resolutions of more than half of the directors present and then submitted to the annual shareholders' meeting.

The company's dividend policy, in order to cope with business expansion and consider the company's capital expenditures and operating turnover needs, a residual dividend policy is adopted. The future dividend policy is based on the principle that not less than 40% of the distributable surplus of the current year is the principle, but the distributable surplus is less than 2% of the paid-in share capital will not be distributed; the company's future capital expenditure budget will measure the capital needs and take into account For the interests of shareholders, the distribution of surpluses can be made in the form of cash dividends or stock dividends, in which the cash dividends shall not be less than 10% of the total dividends.

Chapter 6 Additional Rules

Article 28

For matters not specified in the Articles, all must comply with the Company Act.

Article 29

These Articles were enacted on June 27, 1984.

The 1st amendment was made on July 17, 1984.

The 2nd amendment was made on April 18, 1987.

The 3rd amendment was made on October 24, 1987.

The 4th amendment was made on November 28, 1989.

The 5th amendment was made on July 24, 1990.

The 6th amendment was made on June 29, 1991.
The 7th amendment was made on May 26, 1922.
The 8th amendment was made on June 24, 1995.
The 9th amendment was made on December 12, 1995.
The 10th amendment was made on June 22, 1996.
The 11th amendment was made on December 12, 1998.
The 12th amendment was made on June 15, 2000.
The 13th amendment was made on June 22, 2001.
The 14th amendment was made on May 30, 2002.
The 15th amendment was made on June 12, 2003.
The 16th amendment was made on June 15, 2006
The 17th amendment was made on January 16, 2007.
The 18th amendment was made on June 11, 2008.
The 19th amendment was made on June 26, 2009.
The 20th amendment was made on June 15, 2010.
The 21st amendment was made on June 15, 2011
The 22nd amendment was made on June 5, 2012.
The 23rd amendment was made on June 25, 2013.
The 24th amendment was made on June 16, 2014.
The 25th amendment was made on June 25, 2015.
The 26th amendment was made on June 24, 2016.
The 27th amendment was made on June 27, 2019.
The 28th amendment was made on June 23, 2020.
The 29th amendment was made on June 24, 2021.

Taiwan Fructose Co., Ltd.

Rules and Procedures of Shareholders' Meeting

Article 1

Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures. Any matters not provided in these Rules and Procedures shall be handled in accordance with relevant Laws.

Article 2

The Meeting admission time shall be at least thirty minutes before the Meeting session; it shall be clearly indicated at the admission place and with the qualified personnel to handle it.

Article 3

Voting right can be exercised through electronic methods when the Meeting is convened. Instruction for exercising voting right through electronic methods must be clearly stated in the notification of shareholders' meeting notice.

Shareholders who have voted through electronic methods are considered to have attended the Meeting.

However, the amendment or replacement of the extemporary motion and the original motion of the Meeting shall be deemed as abstentions.

Shareholders shall attend the Meeting with an attendance certificate, attendance card, or other proof of attendance; those acting as proxies shall bring their identification cards for confirmation.

Attendance of the Meeting should be calculated on the basis of number of shares. The number of shares represented during the Meeting is calculated based on the amount registered in the attendance log or the attendance cards collected, plus the amount of shares whose voting rights are exercised through proxy forms or electronic methods.

Article 4

The Company shall hand over the Meeting agenda handbooks, annual reports, participation certification, speech notes, votes and other supporting data for the Meeting to the participating shareholders and shall further provide them with election ballots in case of election of Directors.

Election or dismissal of Directors, amendments to the articles of incorporation, the

dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

A shareholder who holds over 1% of the total outstanding shares may pose proposal to the Company's shareholders' regular meeting provided, that one shareholder may propose only one issue. The issue(s) more than one shall not be entered into the agenda. The Board of Directors may not take an issue posed by a shareholder into the agenda if such issue proves falling within those enumerated under Paragraph 4 of Article 172-1 of the Company Act.

The Company shall promulgate acceptance of proposals from shareholders, location of acceptance and duration of acceptance prior to share transfer and prior to convening of the shareholders' meeting.

The duration to accept proposals shall not be shorter than the minimum of 10 days.

Article 5

With regard to the authorization proxy to attend the Meeting, shareholders may follow the regulations of Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies and the Company Act.

Article 6

The chairman of the Board of Directors shall convened the Meeting, if the chairman of the Board of Directors absence for reason, can't attend to the Meeting, the chairman of the Board of Directors need to appoint a representative chairman to convene the Meeting in accordance with the Company Act.

The Meeting shall have more than one half of all Board of Directors plus at least one member respective functional committees attend the Meetings and document their attendance in the Meeting.

Article 7

The Company may appoint the Attorney-at-law, Certified Public Accountant or the relevant personnel to participate in the Meeting.

The staff members for the Meeting shall wear identity certificates or armbands.

Article 8

The Company shall continuously and uninterruptedly record the whole process of the shareholders' report, the progress of the Meeting, and the voting process from

the time when the shareholders' report is accepted.

Article 9

Chairman shall call the Meeting to order at the time scheduled for the Meeting and shall announce relevant information such as the number of non-voting rights and the number of shares present. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponed shall not longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the outstanding shares, tentative resolutions may be made in accordance with Paragraph 1 of Article 175 of the Company Act.

If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.

Article 10

The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda.

The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting. Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motion) listed in the agenda are resolved. The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned.

Article 11

When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholders' number (or the number of Attendance card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.

If any shareholder present at the Meeting submits a speech note but doesn't speak, no speech should be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the speech note, the contents of actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no

shareholder shall interrupt the speeches of other shareholders, otherwise the chairman shall stop such interruption.

Article 12

Unless otherwise permitted by the chairman, each shareholder shall not speak more than two times (each time not exceeding 5 minutes) for each discussion item. In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.

Article 13

For corporate shareholders who have appointed two or more representatives to attend the Meeting, only one representative may speak per agenda.

Article 14

The chairman may have the speech of the shareholder responded in person or by the designated personnel.

Article 15

The chairman may announce to end the discussion of any resolution and go into voting if the chairman deems it appropriate.

Article 16

The chairman shall appoint several scrutineers each to check and record the ballots. The scrutineers shall be a shareholder. The result of voting shall be announced at the Meeting and placed on record.

Article 17

The chairman may set time for intermission at his discretion during the Meeting.

Article 18

Except otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.

Article 19

If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the

substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

Article 20

The chairman may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary officers" for identification purpose.

Article 21

The proposal is passed in the Meeting by the shareholders represented a majority of the balloting rights. The chairman or the designated personnel are to announce the total number of balloting rights of the shareholders presented at the time of balloting. The result of the votes of approval, objection, or waiver casted by shareholders will be posted on the MOPS (Market Observation Post System) at the end of the Meeting.

Article 22

The resolutions of the shareholders' meeting shall be recorded in the minutes which shall be signed or stamped by the chairman, and distributed to the shareholders within 20 days after the meeting. The minutes may be worked out and distributed in electronic means.

For the distribution of the minutes, the Company may reserves the way to enter the Market Observation Post System.

The minutes should confirm the year, month, day, place, name of the chairman, method of resolution, the method of passing and voting results. When there are elections of directors, they should be disclosed. The number of voting rights of the candidate and the unsuccessful candidate should be list and the number of voting rights obtained.

During the existence of the Company, the minutes should be kept forever.

Article 23

The rules and any amendments hereto shall be implemented after being approved by the shareholders' meeting.

These rules were enacted on June 29, 1991.

The 1st amendment was made on June 24, 1995.

The 2nd amendment was made on December 12, 1988.

The 3rd amendment was made on May 30, 2002.

The 4th amendment was made on June 5, 2012.

The 5th amendment was made on June 35, 2013.

The 6th amendment was made on June 25, 2015.

The 7th amendment was made on June 22, 2017.

The 8th amendment was made on June 23, 2020.

The 9th amendment was made on June 24, 2021.

Shareholding Status for all Directors

- (1) The Company has a paid-up capital of \$2,000,000,000; issued in 162,090,832.
- (2) The minimum shareholding of the Company's Board of Directors is 9,725,450 shares (6%).
- (3) The shareholding of the Directors and supervisors in the shareholder registry on the cut-off date of the shareholders' meeting:

April 30, 2021

Title	Name	Election date	Term of office	Number of shares held (shares)	Shareholding percentage (%)
Chairman	KANG,YUNG-MING	109.06.23	3 years	0	0
Director	KANG,CHIH-LIANG	109.06.23	3 years	3,900,486	2.41%
Director	LEE, CHIN-CHIN	109.06.23	3 years	0	0
Director	Liu Shun Industrial Co., Ltd. Representative: KANG, LI TSO HUI	109.06.23	3 years	32,907,446	20.30%
Director	MA, YUNG-CHIEN	109.06.23	3 years	704,092	0.43%
Director	CHANG, KEN-TENG	109.06.23	3 years	0	0
Independent Director	CHAN, I-YAO	109.06.23	3 years	0	0
Independent Director	CHEN, CHIN-JANG	109.06.23	3 years	0	0
Independent Director	CHIEN,TAI-LANG	109.06.23	3 years	0	0
Total shares held by Directors Total				37,512,024	23.14%

- (4) All the Directors of the Company shareholdings in compliance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies".

Thank You