

2020 Annual Shareholders' Meeting Minutes (Translation)

Time : 9:00 a.m., Monday, June 22, 2020

Place : 9Floor, No. 489, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City.

Total outstanding shares : 181,699,567shares

Total shares represented by shareholders present in person or by proxy : 112,734,726shares
(including votes casted electronically 75,626,409 shares)

Percentage of shares held by shareholders present in person or by proxy : 62.04%

Directors present : J. W. Kuo 、 Jeffery Pan 、 Simon Tseng 、 Charles Lee 、 Jia Pin Investment
Development Company Limited representative:Robert Lai

Independent Directors present : Chen, Linsen 、 Sun,Pi-Chuan

Supervisors present : Fu-Hsiung, Wang 、 Guang-Jer, Lai 、 Pei-fen, Chang

Attendees : C. Chuang Attorneys At Law

CPA : Yiu-Kwan Au, KPMG Certificated Public Accountants

Chairperson: Robert Lai, Chairman of the Board of Directors

Recorder: Daisy Wu

I、 Call Meeting to Order

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

II、 Chairman's Address (omitted)

III、 Report Items

(1) The 2019 Business Report.

Explanation:

1. The Company's 2019 Business Report is attached hereto as Attachment 1.
2. For adoption.

(2) The 2019 Supervisors' Report.

Explanation:

1. The Company's 2019 Financial Statements were audited by independent auditors and reviewed by supervisors. The Independent Auditors' Report and Supervisors' Report were attached hereto as Attachment 2 and Attachment 3.
2. Reading of the audit report.
3. For adoption.

(3) The 2019 Remuneration to Employees, Directors and Supervisors.

Explanation:

1. Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit sharing bonus and not more than 3% of its earnings as remuneration to directors and supervisors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses.
2. In accordance with the Company's Articles, 4.3% of earnings for the period totaling NT\$93,268,000 has been distributed in cash as profit sharing bonus to employees and 1.1% of earnings totaling NT\$ 23,859,000 in cash distributed as remuneration to directors and supervisors.
3. For adoption.

(4) The 2019 Earnings Distribution of cash dividends.

Explanation:

1. Pursuant to Article 20 of the Company's Articles of Incorporation, the Board of Directors is authorized to approve the distribution of dividends and bonuses in cash, in whole or in part for submission to the shareholder' meeting for acceptance.
2. The Company's proposes to distribute cash dividends in the amount of NT\$ 1,181,047,186 to shareholders (cash dividend at NT\$6.5 per share).
3. Cash dividends will be distributed pro rata and rounded down to the nearest NT\$1 with the sum of all fractional dividends less than NT\$1 adjusted in the order of their value from largest to smallest adjusted to match the total value of cash dividends distributed.
4. The Chairman has full authorization to adjust the dividend distributed to each share shall there be change in the Company's paid-up capital prior to the ex-dividend date that resulted in change in the total number of outstanding shares.
5. The Chairman is authorized to set the ex-dividend date and handle other matters in relation to the proposal for distribution of cash dividends.
6. For adoption.

IV、 Resolutions

(1) The 2019 Financial Statements.

(Proposed by the Board)

Explanation:

1. The Company's 2019 Financial Statements, including Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, and Cash Flow Statement, were audited by independent auditors, Au, Yiu Kwan & Chien, Szu Chuan of KPMG and reviewed by the Company's supervisors. The independent auditors' report is attached as Attachment 3.
2. The Company's 2019 Financial Statements are attached hereto as Attachment 4.
3. For adoption.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,510,814	91.81%
Votes against : 43,537	0.03%
Votes abstained : 9,180,375	8.14%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

(2) The 2019 Earnings Distribution.

(Proposed by the Board)

Explanation:

1. The Board of Directors resolved to adopt the proposal of the Company's 2019 earnings.
2. Earnings Distribution Proposal for the Year 2019 is attached hereto as Attachment 5.
3. For adoption.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,724,805	92.00%
Votes against : 43,543	0.03%
Votes abstained : 8,966,378	7.95%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

V、 Proposals and Election

- (1) To revise the Company's Articles of Incorporation. (Proposed by the Board)

Explanation:

1. To revise the Company's Articles of Incorporation in line with the Company's operational requirements and establishment of the Audit Committee in replacement of the job functions performed by supervisors.
2. Comparison Table of Revisions to the Company's Articles of Incorporation is attached hereto as Attachment 6.
3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,083,803	91.43%
Votes against : 663,545	0.58%
Votes abstained : 8,987,378	7.97%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

- (2) To revise the Company's "Rules for Election of Directors and Supervisors".

(Proposed by the Board)

Explanation:

1. To revise the Company's "Rules for Election of Directors and Supervisors" and rename it the "Rules for Election of Directors" in line with the establishment of the Audit Committee in replacement of the job functions performed by supervisors.
2. The Comparison Table for Revisions to the Company's "Rules for Election of Directors and Supervisors" is attached hereto as Attachment 7.
3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,702,614	91.98%
Votes against : 44,734	0.03%
Votes abstained : 8,987,378	7.97%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

- (3) To revise the Company's "Procedures for Acquisition or disposal of Assets".

(Proposed by the Board)

Explanation:

1. To revise the Company's "Procedures for Acquisition or disposal of Assets" in line with the establishment of the Audit Committee in replacement of the job functions performed by supervisors.
2. Comparison Table of Revision to the Company's Procedures for Acquisition or disposal of Assets is attached hereto as Attachment 8.
3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,701,607	91.98%
Votes against : 45,735	0.04%
Votes abstained : 8,987,384	7.97%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

- (4) To revise the Company's "Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading".

(Proposed by the Board)

Explanation:

1. To revise the Company's "Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading" in line with the establishment of the Audit Committee in replacement of the job functions performed by supervisors.
2. Comparison Table for Revisions to the Company's Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading is attached hereto as Attachment 9.
3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,700,400	91.98%
Votes against : 45,741	0.04%
Votes abstained : 8,988,585	7.97%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

- (5) To revise the Company's "Procedures for Loan to Others and Endorsement and Guarantees". (Proposed by the Board)

Explanation:

1. To revise the Company's "Procedures for Loan to Others and Endorsement and Guarantees" in line with the establishment of the Audit Committee in replacement of the job functions performed by supervisors.
2. Comparison Table of Revisions to the Company's Procedures for Loan to Others and Endorsement and Guarantees is attached hereto as Attachment 10.
3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 103,701,607	91.98%
Votes against : 44,741	0.03%
Votes abstained : 8,988,378	7.97%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

- (6) To elect the Company's 11th Term of Board of Directors. (Proposed by the Board)

Explanation:

1. Upon expiration of the term of office of the Company's existing directors and supervisors on June 13, 2020, an election of new directors across the board will be convened in the annual general shareholders' meeting. An Audit Committee will also be established in replacement of the job functions of supervisors.
2. Pursuant to Article 13 of the Company's Articles of Incorporation, nine directors (including three independent directors) will be elected and the term for which the directors will hold office shall be three years for the period from June 22, 2020 to June 21, 2023.
3. Nominees for director are as follows:

Position	Name	Education	Experience	Number of shares held
Director	J. W. Kuo	Ph.D., Department of Business Administration, National Taipei University	Chairman, Topco Group Chairman, Topco Scientific Co.,Ltd.	8,133,759
	Jeffery Pan	Master of Business Administration, National Chengchi University	Vice Chairman, Topco Group Chairman, Topco Scientific Co.,Ltd.	1,500,817
	Simon Tseng	Master of Business Administration, National Taipei University	CEO 、COO, Topco Scientific Co.,Ltd.	1,029,950
	Charles Lee	Master of Business Administration, China Europe International Business School	CEO 、COO, Topco Scientific Co.,Ltd.	1,129,948

	Jia Pin Investment Development Company Limited representative: Robert Lai	Ph.D., Department of Business Administration, National Taipei University Master of Business Administration, Indiana University of Pennsylvania, U.S.A.	Chairman, Topco Scientific Co.,Ltd. Chairman, CSBC Corporation, Taiwan Director General, Small & Medium Enterprise Administration, Ministry of Economic Affairs Deputy Director General, Department of Commerce, Ministry of Economic Affairs	6,179,382
	Peifen Chang	Chungyu Institute	Supervisor, Topco Scientific Co.,Ltd. Taiwan Securities Co., Ltd.	1,198,963
Independent director	Chen, Linsen	Master of Business Administration , National Taipei University	Attorney-in-charge of Linsen Law Firm President of Joint Credit Information Center Chief Secretary , Ministry of Finance	0
	Sun,Pi-Chuan	Ph.D., Department of Business Administration, National Taipei University	Dean, College of Management, Tatung University Professor, Department of Business Management, Tatung University	0
	Cheng, Jen-Wei	Ph.D., National Taiwan University	Professor in National Taiwan University of Science & Technology Secretary-general in Association of Taiwan Electronic Commerce Executive Vice President in Taiwan Tobacco & Liquor Corporation (state-owned) Lecturer/Associate Professor and Chair in Ming Chuan University	0

The qualifications for the above candidates were approved by the board of directors on April 24, 2020.

4. For re-election.

Voting Results: The list of the newly elected Directors with votes received as follows:

Position	Name	Votes Received
Director	J. W. Kuo	120,110,675
Director	Jeffery Pan	99,798,978
Director	Simon Tseng	98,794,942
Director	Charles Lee	92,880,600
Director	Peifen Chang	91,344,346
Director	Jia Pin Investment Development Company Limited representative: Robert Lai	89,315,731
Independent director	Chen, Linsen	84,095,573
Independent director	Sun,Pi-Chuan	82,274,558
Independent director	Cheng, Jen-Wei	81,921,037

- (7) To release the non-competition restrictions on newly elected Directors.

(Proposed by the Board)

Explanation:

1. Pursuant to Article 209 of the Company Act, a director who does anything on his/her own account or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
2. To release the non-competition restrictions imposed on directors elected at the Company's 2020 annual shareholders' meeting and their representatives or those that invest or engage in the same business activities as the Company's at the shareholders' meeting for practical business requirements provided that by doing so the Company's benefits would not be impaired in any way.

List of non-competition restrictions on Directors is attached hereto as Attachment 11.

3. For resolution.

Voting Results:

Shares represented at the time of voting : 112,734,726

Voting Results	% of the total represented share present
Votes in favor : 96,697,111	85.77%
Votes against : 183,462	0.16%
Votes abstained : 15,854,153	14.06%

The number in favor of the right to exceed the legal amount, the case was passed by resolution.

VI、 Extemporary Motions : None

VII、 Meeting Adjourned : 9:28 A.M. on June 22, 2020

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Attachment 1.

2019 Business Report

My great gratitude to our shareholders for their unwavering support for the past year. The Company has continued to expand product offerings and market presence, as well as improve the business turnover and performance during the 2019 financial year, thanks to the joint effort of our dedicated management team and employees. The Company reported consolidated revenue in excess of NT\$30 billion, reaching NT\$31.7 billion, representing an increase of 9.84 percent over 2018. The Company's impressive operating results was directly benefited from higher demands for advanced materials of emerging technologies in the semiconductor foundry market, growth in China's market and recognition of revenue upon completion of our construction projects. Consolidated net income after tax totaled NT\$1.717 billion and earnings per share were NT\$9.48. On the corporate governance front, the Company received numerous awards including the Taiwan Corporate Sustainability Award, 2019 Sports Activist Award presented by the Sports Administration of the Ministry of Education, and the 1st annual "Public Infrastructure Excellence Award" presented by the Tainan City Government in recognition of the outstanding quality in our construction work.

The Company generated approximately 80 percent of our revenue from the supply of precision materials for semiconductor. The Industrial Economics & Knowledge Center reported that the total production of the Taiwan IC industry for 2019 amounted to NT\$ 2,665.6 billion, an increase of 1.7 percent from the 2018 result. Amongst which the semiconductor foundry sector contributed to NT\$1,312.5 billion of the total annual gross production, representing an increase of 2.1 percent compared to that of 2018. Taiwan's semiconductor industry is relentlessly enhancing the technologies and constantly expanding production capacities, which in turn saw the increasing demand for precision materials such as photoresists required for the emerging processes. Furthermore, China's semiconductor industry continuously scales up with increasing demand for its domestic manufacturing, which makes its IC design industry a benefactor of growth support. To this end, the Company introduced Foundry Services Platform to assist the local IC design houses in sourcing suitable foundry technologies and manufacturing capacities, and accelerating product induction. The trust placed in the Company's business model by the supply chain enables us to deliver sustained growth in revenue.

In addition, the Company was successful in securing environmental engineering service deals including large-scale wastewater treatment and air-conditioning engineering projects, while at the same time launched waste disposal services and sale of chemical products. In an effort to continue improving performance and profitability, we also introduced the Total Quality Management system to improve our processes. On people and living, the Company constantly strives to safeguard the health of consumers through our array of Anyong investee companies that engage in businesses that promote healthy and safe living. Most notable innovative product was the Perch Essence that won the Monde Selection Gold Award. Our strategic cross-industry alliance with the leading convenience store chain 7-ELEVEN facilitates a seamless avenue for us to distribute our frozen produces through the convenience store supply chain.

The outlook for 2020 is challenging due to a downturn in the global economy as result of the adverse impacts of the COVID-19 pandemic on the global supply chain and the uncertainties surrounding the US-China trade war. The semiconductor industry nevertheless expects to benefit from the innovation in the 5G technology, AIoT, big data and Internet of Things and continues steady growth. It is with much anticipation that we may still see remarkably growth in the semiconductor industry in the second half of 2020 shall the pandemic slow down by the end of the June. The

Company's medium to long-term plan will focus on securing product distribution agreements and market expansion. To achieve these goals, the Company is looking to establish dedicated teams to take charge of the evaluation and procurement of critical materials required for the 5G technology, 3D printing and third generation semiconductor; We Company will also be on the lookout for suitable opportunities for strategic alliances to enhance the delivery of the foundry services, and the integration of the semiconductor quartz enterprises; On the global scale, we plan to expand our foreign markets in Singapore and Vietnam and consolidate our warehouse businesses with the objective to strengthen our cost structure. Overall, the Company will continue our deep work on the semiconductor and high-tech materials market to boost our turnover.

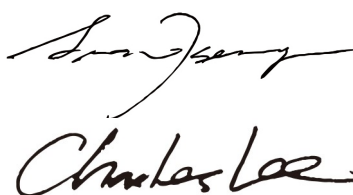
For the environmental protection business, the Company now offers the final treatment services of calcium fluoride sludge in addition to our existing waste disposal services. We hope to leverage on the circular economy to stimulate revenue generated from environmental engineering service and progress in the development of smart green pig farms. On people and living, the Company will focus on elevating the production efficiency of "AnYong Biotechnology", enhance the robustness of the products and product distribution of "AnYong Fresh Produce" and promote the tourism opportunities of the "Anyong Lohas" restaurant. We also plan to enhance the management and operation of the Taipei University Sports Stadium and invest in big health businesses.

It has been three decades since the Company came into being. For the sustainable operation and growth of the Company, we will continue our deep work in the high-tech industries, pave our way to gain presence in China and South-East Asian markets, rapidly fulfil the material and service demands of our customers, leverage on the circular economy and develop big health related businesses, enhance talents recruitment and training, maintain our high performances and while at the same exercise corporate governance and fulfil our corporate social responsibilities.

Topco Scientific Co., Ltd.



Robert Lai
Chairman



Simon Tseng / Charles Lee
President



Nicole Lee
Chief Accounting Officer

Attachment 2.

Independent Auditors' Report

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the financial statements of Topco Scientific Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, 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 paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit 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. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the financial statements of the Company for 2019 and 2018. The investments accounted for using equity method constituted 10.36% and 10.48% of the total assets as of December 31, 2019 and 2018; and the share of profits of associates and joint ventures accounted for using equity method constituted 17.00% and 16.81% of profits before tax for the years ended December 31, 2019 and 2018, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts of subsidiaries and investments accounted for equity method, is based solely on the reports of the other auditors.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Operating Revenue

Please refer to note 4(p) "Revenue" for accounting policies related to revenue recognition; and note 6(t) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Company's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the financial statements of the Company. Therefore, revenue recognition is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Company are in accordance with the related standards. In addition, we examined the sales contracts between the Company and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

2. Valuation of inventories

Please refer to note 4(g) "Inventories" for accounting policies related to valuation of inventories; note 5(b) for uncertainty in valuation of inventories; and note 6(f) for related description for valuation of inventories.

Description of Key Audit Matters:

Valuation of inventories is measured by cost and net realizable value. The inventories purchased were based on the demand of customer orders, and the Company may be exposed to the risk concerning the carrying amount of inventories which is lower than the realizable value due to market price declined and business cycle of the industry. Therefore, valuation of inventories is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: evaluating whether the Company's valuation of inventories is conducted in accordance with the Company's accounting policies and related standards; examining the inventory aging reports and analyzing the changes on the aging of inventories in each period, including conducting sampling procedures to examine the accuracy of inventory aging reports and understanding the sales prices adopted by the management and subsequent fluctuation in market price to assess the rationality of net realizable value of inventories.

3. Valuation of Accounts Receivable

Please refer to note (4)(f) "Financial instruments" for accounting policies related to valuation of accounts receivable; note 5(a) for uncertainties in valuation of accounts receivable; and note 6(d) "Notes and accounts receivable".

Description of Key Audit Matters:

Allowance for accounts receivable is evaluated based on the lifetime expected credit loss of accounts shown in objective evidences. Therefore, valuation of accounts receivable is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: examining allowance for accounts receivable of the Company to determine whether related accounting policies are applied appropriately, analyzing the allowance for uncollectible accounts receivable based on the accounts receivable aging report, examining the collection record of the past and the subsequent period, economic condition of the industry, concentration of credit risk, and the Company's assessment on the ability of the customers with imperfect credit record to repay in order to evaluate the rationality of the recognition of allowance for uncollectible accounts receivable and amounts recognized.

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

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

Those charged with governance (including the supervisors) 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 management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these 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 Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)
March 27, 2020

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Topco Scientific Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, 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 paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years 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 audit 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. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the consolidated financial statements of the Group for 2019 and 2018. The investments accounted for using equity method constituted 7.79% and 7.54% of the total consolidated assets as of December 31, 2019 and 2018; and the share of profits of associates and joint ventures accounted for using equity method constituted 15.80% and 15.88% of profits before tax for the year ended December 31, 2019 and 2018, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts of subsidiaries and investments accounted for equity method, is based solely on the reports of the other auditors.

The Company 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 unmodified opinion with 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Operating Revenue

Please refer to note 4(p) "Revenue" for accounting policies related to revenue recognition; note 5(c) for revenue recognition of construction and the percentage of completion method for construction contracts; and note 6(w) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Group's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the consolidated financial statements of the Group. In addition, the budgets for construction contracts highly depend on the management's judgments. The evaluation of above budgets may result in significant changes in income and losses for the reporting period. Therefore, revenue recognition is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Group is in accordance with the related standards. In addition, we examined the sales contracts between the Group and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; acquiring construction contracts that have significant effects on financial results to verify that there is no difference in the percentage of completion calculated by the Group; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

2. Valuation of inventories

Please refer to note 4(h) "Inventories" for accounting policies related to valuation of inventories; note 5(b) for uncertainty in valuation of inventories; and note 6(f) for related description for valuation of inventories.

Description of Key Audit Matters:

Valuation of inventories is measured by cost and net realizable value. The inventories purchased were based on the demand of customer orders, and the Group may be exposed to the risk concerning the carrying amount of inventories which is lower than the realizable value due to market price declined and business cycle of the industry. Therefore, valuation of inventories is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: evaluating whether the Group's valuation of inventories is conducted in accordance with the Group's accounting policies and related standards; examining the inventory aging reports and analyzing the changes on the aging of inventories in each period, including conducting sampling procedures to examine the accuracy of inventory aging reports and understanding the sales prices adopted by the management and subsequent fluctuation in market price to assess the rationality of net realizable value of inventories.

3. Valuation of Accounts Receivable

Please refer to note 4(g) "Financial instruments" for accounting policies related to valuation of accounts receivable; note 5(a) for uncertainties in valuation of accounts receivable; and note 6(d) "Notes and accounts receivable".

Description of Key Audit Matters:

Allowance for accounts receivable is evaluated based on the lifetime expected credit loss of accounts shown in objective evidences. Therefore, valuation of accounts receivable is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: examining allowance for accounts receivable of the Group to determine whether related accounting policies are applied appropriately, analyzing the allowance for uncollectible accounts receivable based on the accounts receivable aging report, examining the collection record of the past and the subsequent period, economic condition of the industry, concentration of credit risk, and the Group's assessment on the ability of the customers with imperfect credit record to repay in order to evaluate the rationality of the recognition of allowance for uncollectible accounts receivable and amounts recognized.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the supervisors) 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 management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)
March 27, 2020

Attachment 3.

Supervisors' Report

Supervisor's Review Report

The Board of Directors has prepared the Company's 2019 Business Report, Financial Statements and proposal for Earnings Distribution. Consolidated and parent company only Financial Statements have been audited and certified by Au, Yiu Kwan, CPA, and Chien, Szu Chuan, CPA, of KPMG and audit reports relating to the Financial Statements have been issued. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the supervisors. According to Article 219 of the Company Act, we, as the supervisors of TOPCO SCIENTIFIC CO., LTD, hereby submit this report.

TOPCO SCIENTIFIC CO., LTD

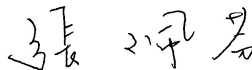
Fu-Hsiung, Wang
Supervisor



Guang-Jer, Lai
Supervisor



Pei-Fen, Chang
Supervisor



March 27, 2020

Attachment 4.

2019 Financial Statements

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2019		December 31, 2018				December 31, 2019		December 31, 2018	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$	1,089,387	7	645,462	5	2100	Short-term borrowings (note 6(l))	\$	695,009	5
1110	Current financial assets at fair value through profit or loss (notes 6(b))		8,374	-	8,328	-	2120	Current contract liabilities (note 6(o))		165,023	1
1170	Notes and accounts receivable, net (note 6(d))		2,930,060	20	2,200,957	18	2170	Notes and accounts payable		2,895,291	20
1180	Notes and accounts receivable due from related parties, net (notes 6(d) and 7)		89,310	1	81,978	1	2180	Notes and accounts payable to related parties (note 7)		156,414	1
1476	Other current financial assets (notes 6(c) and 7)		24,865	-	32,886	-	2200	Other current financial liabilities		438,781	3
1311	Inventories, net (note 6(f))		1,639,419	11	1,556,299	13	2251	Current provisions (note 6(n))		866	-
1479	Other current assets, others		103,629	1	160,638	1	2280	Current lease liabilities (note 6(m))		33,610	-
			<u>5,925,384</u>	<u>40</u>	<u>4,684,748</u>	<u>38</u>	2365	Current refund liabilities		57,737	-
							2399	Other current liabilities		<u>172,158</u>	<u>1</u>
Non-current assets:											
1590	Non-current financial assets at fair value through profit or loss (note 6(b))		64,648	-	53,281	-				<u>4,604,880</u>	<u>31</u>
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))		812,805	6	563,812	5	Non-Current liabilities:				
1590	Investments accounted for using equity method (note 6(g))		5,278,945	36	4,558,094	37	2570	Deferred tax liabilities and other non-current liabilities (note 6(q))		359,517	2
1600	Property, plant and equipment (note 6(h))		2,386,776	16	1,644,721	13	2580	Non-current lease liabilities (note 6(m))		68,714	1
1755	Right-of-use assets (note 6(i))		102,054	1	-	-	2640	Non-current net defined benefit liability (note 6(p))		<u>204,696</u>	<u>2</u>
1760	Investment property, net (note 6(j))		-	-	728,382	6				<u>632,927</u>	<u>5</u>
1849	Deferred tax assets (note 6(q))		119,982	1	98,168	1	Total liabilities				
1900	Other non-current assets (note 6(k) and 8)		59,627	-	62,531	-	Equity attributable to owners of parents:				
			<u>8,824,637</u>	<u>60</u>	<u>7,798,282</u>	<u>62</u>	3100	Ordinary shares (note 6(r))		1,816,596	12
Total assets											
		\$	<u>14,750,021</u>	<u>100</u>	<u>12,793,737</u>	<u>100</u>	3200	Capital surplus (note 6(r))		2,340,676	16
							3300	Retained earnings (note 6(r))		4,917,348	33
							3400	Other equity (note 6(r))		<u>437,194</u>	<u>3</u>
								Total equity		<u>9,512,214</u>	<u>64</u>
Total liabilities and equity											
		\$	<u>14,750,021</u>	<u>100</u>	<u>12,793,737</u>	<u>100</u>			\$	<u>14,750,021</u>	<u>100</u>

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings
Per Common Share which is expressed in New Taiwan Dollars)

		2019		2018	
		Amount	%	Amount	%
Operating Revenues: (notes 6(t) and 7)					
4110	Net sales revenue	\$ 18,082,967	96	15,196,291	96
4800	Other operating revenue	<u>753,717</u>	<u>4</u>	<u>685,936</u>	<u>4</u>
	Operating revenue, net	18,836,684	100	15,882,227	100
Operating costs: (notes 6(f), 7 and 12)					
5110	Cost of sales	16,207,502	86	13,416,119	84
5800	Other operating costs	<u>150,321</u>	<u>1</u>	<u>144,717</u>	<u>1</u>
		<u>16,357,823</u>	<u>87</u>	<u>13,560,836</u>	<u>85</u>
	Gross profit	2,478,861	13	2,321,391	15
Operating expenses: (notes 7 and 12)					
6100	Selling expenses	542,532	3	465,364	3
6200	Administrative expenses	663,157	3	668,741	4
6300	Research and development expenses	<u>14,671</u>	<u>-</u>	<u>6,102</u>	<u>-</u>
	Total operating expenses	1,220,360	6	1,140,207	7
	Net operating income	1,258,501	7	1,181,184	8
Non-operating income and expenses:					
7101	Other income (notes 6(b), 6(c) and 6(v))	80,902	-	65,509	-
7102	Other gains and losses, net (note 6(w))	(5,999)	-	(22,707)	-
7105	Financial costs	(4,507)	-	(2,199)	-
7060	Share of gain of subsidiaries, associates and joint ventures accounted for using equity method (note 6(g))	<u>722,997</u>	<u>4</u>	<u>474,045</u>	<u>3</u>
		<u>793,393</u>	<u>4</u>	<u>514,648</u>	<u>3</u>
7900	Profit (loss) from continuing operations before tax	2,051,894	11	1,695,832	11
7950	Less: Income tax expenses (note 6(q))	<u>329,586</u>	<u>2</u>	<u>291,157</u>	<u>2</u>
	Profit (loss)	1,722,308	9	1,404,675	9
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(2,305)	-	(7,913)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	253,409	1	15,256	-
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	(917)	-	2,154	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>(461)</u>	<u>-</u>	<u>(2,882)</u>	<u>-</u>
		<u>250,648</u>	<u>1</u>	<u>12,379</u>	<u>-</u>
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(73,160)	-	(11,315)	-
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	(164)	-	94	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>(14,632)</u>	<u>-</u>	<u>(3,422)</u>	<u>-</u>
	Components of other comprehensive income that will be reclassified to profit or loss	(58,692)	-	(7,799)	-
8300	Other comprehensive income	191,956	1	4,580	-
	Comprehensive income	\$ 1,914,264	10	1,409,255	9
	Earnings per share: (note 6(s))				
9750	Basic earnings per share (NT dollars)	\$ <u>9.48</u>		<u>7.73</u>	
9850	Diluted earnings per share (NT dollars)	\$ <u>9.42</u>		<u>7.68</u>	

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

TOPCO SCIENTIFIC CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Exchange differences on translation of foreign financial statements	Other equity		
	Ordinary shares	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	Total equity
Balance at January 1, 2018	\$ 1,816,996	2,340,746	1,028,069	28,851	2,533,071	3,589,991	(37,245)	210,678	7,921,166
Profit for the year ended December 31, 2018	-	-	-	-	1,404,675	1,404,675	-	-	1,404,675
Other comprehensive income	-	-	-	-	(5,044)	(5,044)	(7,799)	17,423	4,580
Total comprehensive income	-	-	-	-	1,399,631	1,399,631	(7,799)	17,423	1,409,255
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	99,763	-	(99,763)	-	-	-	-
Special reserve appropriated	-	-	-	10,299	(10,299)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(763,138)	(763,138)	-	-	(763,138)
Changes in ownership interests in subsidiaries	-	-	-	-	(6,247)	(6,247)	-	-	(6,247)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(56,087)	(56,087)	-	56,087	-
Other	-	(67)	-	-	-	-	-	-	(67)
Balance at December 31, 2018	1,816,996	2,340,679	1,127,832	39,150	2,997,168	4,164,150	(45,044)	284,188	8,560,969
Profit for the year ended December 31, 2019	-	-	-	-	1,722,308	1,722,308	-	-	1,722,308
Other comprehensive income	-	-	-	-	(1,843)	(1,843)	(58,692)	252,491	191,956
Total comprehensive income	-	-	-	-	1,720,465	1,720,465	(58,692)	252,491	1,914,264
Appropriation and distribution of retained earnings:									
Legal reserve appropriated	-	-	140,468	-	(140,468)	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(963,008)	(963,008)	-	-	(963,008)
Reversal of special reserve	-	-	-	(39,150)	39,150	-	-	-	-
Changes in ownership interests in subsidiaries	-	(3)	-	-	(8)	(8)	-	-	(11)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(4,251)	(4,251)	-	4,251	-
Balance at December 31, 2019	\$ 1,816,996	2,340,676	1,268,300	-	3,649,048	4,917,348	(103,736)	540,930	9,512,214

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

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

	2019	2018
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,051,894	1,695,832
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	98,710	53,473
Amortization expense	8,368	3,997
Expected credit loss (gain)	(437)	(7,607)
Net loss on financial assets at fair value through profit or loss	876	3,246
Interest expense	4,507	2,199
Interest income	(5,736)	(4,869)
Dividend income	(30,900)	(23,832)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(722,997)	(474,045)
Loss from disposal of property, plant and equipment	-	385
Others	787	2,046
Total adjustments to reconcile profit (loss)	(647,822)	(445,007)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(757,738)	(122,046)
Increase in inventories	(103,120)	(116,423)
Decrease (increase) in financial assets at fair value through profit or loss	(46)	958
Decrease (increase) in other current assets	54,239	(103,109)
Decrease (increase) in other current financial assets	8,157	(12,106)
Total changes in operating assets	(798,508)	(352,726)
Changes in operating liabilities:		
Increase in notes and accounts payable	801,905	38,645
Increase in contract liabilities	34,954	7,372
Increase in other current financial liabilities	90,134	83,743
Decrease in current provisions	(341)	(318)
Increase (decrease) in current refund liabilities	36,641	(64,982)
Increase (decrease) in other current liabilities	(36,474)	3,029
Increase in net defined benefit liability	3,597	3,416
Total changes in operating liabilities	930,416	70,805
Total changes in operating assets and liabilities	131,908	(281,821)
Total adjustments	(515,914)	(726,828)
Cash inflow generated from operations	1,535,980	969,004
Interest received	6,600	5,017
Interest paid	(4,283)	(2,067)
Dividends received	227,015	167,677
Income taxes paid	(183,432)	(216,731)
Net cash flows from operating activities	1,581,880	922,900
Cash flows from (used in) investing activities:		
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,416	8,843
Proceeds from capital reduction of financial assets at fair value through profit or loss	1,219	1,220
Acquisition of financial assets at fair value through profit or loss	(13,462)	(19,617)
Acquisition of investments accounted for using equity method	(268,221)	(268,000)
Acquisition of property, plant and equipment	(94,915)	(132,918)
Proceeds from disposal of property, plant and equipment	-	90
Decrease in refundable deposits	2,231	101
Acquisition of intangible assets	(1,641)	(12,466)
Increase in restricted assets	(500)	(1,880)
Others	-	(420)
Net cash flows from (used in) investing activities	(370,873)	(425,047)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	225,000	(120,000)
Cash dividends paid	(963,098)	(763,138)
Increase (decrease) in guarantee deposits	(966)	1,566
Payment of lease liabilities	(27,708)	-
Others	-	(67)
Net cash flows from (used in) financing activities	(766,682)	(881,629)
Net increase (decrease) in cash and cash equivalents	444,325	(383,786)
Cash and cash equivalents at beginning of period	645,462	1,029,248
Cash and cash equivalents at end of period	\$ 1,089,787	645,462

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets
December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2019		December 31, 2018				December 31, 2019		December 31, 2018	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$	3,133,630	16	2,480,878	14	2000	Short-term borrowings (note 6(e))	\$	1,038,339	5
1110	Current financial assets at fair value through profit or loss (note 6(b))		197,100	1	220,207	1	2130	Current contract liabilities (note 6(w))		741,801	4
1140	Current contract assets (note 6(v))		581,421	3	494,353	3	2170	Notes and accounts payable		4,862,497	21
1170	Notes and accounts receivable, net (note 6(d))		5,074,125	26	4,851,381	28	2180	Notes and accounts payable to related parties (note 7)		1,655,642	9
1180	Notes and accounts receivable due from related parties, net (notes 6(d) and 7)		118,273	1	93,367	1	2200	Other current financial liabilities		607,791	3
1476	Other current financial assets (notes 6(o) and 8)		117,748	-	151,849	1	2250	Current provisions (note 6(q))		194,127	1
1390	Inventories, net (note 6(f))		3,302,721	17	2,657,651	15	2280	Current lease liabilities (note 6(g))		86,252	-
1479	Other current assets, others		406,622	2	496,569	3	2320	Long-term borrowings, current portion (note 6(o))		62,412	-
			<u>12,931,640</u>	<u>66</u>	<u>11,445,655</u>	<u>66</u>	2365	Current related liabilities		57,337	-
							2399	Other current liabilities		<u>220,566</u>	<u>1</u>
										<u>8,736,194</u>	<u>44</u>
Non-current assets:											
1510	Non-current financial assets at fair value through profit or loss (note 6(b))		111,097	-	99,681	-	2540	Long-term borrowings (note 6(o))		589,382	3
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))		829,550	4	581,475	3	2580	Non-current lease liabilities (note 6(p))		293,681	2
1550	Investments accounted for using equity method (note 6(g))		1,529,405	8	1,385,978	8	2670	Deferred tax liabilities and other non-current liabilities (note 6(i))		364,467	2
1600	Property, plant and equipment (note 6(j))		3,521,162	18	3,526,931	21	2640	Non-current net defined benefit liability (note 6(i))		<u>204,636</u>	<u>1</u>
1755	Right-of-use assets (note 6(k))		376,108	2	-	-				<u>1,372,226</u>	<u>8</u>
1760	Investment property, net (note 6(f))		126,075	1	62,369	-				<u>10,108,390</u>	<u>52</u>
1840	Deferred tax assets (note 6(i))		115,783	1	108,788	1	Total liabilities				
1900	Other non-current assets (notes 6(m) and 8)		<u>98,684</u>	<u>-</u>	<u>106,228</u>	<u>1</u>	Equity attributable to owners of parent:				
			<u>6,707,864</u>	<u>34</u>	<u>5,791,750</u>	<u>34</u>	3100	Ordinary shares (note 6(u))		1,816,996	9
							3200	Capital surplus (note 6(u))		2,340,676	12
							3300	Retained earnings (note 6(u))		4,917,348	25
							3400	Other equity (note 6(u))		<u>437,194</u>	<u>2</u>
										<u>9,512,214</u>	<u>48</u>
							3610	Non-controlling interests		<u>18,900</u>	<u>-</u>
							Total equity			<u>9,531,114</u>	<u>48</u>
							Total liabilities and equity			<u>\$ 19,639,504</u>	<u>100</u>
										<u>17,237,405</u>	<u>100</u>
Total assets		\$	<u>19,639,504</u>	<u>100</u>	<u>17,237,405</u>	<u>100</u>			\$	<u>19,639,504</u>	<u>100</u>

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share
which is expressed in New Taiwan Dollars)

		2019		2018	
		Amount	%	Amount	%
	Operating Revenues: (notes 6(w) and 7)				
4110	Net sales revenue	\$ 27,077,760	85	24,329,039	84
4520	Construction revenue	3,665,901	12	3,652,193	13
4800	Other operating revenue	956,855	3	879,967	3
	Operating revenue, net	31,700,516	100	28,861,199	100
	Operating costs: (notes 6(f), 7 and 12(a))				
5110	Cost of sales	24,304,990	77	21,761,782	75
5500	Construction cost	3,233,788	10	3,433,398	12
5800	Other operating costs	242,025	1	263,049	1
		27,781,703	88	25,458,229	88
5910	Less: Unrealized profit (loss) from sales	(292)	-	(292)	-
	Gross profit	3,919,105	12	3,402,762	12
	Operating expenses: (notes 6(x), 7 and 12(a))				
6100	Selling expenses	1,111,360	3	981,238	4
6200	Administrative expenses	885,021	3	879,256	3
6300	Research and development expenses	77,361	-	22,353	-
	Total operating expenses	2,073,742	6	1,882,847	7
	Net operating income	1,845,363	6	1,520,415	5
	Non-operating income and expenses:				
7010	Other income (notes 6(b), 6(c) and 6(y))	82,798	-	66,139	-
7020	Other gains and losses, net (notes 6(g) and 6(z))	(27,666)	-	(38,290)	-
7050	Finance costs	(30,669)	-	(24,745)	-
7060	Share of gain of associates and joint ventures accounted for using equity method (note 6(g))	348,306	1	280,953	1
7670	Impairment loss (notes 6(g), 6(h) and 6(j))	(9,933)	-	(9,495)	-
		362,836	1	274,562	1
	Profit (loss) from continuing operations before tax	2,208,199	7	1,794,977	6
7950	Less: Income tax expenses (note 6(i))	(491,246)	2	(413,389)	1
	Profit (loss)	1,716,953	5	1,381,588	5
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(2,305)	-	(7,913)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	252,491	1	17,423	-
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	1	-	(13)	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(461)	-	(2,882)	-
		250,648	1	12,379	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(73,179)	-	(11,135)	-
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	(145)	-	(86)	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	(14,632)	-	(3,422)	-
		(58,692)	-	(7,799)	-
8300	Other comprehensive income	191,956	1	4,580	-
	Comprehensive income	\$ 1,908,909	6	1,386,168	5
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	\$ 1,722,308	5	1,404,675	5
8620	Profit, attributable to non-controlling interests	(5,355)	-	(23,087)	-
		\$ 1,716,953	5	1,381,588	5
	Comprehensive income attributable to:				
	Comprehensive income, attributable to owners of parent	\$ 1,914,264	6	1,409,255	5
	Comprehensive income, attributable to non-controlling interests	(5,355)	-	(23,087)	-
		\$ 1,908,909	6	1,386,168	5
	Earnings per share: (note 6(v))				
9750	Basic net income per share	\$ 9.48		7.72	
9850	Diluted net income per share	\$ 9.42		7.68	

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)

TOPCO SCIENTIFIC 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 Dollars)

	Equity attributable to owners of parent											
	Retained earnings					Other equity						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	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
Balance at January 1, 2018	\$ 1,816,996	2,340,746	1,628,069	28,831	2,533,071	3,589,991	(27,245)	210,678	173,433	7,921,166	8,938	7,930,104
Profit for the year ended December 31, 2018	-	-	-	-	1,404,673	1,404,673	-	-	-	1,404,673	(23,087)	1,381,586
Other comprehensive income	-	-	-	-	(5,044)	(5,044)	(7,799)	17,423	9,624	4,582	-	4,582
Total comprehensive income	-	-	-	-	1,399,629	1,399,629	(7,799)	17,423	9,624	1,409,255	(23,087)	1,386,168
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	99,763	-	(99,763)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	10,299	(10,299)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(763,138)	(763,138)	-	-	-	(763,138)	-	(763,138)
Changes in ownership interests in subsidiaries	-	-	-	-	(6,247)	(6,247)	-	-	-	(6,247)	-	(6,247)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	39,748	39,748
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(56,087)	(56,087)	-	56,087	56,087	-	-	-
Other	-	(67)	-	-	-	-	-	-	-	(67)	-	(67)
Balance at December 31, 2018	1,816,996	2,340,679	1,127,832	39,130	2,997,168	4,164,150	(45,844)	284,188	239,144	8,569,969	25,399	8,595,368
Profit for the year ended December 31, 2019	-	-	-	-	1,722,308	1,722,308	-	-	-	1,722,308	(5,355)	1,716,953
Other comprehensive income	-	-	-	-	(1,853)	(1,853)	(58,652)	252,491	193,799	191,956	-	191,956
Total comprehensive income	-	-	-	-	1,720,455	1,720,455	(58,652)	252,491	193,799	1,914,264	(5,355)	1,908,909
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	140,468	-	(140,468)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	(39,130)	39,130	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(963,008)	(963,008)	-	-	-	(963,008)	-	(963,008)
Changes in ownership interests in subsidiaries	-	(3)	-	-	(8)	(8)	-	-	-	(11)	-	(11)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,344)	(1,344)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(4,251)	(4,251)	-	4,251	4,251	-	-	-
Balance at December 31, 2019	\$ 1,816,996	2,340,676	1,268,300	-	3,649,848	4,917,548	(103,736)	540,930	437,194	9,512,214	18,980	9,531,194

(English Translation of Consolidated Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

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

	2019	2018
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,208,199	1,794,977
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	262,945	157,065
Amortization expense	12,904	7,352
Expected credit loss (gain)	1,471	(121)
Net loss (gain) on financial assets at fair value through profit or loss	(1,962)	14,446
Interest expense	30,669	24,745
Interest income	(27,138)	(18,058)
Dividends income	(30,934)	(23,832)
Share of loss (profit) of associates and joint ventures accounted for using equity method	(348,306)	(280,953)
Loss on disposal of property, plant and equipment	6,801	1,165
Loss on disposal of investments accounted for using equity method	2,485	-
Impairment loss	9,933	9,495
Others	1,471	2,323
Total adjustments to reconcile profit (loss)	(79,661)	(106,373)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(240,585)	(1,124,539)
Increase in inventories	(645,670)	(165,660)
Decrease (increase) in financial assets at fair value through profit or loss	24,296	109,674
Decrease (increase) in other current assets	84,435	(82,059)
Decrease (increase) in other current financial assets	(881)	61,728
Increase in contract assets	(87,068)	(353,214)
Increase in other operating assets	-	(1,124)
Total changes in operating assets	(865,473)	(1,564,194)
Changes in operating liabilities:		
Increase in notes and accounts payable	485,070	1,220,244
Increase (decrease) in contract liabilities	37,393	(155,536)
Increase in other current financial liabilities	98,800	112,478
Increase in current provisions	56,019	66,367
Decrease in current refund liabilities	30,370	(58,711)
Decrease in other current liabilities	(37,657)	(10,658)
Increase in other operating liabilities	3,592	3,416
Total changes in operating liabilities	673,592	1,177,600
Total changes in operating assets and liabilities	(191,881)	(386,594)
Total adjustments	(271,542)	(492,967)
Cash inflow generated from operations	1,936,657	1,302,010
Interest received	27,204	17,639
Dividends received	149,559	121,424
Interest paid	(32,361)	(25,420)
Income taxes paid	(323,091)	(321,899)
Net cash flows from operating activities	1,757,968	1,093,754
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(13,462)	(36,632)
Proceeds from disposal of financial assets at fair value through other comprehensive income	5,416	10,642
Proceeds from capital reduction of financial assets at fair value through profit or loss	1,219	1,220
Proceeds from disposal of associates accounted for investments accounted for using equity method	1,500	-
Proceeds from disposal of property, plant and equipment	34,567	7,801
Acquisition of property, plant and equipment	(312,462)	(278,019)
Decrease (increase) in refundable deposits	4,431	(2,982)
Acquisition of intangible assets	(3,737)	(13,464)
Net cash inflows (outflows) from acquisition of subsidiaries	-	7,278
Decrease (increase) in restricted assets	34,716	(57,149)
Net cash flows from investing activities	(247,812)	(256,296)
Cash flows from (used in) financing activities:		
Increase in short-term loans	157,271	94,264
Issuance of long-term borrowings	150,420	16,200
Repayments of long-term borrowings	(54,386)	(48,342)
Decrease in guarantee deposits received	(2,612)	(54)
Payment of lease liabilities	(77,706)	-
Cash dividends paid	(963,008)	(763,138)
Change in non-controlling interests	(1,355)	(1,304)
Others	-	(67)
Net cash flows from financing activities	(791,376)	(702,441)
Effect of exchange rate changes on cash and cash equivalents	(66,028)	(9,003)
Net increase in cash and cash equivalents	652,752	26,014
Cash and cash equivalents at beginning of period	2,480,878	2,454,864
Cash and cash equivalents at end of period	\$ 3,133,630	2,480,878

Attachment 5.

Topco Scientific Co., Ltd.
Earnings Distribution Proposal for the Year 2019

Unit:NT\$	
Item	Amount
Unappropriated retained earnings of previous years	1,932,842,922
Add(Subtract) :	
Disposal of investments in equity instruments measured at fair value through other comprehensive income	(4,251,626)
Remeasurement of defined benefit plans	(1,843,132)
changes in ownership interests in subsidiaries	(7,737)
Adjusted unappropriated retained earnings of previous years	1,926,740,427
Net income of 2019	1,722,308,373
Retained earnings available for distribution as of December 31,2019	3,649,048,800
Subtract : 10% Leagal reserve	(172,230,837)
Distribution item- Dividends to common shares holders (cash dividend at NT\$6.5 per share)	(1,181,047,186)
Unappropriated retained earnings	2,295,770,777

Chairman: Robert Lai President: Simon Tseng Chief Accounting Officer: Nicole Lee
Charles Lee

Attachment 6.

Comparison Table of Revisions to the Articles of Incorporation

After the Revision	Before the Revision	Notes
<p>Article 2: The Company engages in the following business activities:</p> <p>(1) CB01010 Machinery and Equipment Manufacturing</p> <p>(2) CB01030 Pollution Controlling Equipment Manufacturing</p> <p>(3) CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery</p> <p>(4) CC01080 Electronic Parts and Components Manufacturing</p> <p>(5) CC01090 Batteries Manufacturing</p> <p>(6) E103101 Environmental Protection Construction</p> <p>(7) E599010 Pipe Lines Construction</p> <p>(8) E601010 Electric Appliance Construction</p> <p>(9) E603040 Fire Fighting Equipment Construction</p> <p>(10) E603050 Cybernation Equipment Construction</p> <p>(11) E604010 Machinery Installation Construction</p> <p><u>(12) E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction</u></p> <p><u>(13) E701040 Basic Telecommunications Equipment Construction</u></p> <p><u>(14) F102170 Wholesale of Food and Grocery</u></p> <p><u>(15) F106050 Wholesale of Pottery, Porcelain and Glassware</u></p> <p><u>(16) F107990 Wholesale of Other Chemical Products</u></p> <p><u>(17) F108031 Wholesale of Drugs, Medical Supplies</u></p> <p><u>(18) F108040 Wholesale of Cosmetics</u></p> <p><u>(19) F113010 Wholesale of Machinery</u></p> <p><u>(20) F113020 Wholesale of Household Appliance</u></p> <p><u>(21) F113100 Wholesale of Pollution Controlling Equipment</u></p> <p><u>(22) F113110 Wholesale of Batteries</u></p> <p><u>(23) F117010 Wholesale of Fire Fighting Equipment</u></p> <p><u>(24) F119010 Wholesale of Electronic Materials</u></p> <p><u>(25) F203010 Retail of Food Products and Groceries</u></p> <p><u>(26) F208031 Retail of Medical Equipment</u></p>	<p>Article 2: The Company engages in the following business activities:</p> <p>(1) CB01010 Machinery and Equipment Manufacturing</p> <p>(2) CB01030 Pollution Controlling Equipment Manufacturing</p> <p>(3) CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery</p> <p>(4) CC01080 Electronic Parts and Components Manufacturing</p> <p>(5) CC01090 Batteries Manufacturing</p> <p>(6) E103101 Environmental Protection Construction</p> <p>(7) E599010 Pipe Lines Construction</p> <p>(8) E601010 Electric Appliance Construction</p> <p>(9) E603040 Fire Fighting Equipment Construction</p> <p>(10) E603050 Cybernation Equipment Construction</p> <p>(11) E604010 Machinery Installation Construction</p> <p><u>(12) F102170 Wholesale of Food and Grocery</u></p> <p><u>(13) F106050 Wholesale of Pottery, Porcelain and Glassware</u></p> <p><u>(14) F107990 Wholesale of Other Chemical Products</u></p> <p><u>(15) F108031 Wholesale of Drugs, Medical Supplies</u></p> <p><u>(16) F108040 Wholesale of Cosmetics</u></p> <p><u>(17) F113010 Wholesale of Machinery</u></p> <p><u>(18) F113020 Wholesale of Household Appliance</u></p> <p><u>(19) F113100 Wholesale of Pollution Controlling Equipment</u></p> <p><u>(20) F113110 Wholesale of Batteries</u></p> <p><u>(21) F117010 Wholesale of Fire Fighting Equipment</u></p> <p><u>(22) F119010 Wholesale of Electronic Materials</u></p> <p><u>(23) F203010 Retail of Food Products and Groceries</u></p> <p><u>(24) F208031 Retail of Medical Equipment</u></p> <p><u>(25) F208040 Retail of Cosmetics</u></p> <p><u>(26) F213010 Retail of Household Appliances</u></p> <p><u>(27) F213080 Retail of Machinery and Equipment</u></p>	<p>Add three new business activities and update the sequential number.</p>

After the Revision	Before the Revision	Notes
<p>(27) F208040 Retail of Cosmetics</p> <p>(28) F213010 Retail of Household Appliances</p> <p>(29) F213080 Retail of Machinery and Equipment</p> <p>(30) F213100 Retail of Pollution Controlling Equipment</p> <p>(31) F213110 Retail of Batteries</p> <p>(32) F217010 Retail of Fire Fighting Equipment</p> <p>(33) F219010 Retail of Electronic Materials</p> <p>(34) F401010 International Trade</p> <p>(35) F401021 Restrained Telecom Radio Frequency Equipment and Materials</p> <p>(36) IG03010 Energy Technical Services</p> <p>(37) J101030 Waste Disposal Services</p> <p>(38) J101040 Waste Treatment Services</p> <p>(39) J101080 Waste Recycling Services</p> <p>(40) J802010 Sport Training Business</p> <p>(41) J803020 Sport and Competition Business</p> <p>(42) ZZ99999 All other business activities not prohibited or restricted by law.</p>	<p>(28) F213100 Retail of Pollution Controlling Equipment</p> <p>(29) F213110 Retail of Batteries</p> <p>(30) F217010 Retail of Fire Fighting Equipment</p> <p>(31) F219010 Retail of Electronic Materials</p> <p>(32) F401010 International Trade</p> <p>(33) IG03010 Energy Technical Services</p> <p>(34) J101030 Waste Disposal Services</p> <p>(35) J101040 Waste Treatment Services</p> <p>(36) J101080 Waste Recycling Services</p> <p>(37) J802010 Sport Training Business</p> <p>(38) J803020 Sport and Competition Business</p> <p>(39) ZZ99999 All other business activities not prohibited or restricted by law.</p>	
<p>Article 5: The total capital stock of the Company shall be in the amount of NT\$2,200,000,000, divided into 220,000,000 common shares with a par value of NT\$10. The Board of Directors may resolve to issue any unissued shares from time to time.</p> <p>The Company shall reserve NT\$100,000,000 of the capital stock mentioned in the preceding paragraph for issuing 10,000,000 shares employee stock options with a par value of NT\$10. The Board of Directors may resolve to issue the employee stock options in instalments. The Board of Directors is authorized to administer the buy-back of the Company's shares where required by law.</p>	<p>Article 5: The total capital stock of the Company shall be in the amount of NT\$2,000,000,000, divided into 200,000,000 common shares with a par value of NT\$10. The Board of Directors may resolve to issue any unissued shares from time to time.</p> <p>The Company shall reserve NT\$100,000,000 of the capital stock mentioned in the preceding paragraph for issuing 10,000,000 shares employee stock options with a par value of NT\$10. The Board of Directors may resolve to issue the employee stock options in instalments. The Board of Directors is authorized to administer the buy-back of the Company's shares where required by law.</p>	Increase the total capital stock
<p>Article 9-1</p> <p>Matters to be resolved at a shareholders' meeting shall be as follows:</p> <ol style="list-style-type: none"> 1. Adoption of and amendment to these Articles of Incorporation. 2. Election and discharge of directors. 3. Authorize a director who does anything for himself or on behalf of another person that is within the scope of the Company's business. 4. Enter into, amend, or terminate any contract for lease of the Company's business in whole, or for entrusted 	<p>Article 9-1</p> <p>Matters to be resolved at a shareholders' meeting shall be as follows:</p> <ol style="list-style-type: none"> 1. Adoption of and amendment to these Articles of Incorporation. 2. Election and discharge of directors and supervisors. 3. Authorize a director who does anything for himself or on behalf of another person that is within the scope of the Company's business. 4. Enter into, amend, or terminate any contract for lease of the Company's 	<p>Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the</p>

After the Revision	Before the Revision	Notes
<p>business, or for regular joint operations with others.</p> <p>5. Transfer the whole or any essential part of its business or assets.</p> <p>6. Accept the transfer of another's whole business or assets, which has great bearing on the business operation of the Company.</p> <p>7. Resolution on any other matters required by law or regulation.</p>	<p>business in whole, or for entrusted business, or for regular joint operations with others.</p> <p>5. Transfer the whole or any essential part of its business or assets.</p> <p>6. Accept the transfer of another's whole business or assets, which has great bearing on the business operation of the Company.</p> <p>7. Resolution on any other matters required by law or regulation.</p>	Financial Supervisory Commission
Chapter 4 Directors	Chapter 4 Director and Supervisors	As above
<p>Article 13: The Company shall have seven to nine Directors, serving a term of office of three (3) years. Directors shall be elected under the candidate nomination system of directors set out in Article 192-1 of the Company Act at the shareholders meetings and are eligible for re-election and re-appointment. The election shall adopt the cumulative voting system. The aforesaid Board of Directors must have at <u>least three (3)</u> Independent Directors. The number of Independent Directors shall constitute at least one-fifth or more of the total number of Directors. Independent Directors shall be elected from the list of Independent Directors' nominees. The qualification of Independent Directors shall comply with the relevant regulations of the governing authority.</p>	<p>Article 13: The Company shall have seven to nine Directors and three Supervisors, serving a term of office of three (3) years. Directors and supervisors shall be elected under the candidate nomination system of directors and supervisors set out in Article 192-1 of the Company Act at the shareholders meetings and are eligible for re-election and re-appointment. The election shall adopt the cumulative voting system. The aforesaid Board of Directors must have at least two (2) Independent Directors. The number of Independent Directors shall constitute at least one-fifth or more of the total number of Directors. Independent Directors shall be elected from the list of Independent Directors' nominees. The qualification of Independent Directors shall comply with the relevant regulations of the governing authority.</p>	As above
<p>Article 13-1: The Board of Directors is authorized to determine the remuneration to the Chairman and Directors with industry norm as the benchmark. The Company may purchase indemnity insurance to cover the liabilities of Directors appropriate for exercising their business duties during their office.</p>	<p>Article 13-1: The Board of Directors is authorized to determine the remuneration to the Chairman and Directors and Supervisors with industry norm as the benchmark. The Company may purchase indemnity insurance to cover the liabilities of Directors or Supervisors appropriate for exercising their business duties during their office. The Board of Directors shall resolve to determine the level of the insurance cover.</p>	As above
<p>Article 14: Any Director who has transferred more than one half of his or her shares owned at the time of being elected during office shall be subject to ipso facto dismissal. In the case that vacancies on the Board of Directors exceed, for any reason, one third of the total number of the Directors, then the Board of Directors shall convene an extraordinary shareholders' meeting within sixty (60) days of the</p>	<p>Article 14: Any Director or Supervisor who has transferred more than one half of his or her shares owned at the time of being elected during office shall be subject to ipso facto dismissal. In the case that vacancies on the Board of Directors exceed, for any reason, one third of the total number of the Directors, or where all Supervisors have been dismissed or disqualified, then the Board of Directors</p>	As above

After the Revision	Before the Revision	Notes
<p>occurrence of the event to elect new Directors to fill such vacancies.</p> <p>The number of name-bearing shares of the Company held by the Directors, shall be no less than a specified percentage of the Company's total number of issued shares.</p> <p>The aforesaid percentage shall be stipulated in accordance with Article 26, paragraph 2 of the "Minimum Percentages of Registered Shares to Be Held by Directors and Supervisors" of the Securities and Exchange Act.</p>	<p>shall convene an extraordinary shareholders' meeting within sixty (60) days of the occurrence of the event to elect new Directors to fill such vacancies.</p> <p>The number of name-bearing shares of the Company held by the Directors and Supervisors, respectively, shall be no less than a specified percentage of the Company's total number of issued shares.</p> <p>The aforesaid percentage shall be stipulated in accordance with Article 26, paragraph 2 of the "Minimum Percentages of Registered Shares to Be Held by Directors and Supervisors" of the Securities and Exchange Act.</p>	
<p>Article 16-1: <u>The Audit Committee and its members are responsible for carrying out the duties of supervisors set out in the Company Act, Securities and Exchange Act and other relevant laws and regulations.</u></p>	<p>Article 16-1: <u>Supervisor may exercise supervisory duties independently by law.</u></p>	As above
<p>Article 16-2: <u>deleted.</u></p>	<p>Article 16-2: Duties of Supervisors are as follows:</p> <p>(1) Supervise the execution of the Company's business operations. Supervisor may, from time to time, conduct an investigation on the Company's business and financial status, audit the records and documents and request the Board of Directors or managerial officers to issue a report.</p> <p>(2) Notify the Board of Directors or Directors to stop their conduct that is in violation of the law, the Company's Articles of Incorporation or resolutions adopted at the Shareholders' Meeting.</p> <p>(3) Be present in person at the meeting of Board of Directors to express his or her opinions but hold no voting rights.</p> <p>(4) Audit the reports and records prepared by the Board of Directors presented to the Shareholders' meeting and issue an opinion for presentation at the Shareholders' Meeting.</p> <p>(5) Convene the Shareholders' Meeting where the Board of Directors resolved not to convene or are unable to convene a meeting provided that such meeting is out of necessity and in the interest of the Company.</p>	As above
<p>Article 16-3: <u>deleted.</u></p>	<p>Article 16-3: The Company may dismiss any supervisor at the Shareholders' Meeting in accordance with the provisions of the Company Act where such Supervisor was found to be engaged in either one of the followings:</p>	As above

After the Revision	Before the Revision	Notes
	(1) Unlawfully disclose or openly discuss business information gained from being employed in the capacity of the Company's Supervisor; (2) Other act that may impair the reputation of the Company.	
<p>Article 20: The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as Directors' remuneration. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.</p> <p>The Company's earnings for the current fiscal year shall be distributed in the following order: (1) first to be offset against losses; (2) 10 percent of the remaining earnings, if any, be set aside as legal reserve; (3) allocate or reverse special reserve in accordance with regulations or rules of the governing authority; (4) the sum of any balance remaining and accumulated retained earnings for the current period will be accumulated earnings available for distribution. The aforesaid accumulated earnings may be distributed in the manner set out in the proposal put forward by the Board of Directors and upon adoption at the meeting of shareholders.</p> <p>The Company authorizes the Board of Directors to resolve by a majority vote at a Board of Directors' meeting attended by at least two-thirds of the total number of directors to distribute dividends or bonuses in whole or in part by way of cash or to distribute the legal reserve and capital reserve in whole or in part and report such distributions to the shareholders' meeting.</p>	<p>Article 20: The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors <u>and Supervisors</u>. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.</p> <p>The Company's earnings for the current fiscal year shall be distributed in the following order: (1) first to be offset against losses; (2) 10 percent of the remaining earnings, if any, be set aside as legal reserve; (3) allocate or reverse special reserve in accordance with regulations or rules of the governing authority; (4) the sum of any balance remaining and accumulated retained earnings for the current period will be accumulated earnings available for distribution. The aforesaid accumulated earnings may be distributed in the manner set out in the proposal put forward by the Board of Directors and upon adoption at the meeting of shareholders.</p> <p>The Company authorizes the Board of Directors to resolve by a majority vote at a Board of Directors' meeting attended by at least two-thirds of the total number of directors to distribute dividends or bonuses in whole or in part by way of cash or to distribute the legal reserve and capital reserve in whole or in part and report such distributions to the shareholders' meeting.</p>	As above
<p>Article 22: These Articles of Incorporation were adopted on 6 February, 1990. ... (omitted); the thirty-third amendment was made on 14 June 2017; the thirty-fourth on 10 June, 2019; <u>the thirty-fifth on 22 June, 2020</u></p>	<p>Article 22: These Articles of Incorporation were adopted on 6 February, 1990. ... (omitted); the thirty-third amendment was made on 14 June 2017; the thirty-fourth on 10 June, 2019.</p>	Add the revision dates

Attachment 7.

Comparison Table of Revisions to the Rules for Election of Directors and Supervisors

After the Revision	Before the Revision	Notes
Rules for Election of Directors	Rules for Election of Directors and Supervisors	Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the Financial Supervisory Commission
1. Unless otherwise provided in the Company Act or the Company's Articles of Incorporation, the Directors of the Company shall be elected in accordance with the rules specified herein.	1. Unless otherwise provided in the Company Act or the Company's Articles of Incorporation, the Directors and Supervisors of the Company shall be elected in accordance with the rules specified herein.	As above
2. Election of the Company's Directors shall be held at the shareholders' meeting using the single-name cumulative voting method. The number of votes exercisable in respect of one share shall be the same as the number of candidates to be elected, and the total number of votes per share may be consolidated for election of one candidate or be split for election of two or more candidates. The Company's Directors shall be elected under the candidate nomination system in accordance with Article 192-1 of the Company Act.	2. Election of the Company's Directors and Supervisors shall be held at the shareholders' meeting using the single-name cumulative voting method. The number of votes exercisable in respect of one share shall be the same as the number of candidates to be elected, and the total number of votes per share may be consolidated for election of one candidate or be split for election of two or more candidates. The Company's Independent Directors shall be elected under the candidate nomination system in accordance with Article 192-1 of the Company Act.	As above
3. The voting rights for number of Independent Directors and Non-Independent Directors shall be calculated separately in accordance with the respective number of seats of Directors to be elected set out in the Company's Articles of Incorporation. The candidates who acquire more votes should win the seats. If two or more candidates acquire the same number of votes however the specified seats available are exceeded, the candidates	3. The voting rights for number of Independent Directors and Non-Independent Directors shall be calculated separately in accordance with the respective number of seats of Directors and Supervisors to be elected set out in the Company's Articles of Incorporation. The candidates who acquire more votes should win the seats. If two or more candidates acquire the same number of votes however the specified seats available are exceeded, the	As above

After the Revision	Before the Revision	Notes
acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.	candidates acquiring the same votes shall draw lots to decide who should win the seats available, and the Chairman shall draw lots on behalf of the candidate who is not present.	
9. The ballots should be calculated during the meeting right after the vote casting and the list of elected Directors should be announced by the Chairman at the meeting.	9. The ballots should be calculated during the meeting right after the vote casting and the list of elected Directors and Supervisors should be announced by the Chairman at the meeting.	As above
10. At the conclusion of the shareholders' meeting, the Company shall issue notifications to the respective Directors elected.	10. At the conclusion of the shareholders' meeting, the Company shall issue notifications to the respective Directors and Supervisor elected.	As above
12. The Rules and any amendments hereafter shall come into effect upon adoption at the meeting of shareholders. <u>The Rules were adopted on 23 April, 1999. The first amendment was made on 17 May, 2002; the second on 17 June, 2013; and the third on 22 June 2020.</u>	12. The Rules and any amendments hereafter shall come into effect upon adoption at the meeting of shareholders. <u>The Rules were adopted on 23 April, 1999. The first amendment was made on 17 May, 2002; and the second on 17 June, 2013.</u>	Add revision dates

Attachment 8.

Comparison Table of Revisions to the Procedures for Acquisition or Disposal of Assets

After the Revision	Before the Revision	Notes
<p>7. Board of Directors' meeting Record: Where the proposal to acquire or dispose of assets by the Company is required to be submitted to the Board of Directors for approval, <u>more than one half of all audit committee members must consent to the proposal prior to it being submitted the Board of Directors for resolution.</u> <u>If the aforesaid proposal was not consented by at least one half of all the audit committee members, the proposal may be adopted by at least two third of all the Directors with the resolution of the audit committee clearly recorded in the minutes of the Board of Directors' meeting.</u> <u>All members of the audit committee and all directors referred to in the preceding paragraph shall be those that are currently in office.</u></p>	<p>7. Board of Directors' meeting Record: Where the proposal to acquire or dispose of assets by the Company is required to be submitted to the Board of Directors for approval, <u>the Board shall take into full consideration each Director and Independent Director's opinions. Each Director or Independent Director's consent or dissent and the reasons of dissent shall be recorded in the minutes of the Board meeting.</u> <u>Details of reservation expressed by any director shall be submitted to the Supervisors for review.</u></p>	<p>Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the Financial Supervisory Commission</p>
<p>10.2 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the Audit Committee and a resolution at the Board of Directors' meeting: (omitted)</p>	<p>10.2 When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by a resolution at the Board of Directors' meeting and recognized by the Supervisors: (omitted)</p>	<p>As above</p>
<p>10.5.2 <u>Members of the Audit Committee who are Independent Directors shall comply with the provision of Article 218 of the Company Act.</u> 10.5.3 Provision of a special reserve and handling of affairs by <u>Independent Directors</u> pursuant to the preceding</p>	<p>10.5.2 <u>Supervisors shall comply with the provision of the Company Act.</u> 10.5.3 Provision of a special reserve and handling of affairs by Supervisors pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be</p>	<p>As above</p>

After the Revision	Before the Revision	Notes
two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.	disclosed in the annual report and any investment prospectus.	
10.8 The transaction amount referred to in Article 10.2 shall be calculated in accordance with Article 15.2. "Within the preceding year" as therein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted for approval by the Board of Directors in accordance with these procedures need not be counted toward the transaction amount.	10.8 The transaction amount referred to in Article 10.2 shall be calculated in accordance with Article 15.2. "Within the preceding year" as therein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted for approval by the Board of Directors <u>and recognition by the Supervisors</u> in accordance with these procedures need not be counted toward the transaction amount.	As above
20 Adoption and amendments The Procedures and any amendments hereafter shall be approved by Audit Committee and Board of Directors for consent at shareholders' meeting. <u>If the aforesaid proposal was not consented by at least one half of all the audit committee members, the proposal may be adopted by at least two third of all the Directors with the resolution of the audit committee clearly recorded in the minutes of the Board of Directors' meeting.</u> <u>All members of the audit committee and all directors referred to in the preceding paragraph shall be those that are currently in office.</u>	20 Adoption and amendments The Procedures and any amendments hereafter shall be submitted to the Company's Supervisors and shareholders' meeting for consent upon adoption by the Board of Directors. The Board shall take into full consideration each Director and Independent Director's opinions. Each Director or Independent Director's consent or dissent and the reasons of dissent shall be recorded in the minutes of the Board meeting. Details of reservation expressed by any director shall be submitted to the Supervisors for review.	As above
21 History: The Procedures were adopted on 10 April, 1998...(omitted) the twelfth on 20 June 2017; the thirteenth on 28 December, 2018; the fourteenth on 8 May, 2019 <u>and the fifteenth on 27 March, 2020.</u>	21 History: The Procedures were adopted on 10 April, 1998...(omitted) the twelfth on 20 June 2017; the thirteenth on 28 December, 2018; and the fourteenth on 8 May, 2019.	Add revision dates

Attachment 9.

Comparison Table of Revisions to the Explanatory Notes for Acquisition or Disposal of Assets: Derivative Trading

After the Revision	Before the Revision	Notes
1.The Explanatory Notes were adopted in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” stipulated by the <u>Financial Supervisory Commission (“FSC”)</u> .	1.The Explanatory Notes were adopted in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies” stipulated by the Securities and Futures Bureau of the Ministry of Finance.	In line with the renaming of the Financial Supervisory Commission
2.The term “derivatives” used herein refer to <u>forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u> The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.	2. The term “derivatives” used herein refer to forward contracts, options contracts, futures contracts, leverage contracts, swap contracts, or hybrid contracts combining the aforesaid contracts of which the value is derived from a specified asset, interest rate, foreign exchange rate, indexes, or other benefits ; The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) contracts.	Revision in line with the regulations
3.The types of derivative transactions that the Company may engage in are limited to forwards, options and swaps contracts. Where the need arises for the Company to engage in other types of derivative transactions not listed herein, each of type of derivative trading shall be individually submitted to the <u>Audit Committee and the Board of Directors</u> for approval after which the transactions may be undertaken.	3.The types of derivative transactions that the Company may engage in are limited to forwards, options and swaps contracts. Where the need arises for the Company to engage in other types of derivative transactions not listed herein, each type of derivative trading shall be individually submitted to the Board of Directors for approval after which the transactions may be undertaken.	Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the Financial Supervisory Commission
5.The finance department shall be responsible for collecting the relevant laws and regulations governing derivatives, designing the hedging strategy, and evaluating the market trends and potential risks to make recommendations for the hedging strategy and position/exposure for approval by the responsible manager. The following authorization limits apply to derivative trading:	5.The finance department shall be responsible for collecting the relevant laws and regulations governing derivatives, designing the hedging strategy, and evaluating the market trends and potential risks to make recommendations for the hedging strategy and position/exposure for approval by the responsible manager. The following authorization limits apply to derivative trading:	Revise expression of text

After the Revision			Before the Revision			Notes
Level	Daily Total Exposure	Each Cumulative Net Exposure	Level	Daily Total Exposure	Each Cumulative Net Exposure	
Board of Directors	<u>In excess of US \$ 3 million</u>	<u>In excess of US\$ 10 million</u>	Board of Directors	<u>Over US\$ 3 million</u>	<u>Over US\$ 10 million</u>	
Senior executive authorized by the Board of Directors	Under US\$ 3 million	Under US\$ 10 million	Senior executive authorized by the Board of Directors	Under US\$ 3 million	Under US\$ 10 million	
Where the daily transaction amount or each cumulative open position exceeds the authorization limit, the transaction cannot be undertaken without the prior approval of the appropriate authority delegate.			Where the daily transaction amount or each cumulative open position exceeds the authorization limit, the transaction cannot be undertaken without the prior approval of the appropriate authority delegate.			
6.The total amount of hedging contracts outstanding shall be determined on the basis of the total amount of the hedged assets. The total loss of all contracts outstanding shall be limited to US\$ 1 million or the foreign currency equivalent, where the total loss of individual contract shall be limited to US\$ 300,000 or the foreign currency equivalent. Where loss arising from the hedging contracts exceeds the aforementioned limits due to market fluctuations, the finance department shall immediately report such matter to senior management personnel authorized by the Board of Directors to take the necessary actions; the matter shall also be reported to the Board of Directors and publicly announced within two days (including) of the date of occurrence of the event, on the website designated by the <u>Financial Supervisory Commission</u> .			6.The total amount of hedging contracts outstanding shall be determined on the basis of the total amount of the hedged assets. The total loss of all contracts outstanding shall be limited to US\$ 1 million or the foreign currency equivalent, where the total loss of individual contract shall be limited to US\$ 300,000 or the foreign currency equivalent. Where loss arising from the hedging contracts exceeds the aforementioned limits due to market fluctuations, the finance department shall immediately report such matter to senior management personnel authorized by the Board of Directors to take the necessary actions; the matter shall also be reported to the Board of Directors and publicly announced within two days (including) of the date of occurrence of the event, on the website designated by the Bureau .			Revision of the wording
8.The finance department shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries and enter the information in the prescribed format into the information reporting website designated by the <u>Financial Supervisory Commission</u> by the 10th day of each month in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”.			8.The finance department shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries and enter the information in the prescribed format into the information reporting website designated by the Bureau by the 10th day of each month in accordance with the “Regulations Governing the Acquisition and Disposal of Assets by Public Companies”.			Revision of the wording
9.The personnel of the finance department responsible for confirming the transactions shall verify the accuracy of the			9.The personnel of the finance department responsible for confirming the transactions shall verify the			Revision of the wording

After the Revision	Before the Revision	Notes
<p>transactions with the banks engaging in the trading; and shall prepare settlement reports in accordance with the settlement documents issued by the financial institutions. The aforesaid settlement reports shall specify the transaction date, type of derivate transaction, contractual term and amount, the name and amount of assets or liabilities being hedged, cumulative transaction amount and description of the transaction for review by the financial accounting manager and approval by senior management personnel authorized by the Board of Directors. After verifying the transaction details, the person confirming the trade shall forward the settlement documents to the person executing the settlement to proceed with settlement. The settlement personnel shall periodically review the Company's cash flow status to ensure successful settlement on the agreed date. A copy of the settlement report shall be forwarded to the finance department for record keeping and account posting. The finance department shall also verify whether the total transaction amount is in breach of the transaction limits set out in the <u>explanatory notes</u> herein.</p>	<p>accuracy of the transactions with the banks engaging in the trading; and shall prepare settlement reports in accordance with the settlement documents issued by the financial institutions. The aforesaid settlement reports shall specify the transaction date, type of derivate transaction, contractual term and amount, the name and amount of assets or liabilities being hedged, cumulative transaction amount and description of the transaction for review by the financial accounting manager and approval by senior management personnel authorized by the Board of Directors. After verifying the transaction details, the person confirming the trade shall forward the settlement documents to the person executing the settlement to proceed with settlement. The settlement personnel shall periodically review the Company's cash flow status to ensure successful settlement on the agreed date. A copy of the settlement report shall be forwarded to the finance department for record keeping and account posting. The finance department shall also verify whether the total transaction amount is in breach of the transaction limits set out in the <u>procedures</u> herein.</p>	
<p>10.The accounting treatment of derivative transactions shall be in accordance with the <u>financial accounting standards</u> and the relevant laws and regulations.</p>	<p>10.The accounting treatment of derivative transactions shall be in accordance with the <u>financial accounting standards including the "Accounting Standard for Foreign Currency Conversion" and "Disclosure of Financial Derivatives" as well as the "Directions on Particulars to be Disclosed in Financial Reports of Public Companies Engaging in Derivative Transactions" stipulated by the Securities and Futures Bureau of the Ministry of Finance</u> and the relevant laws and regulations.</p>	<p>Adoption of the International Financial Reporting Standards</p>
<p>13.The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in derivatives trading, and prepare an audit report. If</p>	<p>13.The Company's internal audit personnel shall periodically make a determination of the suitability of internal controls on derivatives and conduct a monthly audit of how faithfully derivatives trading by the trading department adheres to the procedures for engaging in</p>	<p>Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-</p>

After the Revision	Before the Revision	Notes
any material violation is discovered, the <u>Audit Committee</u> shall be notified in writing.	derivatives trading, and prepare an audit report. If any material violation is discovered, all supervisors shall be notified in writing.	Corporate-10703452331 issued by the Financial Supervisory Commission
14.2.2 When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors; Independent Directors of the Company shall be present at the Board of Directors' meeting and express an opinion.	14.2.2 When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the Board of Directors; where a company has independent directors , an independent director shall be present at the meeting and express an opinion.	As above
14.2.3 The Company shall report to the most recent upcoming meeting of the Board of Directors after it authorizes the relevant personnel to handle derivatives trading in accordance with the <u>explanatory notes</u> herein for engaging in derivatives trading.	14.2.3 The Company shall report to the most recent upcoming meeting of the Board of Directors after it authorizes the relevant personnel to handle derivatives trading in accordance with the procedures herein for engaging in derivatives trading.	Revise wording
16.The Explanatory Notes and any amendments hereafter shall first be approved by the Board of Directors and <u>the Audit Committee</u> and then presented to the shareholders' meeting for consent. <u>If the aforesaid proposal was not consented by at least one half of all the audit committee members, the proposal may be adopted by at least two third of all the Directors with the resolution of the audit committee clearly recorded in the minutes of the Board of Directors' meeting.</u> <u>All members of the audit committee and all directors referred to in the preceding paragraph shall be those that are currently in office.</u>	16.The Explanatory Notes and any amendments hereafter shall first be approved by the Board of Directors and then submitted to the Supervisors and the shareholders' meeting for consent. The Board of Directors shall take into full consideration each Director's opinions. Each Director's consent or objection and the reasons of objection shall be recorded in the minutes of the Board meeting for the reference of Supervisors.	As above
18. <u>The Explanatory Notes were adopted on 18 February, 2003. The first amendment was made on 23 April, 2008; the second on 26 August, 2011; the third on 24 June, 2014 and the fourth on 27 March, 2020.</u>	18. <u>The Explanatory Notes were adopted on 18 February, 2003. The first amendment was made on 23 April, 2008; the second on 26 August, 2011; and the third on 24 June, 2014.</u>	Add revision dates

Attachment 10.

Comparison Table of Revisions to the Procedures for Loan to Others and Endorsements and Guarantees

After the Revision	Before the Revision	Notes
1.3.1 In addition to complying with the provisions set out in the preceding two articles, the Company's finance department shall evaluate the borrower's business activities, financial position, repayment capability and credit worthiness, profitability and purpose of the loan to determine the necessity, reasonableness and risks of such loans, and necessity to obtain collateral and appraisal of the value thereof and to stipulate the maximum loan amount, duration of loan and calculation of interest, and assess the impact towards the Company's operating risk, financial position and shareholders' equity to include in a report for implementation upon approval by the <u>Audit Committee</u> and the Board of Directors.	1.3.1 In addition to complying with the provisions set out in the preceding two articles, the Company's finance department shall evaluate the borrower's business activities, financial position, repayment capability and credit worthiness, profitability and purpose of the loan to determine the necessity, reasonableness and risks of such loans, and necessity to obtain collateral and appraisal of the value thereof and to stipulate the maximum loan amount, duration of loan and calculation of interest, and assess the impact towards the Company's operating risk, financial position and shareholders' equity to include in a report for implementation upon adoption at a Board of Directors' meeting.	Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the Financial Supervisory Commission
1.3.3 A rectification plan shall be formulated to deal with any change in circumstances resulting in the loan amount to be in breach of the limits, for submission to the Audit Committee.	1.3.3 A rectification plan shall be formulated to deal with any change in circumstances resulting in the loan amount to be in breach of the limits, for submission to the Supervisors, Independent Directors and the Audit Committee.	As above
1.8 The Company's internal auditors shall audit the Procedures for Loan to Others and the implementation thereof at least once every quarter, prepare written records accordingly and notify the audit committee in writing of any material violation found.	1.8 The Company's internal auditors shall audit the Procedures for Loan to Others and the implementation thereof at least once every quarter, prepare written records accordingly and notify the Company's supervisors, independent directors and the audit committee in writing of any material violation found.	As above
2.4.1 Endorsements or guarantees provided by the Company shall be approved by the <u>Audit Committee</u> and the Board of Directors. The Board of Directors may authorize the Chairman to consent to any endorsements or guarantees for subsequent submission to and ratification by the next Board of Directors' meeting in accordance with the procedures herein, to the extent that the total amount of endorsements or guarantees is no more than 10 percent of the	2.4.1 Endorsements or guarantees provided by the Company shall be approved by a resolution of the Board of Directors. The Board of Directors may authorize the Chairman to consent to any endorsements or guarantees for subsequent submission to and ratification by the next Board of Directors' meeting in accordance with the procedures herein, to the extent that the total amount of endorsements or guarantees is no more than 10 percent of the	As above

After the Revision	Before the Revision	Notes
<p>Company's net worth as stated in the Company's most recent financial statements.</p> <p>Before making any endorsements/guarantees pursuant to Article 2, paragraph 2, and subparagraph 3, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsements/guarantees to <u>the Audit Committee</u> and the Board of Directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares</p>	<p>Company's net worth as stated in the Company's most recent financial statements.</p> <p>Before making any endorsements/guarantees pursuant to Article 2, paragraph 2, and subparagraph 3, a subsidiary in which the Company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsements/guarantees to the Company's Board of Directors for a resolution, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares</p>	
<p>2.5.1 The company receiving the guarantee or endorsement shall complete the "Application for Endorsements/guarantees" and submit the application to the finance department of the Company for processing. The original of the application form shall be kept on file. The finance department shall carefully evaluate the risks and make into a record for review and approval by the Chairman and then the approval of <u>the Audit Committee</u> and the Board of Directors.</p>	<p>2.5.1 The company receiving the guarantee or endorsement shall complete the "Application for Endorsements/guarantees" and submit the application to the finance department of the Company for processing. The original of the application form shall be kept on file. The finance department shall carefully evaluate the risks and make into a record for review and approval by the Chairman and then for resolution of the Board of Directors.</p>	As above
<p>2.5.3 Where the entity for which an endorsements/guarantees was made originally met the criteria set out in Paragraph 2 of Article 2 no longer meets the criteria subsequently, or the amount of endorsements/guarantees exceeds the limit due changes in the basis of calculating the limit, the Company shall adopt a rectification plan and submit such plan to the Audit Committee, whilst completing the rectifications according to the timeframe set out in the plan.</p>	<p>2.5.3 Where the entity for which an endorsements/guarantees was made originally met the criteria set out in Paragraph 2 of Article 2 no longer meets the criteria subsequently, or the amount of endorsements/guarantees exceeds the limit due changes in the basis of calculating the limit, the Company shall adopt a rectification plan and submit such plan to all the Supervisors, Independent Directors and the Audit Committee, whilst completing the rectifications according to the timeframe set out in the plan.</p>	As above
<p>2.8.1 Shall be handled in accordance with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" enforced by the FSC and the Company's procedures for</p>	<p>2.8.1 Shall be handled in accordance with the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" enforced by the FSC, Executive Yuan and the Company's</p>	In line with the renaming of the Financial Supervisory Commission

After the Revision	Before the Revision	Notes
public announcement and declaration of information.	procedures for public announcement and declaration of information.	
4.The Company’s internal auditors shall audit the procedures and the implementation thereof at least once every quarter, prepare written records accordingly and notify the Audit Committee in writing of any material violation found.	4.The Company’s internal auditors shall audit the procedures and the implementation thereof at least once every quarter, prepare written records accordingly and notify the Company’s supervisors, independent directors and the Audit Committee in writing of any material violation found.	Establish the audit committee to replace supervisors in accordance with Enforcement Letter No. Financial-Supervisory-Securities-Corporate-10703452331 issued by the Financial Supervisory Commission
6.The Procedures and any amendments hereafter shall first be approved by <u>the Audit Committee</u> and the Board of Directors. If <u>the aforesaid</u> have not been consented by more than one half of the members of the Audit Committee may be adopted with the consent of at least two third of all the Company’s directors and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors’ meeting. The members of the Audit Committee and all Directors referred to herein shall be those that are currently in office.	6.Upon adoption of the procedures by the Board of Directors, the Procedures herein shall be submitted to the supervisors and shareholders’ meeting for consent. Any directors’ dissent noted on record or made in writing shall be submitted to the supervisors to put forward for discussion at the shareholders’ meeting. Where necessary, the Procedures and any amendments hereafter shall be filed with the FSC. Where the Procedures for Loan to Others and Endorsements/Guarantees are submitted to the Board of Directors for approval, the Board shall take into full consideration each Director and Independent Director’s opinions. Each Director or Independent Director’s consent or dissent and the reasons of dissent shall be recorded in the minutes of the Board meeting. Subsequent to the establishment of the Company’s Audit Committee, any amendments to the procedures herein consented by at least one half of the members of the Audit Committee, and adopted upon resolution at the Board of Directors’ meeting shall not be bound by the provisions of the preceding paragraph. Any amendments that have not been consented by more than one half of the members of the Audit Committee may be adopted with the consent of at least two third of all the Company’s directors and the resolution of the Audit Committee shall be recorded in the minutes of the Board of Directors’ meeting. The members of the Audit Committee and all Directors referred to	As above

After the Revision	Before the Revision	Notes
	herein shall be those that are currently in office.	
	8. The procedures herein and any amendments thereafter shall come into effect upon adoption by the Board of Directors.	Merged with Article 6
8. The <u>operating</u> procedures were adopted on 18 February, 2003... (omitted) the ninth on 19 March, 2019 <u>and the tenth on 27 March, 2020.</u>	9. The Procedures were adopted on 18 February, 2003... (omitted) the ninth on 19 March, 2019.	Revise the article number add revision dates

Attachment 11.**List of non-competition restrictions on Directors**

Account No.	Name	List of non-competition restrictions on Directors
9	J. W. Kuo	Chairman of Anyong Biotechnology, Inc. Director of Shin-Etsu Handotai Taiwan Co., Ltd.
18	Jeffery Pan	Chairman of Shanghai Chong Yao Trading Co., Ltd.
34	Simon Tseng	Chairman of Kanbo Biomedical Co., Ltd. Director of Anyong Biotechnology, Inc. Director of Topco Quartz products Co., Ltd.
37	Charles Lee	Chairman of Jing Chen Energy Co., Ltd. Chairman of Jing Yang Energy Co., Ltd. Chairman of Jing Yueh Energy Co., Ltd. Chairman of Kuan Yueh Technology Co., Ltd. Director of Jia Yi Energy Co., Ltd. Director of Shin-Etsu Opto Electronic Co., Ltd.
24761	Jia Pin Investment Development Co., Ltd. Representative: Robert Lai	Director of Jia Yi Energy Co., Ltd. Independent Director, PhytoHealth Co.,Ltd. Independent Director of Yi Jinn Industrial Co.,Ltd. Independent Director, LEATEC Fine Ceramics Co.,Ltd. Independent Director, SYSAGE Technology Co., Ltd.
U12010XXXX	Cheng, Jen-Wei	Independent Director of Sunnic Technology & Merchandise Inc.