



YUNGSHIN GLOBAL HOLDING CORPORATION

Stock Code : 3705

2021

MEETING HANDBOOK

General Shareholders' Meeting

Time : 9:00 a.m., Wednesday, May 26, 2021

Venue : No. 315, Chenggong Rd., Dajia District, Taichung City

(Meeting Room on the 2nd Floor of Xiangye Villa on Dajia Tiejhen Mountain)

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Chapter 1. Meeting Agenda

Time: 9:00 a.m., May 26, 2021 (Wednesday)

Address: No. 315, Chenggong Rd., Dajia Dist., Taichung City

(Conference Room, 2nd Floor, Xiangye Village, Tiezhen Mountain,
Dajia)

I. Reports Items

- (I) 2020 Business Report
- (II) 2020 Report on the Review of the Final Statement from the Audit Committee
- (III) 2020 Employees' and Directors' Compensation Distribution

II. Ratifications and Discussions

- (I) Adoption of the 2020 Business Report and Financial Statements
- (II) Adoption of the 2020 Earnings Allocation
- (III) Repeal and re-establishment of the Corporation's Rules and Procedures for Shareholders' Meeting
- (IV) Amendment to the Rules for Election of Directors
- (V) Release the Prohibition on Directors from the Participation in Competitive Business

III. Extemporaneous Motions

IV. Adjournment

Chapter 2. Reports Items

I. 2020 Business Report

Description: Please refer to Attachment 1 (#Page 9-11#) for the Corporation's 2020 Business Report.

II. 2020 Report on the Review of the Final Statement from the Audit Committee

Description:

YungShin Global Holding Corporation Audit Committee's Review Report

The Board of Directors has prepared the Corporation's 2020 Business Report, Financial Statements (both Individual and Consolidated) and Proposal for Allocation of Profits. The CPA Tung-Feng Lee and Chih-Yuan Chen of Deloitte & Touche were retained to audit the Corporation's Financial Statements and have issued an audit report relating to the Financial Statements. The aforementioned Business Report, Financial Statement, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee of the Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report. Please review accordingly.

To:

2021 General Shareholders' Meeting

Convener of the Audit Committee: Tsai, Shih-Kuang

March 30, 2021

III. 2020 Employees' and Directors' Compensation Distribution

Description:

- (I) Pursuant to Article 31 of the Articles of Incorporation, if the Corporation makes any profits within a fiscal year, shall set aside no less than 0.3% of the profits as the employees' compensation; and no more than 3% of the Profits as compensation to its Directors and Supervisors. However, the Corporation shall have reserved a sufficient amount to offset its accumulated losses.
- (II) In 2020, NT\$2,475,385 and NT\$16,502,567 were appropriated as compensation for employees and Directors respectively. All compensations will be distributed in cash.

Chapter 3. Ratifications and Discussions

Motion 1: (Proposed by the Board)

Proposal: Adoption of the 2020 Business Report and Financial Statements

Description:

- (I) The CPA Tung-Feng Lee and Chih-Yuan Chen of Deloitte & Touche were retained to audit the Corporation's Financial Statements (both Consolidated and Individual) and have issued an audit report relating to the Financial Statements.
- (II) The Audit Committee's Review Report on the Corporation's 2020 Business Report and Consolidated and Individual Financial Statements, please see #page9-11 and 12-37# in this Handbook.
- (III) Proposed for the Shareholders' Meeting's approval.

Resolution:

Motion 2: (Proposed by the Board)

Proposal: Adoption of the 2020 Earnings Allocation.

Description:

- (I) The Corporation proposes to distribute shareholders' dividends and cash dividends for a cumulative sum of NT\$532,845,966 (NT\$2 per shares).
- (II) The aforementioned sum will be distributed based on the shareholding ratio recorded in the shareholders' roster on the ex-dividend date, and with calculation rounded down to the nearest one NTD (any amount under one NTD will be discarded). The remaining fraction will be recognized as other revenue for the Corporation.
- (III) The proposed ex-dividend trading date for cash dividend is July 8, 2021, and the book closure period is from July 11 to July 15, 2021. The ex-dividend record date will be July 15,

2021, and the cash dividend payment date will be August 6, 2021.

(IV) In the event of any change in the number of outstanding shares resulting from the Corporation's shares repurchase, the dividend ratio must be adjusted. It is proposed to fully authorize Chairman to adjust the dividend ratio and to proceed on the relevant matters.

(V) The Earnings Allocation Table for 2020 is as follows:

YungShin Global Holding Corporation
Earnings Allocation Table for 2020

Unit: New Taiwan Dollars (NT\$)

Item	Amount
Initial Undistributed Earnings	208,584,808
Less: other comprehensive income/loss from affiliates accounted for using equity method	(16,725,892)
Add: 2020 after-tax net profit	791,719,891
Less: appropriations of legal reserve	(77,499,400)
Less: special surplus reserve	(38,040,178)
Distributable earnings	868,039,229
Appropriations:	
Dividend (appropriated based on 10% share capital)	(266,422,983)
Shareholders' dividends: cash dividend NT\$1.0 per share	(266,422,983)
Unappropriated retained earnings	335,193,263

Chairman: Dr. Fang-Hsin Lee President: Dr. Fang-Hsin Lee Accounting Manager: Yu-Yi Lee

(VI) Proposed for the Shareholders' Meeting's approval.

Resolution:

Motion 3: (Proposed by the Board)

Proposal: Repeal and re-establishment of the Corporation's Rules and Procedures for Shareholders' Meeting

Description:

- (I) Pursuant to Taiwan Stock Exchange Corporation Letter No. Taiwan-Stock-Governance-1100001446 dated on Jan 28, 2021.
- (II) The “Rules and Procedures for Shareholders’ Meeting” of the Corporation was last amended on Jun 11, 2013 and four amendments were made by the competent authority in Jan, 2015, Jan, 2020, Jun, 2020 and Jan, 2021, so there has been a significant difference between the Rules and the public announcement version. As a result, the Corporation has submitted a proposal to repeal the original Rules and re-formulate the Rules and Procedures for Shareholders' Meeting in accordance with the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" published by the Taiwan Stock Exchange on Jan 28, 2021. Please refer to Attachment 3 on #page38-47#.
- (III) Proposed for discussion.

Resolution:

Motion 4: (Proposed by the Board)

Proposal: Amendment to the Rules for Election of Directors

Description:

- (I) "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings" is amended per Financial Supervisory Commission Letter No. Financial-Supervisory-Securities-Corporate-1090009468 dated on Jun 3, 2020. It is proposed to amend the Corporation's Rules for Election of Directors.
- (II) This proposal has been approved by the 13th Board meeting of the Corporation's Fourth Board of Directors. Please see Attachment 4 on #page 48-54# for Comparison Table for Amendment to the Rules for Election of Directors.
- (III) Proposed for discussion.

Resolution:

Motion 5: (Proposed by the Board)

Proposal: Release the Prohibition on Directors from the Participation in Competitive Business

Description:

- (I) In accordance with Paragraph 1 of Article 209 of the Company Act, "A Director who does anything for himself or on behalf of another person that is within the scope of the Corporation's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
- (II) The Corporation's Directors who also serve as Directors for businesses which may be the same or similar with the Corporation's business, please see the following list.
- (III) According to Paragraph 1 of Article 209 of the Company Act, the permission for releasing the prohibition on Directors from the participation in competitive business has been submitted for deliberation and approval.

Name	Position	Position submitted for release of the prohibition on Directors from participation in competitive business
Fang-Yu Lee	Director	1. Director of YungShin Pharm. Ind. (KS) Co., Ltd. 2. Director of Shanghai Yung Zip Pharm. Trading Co., Ltd. 3. Director of Yung Shin Company Limited 4. Director of Shuz Tung Machinery Industrial Co., Ltd
Fang-Chen Lee	Director	Director of Taiwan Way Chein Industrial Co., Ltd
Chi-Li Lee	Director	Director of Taiwan Way Chein Industrial Co., Ltd
Hong-Yi Chen	Independent Director	Director of Da Guang Healthcare Consulting Co., Limited

Resolution:

Chapter 4. Extemporaneous Motions

Chapter 5. Adjournment

Chapter 6. Attachments

Attachment 1. Business Report

YungShin Global Holding Corporation 2020 Business Report

I. Business Strategy

Since the beginning, YungShin Group has always been committed to developing the integrative value chain of pharmaceutical and health care industry. To pursue for sustainable business development and to keep up with the increasingly competitive global competition, YungShin Group has gradually launched the global business layout since the 1980s. Currently, we have construed remarkable operational foundations in Taiwan, China, the USA, Japan, and Southeast Asia. YungShin Group's businesses encompass four major areas, including human drugs, animal drugs, healthcare supplements, and active pharmaceutical ingredients. YungShin Group's sustainable development objective is to become a global leader in generic drugs through combining research and development of upstream active pharmaceutical ingredients and intermediates, midstream production of human drugs, animal drugs, and healthcare supplements, and downstream related product sales, and achieving vertical integrations throughout the industry value chain and regional horizontal expansion strategies.

II. 2020 Business Performance and Results

The year was challenged by the outbreak of COVID-19 which resulted in various contingencies such as supply shortage of raw material, protectionist barriers, and transportation obstacles of various countries. In the face of the severe environment of intensified changes in the business environment, YungShin Group adheres to the principle of immediate response and rapid adjustment to continuously optimize its physique and enhance its competitiveness. Our consolidated revenue was NT\$8,084,664,000, a decrease of 1.30% compared to NT\$8,191,531,000 in 2019, while the net income attribute to owners of the corporation, net profit rate and earnings per share (EPS) after tax was NT\$791,720,000, 9.79% and NT\$2.97 respectively.

III. 2021 Prospects

Due to the obvious trend of developed and developing countries moving towards an aging society, which give the output value of global drug market a boost for steadily grow. In addition, the governments of advanced and emerging countries are under the pressure of government fiscal expenditure due to the aging population, each government actively promotes the generic drugs substitution policy to control medical expenditure, which makes demands for generic drugs in the fields of chronic diseases, cancer treatment, and psychosomatic disorders increase dramatically. YungShin Group has invested in the R&D, production and sales of generic drugs in the upstream, midstream, and downstream for a long time to make R&D, production and marketing a coordinated process. In addition to Taiwan, there are manufacturing plants and direct sales teams in the United States, China, Japan, Malaysia, Vietnam, and Indonesia, and the sales scope cover more than 35 countries. YungShin Group continued to develop in the field of big health industry, and actively developed healthcare supplements, preventive medicine and other business operations in the regional field, so as to realize and achieve the concept of holistic health care. Moreover, the world attaches great importance to food safety issues, and economic animal care and the safety and effectiveness of feed additives are both high potential markets, in this respect, YungShin Group has established a complete industrial layout in the animal drug industry. YungShin Group will continue to focus on developing the pharmaceutical and big health-related industries. To optimize industrial value chain and maximize the industrial value, we will be committed to strategic resource integration and a principle of regional division of labor.

The outbreak of COVID-19 has been a material operational variable in 2020. At the beginning of the outbreak of the pandemic, YungShin Group has established a cross-business platform response team to share active pharmaceutical ingredients, transportation, emerging variables throughout the world and countermeasures. Currently, all businesses within the YungShin Group are focused on reviewing the sources and supplies of active pharmaceutical ingredients, and will expand the stock preparation of raw material inventory of major strategic products from a quarterly basis to an

annual basis in the short-term to maintain normal production and supply. Over the long run, the YungShin Group's strategic guidelines include introducing secondary and tertiary sources of supply and supplying active pharmaceutical ingredients in-house to maintain long-term market competitiveness. In terms of operations, YungShin Group will continue to monitor changes in the market to flexibly control the production and supply, and pursue for sustainable development via employing a principle of stable, long-term management.

Important strategies to implement in 2021:

1. Continuous ingrained in investment and development of big health related industries
2. Source and supply control of active pharmaceutical ingredients required by YungShin Group
3. Flexible control of inventory, production and business strategies in response to changes in the pandemic of COVID-19
4. Continuous to facilitate the cooperation of each affiliates and subsidiaries and strengthen the competitiveness.
5. Continuous to promote the sustainable investment and development of ESG

Besides focusing on business management, YungShin Group also fulfills corporate social responsibility (CSR) and conveys internal and external shareholders and social value through platforms including "YungShin Social Welfare Foundation," "TianTe Lee Biomedical Foundation," "YungShin Elderly Nursing Home," and "YungShin Cup Volleyball Championships."

The Corporation will continue to share our management results with all shareholders through balance YungShin Group's sustainable business development and a stable dividend policy.

Chairman: Dr. Fang-Hsin Lee

President: Dr. Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

Attachment 2. Audit Report and Financial Statements (Including Consolidated Statements)

REPRESENTATION LETTER

In connection with the consolidated financial statements of affiliated enterprises of YungShin Global Holding Corporation, entities required to be included in the consolidated financial statements of affiliated enterprises as of and for the year ended December 31, 2020 in accordance with the Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises are the same as those required to be included in the consolidated financial statements of YungShin Global Holding Corporation and subsidiaries in accordance with the International Financial Reporting Standard No. 10. Also, information required to be disclosed in the consolidated financial statements of affiliated enterprises has been disclosed in the consolidated financial statements of YungShin Global Holding Corporation and subsidiaries. Consequently, YungShin Global Holding Corporation does not prepare the consolidated financial statements of affiliated enterprises separately.

Sincerely,

YungShin Global Holding Corporation

Chairman: Fang-Hsin Lee

March 30, 2021

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Yungshin Global Holding Corporation

Opinion

We have audited the accompanying financial statement of YungShin Global Holding Corporation (the "Corporation") and its subsidiaries (collectively, the Group) as of December 31, 2020, which comprise the consolidated Balance Sheets, the consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinions, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section of our report), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers, and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations (collectively, the "IFRSs") as endorsed and issued into effect by the Financial Supervisory Commission (the "FSC").

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards (GAAS). 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the Code), and we have fulfilled our other responsibilities in accordance with the Code. Based on our audit results and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 for the year ended December 31, 2020. 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.

Key audit matters for the consolidated financial statements for the year ended December 31, 2020 are stated as follows:

Operating revenue

For the year ended December 31, 2020, the Group's operating revenue from major growing amounted to NT\$2,780,607 thousand, accounting for 34.39% of consolidated operating revenue. As the amount of revenue from growing was significant, revenue from growing was identified as a key audit matter for the year ended December 31, 2020. Please refer to Note 4 to the consolidated financial statements for an explanation of the accounting policy on revenue recognition.

The main audit procedures for the aforementioned key audit matters are as follows:

1. Understood and tested the design and effectiveness of internal controls for operating revenue.
2. Sampling basis, whether freight bill were signed to acknowledge the receipt and were consistent with the invoices in terms of products and quantities and the amounts of revenue recognized.
3. Reviewed the reasonableness of the collection of accounts receivable and confirmed whether the accounts and amounts of receivable were consistent with the recognition of revenue.

Other Matters

Included in the consolidated financial statements, the financial statements of some subsidiaries for the year ended December 31, 2020 were audited by other auditors. Therefore, our opinion on the parts in relation to the amounts specified in the financial statements of the subsidiaries above was solely based on the audit reports of other auditors. As of December 31, 2020, the total assets of the aforementioned subsidiaries amounted to NT\$645,465 thousand, accounting for 5.12% of the consolidated total assets, and net operating revenue for the year then ended amounted to NT\$585,207 thousand, accounting for 7.24% of the consolidated net operating revenue. Included in the consolidated financial statements above, the financial statements of some associates for the year ended December 31, 2020 were audited by other auditors. Therefore, our opinion on the parts in relation to investments in the aforementioned associates accounted for using equity method, share of profit or loss of associates accounted for using equity method, and share of comprehensive income of associates accounted for using equity method, and information on investees was solely based on the audit opinion of other auditors. As of December 31, 2020, the amount of the aforementioned investments using equity method was NT\$1,172,290 thousand, accounting for 9.30% of the consolidated total assets, and the share of comprehensive income of the aforementioned associates accounted for using equity method for the year then ended amounted to NT\$86,836 thousand, accounting for 11.95% of the consolidated total comprehensive income.

The Group's consolidated financial statements for the year ended December 31, 2019 were audited by other auditors, who then issued an audit report containing the unqualified opinion and the Other Matters section on March 30, 2020.

YungShin Global Holding Corporation has also prepared the financial statements for the year ended December 31, 2020, for which we have issued an audit report containing the unqualified opinion and the Other Matters section.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs as endorsed and issued into effect by the FSC, and for such internal control as management determines is necessary to ensure the preparation of consolidated financial statements that are free from material misstatements, 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 related matters, and using the going concern basis of accounting unless management intends to liquidate the Group or cease operations or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatements, 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 GAAS 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 the consolidated financial statements.

As part of an audit in accordance with the GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatements 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 relevant 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 report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the 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 for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our audit 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.

Deloitte & Touche

CPA Tung-Feng Lee

CPA Chih-Yuan Chen

Securities and Futures Bureau Approval

Financial Supervisory Commission

Document No.

Approval Document No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

Jin-Guan-Zheng-Shen-Zi No. 1060023872

March 30, 2021

Notice to Readers

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' audit report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' audit report and consolidated financial statements shall prevail.

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 1,478,002	12	\$ 1,311,760	11
1110	Financial assets at fair value through profit or loss - current (Notes 4 and 7)	23,868	-	-	-
1136	Financial assets at amortized cost - current (Notes 4 and 8)	166,488	1	24,755	-
1150	Notes receivable, net (Notes 4 and 10)	281,295	2	302,418	2
1170	Accounts receivable, net (Notes 4 and 10)	1,368,639	11	1,586,047	13
1180	Accounts receivable from related parties (Notes 4 and 31)	26,832	-	59,653	1
1200	Other receivables (Note 31)	50,196	-	54,334	-
1220	Current tax assets (Notes 4 and 26)	570	-	-	-
130X	Inventories (Notes 4 and 11)	2,829,553	23	2,510,726	20
1410	Prepayments	203,888	2	186,896	2
1479	Other current assets	25,509	-	5,728	-
11XX	Total current assets	<u>6,454,840</u>	<u>51</u>	<u>6,042,317</u>	<u>49</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current (Notes 4 and 9)	50,043	1	70,246	1
1550	Investments accounted for using the equity method (Notes 4 and 13)	1,184,511	9	1,173,857	9
1600	Property, plant and equipment (Notes 4, 14, 31 and 32)	4,459,976	35	4,537,304	37
1755	Right-of-use assets (Notes 4 and 15)	102,937	1	109,500	1
1760	Investment properties (Notes 4, 16 and 31)	37,568	-	39,959	-
1780	Intangible assets (Note 4)	64,886	1	41,252	-
1840	Deferred tax assets (Notes 4 and 26)	125,821	1	94,875	1
1990	Other non-current assets (Notes 18 and 32)	131,310	1	251,467	2
15XX	Total non-current assets	<u>6,157,052</u>	<u>49</u>	<u>6,318,460</u>	<u>51</u>
1XXX	TOTAL ASSETS	<u>\$ 12,611,892</u>	<u>100</u>	<u>\$ 12,360,777</u>	<u>100</u>
Code	LIABILITIES AND EQUITY	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
	CURRENT LIABILITIES				
2100	Short-term borrowings (Notes 19 and 32)	\$ 2,531,337	20	\$ 2,927,434	24
2130	Contract liabilities - current (Notes 4 and 24)	17,663	-	18,149	-
2150	Notes payable (Note 20)	3,528	-	1,986	-
2170	Accounts payable (Note 20)	491,103	4	431,657	4
2180	Accounts payable to related parties (Note 31)	20,041	-	30,109	-
2219	Other payables (Notes 21 and 31)	990,009	8	975,895	8
2230	Current tax liabilities (Notes 4 and 26)	150,784	1	146,237	1
2280	Lease liabilities - current (Notes 4 and 15)	29,248	-	27,133	-
2320	Current portion of long-term borrowings (Notes 19 and 32)	16,167	-	306,250	2
2365	Refund liabilities - current (Note 24)	23,785	-	128,524	1
2399	Other current liabilities	31,465	1	84,782	1
21XX	Total current liabilities	<u>4,305,130</u>	<u>34</u>	<u>5,078,156</u>	<u>41</u>
	NON-CURRENT LIABILITIES				
2527	Contract liabilities - non-current (Notes 4 and 24)	253,867	2	-	-
2540	Long-term borrowings (Notes 19 and 32)	921,639	7	312,031	3
2550	Provision of employee benefits - non-current (Notes 4 and 22)	47,047	-	43,953	-
2570	Deferred tax liabilities (Notes 4 and 26)	305,718	3	291,715	2
2580	Lease liabilities - non-current (Notes 4 and 15)	36,246	-	47,924	-
2640	Net defined benefit liabilities (Notes 4 and 22)	111,165	1	108,791	1
2670	Other non-current liabilities	54,818	1	59,382	1
25XX	Total non-current liabilities	<u>1,730,500</u>	<u>14</u>	<u>863,796</u>	<u>7</u>
2XXX	TOTAL LIABILITIES	<u>6,035,630</u>	<u>48</u>	<u>5,941,952</u>	<u>48</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 23)				
3110	Share capital	2,664,230	21	2,664,230	22
3200	Capital surplus	2,146,301	17	2,143,919	17
	Retained earnings				
3310	Legal reserve	648,691	5	573,689	5
3320	Special reserve	265,965	2	243,197	2
3350	Unappropriated earnings	983,579	8	892,485	7
3300	Total retained earnings	1,898,235	15	1,709,371	14
3400	Other equity	(304,005)	(2)	(265,965)	(2)
3500	Treasury shares	(1,439)	-	(1,439)	-
31XX	Total equity attributable to owners of the Corporation	<u>6,403,322</u>	<u>51</u>	<u>6,250,116</u>	<u>51</u>
36XX	NON-CONTROLLING INTERESTS	<u>172,940</u>	<u>1</u>	<u>168,709</u>	<u>1</u>
3XXX	TOTAL EQUITY	<u>6,576,262</u>	<u>52</u>	<u>6,418,825</u>	<u>52</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$ 12,611,892</u>	<u>100</u>	<u>\$ 12,360,777</u>	<u>100</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2020		2019	
		Amount	%	Amount	%
4000	NET OPERATING REVENUE (Notes 4, 24, 31 and 37)	\$ 8,084,664	100	\$ 8,191,531	100
5000	OPERATING COSTS (Notes 4, 11, 25 and 31)	<u>4,402,545</u>	<u>54</u>	<u>4,383,759</u>	<u>53</u>
5900	GROSS PROFIT	<u>3,682,119</u>	<u>46</u>	<u>3,807,772</u>	<u>47</u>
	OPERATING EXPENSES (Notes 4, 25 and 31)				
6100	Selling and marketing expenses	1,832,912	23	1,962,565	24
6200	General and administrative expenses	475,298	6	560,690	7
6300	Research and development expenses	410,600	5	397,982	5
6450	Expected credit losses (gains on reversal)	<u>2,203</u>	<u>-</u>	(<u>5,369</u>)	<u>-</u>
6000	Total operating expenses	<u>2,721,013</u>	<u>34</u>	<u>2,915,868</u>	<u>36</u>
6900	INCOME FROM OPERATIONS	<u>961,106</u>	<u>12</u>	<u>891,904</u>	<u>11</u>
	NON-OPERATING INCOME AND EXPENSES (Notes 4, 25 and 31)				
7100	Interest income	3,917	-	3,935	-
7010	Other income	80,848	1	73,792	1
7020	Other gains and losses	(62,673)	(1)	14,250	-
7050	Finance costs	(45,544)	-	(70,676)	(1)
7060	Share of profit of associates accounted for using equity method	<u>86,836</u>	<u>1</u>	<u>98,693</u>	<u>1</u>
7000	Total non-operating income and expenses	<u>63,384</u>	<u>1</u>	<u>119,994</u>	<u>1</u>

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Code		2020		2019	
		Amount	%	Amount	%
7900	PROFIT BEFORE INCOME TAX	\$ 1,024,490	13	\$ 1,011,898	12
7950	INCOME TAX EXPENSE (Notes 4 and 26)	<u>243,356</u>	<u>3</u>	<u>257,887</u>	<u>3</u>
8200	NET PROFIT FOR THE YEAR	<u>781,134</u>	<u>10</u>	<u>754,011</u>	<u>9</u>
	OTHER COMPREHENSIVE INCOME				
	(LOSS)				
8310	Items that will not be reclassified				
	subsequently to profit or loss:				
8311	Remeasurement of defined				
	benefit plans	(26,247)	-	2,357	-
8316	Unrealized gain on				
	investments in equity				
	instruments at fair				
	value through other				
	comprehensive income	(10,301)	-	17,590	-
8320	Share of other				
	comprehensive income				
	of associates and joint				
	ventures accounted for				
	using the equity				
	method - items that will				
	not be reclassified to				
	profit or loss	6,445	-	1,052	-
8349	Income tax relating to items				
	that will not be				
	reclassified to profit or				
	loss	6,255	-	(471)	-
8360	Items that may be reclassified				
	subsequently to profit or loss:				
8361	Exchange differences on				
	translating the financial				
	statements of foreign				
	operations	(16,115)	-	(23,946)	-
8370	Share of other				
	comprehensive income				
	(loss) of associates and				
	joint ventures				
	accounted for using the				
	equity method - items				
	that may be reclassified				
	to profit or loss	(22,100)	(1)	(21,445)	-

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Code		2020		2019	
		Amount	%	Amount	%
8399	Income tax relating to items of other comprehensive income that may be reclassified to profit or loss (Note 26)	\$ 7,728	-	\$ 10,469	-
8300	Other comprehensive income (loss) for the period, net of income tax	(54,335)	(1)	(14,394)	-
8500	TOTAL COMPREHENSIVE INCOME OF THE YEAR	\$ 726,799	9	\$ 739,617	9
	NET INCOME ATTRIBUTABLE TO:				
8610	Owners of the Corporation	\$ 791,720	10	\$ 748,601	9
8620	Non-controlling interests	(10,586)	-	5,410	-
8600		\$ 781,134	10	\$ 754,011	9
	TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
8710	Owners of the Corporation	\$ 736,954	9	\$ 727,251	9
8720	Non-controlling interests	(10,155)	-	12,366	-
8700		\$ 726,799	9	\$ 739,617	9
	EARNINGS PER SHARE (Note 27)				
	From continuing operations				
9750	Basic	\$ 2.97		\$ 2.81	
9850	Diluted	\$ 2.97		\$ 2.81	

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

Equity Attributable to Owners of the Corporation (Note 23)														
Code		Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Retained Earnings		Exchange Differences on Translating the Financial Statements of Foreign Operations	Other Equity		Treasury Shares	Total	Non-controlling Interests (Note 23)	Total Equity
						Unappropriated Earnings	Total		Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total				
A1	BALANCE ON JANUARY 1, 2019	\$ 2,664,230	\$ 2,118,665	\$ 503,491	\$ 261,289	\$ 780,703	\$ 1,545,483	(\$ 245,562)	\$ 2,365	(\$ 243,197)	(\$ 1,439)	\$ 6,083,742	\$ 115,687	\$ 6,199,429
	Appropriation of 2018 earnings													
B1	Legal reserve	-	-	70,198	-	(70,198)	-	-	-	-	-	-	-	-
B3	Special reserve reversed	-	-	-	(18,092)	18,092	-	-	-	-	-	-	-	-
B5	Cash dividends distributed by the Corporation	-	-	-	-	(586,131)	(586,131)	-	-	-	-	(586,131)	-	(586,131)
	Subtotal	-	-	70,198	(18,092)	(638,237)	(586,131)	-	-	-	-	(586,131)	-	(586,131)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	25,254	-	-	-	-	-	-	-	-	25,254	40,656	65,910
D1	Net profit for year ended 2019	-	-	-	-	748,601	748,601	-	-	-	-	748,601	5,410	754,011
D3	Other comprehensive income (loss) for year ended 2019	-	-	-	-	1,418	1,418	(41,878)	19,110	(22,768)	-	(21,350)	6,956	(14,394)
D5	Total comprehensive income (loss) for year ended 2019	-	-	-	-	750,019	750,019	(41,878)	19,110	(22,768)	-	727,251	12,366	739,617
Z1	BALANCE ON DECEMBER 31, 2019	2,664,230	2,143,919	573,689	243,197	892,485	1,709,371	(287,440)	21,475	(265,965)	(1,439)	6,250,116	168,709	6,418,825
	Appropriation of 2019 earnings													
B1	Legal reserve appropriated	-	-	75,002	-	(75,002)	-	-	-	-	-	-	-	-
B3	Special reserve	-	-	-	22,768	(22,768)	-	-	-	-	-	-	-	-
B5	Cash dividends distributed by the Corporation	-	-	-	-	(586,130)	(586,130)	-	-	-	-	(586,130)	-	(586,130)
	Subtotal	-	-	75,002	22,768	(683,900)	(586,130)	-	-	-	-	(586,130)	-	(586,130)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	2,288	-	-	-	-	-	-	-	-	2,288	18,782	21,070
M1	Adjustment to capital surplus from dividends paid to subsidiary	-	94	-	-	-	-	-	-	-	-	94	-	94
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(4,396)	(4,396)
Q1	Disposal of investments in equity instruments measured at fair value through other comprehensive income	-	-	-	-	5,442	5,442	-	(5,442)	(5,442)	-	-	-	-
D1	Net profit (loss) for year ended 2020	-	-	-	-	791,720	791,720	-	-	-	-	791,720	(10,586)	781,134
D3	Other comprehensive income (loss) for year ended 2020	-	-	-	-	(22,168)	(22,168)	(30,918)	(1,680)	(32,598)	-	(54,766)	431	(54,335)
D5	Total comprehensive income (loss) for year ended 2020	-	-	-	-	769,552	769,552	(30,918)	(1,680)	(32,598)	-	736,954	(10,155)	726,799
Z1	BALANCE ON DECEMBER 31, 2020	\$ 2,664,230	\$ 2,146,301	\$ 648,691	\$ 265,965	\$ 983,579	\$ 1,898,235	(\$ 318,358)	\$ 14,353	(\$ 304,005)	(\$ 1,439)	\$ 6,403,322	\$ 172,940	\$ 6,576,262

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

Code		2020	2019
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit before income tax	\$ 1,024,490	\$ 1,011,898
A20010	Adjustments for:		
A20100	Depreciation	382,203	378,189
A20200	Amortization	20,380	18,152
A20300	Expected credit losses (gains on reversal)	2,203	(5,369)
A20900	Finance costs	45,544	70,676
A21200	Interest income	(3,917)	(3,935)
A21300	Dividend income	(979)	-
A22300	Share of profit or loss of associates accounted for using the equity method	(86,836)	(98,963)
A22500	Net loss on disposal of property, plant and equipment	13,948	13,623
A29900	Loss on disposal of subsidiaries	2,596	24,291
A23100	Gain on disposal of financial assets at fair value through profit or loss	(40)	-
A23700	Write-downs and disposal of inventories	113,564	37,396
A23000	Gain on disposal of non-current assets held for sale	-	(70,950)
A30000	Changes in operating assets and liabilities		
A31130	Notes receivable	21,510	108,658
A31150	Accounts receivable	214,721	(104,566)
A31160	Accounts receivable from related parties	32,821	(3,574)
A31180	Other receivables	4,139	(42,656)
A31200	Inventories	(431,124)	(242,291)
A31230	Prepayments	(16,992)	6,833
A31240	Other current assets	(20,166)	2,913
A32125	Contract liabilities	253,381	(991)
A32130	Notes payable	1,542	(4,532)
A32150	Accounts payable	59,446	(4,933)
A32160	Accounts payable to related parties	(10,068)	(1,946)
A32180	Other payables	12,300	96,149
A32200	Provisions	3,094	5,304
A32230	Other current liabilities	(157,995)	49,461

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Code		2020	2019
A32240	Net defined benefit liabilities	(\$ 23,873)	(\$ 21,120)
A32990	Other non-current liabilities	(1,456)	27,246
A33000	Cash generated from operations	1,454,436	1,244,963
A33100	Interest received	3,916	3,935
A33200	Cash dividends received from investments accounted for using the equity method	55,034	54,791
A33300	Interest paid	(43,730)	(70,378)
A33500	Income tax paid	(242,339)	(246,081)
AAAA	Net cash generated from operating activities	1,227,317	987,230
CASH FLOWS FROM INVESTING ACTIVITIES			
B00020	Disposal of financial assets at fair value through other comprehensive income	10,020	-
B00040	Acquisition of financial assets at amortized cost	(165,928)	-
B00050	Disposal of financial assets at amortized cost	17,592	700
B00100	Acquisition of financial assets at fair value through profit or loss	(23,868)	-
B00200	Disposal of financial assets at fair value through profit or loss	40	-
B01800	Acquisition of investments accounted for using the equity method	(12,221)	-
B02300	Net cash used in disposal of subsidiaries	-	(29,978)
B02600	Disposal of non-current assets held for sale	-	260,264
B02700	Acquisition of property, plant and equipment	(316,362)	(708,347)
B02800	Proceeds from disposal of property, plant and equipment	4,325	22,281
B03800	Decrease (increase) in refundable deposits	65,664	(53,298)
B04500	Acquisition of intangible assets	(8,627)	(13,466)
B06700	Decrease (increase) in other non-current assets	10,643	(53,810)
B07200	Decrease in equipment prepayment	21,235	93,571
B07600	Dividends received	979	-
B09900	Increase in restricted assets	-	(4,000)
BBBB	Net cash used in investing activities	(396,508)	(486,083)
CASH FLOWS FROM FINANCING ACTIVITIES			
C00100	Proceeds from short-term borrowings	1,489,501	4,810,176
C00200	Repayments of short-term borrowings	(1,878,698)	(4,777,868)
C01600	Proceeds from long-term borrowings	826,000	225,000
C01700	Repayments of long-term borrowings	(506,167)	(6,250)
C03100	Decrease in deposits received	(3,108)	(10,698)
C03800	Decrease in other payables to related parties	-	(29,980)
C04020	Repayment of the principal portion of lease liabilities	(29,540)	(17,012)

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<u>Code</u>		<u>2020</u>	<u>2019</u>
C04500	Cash dividends paid	(\$ 590,432)	(\$ 586,131)
C05800	Changes in non-controlling interests	<u>18,782</u>	<u>40,656</u>
CCCC	Net cash used in financing activities	(<u>673,662</u>)	(<u>352,107</u>)
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>9,095</u>	(<u>11,522</u>)
EEEE	NET DECREASE IN CASH AND CASH EQUIVALENTS	166,242	137,518
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>1,311,760</u>	<u>1,174,242</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,478,002</u>	<u>\$ 1,311,760</u>

The accompanying notes are an integral part of the consolidated financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders of YungShin Global Holding Corporation

Opinion

We have audited the accompanying financial statement of YungShin Global Holding Corporation (the “Corporation”) which comprise the balance sheets as of December 31, 2020, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the related notes to the financial statements, including a summary of significant accounting policies.

In our opinions, based on our audit results and the audit reports of other auditors (please refer to the Other Matters section of our report), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Generally Accepted Auditing Standards (GAAS). 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 Corporation in accordance with the Code of Professional Ethics for Certified Public Accountants in the Republic of China (the Code), and we have fulfilled our other responsibilities in accordance with the Code. Based on our audit results and the audit reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Corporation's financial statements for the year ended December 31, 2020. 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.

Key audit matters for the Corporation's financial statements for the year ended December 31, 2020 are stated as follows:

Investment under equity method - subsidiaries' operating revenue

The net operating revenue for the year ended December 31, 2020 was mainly attributable to the share of profit or loss of subsidiaries accounted for using equity method amounting to NT\$841,560 thousand, representing 98.33% of the net operating revenue. The effect of share of profit or loss of corporation was mainly attributable from the operating revenue of subsidiaries. For the year ended December 31, 2020, subsidiaries' operating revenue from major growing amounted to NT\$2,780,607 thousand, accounting for 34.39% of consolidated operating revenue. As the amount of revenue from growing was significant, revenue from growing was identified as a key audit matter for the year ended December 31, 2020. Please refer to Note 4 to the consolidated financial statements for an explanation of the accounting policy on revenue recognition.

The main audit procedures for the aforementioned key audit matters are as follows:

1. Understood and tested the design and effectiveness of internal controls for operating revenue.
2. Sampling basis, whether freight bill were signed to acknowledge the receipt and were consistent with the invoices in terms of products and quantities and the amounts of revenue recognized.
3. Reviewed the reasonableness of the collection of accounts receivable and confirmed whether the accounts and amounts of receivable were consistent with the recognition of revenue.

Other Matters

Included in the financial statements above, the financial statements of some associates for the year ended December 31, 2020 were audited by other auditors. Therefore, our opinion on the parts in relation to investments in the aforementioned associates accounted for using equity method, share of profit or loss of associates accounted for using equity method, and share of comprehensive income of associates accounted for using equity method, and information on investees was solely based on the audit opinion of other auditors. As of December 31, 2020, the balance of investments in the aforementioned associates using equity method was NT\$1,667,015 thousand, accounting for 23.51% of the total assets, and comprehensive income of the associates for the year

then ended amounted to NT\$97,449 thousand, accounting for 13.22% of the total comprehensive income.

The Corporation's financial statements for the year ended December 31, 2019 were audited by other auditors, who then issued an audit report containing the unqualified opinion and the Other Matters section on March 30, 2020.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to ensure the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Those charged with governance, including the Audit Committee, are responsible for overseeing the Corporation'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 misstatements, 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 GAAS 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 the financial statements.

As part of an audit in accordance with the GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatements 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 Corporation's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and relevant 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Corporation 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 entities or business activities within the Corporation to express an opinion on the 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 for

the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our audit 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.

Deloitte & Touche

CPA Tung-Feng Lee

CPA Chih-Yuan Chen

Securities and Futures Bureau Approval

Document No.

Tai-Cai-Zheng-Liu-Zi No. 0930128050

Financial Supervisory Commission

Approval Document No.

Jin-Guan-Zheng-Shen-Zi No. 1060023872

March 30, 2021

Notice to Readers

The accompanying financial statements are intended only to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' audit report and the accompanying financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' audit report and financial statements shall prevail.

YUNGSHIN GLOBAL HOLDING CORPORATION

BALANCE SHEETS

DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents (Notes 4 and 6)	\$ 54,608	1	\$ 69,997	1
1200	Other receivables - related parties (Notes 4 and 21)	17,326	-	12,202	-
1220	Current tax assets (Notes 4 and 16)	556	-	-	-
1410	Prepayments	2,176	-	1,340	-
11XX	Total current assets	<u>74,666</u>	<u>1</u>	<u>83,539</u>	<u>1</u>
	NON-CURRENT ASSETS				
1550	Investments accounted for using the equity method (Notes 4 and 7)	6,975,177	98	6,805,936	98
1600	Property, plant and equipment (Notes 4 and 8)	1,517	-	2,037	-
1755	Right-of-use assets (Notes 4 and 9)	2,139	-	3,767	-
1780	Intangible assets (Note 4)	1,948	-	4,119	-
1840	Deferred tax assets (Notes 4 and 16)	36,027	1	28,740	1
1990	Other non-current assets	3	-	3	-
15XX	Total non-current assets	<u>7,016,811</u>	<u>99</u>	<u>6,844,602</u>	<u>99</u>
1XXX	TOTAL ASSETS	<u>\$ 7,091,477</u>	<u>100</u>	<u>\$ 6,928,141</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings (Note 10)	\$ -	-	\$ 160,000	2
2219	Other payables (Note 11)	22,929	1	20,360	-
2230	Current tax liabilities (Notes 4 and 16)	7,199	-	3,687	-
2280	Lease liabilities - current (Notes 4 and 9)	1,458	-	2,244	-
2320	Current portion of long-term borrowings (Note 10)	-	-	300,000	5
2399	Other current liabilities (Note 21)	12,942	-	12,529	-
21XX	Total current liabilities	<u>44,528</u>	<u>1</u>	<u>498,820</u>	<u>7</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings (Note 10)	460,000	6	-	-
2570	Deferred tax liabilities (Notes 4 and 16)	182,910	3	177,203	3
2580	Lease liabilities - non-current (Notes 4 and 9)	717	-	1,883	-
2640	Net defined benefit liabilities (Note 4)	-	-	119	-
25XX	Total non-current liabilities	<u>643,627</u>	<u>9</u>	<u>179,205</u>	<u>3</u>
2XXX	TOTAL LIABILITIES	<u>688,155</u>	<u>10</u>	<u>678,025</u>	<u>10</u>
	EQUITY (Note 13)				
3110	Share capital	2,664,230	37	2,664,230	38
3200	Capital surplus	2,146,301	30	2,143,919	31
	Retained earnings				
3310	Legal reserve	648,691	9	573,689	8
3320	Special reserve	265,965	4	243,197	4
3350	Unappropriated earnings	983,579	14	892,485	13
3300	Total retained earnings	<u>1,898,235</u>	<u>27</u>	<u>1,709,371</u>	<u>25</u>
3400	Other equity	(304,005)	(4)	(265,965)	(4)
3500	Treasury shares	(1,439)	-	(1,439)	-
3XXX	TOTAL EQUITY	<u>6,403,322</u>	<u>90</u>	<u>6,250,116</u>	<u>90</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$ 7,091,477</u>	<u>100</u>	<u>\$ 6,928,141</u>	<u>100</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2020		2019	
		Amount	%	Amount	%
4000	NET OPERATING REVENUE (Notes 4, 14 and 21)	\$ 855,830	100	\$ 917,231	100
6000	OPERATING EXPENSES (Notes 15 and 21)	<u>48,152</u>	<u>6</u>	<u>87,199</u>	<u>10</u>
6900	INCOME FROM OPERATIONS	<u>807,678</u>	<u>94</u>	<u>830,032</u>	<u>90</u>
	NON-OPERATING INCOME AND EXPENSES (Notes 15 and 21)				
7100	Interest income	249	-	719	-
7010	Other income	9,160	1	2,567	1
7020	Other gains and losses	(6,140)	(1)	(55,108)	(6)
7050	Finance costs	(<u>4,797</u>)	<u>-</u>	(<u>6,702</u>)	(<u>1</u>)
7000	Total non-operating income and expenses	(<u>1,528</u>)	<u>-</u>	(<u>58,524</u>)	(<u>6</u>)
7900	PROFIT BEFORE INCOME TAX	806,150	94	771,508	84
7950	INCOME TAX EXPENSE (Notes 4 and 16)	<u>14,430</u>	<u>2</u>	<u>22,907</u>	<u>3</u>
8200	NET PROFIT FOR THE YEAR	<u>791,720</u>	<u>92</u>	<u>748,601</u>	<u>81</u>
	OTHER COMPREHENSIVE INCOME (LOSS)				
8310	Items that will not be reclassified subsequently to profit or loss:				
8330	Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method - items that will not be reclassified to profit or loss	(23,848)	(3)	20,528	2

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Code		2020		2019	
		Amount	%	Amount	%
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	(\$ 16,546)	(2)	(\$ 30,902)	(3)
8380	Share of other comprehensive income (loss) of subsidiaries and associates accounted for using the equity method - items that may be reclassified subsequently to profit or loss	(22,100)	(2)	(21,445)	(2)
8399	Income tax relating to items that may be reclassified subsequently to profit or loss (Note 16)	<u>7,728</u>	<u>1</u>	<u>10,469</u>	<u>1</u>
8300	Other comprehensive income (loss) for the period, net of income tax	(<u>54,766</u>)	(<u>6</u>)	(<u>21,350</u>)	(<u>2</u>)
8500	TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 736,954</u>	<u>86</u>	<u>\$ 727,251</u>	<u>79</u>
	EARNINGS PER SHARE (Note 17)				
	From continuing operations				
9750	Basic	<u>\$ 2.97</u>		<u>\$ 2.81</u>	
9850	Diluted	<u>\$ 2.97</u>		<u>\$ 2.81</u>	

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(In Thousands of New Taiwan Dollars)

								Other Equity				
		Share Capital	Capital Surplus	Retained Earnings (Note 13)				Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value through Other Comprehensive Income		Treasury Shares	
Code		(Note 13)	(Note 13)	Legal Reserve	Special Reserve	Unappropriated Earnings	Total			Total		Total
A1	BALANCE ON JANUARY 1, 2019	\$ 2,664,230	\$ 2,118,665	\$ 503,491	\$ 261,289	\$ 780,703	\$ 1,545,483	(\$ 245,562)	\$ 2,365	(\$ 243,197)	(\$ 1,439)	\$ 6,083,742
	Appropriation of 2018 earnings											
B1	Legal reserve	-	-	70,198	-	(70,198)	-	-	-	-	-	-
B3	Special reserve reversed	-	-	-	(18,092)	18,092	-	-	-	-	-	-
B5	Cash dividends distributed by the Corporation	-	-	-	-	(586,131)	(586,131)	-	-	-	-	(586,131)
	Subtotal	-	-	70,198	(18,092)	(638,237)	(586,131)	-	-	-	-	(586,131)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	25,254	-	-	-	-	-	-	-	-	25,254
D1	Net profit for year ended 2019	-	-	-	-	748,601	748,601	-	-	-	-	748,601
D3	Other comprehensive income (loss) for year ended 2019	-	-	-	-	1,418	1,418	(41,878)	19,110	(22,768)	-	(21,350)
D5	Total comprehensive income (loss) for year ended 2019	-	-	-	-	750,019	750,019	(41,878)	19,110	(22,768)	-	727,251
Z1	BALANCE ON DECEMBER 31, 2019	2,664,230	2,143,919	573,689	243,197	892,485	1,709,371	(287,440)	21,475	(265,965)	(1,439)	6,250,116
	Appropriation of 2019 earnings											
B1	Legal reserve	-	-	75,002	-	(75,002)	-	-	-	-	-	-
B3	Special reserve appropriated	-	-	-	22,768	(22,768)	-	-	-	-	-	-
B5	Cash dividends distributed by the Corporation	-	-	-	-	(586,130)	(586,130)	-	-	-	-	(586,130)
	Subtotal	-	-	75,002	22,768	(683,900)	(586,130)	-	-	-	-	(586,130)
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	2,288	-	-	-	-	-	-	-	-	2,288
M1	Adjustment to capital surplus from dividends paid to subsidiary	-	94	-	-	-	-	-	-	-	-	94
Q1	Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	5,442	5,442	-	(5,442)	(5,442)	-	-
D1	Net profit for year ended 2020	-	-	-	-	791,720	791,720	-	-	-	-	791,720
D3	Other comprehensive income (loss) for year ended 2020	-	-	-	-	(22,168)	(22,168)	(30,918)	(1,680)	(32,598)	-	(54,766)
D5	Total comprehensive income (loss) for year ended 2020	-	-	-	-	769,552	769,552	(30,918)	(1,680)	(32,598)	-	736,954
Z1	BALANCE ON DECEMBER 31, 2020	\$ 2,664,230	\$ 2,146,301	\$ 648,691	\$ 265,965	\$ 983,579	\$ 1,898,235	(\$ 318,358)	\$ 14,353	(\$ 304,005)	(\$ 1,439)	\$ 6,403,322

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

YUNGSHIN GLOBAL HOLDING CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

		(In Thousands of New Taiwan Dollars)	
Code		2020	2019
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Profit before income tax	\$ 806,150	\$ 771,508
A20010	Adjustments for:		
A20100	Depreciation	2,325	7,665
A20200	Amortization	2,171	2,471
A20900	Finance costs	4,797	6,702
A21200	Interest income	(249)	(719)
A22300	Share of profit or loss of subsidiaries and associates accounted for using the equity method	(846,704)	(906,764)
A22500	Net loss on disposal of property, plant and equipment	-	3,694
A29900	Loss on disposal of subsidiaries	4,080	24,291
A30000	Changes in operating assets and liabilities		
A31180	Other receivables - related parties	(5,124)	(1,429)
A31230	Prepayments	(836)	1,337
A32180	Other payables	2,702	(20,665)
A32230	Other current liabilities	579	11,347
A32240	Net defined benefit liabilities	(119)	-
A33000	Cash generated from operations	(30,228)	(100,562)
A33100	Interest received	249	719
A33200	Cash dividends received from investments accounted for using the equity method	604,936	766,806
A33300	Interest paid	(4,930)	(6,712)
A33500	Income tax paid	(5,326)	(153)
AAAA	Net cash generated from operating activities	<u>564,701</u>	<u>660,098</u>
	CASH FLOWS FROM INVESTING ACTIVITIES		
B01800	Acquisition of investments accounted for using the equity method	-	(70,000)
B02300	Net cash generated from disposal of subsidiaries	8,234	10,000
B02700	Acquisition of property, plant and equipment	-	(873)
B03800	Decrease in refundable deposits	-	1,238
B04400	Decrease in other receivables from related parties	-	45,000
B04500	Acquisition of intangible assets	-	(2,092)
BBBB	Net cash generated from (used in) investing activities	<u>8,234</u>	<u>(16,727)</u>

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<u>Code</u>		<u>2020</u>	<u>2019</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00100	Proceeds from short-term borrowings	\$ -	\$ 310,000
C00200	Repayments of short-term borrowings	(160,000)	(430,000)
C01600	Proceeds from long-term borrowings	460,000	-
C01700	Repayments of long-term borrowings	(300,000)	-
C04020	Repayment of the principal portion of lease liabilities	(2,194)	(5,082)
C04500	Cash dividends paid	(<u>586,130</u>)	(<u>586,131</u>)
CCCC	Net cash used in financing activities	(<u>588,324</u>)	(<u>711,213</u>)
EEEE	NET DECREASE IN CASH AND CASH EQUIVALENTS	(15,389)	(67,842)
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>69,997</u>	<u>137,839</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 54,608</u>	<u>\$ 69,997</u>

The accompanying notes are an integral part of the financial statements.

(With Deloitte & Touche auditors' report dated March 30, 2021)

Chairman: Fang-Hsin Lee

President: Fang-Hsin Lee

Accounting Manager: Yu-Yi Lee

Attachment 3. Rules and Procedures for Shareholders' Meeting

(After Amendment)

Article 1

(Purpose)

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

(Scope of application)

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

(Convening shareholders meetings and shareholders meeting notices)

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of Directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Corporation by Directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the corporation, and such website shall be indicated in the above notice.

Where re-election of all directors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

(Attending in person or appoint the proxy)

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

(Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6

(Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7

(The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the Corporation. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

(Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9

(The standard of calling the meeting) Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary

motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11

(Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12

(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

(The method of exercising of voting rights)

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14

(Election of directors)

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

(Meeting minutes)

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of this Corporation.

Article 16

(Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

(Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband.

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

(Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19

(History of effectiveness and amendment)

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be affected in the same manner.

These Rules were established on June 9, 2010.

The first revision was made on June 11, 2013.

The amendment to these rules announced the full text of Article 19 on May 26, 2021.

Attachment 4. Comparison Table for Amendment to the Rules for Election of Directors

Amended Version	Original Version	Reference and reason for the amendment
<p>Article 1: <u>For the purpose of fair, just, and open election of directors, these Rules are adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/TPEX Listed Companies. Unless otherwise provided by laws and regulations or the Corporation's Articles of Incorporation, the Directors of the Corporation shall be duly elected in accordance with the Rules specified herein.</u></p>	<p>Article 1: Unless otherwise provided by laws and regulations or the <u>Corporation's</u> Articles of Incorporation, the Directors of the <u>Corporation</u> shall be duly elected in accordance with the Rules specified herein.</p>	<p>The text of this Article is added with reference to Article 1 of the "Sample Template for XXX Co., Ltd. Procedures for Election of Directors" for the sake of completeness.</p>
<p>Article 2: <u>The overall composition of the Board of Directors shall be taken into consideration in the selection of this Corporation's Directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the Corporation's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:</u> 1. <u>Basic requirements and values: Gender, age, nationality, and culture.</u> 2. <u>Professional knowledge and skills: professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience.</u> <u>Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows: 1. The ability to make judgments about operations. 2. Accounting and financial analysis ability. 3. Business management ability. 4. Crisis management ability. 5. Knowledge of the industry. 6. International market perspective.</u></p>	<p><u>This Article is newly added</u></p>	<p>1. Additions are made to paragraphs 1 ~ 3 of this Article in accordance with the requirements related to Board of Directors diversification of paragraph 3, Article 20 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies. 2. Paragraph 4 of this Article is added in accordance with the requirements related to performance evaluation of Board of Directors in Article 37 of Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.</p>

Amended Version	Original Version	Reference and reason for the amendment
<p>7. Leadership ability.</p> <p>8. Decision-making ability.</p> <p><u>More than half of the Directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other Director.</u></p> <p><u>The Board of Directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.</u></p>		
<p>Article 3:</p> <p><u>The qualifications of the Independent Directors of the Corporation shall comply with the Articles 2, 3 and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.</u></p> <p><u>The election of the Independent Directors of the Corporation shall comply with Articles 5, 6, 7, 8 and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.</u></p>	<u>This Article is newly added</u>	Article 3 is added with reference to the "Sample Template for XXX Co., Ltd. Procedures for Election of Directors" for the sake of completeness.
<p>Article 4:</p> <p><u>Elections of the Corporation's Directors shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act. When the number of Directors falls below five due to the dismissal of a Director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of Directors falls short by one third of the total number prescribed in this Corporation's Articles of Incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p> <p><u>When the number of the Independent</u></p>	<u>This Article is newly added</u>	Article 4 is added with reference to the "Sample Template for XXX Co., Ltd. Procedures for Election of Directors" for the sake of completeness.

Amended Version	Original Version	Reference and reason for the amendment
<p><u>Directors falls below that required under the proviso of Article 14-2, Paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders' meeting to fill the vacancy. When the Independent Directors are dismissed en masse, a special shareholders' meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.</u></p>		
<p>Article 5: <u>The cumulative voting method shall be used for election of the Directors at this Corporation.</u> Each share will have voting right <u>in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates.</u> Directors shall be elected by adopting nomination system. The shareholders shall elect the Directors from among the candidate list. The election of Independent Directors and Non-independent Directors shall be held together; provided, however, the number of Independent Directors and Non-independent Directors elected shall be calculated separately.</p>	<p>Article 2: <u>The cumulative voting by registered ballot method shall be used for election of the Directors at this Corporation.</u> Unless otherwise restricted by laws and regulations, each share will have voting right <u>in number equal to the Directors to be elected, and may be cast for a single candidate or split among multiple candidates.</u> However, if voting rights are exercised electronically, no ballot will be prepared. Directors shall be elected by adopting nomination system. The shareholders shall elect the Directors from among the candidate list. The election of Independent Directors and Non-independent Directors shall be held together; provided, however, the number of Independent Directors and Non-independent Directors elected shall be calculated separately.</p>	<ol style="list-style-type: none"> 1. The Article number is adjusted in line with the newly added Articles 2 ~ 4. 2. The text in paragraph 1 of this Article is amended with reference to Article 7 of the Sample Template for XXX Co., Ltd. Procedures for Election of Directors.
<p>Article 6: The number of Directors will be as specified in this Corporation's Articles of Incorporation, with voting rights separately calculated for Independent and non-Independent Director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their</p>	<p>Article 3: The Directors of the <u>Corporation</u> shall be elected by the shareholders' meeting from the list of candidates. The voting and statistics result of ballots shall be exercised electronically according to the number of Directors as specified in</p>	<ol style="list-style-type: none"> 1. The Article number is adjusted in line with the newly added Articles 2 ~ 4. 2. With reference to Article 8 of the Sample Template for XXX Co.,

Amended Version	Original Version	Reference and reason for the amendment
respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairperson drawing lots on behalf of any person not in attendance.	the Articles of Incorporation of the <u>Corporation</u> . Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chairperson drawing lots on behalf of any person not in attendance. Where the Directors elected comply with the preceding paragraph have been checked and confirmed that their personal information is inconsistent or incompetent in accordance with relevant laws and regulations, the election will lose its validity.	Ltd. Procedures for Election of Directors, the text in paragraph 1 of this Article shall be amended and the content of paragraph 2 shall be deleted.
Article 7: not listed	Article 4: not listed	The Article number is adjusted in line with the newly added Articles 2 ~ 4.
Article 8: not listed	Article 5: not listed	The Article number is adjusted in line with the newly added Articles 2 ~ 4.
	Article 6: Where a candidate is a shareholder, electors shall fill in the candidate's name and the shareholder account number in the "candidate" column of the ballot; where a candidate is not a shareholder, electors shall fill in the candidate's name and the ID card number, instead. However, where a candidate is the government or corporate shareholder, the name of the government or corporation shall be filled in, or their representative may also enter in the "candidate" column of the ballot. If	In line with Order No. 1080311451 issued by the FSC on April 25, 2019, the nomination system should be adopted for the election of directors and supervisors of TWSE/TPEx-listed companies from 2021. Shareholders should select the directors and supervisors from the list of directors' candidates. Shareholders may know the names, academic, experience and

Amended Version	Original Version	Reference and reason for the amendment
	there are more than one representative, the name of the representatives shall be filled in one by one.	other information of each candidate from the list of candidates before the shareholders' meeting. It is unnecessary to use the shareholder's account number or ID card number as a means of identifying candidates. Therefore, this Article is deleted.
Article 9: not listed	Article 7: not listed	The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6.
<p>Article 10: A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The writing is unclear and indecipherable or has been altered; 2. The candidate whose name is entered in the ballot does not conform to the director candidate list; 3. A blank ballot is placed in the ballot box; 4. Other words or marks are entered in addition to the number of voting rights allotted; 5. The ballot was not prepared by a person with <u>the right to convene.</u> 	<p>Article 8: A ballot of the candidate is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The writing is unclear and indecipherable or has been altered; 2. Inconsistent account name and shareholder account name with the shareholders ledger when the candidate filled in is a shareholder; or otherwise the name and ID number are not consistent upon check. 3. The account name (name) of the candidate or the account number of the shareholder (ID card number) not entered in, or the account name (name) of the candidate is the same as others but whose account number of the shareholder (ID card number) is not written and unable to be identified. 4. A blank ballot is placed in the ballot box; 5. Other words or marks are entered in addition to the 	<ol style="list-style-type: none"> 1. The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6. 2. In accordance with Article 173 of the Company Act, the shareholders may, under special circumstances, report to the competent authority for approval and call a meeting on their own. The subparagraph 7 of this Article is proposed to be adjusted accordingly. In addition, on April 25, 2019, the FSC issued Order No. 1080311451, which states that the nomination system shall be adopted for the election of Directors and Supervisors of TWSE/TPEX-listed companies from 2021,

Amended Version	Original Version	Reference and reason for the amendment
	<p>candidate account name (name) or shareholder account name (ID card number) and the number of voting rights allotted.</p> <p>6. Two or more candidates are entered in the same ballot paper.</p> <p>7. The ballots stipulated in this regulation are not used.</p>	<p>and the shareholders shall select the Directors and Supervisors from the list of candidates.</p> <p>Therefore, the subparagraphs 2 and 5 of this Article shall be adjusted, and the subparagraphs 3 and 6 shall be deleted.</p>
<p>Article 11:</p> <p>The ballot boxes shall be set up for the election of Directors, and it shall be opened by the vote monitoring personnel after the end of the poll. <u>The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>	<p>Article 9:</p> <p>The ballot boxes shall be set up for the election of Directors and it shall be opened by the vote monitoring personnel after the end of the poll..</p>	<p>1. The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6.</p> <p>2. Subparagraph 2 of this Article is added with reference to Article 11 of the "Sample Template for XXX Co., Ltd. Procedures for Election of Directors" for the sake of completeness.</p>
<p>Article 12:</p> <p>not listed</p>	<p>Article 10:</p> <p>not listed</p>	<p>The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6.</p>
<p>Article 13:</p> <p>The Board of Directors shall issue notifications to the persons elected as directors.</p>	<p>Article 11:</p> <p>The <u>Corporation</u> shall issue notifications to the persons elected as directors.</p>	<p>1. The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6.</p> <p>2. The text in this Article is amended with reference to Article 12 of the Sample Template for XXX Co., Ltd. Procedures for Election of Directors.</p>
<p>Article 14</p> <p>not listed</p>	<p>Article 12:</p> <p>not listed</p>	<p>The Article number is adjusted in line with the</p>

Amended Version	Original Version	Reference and reason for the amendment
		newly added Articles 2 ~ 4 and the deletion of Article 6.
Article 15: not listed	Article 13: not listed	The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6.
Article 16: The Rules shall be implemented after approval by a shareholders' meeting. The first amendment was made on Jun 23, 2015. The second amendment was made on Jun 22, 2016. <u>The third amendment was made on May 26, 2021.</u>	Article 14 The Rules shall be implemented after approval by a shareholders' meeting. The first amendment was made on Jun 23, 2015. The second amendment was made on Jun 22, 2016.	1. The Article number is adjusted in line with the newly added Articles 2 ~ 4 and the deletion of Article 6. 2. Added the date of amendment.

Chapter 7. Appendices

Appendix 1. Articles of Incorporation

Articles of Incorporation for YungShin Global Holding Corporation.

(I) General Provisions

- Article 1. The Corporation shall be incorporated, as a company limited by shares, under the Business Mergers And Acquisitions Act, Company Act, and other relevant laws, regulations, and bylaws, and its official Chinese name is 永信國際投資控股股份有限公司, and its official English name is YungShin Global Holding Corporation.
- Article 2. The scope of the Corporation's business: H201010 Investment.
- Article 3. The Corporation shall have its head office in Taichung City, Taiwan, R.O.C., and may establish or close branches or representative offices at proper locations domestically and abroad according to business needs and resolved by the Board of Directors and approved by the competent authority.
- Article 4. The Corporation may provide endorsement and guarantee and act as a guarantor. Procedures shall be in compliance with the Corporation's rules for endorsement and guarantee.
- Article 5. The Corporation may invest in other businesses when necessary, and may become limited liability shareholders in other companies as resolved by the Board of Directors. The Corporation's total investment in other businesses is not subject to the limitation of 40% of the Corporation's paid-up capital under Article 13 of the Company Act.

(II) Shares

- Article 6. The Corporation's total authorized capital is NT\$6.1 billion consisting of 610 million shares. NT\$100 million of the capital is divided into 10 million shares with par value of NT\$10 each, and these shares are reserved for the stock warrants, preferred shares with warrants, and corporate bonds with warrants for exercising options. The unissued shares can be issued in installments, and the Board of Directors is authorized to issue the shares pursuant to the Company Act and relevant laws and regulations.
- Article 7. All shares issued by the Corporation shall be name-bearing and signed or sealed by at least three Directors. Shares can be issued by the competent authority or the competent authority's approved share-issuing institution after the shares are recorded.
The Corporation may issue shares without printing share certificate(s). However, the Corporation shall appoint a centralized securities custody enterprise/institution to make registration of such shares.
- Article 8. The Corporation's stock-related services are performed according to the Regulations

Governing the Administration of Shareholder Services of Public Companies.

Article 9. Registration of share transfers shall be suspended for a 60-day period immediately prior to a general shareholders' meeting; for a 30-day period immediately prior to an interim meeting of the shareholders; and for a 5-day period immediately prior to the record date for distribution of dividend, bonuses or other benefits.

Article 10. The Corporation's dividends shall be no more than 1% per year, and if there are no earnings, the Corporation shall not pay dividends from the capital.

(III) Shareholders' Meeting

Article 11. Shareholders' meetings shall be of two kinds: general shareholders' meetings and interim shareholders' meeting. The general shareholders' meetings shall be convened by the Board of Directors within 6 months after the closing of each fiscal year, and a notice to convene a general shareholders' meeting shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. The interim shareholders' meeting shall be convened as regulated when necessary, and a notice to convene an interim shareholders' meeting shall be given to each shareholder no later than 15 days prior to the scheduled meeting date.

The aforesaid notice in the preceding paragraph shall indicate the date and venue and purpose for convening the meeting, and may be given to shareholders via written notice or electronically in accordance with the law. However, for shareholders who own less than 1,000 shares of nominal stocks, may be given in the form of a public announcement. Except as provided in the Company Act, the aforementioned shareholders' meeting shall be convened by the Board of Directors.

Article 12. If a shareholder cannot attend a shareholders' meeting in person, he or she may appoint a proxy to attend and vote on behalf of the shareholder at the shareholders' meeting by completing and submitting to the Corporation, a form prescribed by the Corporation stating the scope of authorization. All proxy appointments have to comply with Article 177 of the Company Act, and the Regulations Governing the Use of Proxies for Attendance at Shareholders' Meetings of Public Companies from the regulatory authority.

Article 13. The resolutions of shareholders' meeting, shall be required a majority (more than 50%) of vote of attending shares at a meeting attended by shareholders of a majority (more than 50%) of total issued shares or its proxies, subject to the provisions of the relevant laws and regulations. Resolutions at the shareholders' meetings shall adopt voting rights that are exercised electronically in accordance with relevant laws. When voting rights are exercised electronically, the method to exercise such rights shall be specified in the notice for meeting.

Article 14. A shareholder of the Corporation shall be entitled to one vote for each share held, except when

the shares are restricted shares or are deemed non-voting shares under the Company Act.

Article 15. Shareholders' meetings shall be convened by the Board of Directors and chaired by the Chairman of the Board. When the Chairman of the Board is on leave, the Chairman shall appoint a proxy to act as chair, or, where the Chairman does not make such a designation, the Directors shall select from among themselves one person to serve as Chair. When the shareholders' meeting is not convened by the Board of Directors, the convener will be the chair, and where there is more than one convener, the conveners shall select from among themselves one person to serve as chair.

The shareholders' meeting shall be implemented according to the Rules and Procedure for Shareholders' Meeting of the Corporation.

Article 16. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The production and distributions of meeting minutes shall be in accordance with Article 183 of the Company Act.

(IV) Board Meetings

Article 17. The Corporation shall have seven to eleven Directors to be elected through a candidate nomination system from a list of nominees at a shareholders' meeting. Each Director shall hold office for a term of 3 years and is eligible for re-election.

The aforesaid Board of Directors shall be no less than three Independent Directors, and shall represent no less than one fifth of the total number of Directors. Elections of Independent and non-Independent Directors shall be held together, however, the number of Independent and non-Independent Directors elected shall be calculated separately.

The total number of registered shares and shareholding ratios held by all Directors of the Corporation is determined in accordance with the standards set out in the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies issued by the Financial Supervisory Commission, Executive Yuan.

Pursuant to Article 14-4 of the Securities and Exchange Act, the Corporation has set up an Audit Committee, which shall consist of the entire Independent Directors. The members of the Audit Committee exercise duties and other matters of compliance in line with relevant laws and regulations, which shall be stipulated by the Board of Directors.

Article 18. The Board shall be formed by the Directors. The Directors shall elect from among themselves a Chairman of the Board of Directors, and may elect a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Chairman shall have the right to execute the resolutions of the Board of Directors and the Shareholders' meeting in accordance with applicable laws and regulations and the Articles of Incorporation internally and represent the Corporation externally. When the Chairman of the Board is on leave or for any reason is unable to exercise the powers of the Chairman, the Vice Chairman shall do so in place of the Chairman. If the Vice Chairman also is on leave or for any reason is unable to act, the Chairman shall designate one director as the chair. If the Chairman does not make such designation, the Directors shall select from among themselves.

Article 19. Duties of the Board of Directors

- I. Reviewing the Corporation's operational guidelines, medium and long-term developmental plans; reviewing and supervising the implementation of annual business plans.
- II. Reviewing and discussing the budget and final accounts.
- III. Proposing capital increase/decrease plans.
- IV. Proposing earnings allocation or making of loss plans.
- V. Proposing and reviewing reinvestments in other businesses.
- VI. Reviewing material capital expenditure plans.
- VII. Examination of important contracts.
- VIII. Obtaining, transferring, granting and leasing of professional technologies and patent rights and approving, revising, and terminating technical cooperation contracts.
- IX. Examination of Articles of Incorporation and its amendments, and important business rules of the Corporation.
- X. Decision in establishment, terminating, reorganization, or dismissing of branch organizations.
- XI. Appointing or discharging the President, deputy general managers and other important personnel.
- XII. Convening shareholders' meetings and execution of resolutions adopted at shareholders' meetings.
- XIII. Proposing capital increase from dividends or capital surplus.
- XIV. Reviewing matters submitted by the President for approval.
- XV. Other functional rights authorized by relevant laws and regulations and the shareholders' meeting.

- Article 20. The Board meetings shall be held quarterly, and the reason for calling a Board meeting shall be notified to each Director at least 7 days in advance. In emergency circumstances, a meeting may be called on shorter notice. The notice set forth in the preceding paragraph may be effected by means of written, electronic or facsimile transmission.
- Article 21. Unless otherwise provided by the Company Act, resolutions of a Board meeting shall require the approval of a majority vote of the Directors present at a meeting that shall be attended by a majority of all Directors. The production and distribution of meeting minutes may be performed in electronic form.
- Article 22. Attendance of Board meetings and the use of proxy In case a Director is unable to attend a Board meeting in person, he or she may appoint another Director to attend as his/her proxy. A Director may accept a proxy from one person only. Any other matter shall be proceeded in line with Article 205 of the Company Act.
- Article 23. The Board of Directors is authorized to decide the compensation to all Directors based on the degree of their participation in and contribution to the operations of the Corporation and in reference to both domestic and overseas general practices in the industry.
- The Corporation may purchase liability insurance for Directors with respect to liabilities arising from performance of duties during their term of office so as to reduce and spread the risk of material damage to the Corporation and shareholders arising from the wrongdoings or negligence of Directors.
- Article 24. When the number of vacancies in the Board of Director equals to one third of the total number, or when all Independent Directors are dismissed, the Corporation shall call an interim shareholders' meeting within 60 days to hold a by-election to fill the vacancies.
- Article 25. A Director who does anything for himself or on behalf of another person that is within the scope of the Corporation's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- Article 26. When a Director concurrently serves in another position at the Corporation, the shareholders' meeting shall authorize the President to handle compensations for the concurrently served position according to the Corporation's internal management procedures.
- Article 27. The honorarium for all Directors shall be discussed and approved by the Board meeting.
- (V) Employees
- Article 28. Appointment, discharge and the remuneration of the managerial personnel shall be in line with Article 29 of the Company Act.
- Article 29. The President shall adhere to the Chairman and functional authority from the Board of Directors in comprehensively managing all matters of the Corporation.

(VI) Closing of Accounts and Earnings Allocation

Article 30. The fiscal year for the Corporation shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the Board of Directors shall prepare the following documents and submit to the general shareholders' meeting for acceptance:

- I. Business report.
- II. Financial statements.
- III. Proposals of the allocation of earnings or covering of losses.

Article 31. To encourage employees and the management team, if the Corporation makes any profits within a fiscal year, shall set aside no less than 0.3% of the profits as the employees' compensation; and no more than 3% of the profits as compensation to its Directors and Supervisors. However, that the Corporation shall have reserved a sufficient amount to offset its accumulated losses.

Directors' compensation shall be distributed in cash and employees' compensation are resolved by a majority voting present at a Board meeting attended by at least two-thirds of total number of the Directors, and shall be reported to the Shareholders' meeting.

The aforementioned employees' compensation may be distributed to employees of an affiliated company meeting certain requirements established by the Board of Directors.

Article 32. The Corporation operates in a rapidly changing industry environment, and its business life cycle is in a stable growth phase. If the Corporation has fiscal year-end earnings, they shall be utilized for the following uses in order:

- I. Payment of taxes required by law.
- II. Making up for loss in previous years.
- III. Setting aside 10% for legal reserve.
- IV. Appropriating or reversing special reserve in accordance with laws and regulations.
- V. Payment of dividends.
- VI. The remaining balance, together with the undistributed profits of previous years, shall be distributed as shareholders' dividends and submitted as a motion to the shareholders' meeting. The sum of shareholders' dividends shall be anywhere from 10% to 90% of the aforesaid accumulated undistributed profits. For payment of shareholders' dividend, no less than 20% of the total payment shall be in cash.
- VII. The distribution of dividends will be done in three ways: capital increase from earnings, capital increase from capital surplus, and cash dividends. In case of appropriate investment plan capable of increasing the Corporation's profitability, a low cash dividend ratio policy will be adopted, and either capital increase from earnings or capital increase from capital surplus will be adopted. In case capital expansion will impact the profitable standards, the ratio of cash dividend payment will be increased accordingly.

(VII) Supplementary Provisions

Article 33. In regard to all matters not provided for in this Articles of Incorporation, the Company Act shall govern.

Article 34. The Board of Directors is authorized to establish separately the Corporation's organization guidelines and detailed operational procedures.

Article 35. The Articles of Incorporation are concluded in June 9, 2010.

The first amendment was on June 10, 2011.

The second amendment was on June 13, 2012.

The third amendment was on June 11, 2013.

The fourth amendment was on June 23, 2015.

The fifth amendment was on June 22, 2016.

The sixth amendment was on June 20, 2017.

YungShin Global Holding Corporation

Chairman, Dr. Lee, Fang-Hsin

Appendix 2. Rules and Procedures for Shareholders' Meeting (Before Amendment)

Rules and Procedures for Shareholders' Meeting of YungShin Global Holding Corporation

Article 1. Except as otherwise provided by laws and regulations, this Rules and Procedures for shareholders' meetings of the Corporation shall govern.

Article 2. This Corporation shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

Article 3. Attendance at shareholders' meetings shall be calculated based on numbers of shares.

Article 4. The venue for a shareholders' meeting shall be the premises of the Corporation, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 5. If a shareholders' meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman of the Board. When the Chairman of the Board is on leave or for any reason unable to exercise the powers of the Chairman, the Vice Chairman shall act in place of the Chairman; if there is no Vice Chairman or the Vice Chairman also is on leave or for any reason unable to exercise the powers of the Vice Chairman, the Chairman shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.

When a managing Director or a Director serves as chair, as referred to in the preceding paragraph, the managing Director or a Director shall be one who has held that position for 6 months or more and who understands the financial and business conditions of the Corporation.

The same shall be true for a representative of a juristic person Director that serves as chair.

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

Article 6. The Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

Article 7. The Corporation shall record with an audio or video tape the whole proceedings of the shareholders' meeting, and said video tape or audio tape shall be kept for at least one year.

Article 8. The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 9. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting.

After close of the said meeting, shareholders shall not elect another chair to hold another meeting at the same place or at any other place. If the chair declares the meeting adjourned in violation of this Rules and Procedures for shareholders' meetings of the Corporation, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

Article 10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

Article 11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

Article 12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.

Article 13. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 14. When the chairman considers that the discussion for a motion has reached the extent for making a resolution, he may announce discontinuance of the discussion and submit the motion for resolution.

Article 15. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Corporation.

Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 16. When a meeting is in progress, the chair may announce a break based on time considerations.

Article 17. Except as otherwise provided in the Company Act and in the Corporation's Articles of Incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When a proposal comes to a vote at a Board of Directors meeting, if the chair puts the matter before all Directors present at the meeting and none voices an objection, the matter is deemed approved.

Article 18. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 19. The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

Article 20. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

Article 21. These Rules were established on June 9, 2010.

The first amendment was on June 11, 2013.

Appendix 3. Description of How Proposals Raised by Shareholders in This General Shareholders' Meeting Are Handled

The Corporation was open to accepting proposals from shareholders from March 19, 2021 to March 29, 2021. No shareholders have submitted proposals.

Appendix 4. Information on Director Shareholdings of the Corporation

- (I) As of the book closure date on March 28, 2021, a total of 266,422,983 shares have been issued. The legal minimum amount of all Directors' shareholding shall be 12,000,000 shares.
- (II) Description of all shareholding of Directors is as follows:

Title	Name	Shares held on the book closure date (Note 1)	Ratio
Chairman of the Board	Fang-Shin Lee	11,260,832	4.23%
Director	Ling-Chin Lee	10,401,368 (Note 2)	3.90%
Director	Fang-Yu Lee	7,926,918	2.98%
Director	Fang-Chen Lee	10,513,344	3.95%
Director	Meng-Pi Lin	7,129,326	2.68%
Director	Chi-Li Lee	828,650	0.31%
Independent Director	Shih-Kuang Tsai	0	0.00%
Independent Director	Kun-Xian Lin	0	0.00%
Independent Director	Hong-Yi Chen	0	0.00%
Number of shares actually held by all directors		48,060,438	18.05%

Note 1: Book closure period for the Shareholders' Meeting is from March 28, 2021 to May 26, 2021.

Note 2: Add 4,000,000 shares under trust with discretion reserved, total shares amount is 14,401,368 (total shareholding ratio is 5.41%)

Note 3: The Corporation has established an Audit Committee and therefore there is no statutory number of shares held by the Supervisor applicable.

Note 4: Shareholding from all Directors of the Corporation complies with the legally required shareholding ratio.



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