

Stock Code: 4137

Chlitina Holding Limited

Regular Shareholders Meeting of 2023 Meeting Agenda Handbook

Date of Shareholders Meeting: 9:00 a.m., June 6, 2023 (Tuesday)

Location of Shareholders Meeting: Meeting Room 203 on 2nd Floor, No.123,
Songren Road, Xinyi District, Taipei City

Meeting type: Physical shareholders meeting

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One. Procedural Agenda

Chlitina Holding Limited

Procedures of regular shareholders' meeting of 2023

Call the Meeting to Order

Opening speech by the Chairperson

Issues to be reported

Issues to be acknowledged

Issue to be discussed

Occasional (extemporaneous) motions

Adjournment of the meeting

Two. Meeting agenda

Chlitina Holding Limited

Agenda of regular shareholders' meeting of 2023

Date: 9:00 a.m., June 6, 2023 (Tuesday)

**Location: Meeting Room 203 on 2rd Floor, No.123, Songren Road,
Xinyi District, Taipei City**

Meeting type: Physical shareholders meeting

Call the Meeting to Order

Opening speech by the Chairperson

Meeting agenda

I. Issues to be reported

- (1) Proposed business report of 2023.
- (2) Audit Committee's Review Report on the 2022 Financial Statements.
- (3) Report on directors and employees 2022 bonus distribution.
- (4) Report on transactions with related parties transactions in 2022.
- (5) Report on the first "Plan for Share Repurchase and Transfer to Employees", approved for 2022, and the status of repurchase of company stocks.

II. Issues to be acknowledged

- (1) Report on business performance and consolidated financial statements for 2022.
- (2) Proposed distribution of earnings of 2022.

III. Issue to be discussed :

- (1) Amendment to part of the company's "Articles of Incorporation."
- (2) Amendment to part of the company's "Regulations of Procedure for Shareholders Meetings".
- (3) Release of Directors from Non-competition Restrictions.

IV. Occasional (extemporaneous) motions

V. Adjournment of the meeting

I. Issues to be reported

Proposal 1: Proposed business report of 2022.

- Notes:** (1) Business report of 2022. Please refer to the Attachment I of the handbook (P.9~11).
(2) Reported sincerely.

Proposal 2: Audit Committee's Review Report on the 2022 Financial Statements.

- Notes:** (1) Audit report from the audit committee for 2022, please refer to the Attachment II of the handbook (P.12).
(2) Reported sincerely.

Proposal 3: Report on directors and employees 2022 bonus distribution.

- Notes:** (1) Pursuant to Articles 86, 90-1 and 90-2 of the Articles of Incorporation, and compensation committee's resolution on March 9, 2023, propose to distribute directors' compensation bonus and employees' profit sharing of NTD 8,741,880 and NTD 17,483,760 in cash.
(2) Amount describe previous matched the recognized expense in 2022.
(3) Release may only begin after it was presented in the 2023 general shareholders' meeting and the Chairman will be authorized to set the release date and related matters.
(4) Reported sincerely.

Proposal 4: Report on transactions with related parties transactions in 2022.

- Notes:** (1) Follow the requirements in Article 6 Paragraph 3 of the Company's "Rules for Managing Related Party Transactions."
(2) The report is enclosed herein. Please refer to the Attachment III of the handbook (P.13~16).
(3) Reported sincerely

Proposal 5: Report on the first "Plan for Share Repurchase and Transfer to Employees", approved for 2022, and the status of repurchase of company stocks.

- Notes:** (1) Pursuant to Article 28-2 of the "Securities and Exchange Act", the "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies" issued by the Financial Supervisory Commission of the R.O.C., and the first "Plan for Share Repurchase and Transfer to Employees" in 2022.
(2) Status of the Share Repurchase Program

Unit: New Taiwan Dollar / Share

Instance	2022first time
Purpose	Share transfer to employees
Actual buy-back period	2022/11/16~2023/01/04
Price range (NTD)	150~220 However, Chlitina Holding Limited will still execute the repurchase program should the price fall below the lower limit.
Type and quantity of shares already repurchased	503,000 Common shares
Total value of already repurchased shares (NTD)	99,159,528
Cumulative number of repurchased shares held by the holding company (Shares)	503,000 Common shares
Percentage of repurchased quantity to the scheduled buyback quantity (%)	0.63%
Quantity of canceled and transferred shares	0 shares
Ratio of cumulative number of the Company shares held to total outstanding shares (%)	0% (The transfer to the employees was completely done in May 2023.)

- (3) Please refer to Attachment IV of the handbook for the the first “Plan for Share Repurchase and Transfer to Employees” in 2022 regarding the amendments (P.17~20).
- (4) Report sincerely.

II. Issues to be acknowledged

Proposal 1: Report on business performance and consolidated financial statements for 2022. (Proposed by the Board of Directors)

- Notes:**
- (1) The Company's 2022 business report and consolidated financial statements, including the balance sheet, statement of comprehensive income, statements of changes in equity, statements of cash flow have audited by audited by independent auditors, Lin, Chun-Yao and Chang, Shu-Chiung of PwC Taiwan and to issue a report of unqualified opinion.
- (2) Attach the business report of 2022, consolidated financial statements and audit report, and please refer to the Attachment I and Attachment V of the handbook (P.9~11 and P.21~32).
- (3) Please acknowledge.

Resolution:

Proposal 2: Proposed to distribution of earnings of 2022. (Proposed by the Board of Directors)

- Notes:**
- (1) Net income generated in 2022 was NTD 1,076,392,366, adding up NTD changes 363,697 from actuarial gains and losses in defined benefit plan , according to the law had setted the legal reserve amounts to the total paid-in capital, it is not be setted side. And adding up the reversal inspecial reserve of NTD 19,238,975, and the beginning earnings of 689,752,056, total earnings available for distribution reached NTD 1,785,747,094.
 - (2) According to Article 91 of the Articles of Incorporation, a cash distribution to shareholders of NTD 556,446,450 is proposed (Based on the total number of issued shares of 79,492,350 shares, cash dividend of NT\$7 per share will be distributed). Distribution made to is rounded down to NTD one dollar. Total distribution made less than NTD one dollar will be transferred to capital reserve and wait for shareholders' meetings acceptance and further authorization to the Chairperson in setting the Ex-dividends date as well as matters regarding the distribution.
 - (3) In the event that the proposed distribution is affected by a buyback of shares or issuance of new shares for transferring treasury shares to employees or for equity conversion in connection with convertible corporate bonds or employee stock options, it is proposed that the Chairperson be authorized to resolve the relevant issues.
 - (4) Attach the distribution of earnings of 2022, please refer to the Attachment VI of the handbook (P.33).
 - (5) Please acknowledge.

Resolution:

III. Issue to be discussed :

Proposal 1: Amendment to part of the company's "Articles of Incorporation."(Proposed by the Board of Directors)

- Notes:**
- (1) Reflective of the modifications made to the laws and regulations and the Company's needs, revision to part of the Articles of Incorporation is intended.
 - (2) Please refer to the Attachment VII of the handbook for the comparison table regarding the amendments (P.34~36).
 - (3) Sincere resolution.

Resolution:

Proposal 2: Amendment to part of the company’s “Regulations of Procedure for Shareholders Meetings”. (Proposed by the Board of Directors)

- Notes:** (1) Reflective of the modifications made to the laws and regulations, revision to part of the Regulations of Procedure for Shareholders Meetings is intended.
- (2) Please refer to the Attachment VIII of the handbook for the comparison table regarding the amendments (P.37~38).
- (3) Sincere resolution.

Resolution:

Proposal 3: Release of Directors from Non-competition Restrictions. (Proposed by the Board of Directors)

- Notes:** (1) According to 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 Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) On the condition that investments or operational behavior outside the Company within an identical or a similar scope of directors do not affect the Company’s operations and/or do not undermine the Company’s interest, it will be proposed to the shareholders’ meeting according to law to lift the non-competition pledge obligations upon the directors to facilitate business operations.
- (3) For details about the lifting of the non-competition pledge obligations, refer to the table below:

Title	Name	Position held currently in other companies
Chairman	Chen, Pi-Hua	Director of Ace Medical Technology Co., Ltd.

- (4) Sincere resolution.

Resolution:

IV. Occasional (extemporaneous) motions

V. Adjournment of the meeting

Chlitina Holding Limited 2022 Business Report

Chlitina Holding Limited (hereinafter referred to as “the Company”) hereby reports its 2022 operating results and the summary of its business plan for 2023:

I. 2022 operating results:

1. Business plan and implementation:

Consolidated revenue of the Company in 2022 was NT\$4,069,210 thousand, down 22.80% as compared to NT\$ 5,271,313 thousand in 2021. Net income after taxes was NT\$689,752 thousand in 2022, as compared to NT\$1,355,257 thousand in 2021, or a 49.11% decrease.

In terms of geographical breakdown, 95.52% of sales, or NT\$3,886,757 thousand, were made in Mainland China, as the region remained the largest market for the Company and focus for business expansion.

2. Analysis of financial revenues and expenditures and profitability:

For the financial balance and structure, the assets to liabilities ratio in 2022 was 46%, the current ratio was 328%, and the net profit margin was 18%, with a net cash inflow of NT\$277,546 thousand. This demonstrates that even under the severe impact of the epidemic, the Company was still able to maintain ample cash flow, stable profitability, and an excellent financial structure.

3. Performance in research and development

The Company endeavors to apply the concept of a “medicine-based, beauty-oriented” skincare by providing professional solutions to women’s skin issues. Introducing advanced technology to the industry and focusing on various consumer groups in different market segments, the company continues to launch new products and broaden the distribution of its lines of products. In 2022, the Company concentrated on upgrading ingredients and efficacy of its classic products sold to and by the franchise channel. Meanwhile, working as an extension of our franchise channel, our e-commerce channel launched the Le spa Jolie Rose product line under the brand name Trotula by CHLITINA. This line combines the concept of western aromatherapy with the latest skincare technology, and uses the most natural and pure plant-based ingredients to achieve a 3-dimensional healing of body, mind and spirit. Different products are launched through different channels in order to satisfy to the greatest extent possible the needs of each individual consumer in terms of personalized skincare and healthy lifestyles.

4. Status of budget implementation

As there was no disclosure of any financial forecast in 2022, there is no information on budget achievement.

II. Summary of the business plan for 2023:

1. Operating guidelines:

1.1. We will upgrade our overall business strategy, focusing on the beauty + new consumption strategy, branching out from the beauty industry into the health industry, and striving to expand consumers’ quality of life.

The Company also intends to concentrate on the beauty and health industry, enriching its product portfolio around the concepts of “water, microbiome, and regenerative medicine.”

In terms of business model, the Company is evolving from a product-centered business model to one of intensive cultivation of customer value, providing high-quality services and products that meet the full cycle of customers’ needs.

1.2. Regarding the franchise channel, based on the marketing principle of “intensive cultivation,” we will work on improving management at existing franchises to help them increase profitability and overall quality, in the constant pursuit of long-term robust growth. In Mainland China, we will actively tap consumption potential and consumers’ needs in markets where we have low coverage. In each area, we will continue to strengthen the

management at every level, and maintain an efficient network expansion, while also taking into account the quality of that expansion.

In Hong Kong, Taiwan, and Southeast Asia, we will deepen brand awareness and speed up the addition of new stores to the network. We will reach out to local beauty markets by improving and enforcing franchise management strategies that are adapted to local developments. Furthermore, we will research and develop beauty and health products that are suitable for local consumers.

1.3. As far as e-commerce is concerned, the focus will continue to be on optimizing product range structure, and promoting “micro-ecology” products. We will use 24/7 marketing approaches with no geographical limit in order to improve the network deployment and product coverage.

1.4. In the field of aesthetic medicine, we are promoting the development of self-owned aesthetic medicine clinics. Combining aesthetics, medicine and science, we are providing consumers with comprehensive beauty, health, and anti-ageing services. We also set foot in the high-end cosmetic medicine industry, taking advantage of artificial intelligence and regenerative medicine to bring additional momentum to the Company’s revenue.

2. Future development strategy:

In order to expand the Group’s operational map, the Company will continue to implement the strategies of “product diversification,” “multi-channel selling,” and “diversified marketing” in accordance with the macro environment, industry characteristics, and market preferences.

III. The impact of external competition, legal environment, and overall business operation environment

1. The impact of external competition and overall business operation environment:

In 2022, in the face of a turbulent international environment and of the arduous task of reforming the economy while preserving stability, China’s economy has continued to grow, the GDP has reached new heights and high-quality development has been going forward steadily. According to the “2022 National Economic and Social Development Statistics Bulletin” published by the National Bureau of Statistics of China, in 2022, China’s total economic output amounted to RMB121.02 trillion, or a year-on-year increase of 3.0%. Tertiary industries accounted for 52.8% of China’s total GDP. Under the stimulation of multiple factors such as industrialization, the development of the information technology and elevated consumer spending, growth in the tertiary, especially in the service industry, remained strong. The role of consumption is still relatively significant in driving growth, contributing by 1.0 percentage points. The level of urbanization keeps on increasing and the income gap between urban and rural residents continues to narrow. Local residents’ income grew faster than economic growth. The annual per capita disposable income was 36,883 Chinese yuan, an increase of 5.0% over the previous year. Excluding price factors, the real growth rate was 2.9%. The development of the service industry, continuing urbanization and the increase of per capita disposable income of urban residents all show the huge potential of the consumer goods market in China. The annual total retail sales of consumer goods reached RMB43.97 trillion, a decrease of 0.2% from the previous year. Among the retail sales of goods above the designated size limit, cosmetics fell by 4.5%, namely due to the negative impact of the epidemic. Although facing a slight decline, this category still has strong market support and a huge potential for growth.

In 2022, China has adhered to the general principle of seeking progress while maintaining stability, fully implementing new development concepts, accelerating the expansion of national strategic scientific and technological strengths, improving the resilience of the industrial chain, comprehensively deepening reform and opening up, adhering to innovation-driven development, and promoting high-quality development. Supported by a series of innovation and entrepreneurship activities and achievements, new industries, new formats and new models have developed faster, becoming a new driving force for economic growth and structural adjustment. In 2022, annual online transaction volume increased 3.5% year on year to a total of 43.83 trillion Chinese yuan, and

online retail sales of physical goods accounted for 13.79 trillion Chinese yuan, a 4.0% increase year on year.

In a rapidly changing external environment, the markets for beauty and skincare franchise and consumer goods are becoming more and more competitive. In a fragmented competitive market, high-quality brands have a strong market appeal and more opportunities for market integration. At the same time, franchisees' business operations are directly affected by the macroeconomic environment and consumers' disposable income. Under the current urbanization and mass entrepreneurship drives, the development of e-commerce will help break down geographical limits and expand consumer groups, which will bring more business opportunities to the Company. The transformation and upgrading of traditional industries and the online-and-offline integrated marketing methods have further highlighted the Company's competitive advantage in combining unique products and services.

2. Impact from the Legal Environment:

To operate skin care products manufacturing and franchise business in China, companies need to obtain numerous licenses and approvals and comply with the following regulations: "Hygienic Standard for Cosmetics," "Regulations Concerning the Hygiene Supervision over Cosmetics," "Detailed Rules for the Implementation of the Regulation on the Hygiene Supervision over Cosmetics," "Industrial Production Authorization Regulations," "Domestic Non-special Purpose Cosmetics Record Management Method," and "Cosmetics Labels Instructions Management Regulations," as well as "Regulation on the Administration of Commercial Franchises." Obtaining relevant licenses in accordance with the laws and regulations has a significant impact on the Company's business operations. As of the date of publication of this annual report, the Company does not need to renew any of the licenses or permits required for business operations.

Chairperson: Chen, Pi-Hua



Manager: Chao, Chen-Yu



Accounting Supervisor: Yeh, Chien-Chih



[Attachment II]

Chlitina Holding Limited Audit Report from the Audit Committee

The Board of Directors has submitted the Company's 2022 business report, financial statements, and earnings appropriation proposal. Independent auditors, Lin, Chun-Yao and Chang, Shu-Chiung of PwC Taiwan, were retained by the Board to audit the financial statements and has issued an audit report accordingly. The business report and financial statements, and earnings appropriation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

Attn.

2023 General Shareholders' Meeting of Chlitina Holding Limited

Chlitina Holding Limited
Audit Committee
Convened by: Tsai, Yu-Ching



蔡玉清

March 9, 2023

Summary in Related parties transactions

[Attachment III]

Proposed summary of the related parties' transactions in Q4 2022 as shown in the appendix:

(I) Name and relationship of the related parties:

Name of related party	Major business	Region	Relationship with the consolidated companies
Kelti (China) Daily Product Co., Ltd. (hereinafter referred to as Kelti (China) Co., Ltd.)	Manufacture, sell and direct sell skin-care and cosmetic	China	Affiliates companies
Zhaocang (Shanghai) Trading Co., Ltd. (hereinafter referred to as Zhaocang (Shanghai) Trading)	Distribute and direct sell skin-care products	China	Affiliates companies
Sagittarius Life Science Corp. (hereinafter referred to as Sagittarius Life Science Corp.)	Manufacture health products	Republic of China	Affiliates companies
Chaoneng Biochemical Technology Co., Ltd. (hereinafter referred to as Chaoneng Co., Ltd.)	Manufacture health products and others products	Republic of China	Affiliates companies
Charming Biotech Corporation (hereinafter referred to as Charming Biotech Corporation)	Manufacture health products	Republic of China	Affiliates companies
Jin Yen (Shanghai) Biotech Co., Ltd. (hereinafter referred to as Jin Yen)	Manufacture health products	China	Affiliates companies
Jin Yongji Co., Ltd. (hereinafter referred to as Jin Yongji Co., Ltd.)	Investment and leasing business	Republic of China	Affiliates companies
New Kinpo Group Co., Ltd. (hereinafter referred to as New Kinpo Group Co., Ltd.)	Real estate investment and skin-care product	Hong Kong	Affiliates companies
Kangsi Co., Ltd. (original Global Interactive Marketing Co., Ltd.) (hereinafter referred to as Kangsi Co., Ltd.)	Online shop	Republic of China	Affiliates companies
Shanghai Guangqiao Biotechnology Co., (hereinafter referred to as Guangqiao Biotechnology)	Technology development within the field of bio-	China	Affiliates companies
Shanghai Zhongye Trading Co., Ltd. (hereinafter referred to as Shanghai Zhongye Trading)	Food and daily necessities distribution	China	Affiliates companies
Chen, Wu-Kang	Natural person	Natural person	The Chairman is a first-degree relative
Biodynasty Co., Ltd. (hereinafter referred to as Biodynasty)	Other chemical product and food selling	Republic of China	Affiliates companies
General Biologicals Corp. (hereinafter referred to as General Biologicals)	Development and sales of biological reagents	Republic of China	Affiliates companies
Max Exchange Corp. (hereinafter referred to as Max Exchange)	Medical equipment wholesale and retail	Republic of China	Affiliates companies
Long Chuang Daily Product (Guangzhou) Co., Ltd. (hereinafter referred to as Long Chuang Daily Product)	Soap and detergent production selling	Republic of China	Affiliates companies
Dongguan Pucheng Biotechnology Co., Ltd. (hereinafter referred to as Dongguan Pucheng)	Sales of medical monitoring reagents and health care products	China	Affiliates companies
Chlitina International Trade Co., Ltd. (hereinafter referred to as Chlitina International Trade Co., Ltd.)	Distribute and direct sell skin-care products	Republic of China	Affiliates companies
GB GENES CORP. (hereinafter referred to as GB GENES)	Research, develop, design, manufacture and sell P-113 protein	Republic of China	Affiliates companies

(II) Substantial Trading Events with Related Parties

1. Operating revenues

	Q4 of 2022		Q4 of 2021	
	RMB	NTD	RMB	NTD
Product sales:				
Shanghai Zhongye Trading	\$0	\$0	\$70	\$302
Other (below RMB 500 K)	8	40	68	300
Total	\$8	\$40	\$138	\$602

	2022		2021	
	RMB	NTD	RMB	NTD
Shanghai Zhongye Trading	(\$274)	(\$1,211)	\$112	\$485
Kelti (China) Co., Ltd.	(14)	(63)	90	390
Biodynasty	51	224	0	0
Other (below RMB 500 K)	48	217	245	1,066
Total	(\$189)	(\$833)	\$447	\$1,941

Selling prices from the Consolidated Company to associated companies are not significantly different from that to regular customers. The associate company payment term is 60 days; sales to regular customers are prepaid.

2. Purchase of Goods

	Q4 of 2022		Q4 of 2021	
	RMB	NTD	RMB	NTD
Charming Biotech Corporation	\$1,324	\$5,812	\$2,380	\$10,380
Sagittarius Life Science Corp.	547	2,412	0	5
Zhaocang (Shanghai) Trading	0	0	2,855	12,423
Kelti (China) Co., Ltd.	53	224	567	2,470
Biodynasty	299	1,313	422	1,835
New Kinpo Group Co., Ltd.	35	154	768	3,337
General Biologicals	(15)	(65)	242	1,053
Other (below RMB 500 K)	15	50	0	1
Total	\$2,258	\$9,900	\$7,234	\$31,504

	2022		2021	
	RMB	NTD	RMB	NTD
Charming Biotech Corporation	\$7,634	\$33,754	\$13,381	\$58,077
Sagittarius Life Science Corp.	1,472	6,509	1,052	4,567
Zhaocang (Shanghai) Trading	11	50	10,199	44,266
Kelti (China) Co., Ltd.	1,814	8,023	2,178	9,454
Biodynasty	1,710	7,560	1,474	6,397
New Kinpo Group Co., Ltd.	525	2,323	1,843	7,998
General Biologicals	220	972	947	4,110
Shanghai Zhongye Trading	1,918	8,482	0	0
Other (below RMB 500 K)	15	64	31	133
Total	\$15,319	\$67,737	\$31,105	\$135,002

Purchasing prices from the associated companies are through mutual negotiation and is payable within 60 days, which is not significant different from purchase from non-related vendors.

3. Receivables With Related Party

	31-Dec-22		31-Dec-21	
	RMB	NTD	RMB	NTD
Accounts receivable - related				
Other (below RMB 500 K)	\$0	\$0	\$115	\$500
Subtotal	\$0	\$0	\$115	\$500
Other receivables - related parties:				
Other (below RMB 500 K)	\$263	\$1,163	\$455	\$1,977
Subtotal	\$263	\$1,163	\$455	\$1,977
Total	\$263	\$1,163	\$570	\$2,477

Receivables from related parties are not secured and are interest free.

4. Payable with related parties

	31-Dec-22		31-Dec-21	
	RMB	NTD	RMB	NTD
Accounts payable - related parties:				
Charming Biotech Corporation	\$1,137	\$5,013	\$1,589	\$6,902
Zhaocang (Shanghai) Trading Co.,	1,998	8,808	930	4,039
Kelti (China) Co., Ltd.	520	2,292	4,189	18,197
Other (below RMB 500 K)	434	1,911	461	2,006
Subtotal	\$4,089	\$18,024	\$7,169	\$31,144
Other accounts payable - related				
Kelti (China) Co., Ltd.	\$725	\$3,196	\$417	\$1,811
Other (below RMB 500 K)	34	150	51	222
Subtotal	\$759	\$3,346	\$468	\$2,033
Total	\$4,848	\$21,370	\$7,637	\$33,177

Receivables from related parties are not secured and are interest free.

5. Prepaid with related parties

	31-Dec-22		31-Dec-21	
	RMB	NTD	RMB	NTD
Prepaid - related parties:				
GB GENES	\$138	\$608	\$0	\$0
Other (below RMB 500 K)	36	159	170	738
Subtotal	\$174	\$767	\$170	\$738

6. Work Compensation

	Q4 of 2022		Q4 of 2021	
	RMB	NTD	RMB	NTD
Kelti (China) Co., Ltd.	\$541	\$2,385	\$127	\$555
Lee, Tsai & Partners	0	0	(1)	(3)
Other (below RMB 500 K)	16	71	0	0
Total	\$557	\$2,456	\$126	\$552

	2022		2021	
	RMB	NTD	RMB	NTD
Kelti (China) Co., Ltd.	\$1,619	\$7,159	\$989	\$4,292
Lee, Tsai & Partners	0	0	377	1,636
Other (below RMB 500 K)	38	168	0	0
Total	\$1,657	\$7,327	\$1,366	\$5,928

Charges and payment terms of professional service provided by the associated companies are agreed through mutual negotiation.

7. Property transaction-obtain trademark rights

	2022		2021	
	RMB	NTD	RMB	NTD
Shanghai Zhongye Trading	\$12,264	\$54,296	\$0	\$0
Total	\$12,264	\$54,296	\$0	\$0

The Chlitina Group obtained the trademark from an affiliated company from January 1 to December 31, 2011. The total payment including tax was RMB 13,000 (equal NT\$ 57,676).

8. Lease

	Q4 of 2022		Q4 of 2021	
	RMB	NTD	RMB	NTD
Rent real estate property				
Biodynasty	\$1,578	\$6,957	\$0	\$0
Total	\$1,578	\$6,957	\$0	\$0

	2022		2021	
	RMB	NTD	RMB	NTD
Rent real estate property				
New Kinpo Group Co., Ltd.	\$0	\$0	\$3,087	\$13,434
Biodynasty	1,578	6,957	0	0
Total	\$3,087	\$13,434	\$3,087	\$13,434.00

	31-Dec-22		31-Dec-21	
	RMB	NTD	RMB	NTD
Lease liabilities				
Kelti (China) Co., Ltd.	\$4,521	\$19,929	\$10,561	\$45,877
Jin Yongji Co., Ltd.	2,626	11,575	5,382	23,378
New Kinpo Group Co., Ltd.	1,552	6,842	2,490	10,816
Chen, Wu-Kang	13,508	59,543	15,380	66,811
Long Chuang Daily Product	657	2,896	1,933	8,399
Chaoneng Co., Ltd.	0	0	277	1,203
Biodynasty	1,446	6,374	0	0
Total	\$24,310	\$107,159	\$36,023	\$156,484

	Q4 of 2022		Q4 of 2021	
	RMB	NTD	RMB	NTD
Interest expenses				
Other (below RMB 500 K)	\$104	\$455	\$318	\$1,167
Total	\$104	\$455	\$318	\$1,167

	2022		2021	
	RMB	NTD	RMB	NTD
Interest expenses				
Other (below RMB 500 K)	\$831	\$3,675	\$1,151	\$4,996
Total	\$831	\$3,675	\$1,151	\$4,996

Lease fees contracted between the associated companies are based on market reference rates and negotiation and are settled with normal payment terms.

[Attachment IV]

CHLITINA HOLDING LIMITED

the first “Plan for Share Repurchase and Transfer to Employees” in 2022

Article 1

For the purpose of motivating employees and building cohesion among staff, the Company hereby, pursuant to Article 28-2, Paragraph 1, Subparagraph 1 of the “Securities and Exchange Act” and the “Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies” issued by the Financial Supervisory Commission of the R.O.C., establishes a “Plan of Share Repurchase and Transfer to Employees” (the “Plan”). Except otherwise provided in relevant laws or regulations, all share repurchase and transfer to the employees of the Company shall be implemented in compliance with the Plan.

(Type of transfer of shares, content of rights and restrictions on rights)

Article 2

The shares to be transferred to the employees are ordinary shares. Except as otherwise provided in relevant laws or regulations or in this plan, the rights and obligations embedded thereon are the same as with the Company’s other ordinary shares in circulation.

(Transfer period)

Article 3

The repurchased shares can be transferred to employees in one time or several times, such subscription day(s) shall be set within 5 years from the date of share repurchase.

(Transferee's eligibility)

Article 4

Qualified employees of the Company include full-time employees and any employee of the Company's domestic or foreign affiliated companies or subsidiaries meeting the regulations, employed at the time of the stock subscription record date, who have been approved by the board of directors in accordance with Article 5 of this Plan.

Any transferee who resigns for any reason or is fired during the period between subscription by employees and subscription payment deadline will be disqualified. The controlling company and subsidiaries are as defined in Article 369-2, Article 369-3, Article 369-9 Paragraph 2 and Article 369 Paragraph 11 of the Company Law.

(Numbers of shares to be subscribed by employees)

Article 5

The number of shares that can be subscribed by the employees shall be determined by the Company in consideration of their performance, position, service years and special merits. The Company shall also take into account factors such as the total number of shares repurchased by the Company at the subscription date. After setting the number of employees entitled to subscribe shares, a subscription report will be presented to the Board of Directors for authorization, and according to the following review procedures :

- (1) Subscription by managers or employees serving as Company directors shall first be submitted to the Remuneration Committee for deliberation and then to the Board of Directors for resolution. Subsidiary managers or employees who are also Company managers or directors must also follow the above procedures.
- (2) Subscription by employees of the Company or its subsidiaries other than those mentioned in the above paragraph who do not have a

managerial position shall first be submitted to the Audit Committee for deliberation and then to the Board of Directors for resolution.

Employees who fail to subscribe and those who fail to make the corresponding payment at the expiration of the payment period shall be deemed to have waived their subscription rights; the amount undersubscribed and the identity of the subscribers shall be notified to the Audit Committee or the Remuneration Committee, and then submitted to the Board of Directors for resolution. Subscription by other employees for the remaining shares shall be authorized. If there are still unsubscribed shares remaining thereafter, subscription for these shares will be cancelled in accordance with Article 9.

(Plan procedure)

Article 6

Procedure for repurchased shares transfer to employees within this Plan:

- (1) Announcement, report and execution of the share repurchase plan will be done in accordance with the resolution of the board of directors within the determined period.
- (2) The Board of directors will determine and announce the employee's subscription date, the standard number of shares transferred, the subscription payment date, the content of rights and restrictions, and other operational matters in accordance with the Plan.
- (3) The actual number of shares being paid for subscription will be counted and transfer of shares will be registered.

(Agreed transfer price per share)

Article 7

Within the duration of this Plan, shares will be transferred to the employees at their average repurchase price.

Transfer price adjustment formula:

Adjusted transfer price = Average repurchase price x total number of outstanding ordinary shares at the time of filing for the share repurchase / total number of outstanding common shares before the transfer of repurchased shares to the employees

(Rights and obligations of shares after transfer)

Article 8

After the repurchased shares have been transferred and registered under employees' names, unless otherwise specified, the rights and obligations associated with the shares are the same as with other common shares.

(Other related rights and obligations of the Company and employees)

Article 9

The repurchased shares shall be fully transferred to employees within five years from date of repurchase. Shares that are not transferred within the specified time period shall be deemed as unissued shares of the Company and cancelled according to applicable regulations.

Article 10

This Plan shall take effect after being passed by the Board and may be reported to the Board for revision.

Article 11

The enactment of the Plan and any amendment to the Plan shall be reported to the shareholders meeting.

Document versions record

Version	Brief description of changes	Date
1	Wording added	2022.11.10
2	Wording edited	2022.12.22

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Chlitina Holding Limited

Opinion

We have audited the accompanying consolidated balance sheets of Chlitina Holding Limited and its subsidiaries (the “Group”) as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2022 consolidated financial statements are stated as follows:

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Accuracy of sales discounts and allowances calculation and recognition

Description

Refer to Note 4(28) for accounting policy on sales discounts and allowances.

The Group offers sales discounts and allowances to customers based on mutual agreement which is recorded as deduction to operating revenue. Given its mathematical complexity, large volume and its significance in determining the Group's operating performance and financial condition for the investors and key management, we consider it one of the key audit matters.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Tested whether the internal controls over sales and collection process (including manual and system controls) are effectively designed and performed.
- B. Obtained documentation reviewed and approved by key management to verify whether the calculation on sales discounts and allowances are accurate.
- C. Tested selected samples of sales discounts and allowances transaction, reviewed the supporting documentation and confirmed whether they are accurate.

Accounting estimates on inventory valuation

Description

Refer to Note 4(12) for accounting policy on inventory valuation, Note 5 for accounting estimates and assumption uncertainty in relation to inventory valuation and Note 6(5) for details of inventories.

The Group is primarily engaged in the research and development, manufacturing and sales of skincare products. Due to the short expiration dates of its products, the Group is exposed to higher risks of inventory valuation loss or overdue loss when purchase orders are modified or sales deteriorates unexpectedly. The Group evaluates inventories stated at the lower of cost and net realisable value and recognises provision based on the length of time to the products' expiration date.

Since the amount of inventories is significant, the inventory items are numerous, the evaluation of inventories is subject to management's judgement and the accounting estimations will have a significant influence on the inventory values, we consider the valuation of inventories as one of the key audit matters.

~3~

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

- A. Assessed whether the valuation policy is consistently applied and reasonable based on our understanding of the Group's operations and industry.
- B. Obtained the calculation table of gross margin of the Group's each product category and assessed whether the net realisable value used by management is appropriate.
- C. Obtained the detailed listings of products' expiration date, inspected the related supporting documents to ascertain the accuracy of expiration date and assessed whether the allowance for valuation loss provided by the Group according to the length of inventories to the expiration date is consistent with the actual historical sales and clearance trends of inventories.

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 International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations that came into effect as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including 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 misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- B. 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.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- E. 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.
- F. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Chun-Yao

Chang, Shu-Chiung

For and on behalf of PricewaterhouseCoopers, Taiwan

March 9, 2023

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of dollars)

Asset	Notes	December 31, 2022			December 31, 2021			
		CNY	TWD	%	CNY	TWD	%	
Current Assets								
1100	Cash and cash equivalents	6(1)	\$ 1,280,472	\$ 5,644,321	66	\$ 1,375,044	\$ 5,973,191	60
1136	Financial assets at amortized cost - current	6(1)(3)and 8	-	-	-	241,962	1,051,083	10
1150	Notes receivable, net		1	4	-	5	22	-
1170	Accounts receivable, net	6(4)	477	2,103	-	723	3,141	-
1180	Accounts receivable - related parties, net	6(4)and 7	-	-	-	115	500	-
1200	Other receivables		17,458	76,955	1	15,136	65,751	1
1210	Other receivables - related parties	7	263	1,163	-	455	1,977	-
130X	Inventories	6(5)	110,326	486,317	6	104,711	454,865	4
1410	Prepayments		16,337	72,009	1	23,402	101,655	1
1470	Other current assets		-	-	-	2	10	-
11XX	Total current assets		<u>1,425,334</u>	<u>6,282,872</u>	<u>74</u>	<u>1,761,555</u>	<u>7,652,195</u>	<u>76</u>
Non-current assets								
1510	Financial assets at fair value through profit or loss - non-current	6(2)	50,064	220,682	3	21,046	91,424	1
1550	Investments accounted for using equity method	6(6)	48,355	213,149	2	49,636	215,619	2
1600	Property, plant and equipment, net	6(7)	278,969	1,229,695	14	303,842	1,319,890	13
1755	Right-of-use assets	6(8)and 7	93,075	410,275	5	112,940	490,611	5
1760	Investment property, net		15,743	69,395	1	16,737	72,706	1
1780	Intangible assets, net	6(9)and 7	21,060	92,832	1	15,104	65,612	1
1840	Deferred income tax assets	6(23)	7,898	34,814	-	14,212	61,737	-
1900	Other non-current assets		9,589	42,268	-	15,021	65,250	1
15XX	Total non-current assets		<u>524,753</u>	<u>2,313,110</u>	<u>26</u>	<u>548,538</u>	<u>2,382,849</u>	<u>24</u>
1XXX	Total assets		<u>\$ 1,950,087</u>	<u>\$ 8,595,982</u>	<u>100</u>	<u>\$ 2,310,093</u>	<u>\$ 10,035,044</u>	<u>100</u>

- Continued -

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of dollars)

Liabilities and Equity	Notes	December 31, 2022			December 31, 2021		
		CNY	TWD	%	CNY	TWD	%
Current liabilities							
2100 Short-term borrowings	6(10)	\$ 104,503	\$ 460,649	5	\$ 252,969	\$ 1,098,897	11
2130 Current contract liabilities	6(17)	80,664	355,567	4	96,496	419,179	4
2170 Accounts payable		14,297	63,021	1	15,577	67,666	1
2180 Accounts payable - related parties	7	4,089	18,024	-	7,169	31,144	-
2200 Other payables	6(11)	101,202	446,098	5	184,516	801,538	8
2220 Other payables - related parties	7	759	3,346	-	468	2,033	-
2230 Current income tax liabilities		20,559	90,624	1	58,475	254,015	2
2280 Lease liabilities - current	7	27,726	122,216	1	31,393	136,371	1
2320 Long-term borrowings - current portion	6(12)	-	-	-	63,720	276,800	3
2645 Guarantee deposits		81,129	357,619	4	86,194	374,425	4
21XX Total current liabilities		<u>434,928</u>	<u>1,917,164</u>	<u>21</u>	<u>796,977</u>	<u>3,462,068</u>	<u>34</u>
Non-current liabilities							
2540 Long-term borrowings	6(12)	390,145	1,719,759	20	259,978	1,129,345	11
2570 Deferred income tax liabilities	6(23)	3,083	13,590	-	18,712	81,285	1
2580 Lease liabilities - non-current	7	66,116	291,439	3	84,311	366,245	4
2640 Net defined benefit liabilities	6(13)	620	2,733	-	707	3,073	-
25XX Total non-current liabilities		<u>459,964</u>	<u>2,027,521</u>	<u>23</u>	<u>363,708</u>	<u>1,579,948</u>	<u>16</u>
2XXX Total liabilities		<u>894,892</u>	<u>3,944,685</u>	<u>44</u>	<u>1,160,685</u>	<u>5,042,016</u>	<u>50</u>
Equity attributable to shareholders of the parent							
Share capital	6(14)						
3110 Common stock		161,772	794,924	9	161,772	794,924	8
Capital surplus	6(15)						
3200 Capital surplus		276,621	1,372,879	16	276,621	1,372,879	14
Retained earnings	6(16)						
3310 Legal reserve		174,681	794,924	9	173,010	787,546	8
3320 Special reserve		126,475	565,174	7	105,661	473,279	5
3350 Unappropriated retained earnings		352,819	1,766,508	21	435,294	2,129,574	21
Other equity							
3410 Financial statements translation differences of foreign operations		(15,696)	(548,415)	(6)	(3,379)	(567,040)	(6)
3420 Unrealised gains (losses) from financial assets at fair value through other comprehensive income		568	2,479	-	429	1,866	-
3500 Treasury stocks	6(14)	(22,045)	(97,176)	(1)	-	-	-
3XXX Total equity		<u>1,055,195</u>	<u>4,651,297</u>	<u>56</u>	<u>1,149,408</u>	<u>4,993,028</u>	<u>50</u>
Significant contingent liabilities and unrecognised contract commitments	9						
Significant events after the balance sheet date	11						
3X2X Total liabilities and equity		<u>\$ 1,950,087</u>	<u>\$ 8,595,982</u>	<u>100</u>	<u>\$ 2,310,093</u>	<u>\$ 10,035,044</u>	<u>100</u>

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

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of dollars, except earnings per share data)

Items	Notes	For the year ended December 31, 2022			For the year ended December 31, 2021			
		CNY	TWD	%	CNY	TWD	%	
4000	Operating revenue	6(17)and 7	\$ 920,261	\$ 4,069,210	100	\$ 1,214,532	\$ 5,271,313	100
5000	Operating costs	6(5)(22)and 7	(160,867)	(711,322)	(17)	(205,914)	(893,709)	(17)
5900	Gross profit		759,394	3,357,888	83	1,008,618	4,377,604	83
	Operating expenses	6(22)and 7						
6100	Selling expenses		(330,536)	(1,461,564)	(36)	(424,604)	(1,842,866)	(35)
6200	Administrative expenses		(154,989)	(685,330)	(17)	(175,852)	(763,233)	(14)
6300	Research and development expenses		(7,014)	(31,015)	(1)	-	-	-
6000	Total operating expenses		(492,539)	(2,177,909)	(54)	(600,456)	(2,606,099)	(49)
6900	Operating profit		266,855	1,179,979	29	408,162	1,771,505	34
	Non-operating income and expenses							
7101	Interest income	6(18)	22,349	98,823	2	22,338	96,951	2
7010	Other income	6(19)	33,520	148,219	4	31,364	136,126	2
7020	Other gains and losses	6(20)	(45,915)	(203,027)	(4)	20,476	88,870	2
7050	Finance costs	6(21)and 7	(15,131)	(66,906)	(2)	(9,738)	(42,265)	(1)
7060	Share of profit or loss of associates and joint ventures accounted for using equity method	6(6)	33	146	-	512	2,222	-
7000	Total non-operating income and expenses		(5,144)	(22,745)	-	64,952	281,904	5
7900	Profit before tax		261,711	1,157,234	29	473,114	2,053,409	39
7950	Income tax expense	6(23)	(105,722)	(467,482)	(11)	(160,857)	(698,152)	(13)
8200	Profit for the year		\$ 155,989	\$ 689,752	18	\$ 312,257	\$ 1,355,257	26
	Other comprehensive income (loss)							
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss							
8311	Losses on remeasurements of defined benefit plans	6(13)	\$ 82	\$ 363	-	(\$ 47)	(\$ 204)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method	6(6)	139	613	-	318	1,391	-
8310	Total other comprehensive income (loss) that will not be reclassified to profit or loss		221	976	-	271	1,187	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss							
8361	Financial statements translation differences of foreign operations		(12,361)	18,431	-	(10,179)	(80,185)	(2)
8370	Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method	6(6)	44	194	-	(3,128)	(13,576)	-
8360	Total comprehensive income (loss) that will be reclassified to profit or loss		(12,317)	18,625	-	(13,307)	(93,761)	(2)
	Other comprehensive income (loss) for the year		(12,096)	19,601	-	(13,036)	(92,574)	(2)
8500	Total comprehensive income for the year		\$ 143,893	\$ 709,353	18	\$ 299,221	\$ 1,262,683	24
	Earnings per share (in dollars)	6(24)						
9750	Basic earnings per share		\$ 1.96	\$ 8.68		\$ 3.93	\$ 17.05	
9850	Diluted earnings per share		\$ 1.96	\$ 8.67		\$ 3.92	\$ 17.02	

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

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of dollars)

Notes	Equity attributable to shareholders of the parent																	
	Retained earnings										Other equity							
	Common stock		Capital surplus		Legal reserve		Special reserve		Unappropriated retained earnings		Financial statements translation differences of foreign operations		Unrealised gains (losses) from financial assets at fair value through other comprehensive income		Treasury stocks		Total equity	
	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD	CNY	TWD
For the year ended December 31, 2021																		
Balance at January 1, 2021	\$ 161,772	\$ 794,924	\$ 277,143	\$ 1,375,164	\$ 150,794	\$ 691,593	\$ 123,415	\$ 549,959	\$ 283,991	\$ 1,469,479	\$ 9,928	(\$ 473,279)	\$ 111	\$ 475	\$ -	\$ -	\$ 1,007,154	\$ 4,408,315
Profit for the year	-	-	-	-	-	-	-	-	312,257	1,355,257	-	-	-	-	-	-	312,257	1,355,257
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	(47)	(204)	(13,307)	(93,761)	318	1,391	-	-	(13,036)	(92,574)
Total comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	312,210	1,355,053	(13,307)	(93,761)	318	1,391	-	-	299,221	1,262,683
Appropriations of 2020 earnings	6(16)																	
Legal reserve	-	-	-	-	22,216	95,953	-	-	(22,216)	(95,953)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	(17,754)	(76,680)	17,754	76,680	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	(156,445)	(675,685)	-	-	-	-	-	-	(156,445)	(675,685)
Change in capital surplus accounted for using equity method	6(15)	-	-	(522)	(2,285)	-	-	-	-	-	-	-	-	-	-	-	(522)	(2,285)
Balance at December 31, 2021	\$ 161,772	\$ 794,924	\$ 276,621	\$ 1,372,879	\$ 173,010	\$ 787,546	\$ 105,661	\$ 473,279	\$ 435,294	\$ 2,129,574	(\$ 3,379)	(\$ 567,040)	\$ 429	\$ 1,866	\$ -	\$ -	\$ 1,149,408	\$ 4,993,028
For the year ended December 31, 2022																		
Balance at January 1, 2022	\$ 161,772	\$ 794,924	\$ 276,621	\$ 1,372,879	\$ 173,010	\$ 787,546	\$ 105,661	\$ 473,279	\$ 435,294	\$ 2,129,574	(\$ 3,379)	(\$ 567,040)	\$ 429	\$ 1,866	\$ -	\$ -	\$ 1,149,408	\$ 4,993,028
Profit for the year	-	-	-	-	-	-	-	-	155,989	689,752	-	-	-	-	-	-	155,989	689,752
Other comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	82	363	(12,317)	18,625	139	613	-	-	(12,096)	19,601
Total comprehensive income (loss) for the year	-	-	-	-	-	-	-	-	156,071	690,115	(12,317)	18,625	139	613	-	-	143,893	709,353
Appropriations of 2021 earnings	6(16)																	
Legal reserve	-	-	-	-	1,671	7,378	-	-	(1,671)	(7,378)	-	-	-	-	-	-	-	-
Special reserve	-	-	-	-	-	-	20,814	91,895	(20,814)	(91,895)	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	(216,061)	(953,908)	-	-	-	-	-	-	(216,061)	(953,908)
Change in capital surplus accounted for using equity method	6(14)	-	-	-	-	-	-	-	-	-	-	-	-	-	(22,045)	(97,176)	(22,045)	(97,176)
Balance at December 31, 2022	\$ 161,772	\$ 794,924	\$ 276,621	\$ 1,372,879	\$ 174,681	\$ 794,924	\$ 126,475	\$ 565,174	\$ 352,819	\$ 1,766,508	(\$ 15,696)	(\$ 548,415)	\$ 568	\$ 2,479	(\$ 22,045)	(\$ 97,176)	\$ 1,055,195	\$ 4,651,297

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

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of dollars)

	Notes	For the year ended December 31, 2022		For the year ended December 31, 2021	
		CNY	TWD	CNY	TWD
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		\$ 261,711	\$ 1,157,234	\$ 473,114	\$ 2,053,409
Adjustments					
Adjustment to reconcile profit (loss)					
Depreciation	6(7)(8)(20)(22)	74,250	328,320	72,085	312,864
Amortization	6(9)(22)	3,498	15,467	3,252	14,115
Net loss (gain) on financial assets at fair value through profit or loss	6(2)(20)	1,974	8,729	(2,288)	(9,930)
Interest expense	6(21)	15,131	66,906	9,738	42,265
Interest income	6(18)	(22,349)	(98,823)	(22,338)	(96,951)
Share of profit or loss of associates and joint ventures accounted for using equity method	6(6)	(33)	(146)	(512)	(2,222)
Loss on disposal of property, plant and equipment	6(20)	588	2,600	136	590
Impairment loss on intangible assets	6(9)(20)	5,623	24,863	-	-
Impairment loss on investments accounted for using equity method	6(6)(20)	1,363	6,027	-	-
Gains from lease modifications	6(8)(20)	-	-	(5)	(22)
Changes in operating assets and liabilities relating to operating activities					
Changes in operating assets					
Financial assets at fair value through profit or loss		976	4,317	2,288	9,930
Notes receivable		4	18	(5)	(22)
Accounts receivable		246	1,088	69	299
Accounts receivable - related parties		115	509	387	1,680
Other receivables		(5,613)	(24,820)	(2,036)	(8,837)
Other receivables - related parties		192	849	(261)	(1,133)
Inventories		(5,615)	(24,828)	2,071	8,989
Prepayments		7,065	31,240	(7,726)	(33,532)
Changes in operating liabilities					
Contract liabilities		(15,832)	(70,006)	14,289	62,017
Accounts payable		(1,280)	(5,660)	2,400	10,416
Accounts payable - related parties		(3,080)	(13,619)	3,975	17,252
Other payables		(83,987)	(371,374)	6,163	26,749
Other payables - related parties		291	1,287	(2,178)	(9,453)
Net defined benefit liabilities		5	22	5	22
Guarantee deposits		(5,065)	(22,396)	10,060	43,662
Cash provided by operating activities		230,178	1,017,804	562,683	2,442,157
Interest paid		(14,458)	(63,930)	(9,934)	(43,116)
Income tax paid		(152,953)	(676,328)	(138,551)	(601,339)
Net cash provided by operating activities		62,767	277,546	414,198	1,797,702

- Continued -

CHLITINA HOLDING LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in thousands of dollars)

	Notes	For the year ended December 31, 2022		For the year ended December 31, 2021	
		CNY	TWD	CNY	TWD
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of financial assets at amortised cost		\$ -	\$ -	(\$ 129,962)	(\$ 564,061)
Proceeds from disposal of financial assets at amortised cost		241,962	1,069,908	-	-
Acquisition of financial assets at fair value through profit or loss		(30,000)	(132,654)	-	-
Decrease (Increase) in other current assets		2	9	(2)	(9)
Acquisition of property, plant and equipment	6(7)	(12,850)	(56,820)	(22,187)	(96,297)
Acquisition of intangible assets	6(9)	(15,072)	(66,645)	(506)	(2,197)
Decrease in other non-current assets		8,036	35,534	3,690	16,015
Interest received		25,640	113,375	15,697	68,128
Net cash used in investing activities		217,718	962,707	(133,270)	(578,421)
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of the principal portion of lease liabilities	6(25)	(39,641)	(175,284)	(34,372)	(149,181)
(Decrease) Increase in short-term borrowings	6(25)	(142,798)	(631,423)	106,319	461,447
Proceeds from long-term borrowings	6(25)	550,586	2,434,581	263,062	1,141,742
Repayments of long-term borrowings	6(25)	(493,200)	(2,180,831)	(280,760)	(1,218,555)
Purchase of treasury stocks	6(14)	(22,045)	(97,176)	-	-
Payment of cash dividends	6(16)	(216,061)	(953,908)	(156,445)	(675,685)
Net cash flows used in financing activities		(363,159)	(1,604,041)	(102,196)	(440,232)
Effects due to changes in exchange rates		(11,898)	34,918	(25,472)	(153,607)
(Decrease) Increase in cash and cash equivalents		(94,572)	(328,870)	153,260	625,442
Cash and cash equivalents at beginning of year		1,375,044	5,973,191	1,221,784	5,347,749
Cash and cash equivalents at end of year		\$ 1,280,472	\$ 5,644,321	\$ 1,375,044	\$ 5,973,191

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

Chlitina Holding Limited
Distribution of Earnings in 2022



[Attachment VI]

Unit: NT\$

Unappropriated retained earnings for previous year	1,076,392,366
Add: Re-measurement on benefit plans	363,697
Add: Net profit after tax in this year	689,752,056
Withheld items	
Less: Legal reserve - 10% (the amount set aside as legal reserve already exceeds total authorized capital)	0
Add: Special earnings reserve - Difference in exchange rates from the conversion of financial statements of overseas operating entities	19,238,975
Distribution of earnings for this year	1,785,747,094
Appropriation items:	
Shareholders' dividend - Cash	556,446,450
Unappropriated retained earnings for this year	1,229,300,644
<p>Note: Based on the total number of issued shares of 79,492,350 shares, cash dividend of NT\$7 per share will be distributed.</p>	

Chairperson: Chen, Pi-Hua



Manager: Chao, Chen-Yu



Accounting Supervisor: Yeh, Chien-Chih



Chlitina Holding Limited

Articles of Incorporation

After amendment	Before amendment	Reasons for amendment
<p>29.</p> <p>For the purpose of these Articles, the following matters shall be regarded as special business and be specified in the notice of general meeting with the description of their major contents, and shall not be proposed as ad hoc motions; the major contents may be posted on a website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice:</p> <p>(a)~(b) (omitted)</p> <p>(c) winding-up, Merger/Consolidation, or Spin-off or Share Swap of or <u>involving</u> the Company;</p> <p>(d)~(l) (omitted)</p>	<p>29.</p> <p>For the purpose of these Articles, the following matters shall be regarded as special business and be specified in the notice of general meeting with the description of their major contents, and shall not be proposed as ad hoc motions; the major contents may be posted on a website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice:</p> <p>(a)~(b) (omitted)</p> <p>(c) winding-up, Merger/Consolidation or Spin-off of the Company;</p> <p>(d)~(l) (omitted)</p>	<p>Amended in accordance with Section 2 of the Checklist for Protection of Rights and Interests of Shareholders in the Foreign Issuer's Registered Country attached to the Tai-Zheng-Shang-Er-Zi 1111700674 Notice of March 11, 2022 issued by TWSE.</p>
<p>39.</p> <p>(1) (omitted)</p> <p>(2) In the event any part of the Company's business is involved in any Spin-Off, Merger/Consolidation, Acquisition, or Share Swap, a Member, who has <u>voted against or abstained from voting in a general meeting and has expressed his dissent therefor, in writing or verbally that was recorded before the relevant vote,</u> may request the Company to purchase all of his Shares at the then prevailing fair price in accordance with the Law. <u>Shares which were present at such general meeting but abstained from voting in such resolution relating to any Spin-Off, Merger/Consolidation, Acquisition, or Share Swap, shall</u></p>	<p>39.</p> <p>(1) (omitted)</p> <p>(2) In the event any part of the Company's business is involved in any Spin-Off, Merger/Consolidation, Acquisition, or Share Swap, a Member, who has abstained from voting and expressed his dissent therefor, in writing before the relevant vote, may request the Company to purchase all of his Shares at the then prevailing fair price in accordance with the Law.</p> <p>(3)~(4) (omitted)</p>	<p>Amended in accordance with Article 12 of the Business Mergers and Acquisitions Act and Section 2 of the Checklist for Protection of Rights and Interests of Shareholders in the Foreign Issuer's Registered Country attached to the Tai-Zheng-Shang-Er-Zi 1111704301 Notice of January 9, 2023 issued by TWSE.</p>

After amendment	Before amendment	Reasons for amendment
<p><u>not be counted in the total number of votes of Members present at the meeting nor be counted towards the quorum for such particular resolution.</u></p> <p>(3)~(4) (omitted)</p>		
<p>79.</p> <p>A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its important components at the relevant meeting. In the Merger and Acquisition by the Company, a Director who has a personal interest in the transaction of the Merger and Acquisition shall explain the essential contents of such personal interest and the reasons why, whether he is allowed to vote or not, he/she supports or does not support the proposed resolution relating to the Merger and Acquisition at the meeting of the Board and the general meeting. <u>The Company shall disclose in the notice convening the general meeting the key points of a Director’s personal interest in the proposed Merger and Acquisition and the reasons why he/she supports or does not support the proposed resolution relating to the Merger and Acquisition; these contents may be posted on a website designated by the Commission, the GTSM or the TWSE (where applicable) or by the Company, with the address of such website indicated in the above notice.</u> Where the spouse, a relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has interests in the above-mentioned matters under discussion in the meeting, such Director shall be deemed to have a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the</p>	<p>79.</p> <p>A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its important components at the relevant meeting. In the Merger and Acquisition by the Company, a Director who has a personal interest in the transaction of the Merger and Acquisition shall explain the essential contents of such personal interest and the reasons why, whether he is allowed to vote or not, he/she supports or does not support the proposed resolution relating to the Merger and Acquisition at the meeting of the Board and the general meeting. Where the spouse, a relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has interests in the above-mentioned matters under discussion in the meeting, such Director shall be deemed to have a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.</p>	<p>Amended in accordance with Article 5, Paragraph 4 of the Business Mergers and Acquisitions Act and Section 3 of the Checklist for Protection of Rights and Interests of Shareholders in the Foreign Issuer’s Registered Country attached to the Tai-Zheng-Shang-Er-Zi 1111704301 Notice of January 9, 2023 issued by TWSE.</p>

After amendment	Before amendment	Reasons for amendment
interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.		

Chlitina Holding Limited
Rules of Procedure for Shareholders Meetings

After amendment	Before amendment	Reasons for amendment
<p>Article 3 Unless otherwise prescribed by law, the shareholders' meeting of the Company shall be convened by the Board of Directors.</p> <p><u>The company shall hold a videoconference of the shareholders' meeting, unless otherwise stipulated in the Regulations Governing the Administration of Shareholder Services of Public Companies, which shall be specified in the articles of association and shall be resolved by the board of directors. A resolution approved by more than half of the directors shall be implemented.</u></p> <p>(The following is omitted)</p>	<p>Article 3 Unless otherwise prescribed by law, the shareholders' meeting of the Company shall be convened by the Board of Directors.</p> <p>(The following is omitted)</p>	<p>As is required by No. 1120004167 letter (Released by Taiwan Stock Exchange Corporation) on March 17, 2023..</p>
<p>Article 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)</p> <p>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice: (Paragraphs 1 and 2 are omitted)</p> <p>3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified. <u>Except for the circumstances stipulated in Item 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided with connection equipment and necessary assistance, and the period during which shareholders may apply to the company and other relevant notices shall be specified. matter.</u></p>	<p>Article 6-1 (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)</p> <p>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice: (Paragraphs 1 and 2 are omitted)</p> <p>3.To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</p>	<p>See the explanation given above.</p>
<p>Article 22 (Handling of digital divide)</p>	<p>Article 22 (Handling of digital divide)</p>	<p>See the explanation given</p>

After amendment	Before amendment	Reasons for amendment
<p>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online. Except for the circumstances stipulated in Item 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, at least shareholders shall be provided with connection equipment and necessary assistance, and the period during which shareholders may apply to the company and other relevant notices shall be specified. matter.</p>	<p>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</p>	<p>above.</p>
<p>Article 23 These Rules and any amendment thereto shall come into force after they are approved by the shareholders meeting.</p> <p>The first amendment of these Rules came into force after it was approved by the special shareholders meeting on August 23, 2012.</p> <p>The second amendment of these Rules came into force after it was approved by the regular shareholders meeting on April 8, 2013.</p> <p>The third amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 17, 2015.</p> <p>The fourth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 5, 2020.</p> <p>The fifth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 8, 2022.</p> <p>The sixth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 6, 2023.</p>	<p>Article 23 These Rules and any amendment thereto shall come into force after they are approved by the shareholders meeting.</p> <p>The first amendment of these Rules came into force after it was approved by the special shareholders meeting on August 23, 2012.</p> <p>The second amendment of these Rules came into force after it was approved by the regular shareholders meeting on April 8, 2013.</p> <p>The third amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 17, 2015.</p> <p>The fourth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 5, 2020.</p> <p>The fifth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 8, 2022.</p>	<p>A new date of amendment has been added.</p>

Procedural Regulations for Shareholders Meetings

Article 1. To establish a strong governance system and sound supervisory capabilities for the Company's meeting of shareholders and to strengthen management capabilities, specially set these Regulations in according with "Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies" and provided for follow.

Article 2. The Shareholders' Meeting Procedure Rules of the Company shall be duly handled in accordance with these Regulations unless otherwise prescribed in laws or Articles of Incorporation.

Article 3. Unless otherwise prescribed by law, the shareholders' meeting of the Company shall be convened by the Board of Directors.

Changes to how the company convenes its shareholders meeting shall be resolved by the board of directors, and shall be made no later than mailing of the shareholders meeting notice.

The Company convened shareholders for the regular session shall prepare the Meeting Agenda Handbook and notice to shareholders shall be given 7 days in advance, notice to shareholders for special session shall be given 5 days in advance.

After public offering of the Company, convened shareholders for the regular session shall notices for the shareholders' meeting, blank forms of proxies, issues pending for acknowledgement, issues pending for discussion, election or discharge of directors and other issues and guidelines into electronic files and transmit them onto the Market Observation Post System (MOPS) 30 days prior to a regular shareholders meeting or 15 days prior to a special shareholders meeting. The Company shall, likewise, produce the Meeting Agenda Handbook and the supplementary data of the meeting into electronic files and transmit them to the Market Observation Post System (MOPS) 21 days prior to a regular shareholders meeting or 15 days prior to a special shareholders meeting. The shareholders' meeting shall prepare the Meeting Agenda Handbook and supplementary data of the meeting available to all shareholders and display them at the Company and the Company delegated the professional services agent 15 days prior to the shareholders' meeting and shall have the same handed out on-the-spot the shareholders' meeting.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

1. For physical shareholders meetings, to be distributed on-site at the meeting.
2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.

3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The notices and public announcements shall expressly provide the subjects of the meeting and may be served in electronic means subject to consent by the target addressees.

Election or dismissal of directors, amendment to the Articles of Incorporation, capital reduction, application for cessation of public offering, approval for directors to compete with the Company, capital increase from retained earnings or capital reserve, the dissolution, merger or division of the Company, or any matter under Paragraph 1, Article 185 of the Company Act, 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 with description of the main details in the reasons for convening the shareholders meeting. None of the said matters may be raised by any extempore motion. The main details may be posted on any website designated by the competent authority of securities or the Company, and the website address shall be specified in the notice.

Where a new election of all directors and the date when the elected directors begin their term have been specified in the reasons for convening the shareholders' meeting, the meeting may not change that date through an extempore motion or any other way after the election is completed at the same meeting.

Any shareholder holding 1% or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. Such a proposal shall be limited to one item 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, the Company shall publicly announce the start of receipt of shareholder proposals, the methods for receipt of the proposals in a written or electronic form, and the location and time period for receipt of the proposals. The time period for receipt of the proposals may not be less than 10 days.

A proposal submitted by any shareholder shall be limited to 300 Chinese characters, and no proposal containing more than 300 Chinese characters will be included in the meeting agenda. Any shareholder submitting a proposal shall attend the regular shareholders' meeting in person or by proxy and participate in the discussion of the proposal.

Prior to the date of notice of the shareholders' meeting, the Company shall inform any shareholder submitting a proposal of the processing result of

the proposal and shall include in the meeting notice any proposal that meets the requirements of this Article. At the shareholders meeting, the Board of Directors shall explain the reasons for exclusion of any shareholder proposal not included in the meeting agenda.

Article 4. For each shareholder's meeting, a shareholder may issue a proxy in the standard form printed and provided by the Company, expressly specifying the scope of the powers bestowed to delegate a proxy to attend the shareholders' meeting on his or her behalf.

A shareholder may issue one proxy and may only delegate one proxy. The proxy shall be served to the Company 5 days prior to the date scheduled for the shareholders' meeting. In case of double proxies, the proxy shall be entertained on the first come first served basis unless the preceding proxy is declared withdrawn.

After a proxy is served to the Company, if a shareholder decides to participate in the shareholders' meeting in person or to exercise voting rights in writing or through electronic means, he or she shall inform the Company in writing to withdraw the proxy 2 days prior to the date scheduled for the shareholders' meeting. In the event that such shareholder is overdue in withdrawing the notice, the voting rights exercised by the delegated proxy shall prevail.

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation 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. (Principle for location and date of convening shareholders' meeting)

A shareholders' meeting shall be convened at a venue where the Company is headquartered or a convenient for shareholders to attend and venue well oriented to convening a shareholders' meeting. A shareholders' meeting shall be convened at a time not prior to 9:00 a.m. or later than 3:00 p.m., the location and date shall take adequate account of the opinions offered by the independent directors.

The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 6. (Preparation of the attendance book and other documents)

The Company shall specify in the shareholders meeting notice the shareholder, solicitors and proxies (collectively "shareholders") registration time, registration location, and any other relevant matters.

Shareholders are required to check in for the shareholders' meeting thirty minutes prior to the time scheduled to start the meeting. The check-in point shall be expressly remarked and shall be adequately staffed to serve

participating shareholders. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

A shareholder or a proxy delegated by a shareholder (hereinafter collectively referred to as a shareholder) shall participate in the shareholders' meeting based on the participation identity certificate, participation sign-in card or other identity certificate. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. A proxy solicitor shall further present his or her identity certificate ready for verification.

The Company shall get ready sign-in book to enable the shareholders to sign. A participating shareholder may, as well, present his or her sign-in card instead of signing to prove presence.

The Company shall hand over the Meeting Agenda Handbook, Annual Report, participation certificates, memo to speak, voting ballots and other information and data of the meeting to the shareholders who participate in the shareholders' meeting; along with the election ballots if the directors are to be elected in that event.

Where the juristic person is a shareholder of the Company, the representative(s) participating in a shareholders' meeting shall not be confined to one. Where a juristic person is delegated to participate in a shareholders' meeting, such juristic person may only assign one representative to participate in the meeting.

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1. (Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)

To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.

- B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a

Article 7. (The chair and non-voting participants of a shareholders meeting)

A shareholders' meeting shall be chaired by the chairman if it is convened by the Board of Directors. In the event that the chairman is absent or unavailable to exercise the responsibilities and powers, the chairman shall appoint a director to act on behalf. Where the chairman does not appoint a director as the substitute, one director shall be elected from among themselves to act on his/her behalf.

Where a managing director or a director acts as the chairperson as mentioned in the preceding paragraph, such managing director or director shall only be the one who has served with the Company for more than 6 months and has been well aware of the Company's financial standing and business operation. This same provision is applicable mutatis mutandis to an event where the chairperson is the representative of a juristic person director.

A shareholders' meeting convened by the Board of Directors should be chaired by the chairman in person and should call for participation and presence by a majority of the total number of director seats in the Board of Directors and at least one representative of each functional committee, the facts of participation shall be entered into the minutes of the shareholders' meeting.

Where a shareholders' meeting is convened by another convener beyond the Board of Directors, such meeting shall be chaired by that convener. In the event that there are two or more conveners, one shall be elected from among themselves to chair the meeting.

The Company may appoint the retained Attorney(s)-at-Law, Certified Public Accountant(s) or relevant personnel to participate in a shareholders' meeting.

Article 8. (Audio or video recording of shareholders meetings)

The Company shall make continuous audio and video recordings of the entire shareholders meeting starting with the acceptance of shareholder registrations to the proceedings of the meetings and the entire voting and counting process.

The audio and video data shall be retained for at least 1 year. In the event that a shareholder lodges litigation in accordance with Article 189 of the Company Act, nevertheless, the ballots shall be archived until after the litigation is concluded.

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9. The participation by shareholders shall be calculated based on the number of shares so represented. The number of shares represented by the participating shareholders shall be calculated based on the sign-in book or the submitted sign-in cards, and the shares checked in on the virtual meeting platform, added with the number of shares with voting rights that are exercised in writing or in electronic means.

The chairperson shall announce opening of the meeting when the time schedule is due. When the present shareholders do not constitute a majority of the aggregate total of outstanding shares, nevertheless, the chairperson may announce a deferment in opening of the meeting. The deferments shall not exceed the maximum of twice and not exceed an hour in accumulation. In the event that the present shareholders are still less than one-third of the aggregate total of the outstanding shares after the twice deferments, the chairperson may announce the termination of the meeting. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

Where the present shareholders still fail to constitute the minimum quorum after two deferments as mentioned in the preceding paragraph but are more than one-third of the aggregate total of the outstanding shares, a tentative resolution may be passed in accordance with Article 175 of the Company Act in Taiwan and the Company shall reconvene another shareholders' meeting within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

In the event that the number of shares represented by present shareholders is up to a majority of the aggregate total of the outstanding shares, the chairperson may refer the tentative resolution so adapted to the shareholders' meeting for resolution anew in accordance with 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. The relevant proposals (including extempore motions and amendments to the original proposals) shall be subject to voting. The meeting shall proceed in accordance with the set agenda, which may not be changed without a resolution of the meeting.

The provision set forth under the preceding paragraph is equally mutatis mutandis applicable to a shareholders' meeting that is convened by a convener beyond the board of directors.

Pursuant to the agenda mentioned (including the occasional (extemporaneous) motions) in the two preceding paragraphs, the chairperson shall not announce adjournment of the meeting until the agenda is concluded unless duly resolved in the meeting. In the event that the chairperson breaches the Rules of Procedure for Shareholders Meetings by unlawfully announcing adjournment of the meeting, other members in the Board of Directors shall promptly help the present shareholders elect one person through a majority vote to continually chair the meeting based on the legal procedures.

The chairperson shall give sufficient opportunities for explanation and discussion of any proposal or any amendment or extempore motion submitted by a shareholder. If the chairperson determines the proposal, amendment or motion can be put to a vote, he/she may end the discussion and submit the proposal, amendment or motion to a vote, with sufficient voting time arranged.

Article 11. (Shareholder speech)

A present shareholder shall fill up and submit the speech note before speaking up. The speech note shall expressly bear the gist of the speech, shareholder account code (or the code of the participation identity certificate) and name of account. The chairperson shall fix the order to speak up.

A shareholder who fails to speak up after submitting the speech note is deemed as having not spoken up. Where the contents actually spoken are found different from the entries in the speech note, the contents actually spoken shall prevail.

On a same issue, each shareholder shall not speak more than twice unless given consent by the chairperson. Each speech shall not exceed five minutes. Where a shareholder speaks in contravention of the rules or

beyond the scope of the specified issues, the chairperson may stop the speaker.

Where a present shareholder is speaking up, other shareholder(s) shall not speak to interfere unless the consent has been obtained from the chairperson and the speaking shareholder. The chairperson shall stop the offender, if any.

Where a juristic person assigns two or more representatives to participate in a shareholders' meeting, only one of the representatives may speak for a same issue.

After a present shareholder completes speech, the chairperson may respond either in person or through a relevant person designated.

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

Article 12. (Calculation of voting shares and recusal system)

The voting rights in the shareholders' meeting shall be duly calculated based on the number of shares.

During the voting process of a shareholders' meeting, the number of shares held by shareholders who hold no voting rights shall not be counted into the of the aggregate total of the outstanding shares.

On an issue under discussion in a shareholders' meeting, a shareholder who is in the interested involvement in such issue that is likely to impair the interests of the Company shall not join the voting process, nor shall he or she exercise the voting rights as a proxy for another shareholder.

The number of shares mentioned in the preceding paragraph that could not be exercised for voting rights shall not be counted as the voting rights of the shareholders who are already present in the meeting.

Except a trust enterprise or a shareholder services agent approved by the competent authority in charge of securities affairs, when one person is delegated as a proxy for two or more shareholders, the voting rights under his or her proxy shall not exceed 3% of the aggregate total of the outstanding shares. The voting rights in excess of such limit shall be discarded.

Article 13. Each shareholder is entitled to one vote, except restricted or without voting rights listed under Paragraph 2, Article 197-1 of the Company Act in Taiwan.

Where a shareholders' meeting is convened by the Company, voting rights shall be exercised electronically and may be exercised in writing. When the voting rights are to be exercised in writing or electronically, such means of exercise shall be expressly provided in the notice to the

shareholders' meeting. Any shareholder exercising voting rights in a written or electronic form will be deemed as having attended the shareholders' meeting in person or online, but also deemed as having waived his/her rights with respect to the extempore motions and amendments to original proposals at that meeting. It is therefore advised that the Company avoid the submission of extempore motions and amendments to original proposals.

In case of voting rights being exercised in writing or electronic means as mentioned in the preceding paragraph, the expression of intents shall be served to the Company 2 days prior to the date scheduled for the shareholders' meeting. In case of double expressions in intent, they shall be managed on a come first served basis unless the preceding expression is declared withdrawn.

After a shareholder exercises voting rights in writing or electronic means, if he or she intends to participate in the shareholders' meeting in person, he or she shall revoke the expression of intent mentioned in the preceding paragraph in the means same as that used for exercise of voting rights in writing or electronic means 2 days prior to the date scheduled for the shareholders' meeting. In the event that he or she fails to revoke within the specified time limit, he or she shall still exercise voting rights in writing or electronic means. In the event that a shareholder exercises voting rights in writing or electronic means and participates in the shareholders' meeting through a proxy with a written proxy, the exercise of voting rights in writing or electronic means by his or her proxy shall prevail.

Unless otherwise provided for in the Company Act and in the Company's Articles of Incorporation, decisions in the shareholders' meeting shall be resolved by a majority vote in the meeting that is attended by shareholders who represent a majority of the aggregate total of the outstanding shares. During the voting, 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 shareholders meeting, on the same day it is held, the number of for and against votes as well as abstentions shall be entered into the MOPS.

Where a same issue is accompanied with an amendment or a substitute, the chairperson shall resolve the order of voting along with the initial issue. In the event that one among them is satisfactorily resolved, other issues are deemed to have been vetoed and calling for no voting process any more.

The ballot monitor(s) and counting staff for voting process shall be appointed by the chairperson. A monitor shall be appointed only out of shareholders.

The ballots in voting or election process in a shareholders' meeting shall be counted in an open manner inside the venue and the outcome shall be announced on-the-spot after the counting process is completed, including the statistics for the voting rights which shall be covered into the written records.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chair announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 14. (Issues in election)

Where directors are elected in a shareholders' meeting, the election shall be duly conducted in accordance with relevant election guidelines defined by the Company. The outcome of the election, including the names of elected directors and the number of election powers so won by them, shall be announced on-the-spot.

The ballots for the election process mentioned in the preceding paragraph shall be tightly sealed up, signed by the monitor and shall be archived for a minimum of 1 year. In the event that a shareholder lodges litigation in accordance with Article 189 of the Company Act, nevertheless, the ballots shall be archived until after the litigation is concluded.

Article 15. Minutes of shareholders' meeting shall be duly worked out, signed and sealed by the chairperson and served to all shareholders within 20 days from the meeting. The minutes may be produced and distributed in electronic means.

The Company distribute the minutes as mentioned in the preceding paragraph through public announcement by inputting into the Market Observation Post System (MOPS).

The meeting minutes shall accurately record the year, month, day and place of the meeting, the chairperson's name, the methods by which resolutions are adopted, a summary of the meeting proceedings and the voting results (including the number of voting rights calculated). Where there is an election of directors, the number of voting rights received by each candidate shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters,

accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online voting rights on amendments to the original proposal.

Article 16. (Public disclosure)

The Company shall, on the very day while the shareholders' meeting is scheduled to be convened, the number of shares successfully solicited by the solicitors, the number of shares under agency of the delegated proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means and shall expressly promulgate those on-the-spot of the shareholders' meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

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

Article 17. (Maintenance of order at meeting venue)

The staff serving on the shareholders' meeting shall wear identity certificates or arm-bands.

The chairperson may instruct disciplinary personnel or security guards to maintain the sound order of the meeting. The disciplinary personnel or security guards shall wear the identity certificates reading "disciplinary guards" or the like while maintaining the sound order of the meeting.

Where the shareholders' meeting site is equipped with loud-speaking facilities and where a shareholder speaks with the facility not provided by the Company, the chairperson may stop himself or herself from speaking.

Where a special shareholders meeting is in contravention of the Rules of Procedure for Shareholders Meetings and defies the discipline from the chairperson, the chairperson may instruct the disciplinary personnel or security guards to expel him or her out of the venue.

Article 18. (Recess and resumption of meeting)

Upon the process of a meeting, the chairperson may announce an intermission as the actual situations may justify. Upon occurrence of force majeure, the chairperson may rule a suspension from the meeting and announce the time to resume the meeting as the actual situations may justify.

In the event that the venue for a shareholders' meeting could not be continually used until the issues set under the agenda (including occasional (extemporaneous) motions) are concluded, the shareholders' meeting may resolve a decision to relocate to another venue to continue the meeting.

As per Article 182 of the Company Act, the shareholders' meeting may resolve a decision to postpone the meeting within 5 days or to continue the process of the meeting.

Article 19. (Disclosure of information at virtual meetings)

In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20. (Location of the chair and secretary of virtual-only shareholders meeting)

When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21. (Handling of disconnection)

In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the first paragraph, the number of shares represented by, and voting rights and election rights

exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in first paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the first paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the first paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the first paragraph.

Article 22. (Handling of digital divide)

When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23. These Rules of Procedure for Shareholders Meetings shall come into enforcement after being duly resolved in the shareholders' meeting. This same provision is applicable mutatis mutandis to an event of an amendment.

The first amendment of these Rules came into force after it was approved by the special shareholders meeting on August 23, 2012.

The second amendment of these Rules came into force after it was approved by the shareholders meeting on April 8, 2013.

The third amendment of these Rules came into force after it was approved by the shareholders meeting on June 17, 2015.

The fourth amendment of these Rules came into force after it was approved by the shareholders meeting on June 5, 2020.

The fifth amendment of these Rules came into force after it was approved by the regular shareholders meeting on June 8, 2022.

TENTH AMENDED AND RESTATED
ARTICLES OF ASSOCIATION

OF

Chlitina Holding Limited
麗豐股份有限公司

(as adopted by a Special Resolution passed on June 8, 2022)



THE COMPANIES ACT (AS REVISED)
COMPANY LIMITED BY SHARES
TENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
CHLITINA HOLDING LIMITED
麗豐股份有限公司
(as adopted by a Special Resolution passed on June 8, 2022)

INTERPRETATION

1. The Regulations contained or incorporated in Table A of the First Schedule of the Companies Act (As Revised) of the Cayman Islands (as amended from time to time) shall not apply to this Company.
2. (1) In these Articles the following terms shall have the meanings set opposite unless the context otherwise requires:-

Applicable Listing Rules	the relevant laws, regulations, rules and codes as amended, from time to time, applicable as a result of the original and continued trading or listing of any Shares on any Taiwan stock exchange or securities market, including, without limitation the relevant provisions of the Securities and Exchange Act of the R.O.C., the Company Act of the R.O.C., the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area of the R.O.C., or any similar statute and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission, the GTSM (including the Emerging Market) and the TWSE (where applicable);
Articles	these Articles of Association of the Company in their present form, as amended, substituted or supplemented from time to time by a Special Resolution;
Audit Committee	has the meaning set forth in Article 85;



Board	the board of Directors of the Company comprising all the Directors;
Capital Reserve	means (1) the Share Premium Account, (2) income from endowments received by the Company and (3) other items required to be treated as Capital Reserve pursuant to the Applicable Listing Rules;
Chairman	has the meaning given thereto in Article 62;
Class or Classes	any class or classes of Shares as may from time to time be issued by the Company;
Commission	Financial Supervisory Commission of the R.O.C. or any other authority for the time being administering the Securities and Exchange Act of the R.O.C.;
Company	Chlitina Holding Limited 麗豐股份有限公司;
Consolidation	the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies in the consolidated company within the meaning of the Law and the Applicable Listing Rules;
Director	a director of the Company for the time being who collectively form the Board, and “Directors” means 2 or more of them;
electronic	shall have the meaning given to it in the Electronic Transactions Act (2003 Revision) (as amended) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force including every other law incorporated therewith or substituted therefore;



Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree to include the parents, siblings, grandparents, children and grandchildren of the person as well as spouse's parents, siblings and grandparents;
Emerging Market	the emerging market board of the GTSM in the R.O.C.;
Financial Statements	has the meaning set out in Article 95;
GTSM	the GreTai Securities Market in the R.O.C.;
Independent Directors	those Directors appointed as "Independent Directors" pursuant to the requirements of the Applicable Listing Rules;
Juristic Person	a firm, corporation or other organization which is recognised by the Law and the Applicable Listing Rules as a legal entity;
Law	the Companies Act (As Revised) of the Cayman Islands and any amendment or other statutory modification thereof and every other act, order, regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum of Association and/or these Articles, and where in these Articles any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;
Lease Contract	A contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate a material or substantial part of the business of the Company in the name of such person and for the benefits of such person, and as consideration, the Company receives a pre-determined compensation from such person;



Management Contract	A contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of the Company and for the benefits of the Company, and as consideration, such person(s) receive a pre-determined compensation while the Company continues to be entitled to the profits (or losses) of such business;
Member or Shareholder	a Person who is duly registered as the holder of any Share or Shares in the Register and includes each subscriber to the Memorandum of Association pending entry in the Register of such subscriber and “Members” or “Shareholders” means 2 or more of them;
Memorandum of Association	the memorandum of association of the Company, as amended or substituted from time to time;
Merger	the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such company as the surviving company within the meaning of the Law and the Applicable Listing Rules;
Merger and Acquisition	include Merger, Consolidation, Acquisition, and Spin-off of a company. Acquisition means that a company acquires shares, business or assets of another company in exchange for shares, cash or other assets in accordance with, as applicable, the Law and/or the Business Mergers And Acquisitions Act, the Company Act, the Securities and Exchange Act, the Financial Institutions Merger Act or the Financial Holding Company Act of the R.O.C.
Month	a calendar month;
TWD	New Taiwan Dollars;



Ordinary Resolution

a resolution:-

- (a) passed by a simple majority of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles; and
- (b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being corporations by their duly authorized representatives); and
- (c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the resolution so adopted shall be the date on which the instrument is executed;

Joint Operation Contract

A contract between the Company and one or more person(s) or entit(ies) where the parties to the contract agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms of such contract;

Person

any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;

Preferred Shares

has the meaning given thereto in Article 4;

Private Placement

an offer by the Company of its securities to specific persons pursuant to the Applicable Listing Rules;

Register

the register of Members of the Company to be maintained at such place within or outside the Cayman Islands;



Registered Office	the registered office of the Company for the time being as required under the Law;
Relevant Period	the period commencing from the date on which any of the securities of the Company first become listed on the Emerging Market, the GTSM, the TWSE or any Taiwan stock exchange or securities market to and including the date immediately before the day on which none of such securities are so listed (and so that if at any time listing of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as listed);
R.O.C. or Taiwan	the Republic of China, its territories, its possessions and all areas subject to its jurisdiction;
R.O.C. Courts	the Taiwan Taipei District Court or any other competent courts in the R.O.C.;
Seal	the common seal of the Company;
Secretary	any Person for the time being appointed by the Directors to perform any of the duties of the secretary of the Company and including any assistant, deputy, acting or temporary secretary;
Share	a share in the capital of the Company. All references to "Shares" herein shall be deemed to be Shares of any or all Classes as the context may require. For the avoidance of doubt in these Articles the expression "Share" shall include a fraction of a Share;
Share Premium Account	the share premium account of the Company established in accordance with these Articles and the Law;



Share Swap	any arrangement which has the effect of a company transferring all its issued shares to another company in exchange for shares, cash or other assets in that company as the consideration for shareholders transferring its shares held in the first mentioned company.
Shareholders' Service Agent	the agent licensed by the R.O.C. authorities and having its offices in the R.O.C. to provide shareholder services, in accordance with the Applicable Listing Rules and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C., to the Company;
signed	bearing a signature or representation of a signature affixed by mechanical means or an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a Person with the intent to sign the electronic communication;
Special Reserve	has the meaning set out in Article 88;
Special Resolution	<p>a special resolution of the Company passed in accordance with the Law, being a resolution:</p> <p>(a) passed by a majority of at least two-thirds of such Members as, being entitled to do so, vote in person or, in the case of any Members being corporations, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles, of which notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given; and</p> <p>(b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general</p>



meetings (or being corporations by their duly authorized representatives); and

- (c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the special resolution so adopted shall be the date on which the instrument is executed.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles;

Spin-off

an act wherein a transferor company transfers all of its independently operated business or any single independently operated business to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to issue new shares to the transferor company or to shareholders of the transferor company;

Statutory Reserve

has the meaning set out in Article 87;

Subordinate Company

any company (i) of which a majority of the total outstanding voting shares or the total amount of the capital stock is held by the Company; (ii) in which the Company has a direct or indirect control over the management of the personnel, financial or business operation of that company; (iii) of which a majority of directors in such company are contemporarily acting as directors in the Company; or (iv) of which a majority of the total outstanding voting shares or the total amount of the capital stock of such companies and the Company are held by the same Members;

TDCC

the Taiwan Depository & Clearing Corporation;

Treasury Shares

Shares that have been purchased by the Company and have not been cancelled but have been held continuously by the



Company since they were purchased, in accordance with the Law and the Applicable Listing Rules; and

TWSE the Taiwan Stock Exchange Corporation.

- (2) Unless the context otherwise requires, expressions defined in the Law and used herein shall have the meanings so defined.
- (3) In these Articles unless the context otherwise requires:
 - (a) words importing the singular number shall include the plural number and vice-versa;
 - (b) words importing the masculine gender shall include the feminine gender and neuter genders;
 - (c) a notice provided for herein shall be in writing unless otherwise specified and all reference herein to "in writing" and "written" shall include printing, lithography, photography and other modes of representing or reproducing words in permanent visible form; and
 - (d) "may" shall be construed as permissive and "shall" shall be construed as imperative.
- (4) Headings used herein are intended for convenience only and shall not affect the construction of these Articles.
- (5) a reference to a meeting: shall mean a meeting convened and held in any manner permitted by these Articles and any Member or Shareholder, or Director attending and participating at a meeting by means of electronic facilities shall be deemed to be present at that meeting for all purposes of the Companies Act (As Revised) and these Articles, and attend, participate, attending, participating, attendance and participation shall be construed accordingly.

SHARES

3. Subject to the Law and these Articles, the Board may, in respect of all Shares for the time being unissued:
 - (a) offer, issue and allot of such Shares to such Persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time



- to time determine, but so that no Share shall be issued at a discount, except in accordance with the provisions of the Law and the Applicable Listing Rules; and
- (b) grant options with respect to such Shares and issue warrants or similar instruments with respect thereto, in accordance with the provisions of the Law and Applicable Listing Rules; and, for such purposes, the Board may reserve an appropriate number of Shares for the time being unissued.
4. The Company, subject to the Memorandum of Association and these Articles including by approval of a Special Resolution adopted at a general meeting in accordance with Article 5, may issue Shares of different Classes with rights which are preferential or inferior to those of ordinary Shares issued by the Company (“**Preferred Shares**”) with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors.
5. Prior to the issuance of any Preferred Shares approved pursuant to the preceding Article, these Articles shall be amended to set forth the rights and obligations of the Preferred Shares, including but not limited to the following terms, and the same shall apply to any variation of rights of Preferred Shares:
- (a) the total number of Preferred Shares that have been authorized to be issued and the numbers of the Preferred Shares already issued;
- (b) the order, fixed amount or fixed ratio of allocation of dividends and bonus on Preferred Shares;
- (c) the order, fixed amount or fixed ratio of allocation of surplus assets of the Company;
- (d) the order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of Members of such Preferred Shares;
- (e) other matters concerning rights and obligations incidental to Preferred Shares; and
- (f) the conditions and method by which the Company is authorized or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply.
6. Subject to the sufficiency of the authorised share capital of the Company and these Articles, the issue of new ordinary Shares in the Company shall be approved by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors. The Company shall not issue any unpaid Shares or partial paid-up Shares.
- 6-1. Where the subscriber delays payment for shares, the Company shall stipulate a period of one (1) month or more and request the subscriber to pay up within the prescribed period. In case the subscriber fails to pay within the prescribed period, his subscription right shall



be forfeited, and the shares subscribed by him may be otherwise offered for subscription by the Company.

7.
 - (1) The Company may issue Shares without printing share certificates. Any share certificate of the Company, if any, shall not be the bearer certificate. During the Relevant Period, the Company shall not issue share certificates and the share certificates existing prior to the Relevant Period shall be cancelled, provided that the Register shall be conclusive evidence of the entitlement of a Person to Shares recorded against his name.
 - (2) During the Relevant Period, the Company shall deliver, or shall cause its Shareholders' Service Agent to deliver Shares by book-entry transfer to the subscribers within thirty (30) days from the date such Shares were agreed to be purchased. The Company shall make a public announcement in accordance with Applicable Listing Rules prior to the delivery of such Shares.
 - (3) During the Relevant Period, any transfer in respect of shares of the Company which are traded or listed on any Taiwan stock exchange or securities market may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the relevant approved stock exchange that are or shall be applicable to such shares of the Company which are traded or listed on such an approved stock exchange.
 - (4) The Company choosing to issue no par value Shares shall not convert its shares into par value Shares.
8. During the Relevant Period:
 - (1) upon each issuance of new Shares, the Board may reserve ten percent (10%) to fifteen percent (15%) of the new Shares for subscription by the employees of the Company and/or its Subordinate Companies, as determined by the Board in its reasonable discretion; and
 - (2) where the Company issues new Shares for cash consideration, the Company shall allocate ten percent (10%) (or such greater percentage as may be determined by an Ordinary Resolution) of the total number of the new Shares to be issued for offering in the R.O.C. to the public unless the Commission, the Emerging Market, the GTSM and/or the TWSE (where applicable) considers such public offering unnecessary or inappropriate.
9. During the Relevant Period, subject to an Ordinary Resolution, upon each issuance of new Shares, the Company shall, after reserving the portion of Shares for subscription by the



employees of the Company and/or its Subordinate Companies and public offering in the R.O.C. pursuant to Article 8, first offer such remaining new Shares, by a public announcement and a written notice to each existing Member respectively, stating that in case the Member fails to confirm his subscription within the prescribed period his subscription right shall be forfeited, for their subscription in proportion to the number of Shares held by it, provided that:

- (a) where any fractional Share held by a Member is insufficient to subscribe for one new Share, the fractional Shares being held by several Members may be combined for joint subscription of one or more integral new Shares or for subscription of new Shares in the name of a single Member;
- (b) the existing Member(s) may assign and transfer his subscription right to other Persons independently of his original Shares; and
- (c) new Shares left unsubscribed may be offered to the public or to specific Persons through negotiation.

10. The preceding Article shall not apply whenever the new Shares are issued for the following purpose:

- (a) in connection with a Merger or a Consolidation of the Company or the Spin-off of the Company's business, or pursuant to any reorganization of the Company;
- (b) in connection with meeting the Company's obligation under Share subscription warrants and/or options granted to the employees of the Company and/or its Subordinate Companies;
- (c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;
- (d) in connection with meeting the Company's obligation under Share subscription warrant or Preferred Shares vested with rights to acquire Shares;
- (e) in connection with any share swap arrangement entered into by the Company,
- (f) in connection with any Private Placement conducted pursuant to Article 11-2, or
- (g) in connection with any other event otherwise prohibited, limited, restricted or exempted to so apply pursuant to the Law and/or the Applicable Listing Rules.

11. Subject to the Applicable Listing Rules, the Company may, upon adoption of a resolution passed by a majority of the Directors present at a meeting of the Board attended by two-thirds or more of the total number of Directors, enter into a share subscription right agreement with the employees of the Company and/or its Subordinate Companies



whereby the employees may subscribe, within a specific period of time, for a specific number of Shares of the Company at an agreed subscription price. Upon execution of the said agreement, the Company shall issue to each employee a share subscription warrant. Such issued share subscription warrant shall be non-assignable, except for transfer by inheritance or intestacy.

- 11-1. The Company may, with the authority of a Special Resolution, issue Shares to employees of the Company and/or its Subordinate Companies subject to such restrictions and conditions as approved by a Special Resolution. In respect of the issuance of shares to employees in the preceding paragraph, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Listing Rules and the Law.
- 11-2. During the Relevant Period and subject to the Applicable Listing Rules, the Company may, with the sanction of a Special Resolution, conduct a Private Placement with any of the following Persons in the R.O.C.:
 - (a) banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other Juristic Persons or institutions approved by the Commission;
 - (b) natural persons, Juristic Persons, or funds meeting the conditions prescribed by the Commission; or
 - (c) directors, supervisors (if any), officers and managers of the Company or its affiliated enterprises
12. The Company may by a Special Resolution reduce its share capital in the manner authorised, and subject to any conditions prescribed, by the Law and the Applicable Listing Rules.
13. During the Relevant Period, any issuance, conversion or cancellation of the Shares or any other equity securities (including but not limited to warrants, options or bonds), capitalisation and shareholder services, shall comply with the Law, the Applicable Listing Rules and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C..

MODIFICATION OF RIGHTS

14. Whenever the share capital of the Company is divided into different Classes of shares, including where Preferred Shares are issued, subject to Article 38 and in addition to a Special Resolution, the special rights attached to any Class shall be varied or abrogated



with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of such Class. To every such separate general meeting and all adjournments thereof, all the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall *mutatis mutandis* apply.

15. The rights conferred upon the holders of the Shares of any Class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that Class, be deemed to be materially adversely varied or abrogated by, *inter alia*, the creation, allotment or issue of further Shares ranking *pari passu* with or subsequent to them or the redemption or purchase of Shares of any Class by the Company.

REGISTER

16. (1) The Board shall cause to be kept the Register at such place within or outside the Cayman Islands as it deems fit. During the Relevant Period, the Register shall be entered therein the particulars required under the Law and the Applicable Listing Rules, and shall be made available at its Shareholders' Service Agent's office in the R.O.C.
- (2) Notwithstanding anything contained in these Articles and subject to the Law, during the Relevant Period, a branch register of members shall be maintained by TDCC in respect of Shares which are held through TDCC. Such branch register of members shall be maintained in accordance with the Law and the Company shall recognize each person identified in such branch register of members as a Member and such branch register of members shall form part of the Register.

REDEMPTION AND REPURCHASE OF SHARES

17. During the Relevant Period, any redeemable Preferred Share may only be redeemed out of surplus profits or proceeds from newly issued Shares as authorised by the Law, provided that the privileges accorded to holders of the Preferred Shares by these Articles shall not be impaired under the Law and the Applicable Listing Rules.
18. (1) Subject to the Law, the Applicable Listing Rules and other provision of this Article, upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, the Company may purchase its own Shares (including any redeemable Shares), either for cancellation or to be held as Treasury Shares, upon such terms and in such manner and subject to such conditions as the



Board thinks fit, PROVIDED ALWAYS that such purchase is effected in accordance with the provisions of the Law and the Applicable Listing Rules. During the Relevant Period, except repurchases of Shares carried out pursuant to Article 18-1(1), the number of Shares to be purchased by the Company from time to time shall not exceed ten percent (10%) of the total number of issued and outstanding Shares and that any proposed repurchase and cancellation of shares on a pro rata basis among all the Members is subject to approval by Special Resolution in accordance with Article 18-1(1). The resolutions of Board of Directors in the preceding paragraph and how such resolutions are implemented shall be reported to the Shareholders at the next general meeting. If the Company fails to accomplish the repurchase of its outstanding Shares listed on the GTSM or TWSE as approved and anticipated by the resolutions of the Board of Directors, it shall be reported to the Shareholders at the next general meeting.

- (2) Subject to the Law, where the Company holds Treasury Shares, the Company may cancel any or all of the Treasury Shares, or transfer any or all of the Treasury Shares to the employees of the Company and/or any of its Subsidiary Companies, on such terms and in such manner and such qualifications of the employees as determined by the Board, subject to Paragraph (3) of this Article. If repurchased Shares are held as Treasury Shares for the purpose of transfer to employees, the Company may impose transfer restrictions to prohibit employees from transferring such Shares during certain period with a maximum of two (2) years from the date that such Treasury Shares are transferred to the employees.
- (3) Subject to Paragraph (4) of this Article, the Company may, by way of a Special Resolution passed at the immediate preceding general meeting of the Company, transfer the Treasury Shares to the employees of the Company and/or any of its Subsidiary Companies for a price that is below the average price that the Company has paid to purchase such Treasury Shares (the “**Discount Transfer**”), provided that the following matters shall be specified in the notice of such general meeting with the description of their major contents, and shall not be proposed as ad hoc motions:
 - (a) the transfer price of the Treasury Shares as determined by the Board, the discount rate used for the Discount Transfer, and the calculation basis of the Discount Transfer, and the basis of such determination;
 - (b) the amount of the Treasury Shares to be transferred pursuant to, and the purpose of, the Discount Transfer, and the basis of such determination;



- (c) the qualification and terms of the employees of the Company and/or any of its Subsidiary Companies to whom the Treasury Shares are transferred and the amount of Treasury Shares for which such employees may subscribe pursuant to the Discount Transfer; and
 - (d) matters that may affect Shareholders' rights:
 - (i) any expenses that may be incurred and dilution of per share profit, if any, due to the Discount Transfer, in accordance with the Applicable Listing Rules; and
 - (ii) any burden on the Company caused by the Discount Transfer, in accordance with the Applicable Listing Rules.
- (4) The total aggregate amount of the Treasury Shares that are transferred to the employees of the Company and/or any of its Subordinate Companies pursuant to the Discount Transfer in accordance with Paragraph (3) of this Article shall not exceed five percent (5%) of the total number of issued and outstanding Shares of the Company, and the aggregate amount of the Treasury Shares transferred to each employee shall not exceed point five percent (0.5%) of the total number of issued and outstanding Shares of the Company.
- (5) Subject to the Law and the Applicable Listing Rules, the Company shall not be entitled to exercise the rights of a Shareholder in respect of any Treasury Shares.
- 18-1. (1) The Company may carry out a repurchase and cancellation of its Shares on a pro rata basis (rounded up or down to the nearest whole number) among the Shareholders in proportion to the number of Shares held by each such Shareholder subject to approval by a Special Resolution. The repurchase price payable to the Shareholders in connection with a repurchase of Shares described in the preceding paragraph may be paid in cash or in kind. Any repurchase price to be paid in kind shall be subject to approval by a Special Resolution and shall be subject to individual consent by the Shareholder receiving such payment in kind. Prior to convening the general meeting for approving such repurchase of Shares, the Board of Directors shall determine the monetary equivalent value of any repurchase price to be paid in kind and have such value audited and certified by a certified public accountant in the R.O.C..
- (2) For the avoidance of doubt, where the proposed repurchase and cancellation of shares is not on a pro rata basis, the Board is empowered to authorize and carry out



such repurchase without approval by Special Resolution in accordance with Article 18(1).

19. Any Shares redeemed in accordance with Article 17, and any Shares purchased for cancellation in accordance with Paragraph (1) of Article 18, shall be treated as cancelled immediately on redemption or purchase, as the case may be.

TRANSFER AND TRANSMISSION OF SHARES

20. Subject to the Law and Applicable Listing Rules, Shares issued by the Company shall be freely transferable, provided that any Share subscribed by the employees of the Company and/or any of its Subordinate Companies may be subject to transfer restrictions for the period no longer than two years as the Board may determine in its discretion.
21. The Company shall not be obligated to recognize any transfer or assignment of Shares unless the name/title and residence/domicile of the transferor and transferee have been recorded in the Register. The registration of transfers shall be suspended when the Register is closed in accordance with Article 22.

CLOSING REGISTER OR FIXING RECORD DATE

22. (1) The Board may fix in advance the record date(s) for (a) determining the Members entitled to receive any dividend, bonus issue or other distribution; (b) determining the Members entitled to receive notices of, attend or vote at any general meeting or any adjournment thereof in person, by proxy or by way of electronic transmission (in which case there is a deemed appointment of proxy as stipulated in Article 46); and (c) any other purposes as determined by the Board.

In the event the Directors designate record date(s) for (b) in accordance with this Article, such record date(s) shall be date(s) prior to the general meeting.

- (2) During the Relevant Period, the Register shall be closed for transfers at least for a period of sixty (60) days before the date of each annual general meeting, thirty (30) days before the date of each extraordinary general meeting and five (5) days before the target date for a dividend, bonus or other distribution. For the purpose of calculating the abovementioned period, the respective convening date of the general meeting or the relevant target date shall be included.



GENERAL MEETINGS

23. The Company shall in each year hold a general meeting as its annual general meeting within six (6) months after close of each financial year or such other period as may be permitted by the GTSM or TWSE (where applicable). The annual general meeting shall be convened by the Board.
24. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Board may, whenever they think fit, convene an extraordinary general meeting of the Company.
- 24-1. A general meeting may also be held by means of video-conference or other methods promulgated by the R.O.C. authorities in charge of the Company Act of the R.O.C.. Under the circumstances of calamities, incidents, or other force majeure, the R.O.C. authorities in charge of the Company Act of the R.O.C. may promulgate a ruling that authorizes the company within a certain period of time to convene a general meeting by means of video conference or other promulgated methods in which case the Company is permitted to convene general meeting in accordance with the rules and regulations promulgated by the R.O.C. authorities in charge of the Company Act of the R.O.C.. Participation in such a meeting shall constitute presence in person at such meeting. The Company shall comply with all prerequisites, procedures, and other matters under the Applicable Listing Rules, including but not limited to the Securities and Exchange Act of the R.O.C., to the extent that they do not contravene the laws of the Cayman Islands, for general meetings that are held via electronic facilities in whole or in part.
25. During the Relevant Period, all physical general meetings shall be held in the R.O.C.. Any physical general meeting held outside the R.O.C. territory shall be approved by the TWSE within two (2) days after the resolution determined by the Board or the approval of the competent authorities obtained by the Shareholders to convene a general meeting.
26. (1) Any one or more Member(s) holding at least three percent (3%) of the issued and outstanding Shares of the Company for a period of one (1) year or a longer time may, by depositing the requisition notice specifying the proposals to be resolved and the reasons, request the Board to convene an extraordinary general meeting. If the Board does not give notice to Members to convene such meeting within fifteen (15) days after the date of the requisition notice, the proposing Member(s) may convene a general meeting.
- (2) Any one or more Member(s) continuously holding a majority of the issued and outstanding Shares of the Company for a period of three (3) months or a longer time



may convene an extraordinary general meeting. The calculation of the holding period and holding number of Shares shall be based on the holding at the time of Share transfer suspension date.

27. During the Relevant Period, the Company shall engage a Shareholders' Service Agent within the R.O.C. to handle the administration of general meetings, including but not limited to, the voting matters.

NOTICE OF GENERAL MEETING

28. At any time other than during the Relevant Period, at least seven (7) days notice in writing prior to the scheduled date of any annual general meetings and five (5) days notice in writing prior to the scheduled date of any extraordinary general meeting shall be given to each Member. During the Relevant Period, at least thirty (30) days notice in writing prior to the scheduled date of any annual general meetings and fifteen (15) days notice in writing prior to the scheduled date of any extraordinary general meeting shall be given to each Member. The period of notice shall be exclusive of the day on which it is served and of the day on which the general meeting is to be held. Such notice shall specify the place (save for a meeting which is to be held electronically without a physical place of meeting), the day and the time of meeting and the agenda and the proposals to be resolved at the general meeting. The notice for a general meeting may be given by means of electronic communication if the Company obtains prior consent from the Members or as permitted by the Law and the Applicable Listing Rules. If a general meeting is to be held by way of electronic facilities in whole or in part, the notice of general meeting shall include a statement to such effect and with details of the electronic facilities to be provided for attendance and participation by electronic means at such meeting or in any event, such details shall be made available by the Company prior to the meeting.

- 28-1. During the Relevant Period, the Company shall make public announcements with regard to notice of general meeting, proxy form, summary information and details about items to be proposed at the meeting for approval, discussion, election or dismissal of Directors at least thirty (30) days prior to any annual general meeting or at least fifteen (15) days prior to any extraordinary general meeting.

If the Company allows the Shareholders to exercise the votes and cast the votes in writing or by way of electronic transmission in accordance with Article 45, the Company shall also send to the Shareholders the information and documents as described in the preceding paragraph, together with the voting right exercise forms.



29. For the purpose of these Articles, the following matters shall be regarded as special business and be specified in the notice of general meeting with the description of their major contents, and shall not be proposed as ad hoc motions; the major contents may be posted on a website designated by the competent authority in charge of securities affairs or the Company, and such website shall be indicated in the above notice:
- (a) election or discharge of Directors;
 - (b) amendments to the Memorandum of Association and/or these Articles;
 - (c) winding-up, Merger/Consolidation or Spin-off of the Company;
 - (d) entering into, amendment to, or termination of any contract for Lease Contract, Management Contract or Joint Operation Contract;
 - (e) the transfer of the whole or any material part of its business or assets;
 - (f) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;
 - (g) carrying out a Private Placement of any equity-type securities;
 - (h) granting a waiver to the Director's non-competition obligation;
 - (i) distributing part or all of its dividends or bonus by way of issuance of new Shares;
 - (j) capitalisation or distribution of the Statutory Reserve of the Company, the Share Premium Account of the Company and/or the Capital Reserve from endowments received by of the Company by issuing new Shares or paying in cash to its existing Member in proportion to the number of Shares being held by each of them;
 - (k) reduction of capital; and
 - (l) application for the approval of ceasing its status as a public company.
30. During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the Commission, the GTSM or TWSE (where applicable) twenty-one (21) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules. In the case of the Company with an issued share capital reaching NT\$10 billion or more as of the last day of the most recent financial year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more of the total number of issued shares of the Company as registered in the Register at the time of convening the annual general meeting in the most recent financial year, the Company shall upload the aforesaid electronic files thirty (30) days prior to the scheduled day of the relevant annual general meeting.



PROCEEDINGS AT GENERAL MEETINGS

31. No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, the Members present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing more than one-half of the total issued and outstanding Shares with voting rights shall be a quorum of Members for all purposes.
32. (1) One or more Member(s) holding one percent (1%) or more of the total issued and outstanding Shares of the Company may submit to the Company not more than one proposal in writing or by way of electronic transmission for resolution at an annual general meeting; provided that only one matter shall be allowed in a single proposal, and the number of words therein contained shall not be more than three hundred (300), or otherwise such proposal shall not be included in the agenda. A Member's proposal submitted for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at the annual general meeting by the Board.
- (2) Prior to the commencement of the period in which the Register is closed for transfers before an annual general meeting, the Company shall make a public announcement of the place and the period for Members to submit proposals; provided that the period for submitting such proposals shall not be less than ten (10) days.
- (3) The Member who has submitted a proposal shall attend, in person or by a proxy, such general meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.
- (4) The Board shall include a proposal submitted by Member(s) except for the following:
- (a) the proposal involves matters which cannot be settled or resolved at a general meeting under the Law, the Applicable Listing Rules and these Articles;
 - (b) the number of Shares held by the proposing Member(s) is less than one percent (1%) of the total issued and outstanding Shares in the Register upon commencement of the period in which the Register is closed for transfers before the relevant annual general meeting of the Company;
 - (c) the proposal is submitted after the expiration of the specified period



- announced by the Company for submitting proposals; or
- (d) the proposal contains more than 300 words or more than one matters in a single proposal.
- (5) The Company shall, prior to the despatch of a notice of the relevant annual general meeting, inform all the proposing Members of whether their proposals are accepted or not, and shall list in the notice of the relevant annual general meeting all the accepted proposals. The Board shall explain at the relevant annual general meeting the reasons for excluding any proposal submitted by Members.
33. The Chairman shall preside as chairman at every general meeting of the Company convened by the Board. For a general meeting convened by any Person other than the Board, such Person shall act as the chairman of that meeting; provided that if there are two or more Persons jointly convening such meeting, the chairman of the meeting shall be elected from those Persons.
34. If at any general meeting the Chairman is not present or is unwilling to act as chairman, he shall appoint one of the Directors to act on his behalf. In the absence of such appointment, the Directors present may choose one of them to be the chairman of that general meeting.
35. A general meeting may be adjourned by an Ordinary Resolution from place to place (where there is a physical place for holding such general meeting) within five (5) days, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for more than five (5) days, notice of the time and location of the adjourned meeting (if there is a physical place for holding such general meeting) shall be given as in the case of an original meeting.
36. At any general meeting, a resolution put to the vote of the meeting shall be decided on a poll.
37. Unless otherwise expressly required by the Law, the Applicable Listing Rules or these Articles, any matter proposed for approval by the Members at general meeting shall be passed by an Ordinary Resolution.
38. Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution:
- (a) enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (b) transfer the whole or any material part of its business or assets;



- (c) acquire the whole business or assets of other(s), which will have a material effect on the business operation of the Company;
 - (d) distribute part or all of its dividends or bonus by way of issuance of new Shares;
 - (e) effect any Spin-off of the Company's business, Consolidation and/or Merger;
 - (f) be voluntary wound up;
 - (g) carry out a Private Placement;
 - (h) grant a waiver to the Directors' non-competition obligation, or approve a Director to engage in activities in competition with the Company;
 - (i) change its name;
 - (j) change the currency denomination of its share capital;
 - (k) increase the share capital by such sum, to be divided into new Shares of such Classes of such par value, as the resolution shall prescribe;
 - (l) consolidate and divide all or any of its share capital into Shares of a larger par value than its existing Shares;
 - (m) subdivide its existing Shares, or any of them, into Shares of a smaller par value than is fixed by the Memorandum of Association;
 - (n) cancel any Shares that, at the date of the resolution, have not been taken or agreed to be taken by any Person and diminish the amount of its share capital by the amount of the Shares so cancelled;
 - (o) subject to these Articles (including without limitation Articles 14 and 15), alter or amend the Memorandum of Association or these Articles, in whole or in part;
 - (p) reduce its share capital and any fund of the capital redemption reserve in any manner authorised by the Law and the Applicable Listing Rules;
 - (q) appoint an inspector to examine the affairs of the Company under the Law;
 - (r) issue new Shares to employees of the Company and/or its Subordinate Companies subject to any restrictions and conditions;
 - (s) subject to these Articles (including without limitation Articles 99), capitalisation or distribution of the Statutory Reserve of the Company, the Share Premium Account of the Company and/or the Capital Reserve from endowments received by of the Company by issuing new Shares or paying in cash to its existing Member in proportion to the number of Shares being held by each of them; and
 - (t) Share Swap.
- 38-1. Notwithstanding the provision of these Articles, unless otherwise provided by the Law or the Applicable Listing Rules, a resolution adopted by two-thirds or more of the votes of



the Shareholders who represent the total number of issued Shares of the Company shall be required for a Merger or Consolidation of the Company where the Company is dissolved thereafter, and for a general transfer, a Share Swap, or a Spin-off resulting in a termination of trading or listing of the Shares on any stock exchange, where the surviving, transferee, existing or newly incorporated company is not a listed or OTC company.

39. (1) In the event any of the resolutions with respect to the matter(s) as set out in Paragraphs (a), (b) or (c) of Article 38 is adopted at a general meeting, a Member who has notified the Company in writing of his objection to such proposal prior to that meeting and subsequently raised his objection at the meeting may request the Company to purchase all of his Shares at the then prevailing fair price; provided, however, that no Member shall have the abovementioned appraisal right if the resolution to be adopted is in relation to the matter(s) set out in Paragraph (b) of Article 38 and at the same meeting the resolution for the winding up of the Company is also adopted.
- (2) In the event any part of the Company's business is involved in any Spin-Off, Merger/Consolidation, Acquisition, or Share Swap, a Member, who has abstained from voting and expressed his dissent therefor, in writing before the relevant vote, may request the Company to purchase all of his Shares at the then prevailing fair price in accordance with the Law.
- (3) Without prejudice to the Law and the rights available to a dissenter under the Law, a Member who makes a request pursuant to Paragraphs (1) or (2) of this Article shall submit the request in writing within twenty (20) days following the date of the resolution, and specify the purchase price. If the Member and the Company reach an agreement on the purchase price, the Company shall pay for the shares within ninety (90) days following the date of the resolution. In case no agreement is reached, the Company shall pay the then fair price it has recognized in accordance with the Law to the dissenting Member within ninety (90) days following the date of the resolution. In the event the Company fails to pay for the shares, the Company shall be deemed to be agreeable to the purchase price requested by the Member.
- (4) Without prejudice to the Law, in the event the Company and a Member making a request pursuant to Paragraphs (1) or (2) of this Article fail to reach agreement on the purchase price within sixty (60) days following the date of the resolution, the Company shall, within thirty (30) days after such sixty (60) day period, file a petition to Taiwan Taipei District Court against all the dissenting Members for a ruling on the appraisal price.



40. In case the procedure for convening a general meeting in which a resolution is adopted or the method of adopting a resolution is in violation of the Law, the Applicable Listing Rules or these Articles, a Member may, within thirty (30) days from the date of the resolution, submit a petition to Taiwan Taipei District Court or a competent court in Cayman Islands, as applicable, for an appropriate remedy, including but not limited to, requesting the court to invalidate and cancel the resolution adopted therein.

VOTES OF MEMBERS

41. Subject to any rights and restrictions as to voting for the time being attached to any Share by or in accordance with these Articles, at any general meeting, every Member who is present in person (or in the case of a Member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his/her/its name in the Register.
42. In the case of joint Members, the joint Members shall select a representative among them to exercise their voting powers.
- 42-1. (1) If a Shareholder of the Company holds shares for others, such Shareholder may exercise his/her voting power separately.
- (2) The qualifications, scope of application, methods of exercise, operating procedures and other matters for compliance with respect to separately exercising voting power in the preceding Paragraph shall be in compliance with the Applicable Listing Rules.
43. Any corporation which is a Member of the Company may, by resolution of its board or other governing body, authorise such natural person as it thinks fit to act as its representative at any general meeting or at any meeting of a Class of Members of the Company.
44. (1) No vote may be exercised with respect to any of the following Shares:
- (a) the Shares held by the Company itself (if such holding is permitted by the Law and these Articles);
 - (b) the Shares held by any Subordinate Companies, of which a majority of the total issued and outstanding shares or the total amount of capital stock with voting rights are held by the Company; or
 - (c) the Shares held by other companies, of which a majority of the total issued and outstanding shares or the total amount of the capital stock with voting rights are, either directly or indirectly, held by the Company and its holding/Subordinate Companies.



- (2) Subject to the Law and these Articles, the Shares held by any Member who has no voting rights shall not be counted in the total number of the issued and outstanding Shares with voting rights while adopting a resolution at a general meeting.
 - (3) Any Member who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting in respect of all the shares that such Member should otherwise be entitled to vote, on his behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Member(s) shall not be counted in determining the number of votes for or against such matter.
 - (4) Where any Director, who is also a Shareholder of the Company, creates or has created any charge, mortgage, encumbrance or lien in respect of Shares held by such Director (the "Charged Shares") exceeding fifty percent (50%) of total Shares held by such Director at the time of his/her appointment as Director, such Director shall refrain from exercising its voting rights on the Shares representing the difference between the Charged Shares and fifty percent (50%) of total Shares held by such Director at the time of his/her appointment as Director, and such Shares shall not be counted toward the number of votes represented by the Shareholders present at a general meeting nor quorum at such general meeting.
45. To the extent permitted by the Law, the Board shall, subject to the Applicable Listing Rules, recognize electronic transmission as one of the ways for the Members to exercise their voting powers. If a written instrument or electronic transmission for voting is required to be used, the relevant methods and procedures shall be specified in the notice of that meeting.
46. A Member who exercises his votes in writing or by way of electronic transmission in accordance with these Articles shall be counted towards the quorum. For the avoidance of doubt, those Members voted in writing or by way of electronic transmission shall, for purposes of these Articles and the Law, be deemed to have appointed the chairman of the general meeting as their proxy to vote their shares at the general meeting in the manner directed by the written instrument or electronic document; provided, however, that such appointment shall not be treated as an appointment of any proxy as defined under the Applicable Listing Rules. The chairman as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the general meeting, and the Members shall be deemed to have waived their voting rights



with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.

47. (1) A Shareholder shall submit his or her vote by way of written ballot or electronic transmission pursuant to Article 45 to the Company at least two (2) days prior to the scheduled meeting date of the general meeting; whereas if two (2) or more such written ballot or electronic transmission are submitted to the Company, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 46 by the first written ballot or transmission shall prevail unless it is expressly stated in the subsequent vote by written ballot or electronic transmission that the original vote submitted by written ballot or electronic transmission be revoked.
- (2) Subject to Article 53, in case a Member who has casted his votes in writing or by way of electronic transmission (the “**Prior Instruction**”) intends to attend the general meeting in person, he shall, at least two (2) days prior to the meeting date, revoke his previous votes by serving a separate notice (the “**Revocation Notice**”) in the same manner as such Member casted his votes; otherwise, subject to the laws of the Cayman Islands, the deemed appointment by the Member of the chairman as proxy shall remain valid. Under the laws of the Cayman Island, if a Member fails to serve a Revocation Notice in the aforesaid manner and attends the general meeting in person, unless the Prior Instruction is rendered irrevocable on the basis that such Prior Instruction was coupled with an interest or for other reasons under the laws of the Cayman Island, such Member shall still be entitled to vote in person and the deemed appointment by the Member of the chairman as proxy shall be deemed revoked.
48. *[Intentionally left blank]*
49. The proceedings regarding the general meeting and the voting in the general meeting not covered by these Articles shall be governed by the internal rules of the Company to the extent that they do not conflict with these Articles, as adopted and amended by an Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules.
50. Where the Company has only one Shareholder, a resolution in writing signed by such Shareholder in accordance with these Articles shall be as valid and effective as if the same had been passed at a general meeting of the Company duly called and constituted.

PROXY



51. A Member may appoint a proxy to attend a general meeting on his behalf by executing a proxy form prepared by the Company stating therein the scope of power authorized to the proxy. A proxy need not be a Member.
52. A Member may only appoint one proxy for each general meeting and shall serve an executed proxy in compliance with the preceding Article to the Company or its designated Shareholders' Service Agent as the case may be no later than five (5) days prior to the relevant meeting date. In case the Company receives two or more proxies from one Member, the one received first by the Company shall prevail unless an explicit statement by the Member to revoke such proxy is made in the subsequent proxy, provided this subsequent proxy is received no later than five (5) days prior to the relevant meeting date.
53. In case a Member who has served a proxy (the "**Prior Instruction**") intends to attend the relevant general meeting in person, a proxy revocation notice (the "**Revocation Notice**") shall be made to the Company or Shareholders' Service Agent at least two (2) days prior to the scheduled date of the general meeting; otherwise, subject to the laws of the Cayman Islands, the votes cast by the appointed or deemed appointed proxy at the meeting shall prevail. Under the laws of the Cayman Islands, if a Member fails to serve a Revocation Notice in the aforesaid manner and attends the general meeting in person, unless the Prior Instruction is rendered irrevocable on the basis that such Prior Instruction was coupled with an interest or for other reasons under the laws of the Cayman Island, such Member shall still be entitled to vote in person and the appointed proxy shall be deemed revoked.
54. A Member who is deemed to have appointed the chairman as proxy pursuant to Article 46 for purposes of casting his vote by written instrument approved by the Board or by way of electronic transmission shall have the right to appoint another person as its proxy to attend the meeting, in which case the express appointment of another proxy shall be deemed to have revoked the deemed appointment of the chairman as proxy under Article 46 and the Company shall only count the vote(s) casted by such expressly appointed proxy at the meeting.
55. The proxy form prepared by the Company shall be expressed to be for a particular general meeting only and shall include the following: (a) instructions on how to fill in and complete such proxy form, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information of the Member as appointor, the proxy, and proxy solicitor (if any). To the extent permitted by the Law, the proxy form prepared to be used for a particular general meeting shall be sent out together with the notice of that general meeting, either in writing through post or by electronic transmission, as the case maybe, to all Members on the same day.



56. Except for trust enterprises or shareholders' service agencies duly licensed under the R.O.C. competent authorities, save with respect to the chairman being deemed appointed as proxy under Article 46, where a Person acts as a proxy for two or more Members, the number of Shares with voting rights that the proxy may vote in respect thereof represented by him shall not exceed three percent (3%) of the total number of issued and outstanding Shares with voting rights of the Company; otherwise, such number of Shares with voting rights in excess of the aforesaid threshold shall not be counted towards the number of votes cast for or against the relevant resolution or the number of Shares with voting rights present at the relevant meeting but shall be included in the quorum. Upon such exclusion, the number of Shares with voting rights being excluded and attributed to each Member represented by the same proxy shall be determined on a pro-rata basis based on the total number of Shares with voting rights being excluded and the number of Shares with voting rights that such Members have appointed the proxy to vote for.
57. The use and solicitation of proxies shall be subject to, the Law and the Applicable Listing Rules (in particular, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies of the R.O.C.).

DIRECTORS AND THE BOARD

58. (1) The number of Directors shall be a minimum of five (5). Subject to the foregoing, the number of Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Directors will be held.
- (2) A Director can be a natural person or a Juristic Person. Where a Director is a Juristic Person, it shall designate a natural person as its authorized representative to exercise, on its behalf, the duties of a director. Any natural person designated as an authorized representative by such Juristic Person may be replaced by another natural person to be authorized by the Juristic Person from time to time so as to fulfil the remaining term of the office of the predecessor.
- (3) The Board shall be elected or appointed by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as "Cumulative Voting") in the following manner:-
- (i) on an election of directors, the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of directors nominated for appointment at the general meeting provided that such votes shall only cumulate in respect of such number of directors



nominated within the same category (namely, independent or non-independent) of directors to be appointed;

- (ii) the Member(s) may vote all or part of their cumulated votes in respect of one or more directors within the same category of directors to be elected;
- (iii) such number of directors receiving the highest number of votes in the same category of directors to be elected shall be appointed; and

where two or more directors nominated for appointment receive the same number of votes which exceeds the number of new directors intended to be appointed, there shall be a draw by the such directors receiving the same number of votes to determine who shall be appointed; the chairman shall draw for a director nominated for appointment who is not present at the general meeting.

- (4) The proceedings and the voting regarding the election of Directors not covered by these Articles shall be governed by the Methods of Election of Directors of the Company and the internal rules of the Company, as adopted and amended by an Ordinary Resolution of the Members from time to time to the extent that they do not conflict with these Articles and subject to compliance with the Law and the Applicable Listing Rules.

59. The Company may, whenever it thinks fit, adopt and apply a candidate nomination mechanism for election of all the Directors. Subject to the Applicable Listing Rules, the Board may establish detailed rules and procedures for such candidate nomination. For election of Directors and Independent Directors among the Directors, the Company shall adopt and apply a candidate nomination mechanism in compliance with the Applicable Listing Rules and the shareholders shall elect the directors from among the nominees listed in the roster of Directors and Independent Directors candidates.

60. The term for which a Director will hold office shall be three (3) years; thereafter he may be eligible for re-election. In case no election of new Directors is effected after expiration of the term of office of the existing Directors, the term of office of such Directors shall be extended until the time new Directors are elected and assume their office.

- 61. (1) Notwithstanding the preceding Article, a Director may be removed at any time by a Special Resolution adopted at a general meeting.
- (2) Without prejudice to other provisions of these Articles, the Company may by an Ordinary Resolution put all Directors for re-election before the expiration of the term of office of such Directors. In this event, if it is not specified in such resolution



that the existing Directors will not retire until the expiration date of their terms of office or other specified date, they shall be deemed retired on the date of such resolution, subject to the successful election of the new Directors at the same meeting.

62. The Board shall have a chairman (the “**Chairman**”) elected and appointed in term by a majority of the Directors present at a meeting of the Board attended by at least two-thirds of all of the Directors then in office. The Chairman shall externally represent the Company and internally preside as the chairman at every meeting of the Board and at every general meeting convened by the Board. In the event the Chairman is not present at a meeting or cannot or will not exercise his power and authority for any cause, he shall designate one of the Directors to act on his behalf. In the absence of such designation, the Directors present at the meeting shall elect from among themselves an acting chairman.
63. A Director shall not be required to hold any Shares in the Company; further, in order to improve corporate governess, the Company may, with the approval of a majority of the Directors present at a meeting attended by one-second or more of the total number of the Directors, purchase and maintain liability insurance for the benefit of all Directors, officers, and the directors, supervisors, or legal representatives of any Subordinate Company appointed by the Company against their liabilities resulting from acting in their capabilities as Directors, officers, or the other appointed positions during the term of office.
64. The remuneration of a Director may differ from other Directors, and shall be determined, regardless of the Company profits or losses of respective years, based on (a) the extent of a Director's involvement with the business operations of the Company, (b) the contribution of a Director to the Company, (c) the prevailing industry standard, (d) recommendation by the remuneration committee and (e) such other relevant factors.
65. When the number of Directors falls below five (5) due to a Director vacating his office for any reason, the Company shall hold an election for Directors at the next general meeting to fill the vacancy for the remainder of the term of such outgoing Director(s). When the number of Directors then in office falls short by one-third of the total number of Directors initially constituting the existing Board, the Company shall convene an extraordinary general meeting within sixty (60) days of the occurrence of that fact for the purposes of electing such number of Directors to fill the vacancy.

INDEPENDENT DIRECTORS



66. During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or one-fifth of the total number of Directors at any time, whichever is greater. One (1) of the Independent Directors shall be domiciled in the R.O.C. (such domicile being registered with local government authorities). Subject to the foregoing, the number of Independent Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Independent Directors will be held. When an Independent Director ceases to act, resulting in a number of Independent Directors then in office lower than the prescribed minimum number, an election for an Independent Director shall be held at the next general meeting. When all Independent Directors cease to act, the Company shall convene an extraordinary general meeting to hold an election of Independent Directors within sixty (60) days from the date on which the situation arose.
67. Independent Directors shall possess professional knowledge and shall maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions held by the Independent Directors shall be as prescribed by the Applicable Listing Rules, and the assessment of independence of such Independent Directors shall be in compliance with the Applicable Listing Rules. The Board or other Persons calling a general meeting at which an election for Independent Directors is proposed shall ensure that the requirements of this Article have been satisfied and complied with in relation to any candidate for Independent Director.

POWERS AND DUTIES OF THE BOARD

68. Subject to the Law, these Articles, the Applicable Listing Rules and any resolutions passed in a general meeting, the business of the Company shall be managed by the Board in such manner as it shall think fit, which may pay all reasonable expenses in connection with business management, including but not limited to expenses incurred in forming and registering the Company and may exercise all powers of the Company.
69. The Board may from time to time appoint any Person to hold such office in the Company as the Board may think necessary for the management of the Company, including but not limited to officers and managers, and for such term and at such remuneration as the Board may think fit. Any Person so appointed by the Board may be removed by the Board.
- 69-1. (1) Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, the Directors shall assume



fiduciary duties to the Company and without limitation the duty of care, and exercise due care and skill in conducting the business operation of the Company. A Director may be liable to the Company if he acts contrary to his duties. In case a Director breaches any of its fiduciary duties and acts for his or other Person's interest, the Company may, with the sanction of an Ordinary Resolution, require the disgorgement of any and all earnings derived from such act.

- (2) If a Director violates any law in the course of conducting the business of the Company, he shall be jointly and severally liable with the Company for the damages resulting from such violation.
 - (3) The preceding two Paragraphs of this Article shall apply, *mutatis mutandis*, to the officer(s) of the Company, who are authorised to act on its behalf in a senior management capacity, when carrying out the duties of their positions.
70. The Board may appoint a Secretary (and if need be an assistant Secretary or assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as the Board thinks fit. Any Secretary or assistant Secretary so appointed by the Board may be removed by the Board. The Secretary shall attend all general meetings and shall keep correct minutes of such meetings. Subject to the Applicable Listing Rules, the Secretary shall also perform such other duties as are prescribed by the Law or as may be prescribed by the Board.

DISQUALIFICATION AND DISCHARGE OF DIRECTORS

71. The office of Director shall be vacated, if such Director:
- (a) commits a felony (including but not limiting to an offence under Statute for Prevention of Organizational Crimes of the R.O.C.) and has been convicted thereof, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after he has served the full term of the sentence, or on probation or after remission of punishment is less than five (5) years;
 - (b) has been convicted of fraud, breach of trust or misappropriation with imprisonment for a term of more than one (1) year, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after he has served the full term of such sentence, or on probation or after remission of punishment is less than two (2) years;
 - (c) commits the offense as specified in the Anti-corruption Act and has been convicted thereof, and has not started serving the sentence, has not completed serving the



- sentence, or the time elapsed after he has served the full term of such sentence, or on probation or after remission of punishment is less than two (2) years;
- (d) becomes bankrupt or has been adjudicated of the commencement of winding up process by a court under the laws of any jurisdiction and has not been reinstated to his rights and privileges;
 - (e) has allowed cheques and other negotiable instruments drawn by such Director to be dishonoured and the records thereof have not been cancelled or expunged by the relevant regulatory authorities;
 - (f) lacks all or part of legal capacity on the basis that such Director is under twenty years of age (except where such Director is legally married);
 - (g) dies or is found to be or becomes of unsound mind;
 - (h) ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under any provisions of the Law or Applicable Listing Rules;
 - (i) ceases to be a Director by virtue of Article 72;
 - (j) resigns his office by notice in writing to the Company;
 - (k) is removed from office pursuant to these Articles;
 - (l) has been ordered to be discharged by the R.O.C. Courts on the grounds that such Director, in the course of performing his duties, committed serious violations of the Law, Applicable Listing Rules or these Articles, or acts resulting in material damage to the Company, upon a petition by the Company or Member(s) to the R.O.C. Courts;
 - (m) has transferred, during the term of office as a director, more than one half of the Company's shares being held by such Director at the time such Director is elected, and the vacation becomes effective from the date such Director has transferred more than one half of the Company's shares being held by such Director at the time such Director is elected;
 - (n) has transferred, after having been elected but before his/her appointment becomes effective, more than one half of the Company's shares being held by such Director at the time of his/her election as such; or has transferred more than one half of the total number of shares such Director held within the share transfer prohibition period fixed prior to the date of the shareholders' meeting convened to approve his/her appointment, then his/her appointment as a director shall not take effect; or



- (o) has been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet.
72. A spousal relationship and/or a Family Relationship within the Second Degree of Kinship may not exist among more than half (1/2) of the members of the Board (the “Threshold”), unless with prior approval by the Commission, the GTSM or the TWSE (where applicable). Where the appointment of any person having a spousal relationship and/or a Family Relationship within the Second Degree of Kinship with any existing member of the Board or with any other person(s) also nominated for appointment as a director (the “Related Person”) is proposed at a general meeting, only the following persons may be appointed as a Director:
- (i) firstly, such person(s) approved by the Members by way of Cumulative Voting and who is not a Related Person; and
 - (ii) secondly, such number of Related Person(s) elected by the Members by way of Cumulative Voting and who receive the highest number of votes from the Members for its appointment among all the Related Persons the appointment of whom would not result in contravention of the Threshold. If the existing composition of the Board fails to satisfy the Threshold, such Director in office being a Related Person shall immediately cease to be a Director of the Company.
73. In case a Director has, in the course of performing his duties, committed any act resulting in material damages to the Company or in serious violation of the Law or these Articles, but has not been discharged by a resolution in a general meeting, one or more Members holding three percent (3%) or more of the total number of issued and outstanding Shares of the Company may, within thirty (30) days after that general meeting, submit a petition to a court having proper jurisdiction, including the Taipei District Court of the R.O.C., if and to the extent permitted under the Law, for removing the Director.
- 73-1. Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the outstanding Shares continuously for a period of more than six(6) months may request in writing any Independent Director who is a member of Audit Committee to file, on behalf of the Company, an action against a Director who has, in the course of performing his/her duties, committed any act resulting in damage to the Company or in violation of the Law, the Applicable Listing Rules or these Articles, with a competent court, including the ROC Taipei District Court, and for the avoidance of doubt, any one Independent Director is authorised to act in such manner, notwithstanding that there is no Board meeting or resolution in writing signed by all of the Directors expressly approving the same. In case such Independent Director who is a member of Audit Committee fails to



file such action within thirty (30) days after receipt of such request, subject to the applicable laws, the Members making such request may file the action for the Company.

PROCEEDINGS OF THE BOARD

74. During the Relevant Period, for the despatch of business, the Directors shall convene and hold a meeting of the Board (either within or outside the Cayman Islands) at least once each quarter.
75. At least seven days notice in writing shall be given to every Director which notice shall set forth the general nature of the business to be considered at a meeting of Board, provided however in the case of emergency, a meeting of the Board may be convened on short notice if the quorum required under Article 78 is present. Such notice may be given to any Director either personally, or by facsimile or electronic communication, or by sending it through the post. Copies of minutes of such meeting shall be provided to all Directors after the Board meeting.
76. A Director may participate in a meeting of Board, or of any committee established in accordance with Article 84 of which such Director is a member, by means of visual communication facilities which permit all Persons participating in the meeting to see and communicate with each other simultaneously and instantaneously, and such participation shall be deemed to constitute presence in person at the meeting.
77. A Director may appoint another Director as his proxy to attend a meeting of the Board in writing with regard to a particular meeting, and state therein the scope of authority with reference to the subjects to be discussed at such meeting, in which event the presence and vote of the proxy shall be deemed to be that of the Director appointer. However, no Director may act as proxy for two (2) or more other Directors.
78. Unless otherwise provided by the Law, the Applicable Listing Rules and in these Articles, any matter proposed for consideration and approval at a meeting of Board shall be decided by a resolution passed by a majority of votes cast by the Directors, being entitled so to do, voting in person or, where proxies are allowed, by proxy at such meeting attended by more than one-half of all the Directors as the quorum. Subject to these Articles, if a Director attends a Board meeting on his behalf and as the proxy of another Director, he is entitled to vote both as a proxy and for his own.
79. A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its important components at the relevant meeting. In the Merger and



Acquisition by the Company, a Director who has a personal interest in the transaction of the Merger and Acquisition shall explain the essential contents of such personal interest and the reasons why, whether he is allowed to vote or not, he/she supports or does not support the proposed resolution relating to the Merger and Acquisition at the meeting of the Board and the general meeting. Where the spouse, a relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has interests in the above-mentioned matters under discussion in the meeting, such Director shall be deemed to have a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.

80. Subject to these Articles, a Director other than an Independent Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine, and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.
81. Subject to these Articles, a Director other than an Independent Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.
82. Subject to these Articles, the continuing Directors may act notwithstanding any vacancy in their body.
83. The proceedings regarding meetings of the Board not covered by these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Board and reported to a general meeting from time to time to the extent they do not conflict with these Articles and subject to compliance with the Law and the Applicable Listing Rules, particularly the Regulations Governing Procedure for Board of Directors Meetings of R.O.C. Public Companies.



COMMITTEE

84. Subject to the Law and the Applicable Listing Rules, the Board may establish any committee(s) (including but not limited to an audit committee and a remuneration committee) consisting of one or more Directors and the membership, powers, duties and proceedings regarding such committee(s) shall be governed by the internal rules of the Company, as adopted and amended by the Board.
85. (1) During the Relevant Period, the Company shall establish an Audit Committee.
- (2) In the case of an Audit Committee that has been established by the Company, the Audit Committee shall comprise all the Independent Directors. It shall not be fewer than three Persons in number, one of whom shall be the convenor, and at least one of whom shall have accounting or financial expertise.
- (3) A resolution of the Audit Committee shall be approved by one-half or more of all members of the Audit Committee.
- (4) In the case of an Audit Committee that has been established by the Company, the following matters shall be subject to the approval of one-half or more of all Audit Committee Members and be submitted to the Board for a resolution:
- (a) adoption or amendment of an internal control system;
 - (b) assessment of the effectiveness of the internal control system;
 - (c) adoption of or amendment to handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, monetary loans to others, or endorsements or guarantees for others;
 - (d) a matter bearing on the personal interest of a Director;
 - (e) a transaction related to material asset or derivatives;
 - (f) a material monetary loan, endorsement, or provision of guarantee;
 - (g) the offering, issuance, or private placement of any equity-type securities;
 - (h) the engagement or dismissal of an attesting chartered public accountant (external auditor), or the compensation given thereto;
 - (i) the appointment or discharge of a financial, accounting, or internal auditing officer; and
 - (j) annual and semi-annual financial reports;



- (5) With the exception of subparagraph (j), any matter under a subparagraph of the preceding paragraph of this Article that has not been approved with the approval of one-half or more of all Audit Committee Members may be undertaken upon the approval of two-thirds or more of all Directors in office, and the resolution of the Audit Committee shall be recorded in the minutes of the meeting of Directors.
- 85-1. (1) Before any resolution of the Merger and Acquisition by the Board, the Audit Committee shall review the fairness and reasonableness of the plan and transaction of the Merger and Acquisition, and then report the review results at the meeting of the Board and the general meeting. However, if the Merger and Acquisition does not require approval by Members of the Company at a general meeting under the Law, such review results are not required to be reported at the general meeting.
- (2) When the Audit Committee reviews the aforesaid matters, it shall seek opinions from an independent expert on the justification of the share swap ratio or distribution of cash or other assets to Members.
- (3) The review results of the Audit Committee and opinions of independent experts shall be delivered to Members together with the notice of the general meeting. If the Merger and Acquisition does not require approval of the Members under the Law, the Board shall submit reports related to the Merger and Acquisition at the next closest general meeting.
- (4) If the Company published the same contents of the documents to be delivered to Members pursuant to Paragraph 3 of this Article on the website designated by the Commission, the GTSM or TWSE (where applicable) and those documents are prepared at the venue of the general meeting for Members' inspection, those documents shall be deemed to have been delivered to Members.
86. During the Relevant Period, the Company shall establish a remuneration committee and the professional qualifications for its members, the exercise of their powers of office, and related matters shall comply with the Law or the Applicable Listing Rules. Remuneration referred to in the preceding sentence shall include salary, stock options, and any other substantive incentive measures for directors and officers.

RESERVE

87. During the Relevant Period, the Company, when allocating its surplus profits after paying all taxes and duties, shall first set aside ten percent (10%) of said profits as statutory



reserve (the “**Statutory Reserve**”). Where the Statutory Reserve amounts to the total issued share capital, this Article shall not apply.

88. Subject to the Law and the Applicable Listing Rules, during the Relevant Period, aside from the Statutory Reserve, the Company may, by an Ordinary Resolution, set aside an additional amount of its surplus profits as special reserve (the "**Special Reserve**") for such purposes as may be approved by the shareholders by way of an Ordinary Resolution.
89. Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles (including Article 99 and Article 100), the Statutory Reserve and the Capital Reserve shall not be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless the Special Reserve is insufficient to offset such losses.

DIVIDENDS AND BONUSES

90. Subject to the Law, the Applicable Listing Rules and these Articles, the Company may, by an Ordinary Resolution, declare dividends or bonuses in any currency to be paid to the Members when there is any surplus profit at the end of the financial year; PROVIDED THAT where the aggregate amount of its Statutory Reserve exceeds by fifty percent (50%) of the total issued share capital of the Company, the Company may, by an Ordinary Resolution, distribute any or all of the excess amount from the Statutory Reserve as dividends or bonuses even if there is no surplus profit at the end of the financial year. During the Relevant Period, dividends or bonuses payable to the Members shall only be paid in TWD.
- 90-1. (1) If the Company makes a profit in a financial year, it shall distribute one percent (1%) to five percent (5%) of the profits in that year as employees' compensation. However, if the Company has accumulated losses, the Company shall first reserve such profits for setting off such losses.
- (2) The employee compensation in the preceding paragraph may be distributed in the form of shares of the Company or in cash. The distribution shall be approved by a majority of the Directors present at a meeting attended by two-third or more of the total number of the Directors in office and then reported to the Shareholders at the next general meeting.
- (3) Where the employee compensation is to be paid in shares of the Company, employees of Subordinate Company who satisfy certain criteria may also be entitled to such shares. The criteria shall be promulgated by the Board.



- (4) Where any profit shall be distributed to employees in the form of new shares to be issued by the Company pursuant to Article 90-1(2) above, the Board is authorized to apply and capitalize such part of the profits of the Company and issue the said shares of the Company at par.
- 90-2. If the Company makes a profit in a financial year, upon approval by a resolution of a majority of the Directors present at a meeting attended by two-third or more of the total number of the Directors in office, it may distribute up to three percent (3%) of the profits in that year as directors' compensation. However, if the Company has accumulated losses, the Company shall first reserve such profits for setting off such losses.
91. Subject to the preceding Article and the Applicable Listing Rules, if the Company has profits in a financial year, the Company, after paying or reserving all relevant taxes, offsetting losses (including losses of previous years), setting aside the Statutory Reserve (if required) and the Special Reserve (if any), may, by an Ordinary Resolution of the general meeting, declare and distribute any balance left over ("Distributable Surplus") plus any undistributed retained profits from previous years to the Members as dividends and bonuses, provided that the amount distributed is no less than ten percent (10%) of the Distributable Surplus, and no less than ten percent (10%) of such dividends and bonuses allocated to Members shall be paid in cash. Bonuses and dividends may also be declared and paid out of the Share Premium Account or any other fund or account which may be authorised for this purpose in accordance with the Law, the Applicable Listing Rules and these Articles (including Article 99 and Article 100).
92. (1) Where dividends or bonuses are declared in accordance with the preceding Article, the Company, subject to the Law and Applicable Listing Rules, may by a Special Resolution have the whole or a part of the surplus profit distributable as dividends or bonuses paid in the form of new shares for such purpose; provided however any fraction of such newly issued shares shall be paid in cash and to effect the aforesaid, the Board is authorized to apply and capitalize such part of the profits of the Company and issue the said shares of the Company at par.
- (2) No dividend or other distribution or other monies payable by the Company on or in respect of any Share shall bear interest against the Company. All unclaimed dividends or distributions may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed. Any dividend or distribution unclaimed by a Member six years after the dividend or distribution payment date shall be forfeited and revert to the Company.



ACCOUNTS, AUDIT, AND ANNUAL RETURN AND DECLARATION

93. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Board.
94. The books of account shall be kept at the Registered Office or at such other place or places as the Board thinks fit, and shall always be open to the inspection of each Director.
95. At the end of each financial year, the Board shall prepare: (1) the business report; (2) the financial statements which include all the documents and information as required by the Law and the Applicable Listing Rules (the "**Financial Statements**"); and (3) any proposal relating to the distribution of net profit and/or loss offsetting in accordance with these Articles, for adoption by the annual general meeting, and upon adoption at the annual general meeting, the Board shall distribute to each Member copies of the Financial Statements and the resolutions relating to profit distribution and/or loss offsetting. However, during the Relevant Period, the Company may notify any Member(s) by way of public announcement(s) of the abovementioned statements and resolutions.
96. The documents prepared by the Board in accordance with the preceding Article shall be made available at the Shareholders' Service Agent's office in the R.O.C. for inspection during normal business hours by the Members, ten (10) days prior to the annual general meeting.
97. The Board shall keep copies of the Memorandum of Association, these Articles, the minutes of every general meeting, the Financial Statements, the Register and the counterfoil of corporate bonds issued by the Company at its Shareholders' Service Agent's office in the R.O.C.. Any Member may request at any time, by submitting evidentiary document(s) to show his interests involved and indicating the scope of requested matters, access to inspect, transcribe or to make copies to make copies of the above documents. The Company shall make its Shareholders' Service Agent to provide with the access.
- 97-1. The Board or other authorized conveners of general meetings may require the Company or its Shareholders' Service Agent to provide with the roster of Shareholders.
98. The Board in each year shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Law and deliver a copy thereof to the Registrar of Companies in the Cayman Islands if so required.

CAPITALISATION OF RESERVE

99. (1) Subject to the Law and Paragraph (2) of this Article, where the Company incurs no loss, it may, by a Special Resolution, capitalise or distribute its Statutory Reserve and the following Capital Reserve: (i) Share Premium Account and (ii) the income from gifts and donations received by the Company, in whole or in part, by issuing new fully paid shares or paying in cash to the Members in proportion to the number of shares held by each of them in accordance with the Law and the Applicable Listing Rules.
- (2) The Statutory Reserve to be capitalized or distributed by issuing new fully paid shares or paying in cash to the Members shall be limited to the part of the Statutory Reserve in excess of twenty-five percent (25%) of the issued share capital of the Company.
100. Subject to the requirements of the Law, the Board may make any arrangements it thinks fit to resolve a difficulty arising in the capitalisation under the preceding Article, including without limitation, Shares distributable in fractions.

TENDER OFFER

101. During the Relevant Period, within fifteen (15) days after the receipt of the copy of a tender offer application form and relevant documents referred to in the Applicable Listing Rules by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Listing Rules, the Board shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:
- (a) the types, numbers and amount of the Shares held by the Directors and the Members holding more than ten percent (10%) of the issued and outstanding Shares in its own name or in the name of other Persons;
 - (b) the recommendations to the Members on the status of verification of the identity and financial condition of the offeror, fairness of the tender offer conditions, and reasonableness of the sources of the tender offer funds, which shall set forth the specific opinions of the Directors who consent or object to the tender offer and the reason(s) therefore;
 - (c) whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any; and



- (d) the types, numbers and amount of the Shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the issued and outstanding Shares held in its own name or in the name of other Persons.

WINDING UP

102. Subject to the Law, the Company may be wound up by a Special Resolution passed by the Members. If the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the number of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the number of the Shares held by them at the commencement of the winding up. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
103. Subject to the Law, if the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Law, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different Classes. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any asset whereon there is any liability.
104. *[Intentionally left blank]*

NOTICES

105. Subject to the Law and except as otherwise provided in these Articles, any notice or document may be served by the Company to any Member either personally, or by facsimile, or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to such Member at his address as appearing in the Register, or, to the extent permitted by the Law and the Applicable Listing Rules, by posting it on a website designated by the Commission, the GTSM or the TWSE (where



- applicable) or the Company's website, or by electronic means by transmitting it to any electronic mail number or address such Member may have positively confirmed in writing for the purpose of such service of notices. In the case of joint Members, all notices shall be given to that one of the Members whose name stands as their representative in the Register in respect of the joint holding.
106. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting including the purpose for which such meeting was convened.
107. Any notice or other document, if served by:
- (a) post, shall be deemed to have been served one (1) day after the time when the letter containing the same is posted or delivered to the courier;
 - (b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;
 - (c) courier service, shall be deemed to have been served forty-eight (48) hours after the time when the letter containing the same is delivered to the courier service; or
 - (d) electronic mail, shall be deemed to have been served immediately upon the time of the transmission by electronic mail, subject to the Law.
108. Any notice or document served to the registered address of any Member in accordance with these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Member as sole or joint Member.

REGISTERED OFFICE OF THE COMPANY

109. The Registered Office of the Company shall be at such address in the Cayman Islands as the Board shall from time to time determine.

CORPORATE GOVERNANCE

110. (1) During the Relevant Period, the proceedings regarding acquisition and disposal of assets of the Company (including financial derivatives trading), loan of funds and making of endorsement/guarantees shall be governed by the Procedures for Acquisition and Disposal of Assets, the Procedures for Loaning of Funds and for



Offering of Endorsements/Guarantees, the internal rules of the Company, as adopted and amended by an Ordinary Resolution to the extent that they do not conflict with these Articles and subject to compliance with the Law and the Applicable Listing Rules.

- (2) During the Relevant Period, the proceedings regarding related party transactions shall be governed by the Regulations Governing Related-Party Transactions, the internal rules of the Company, as adopted and amended by the Board from time to time to the extent that they do not conflict with these Articles and subject to compliance with the Law and the Applicable Listing Rules.
 - (3) When conducting its business, the Company shall comply with the laws and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities.
111. During the Relevant Period, the internal control system will be established by the Board which shall be in compliance with the Law and the relevant Applicable Listing Rules and do not conflict with these Articles.

FINANCIAL YEAR

112. Unless the Board otherwise prescribes, the financial year of the Company shall end on December 31st in each year and shall begin on January 1st in each year.

SEAL

113. The Company shall have one or more Seals, as the Board may determine. No Seal shall be used without the authority of the Board. Subject as otherwise provided in these Articles, any instrument to which a Seal is affixed shall be signed by one Director or the Secretary or by such other person or persons as the Board may appoint, either generally or in any particular case, save that as regards any certificates for shares or debentures or other securities of the Company the Board may by resolution determine that such signatures or either of them shall be dispensed with or affixed by some method or system of mechanical signature.

THE LAWS OF THE ROC



114. Notwithstanding any provision to the contrary herein, any laws, regulations and rules of any jurisdiction other than the Cayman Islands shall only apply to the maximum extent permissible under the laws of the Cayman Islands and the Law.

LITIGATION OR NON-LITIGATION AGENT IN THE R.O.C.

115. (1) During the Relevant Period, the Company shall appoint its litigation or non-litigation agent under the Securities and Exchange Act of the R.O.C. and such agent will be deemed as its responsible person in the R.O.C. under the Securities and Exchange Act of the R.O.C.
- (2) The preceding agent shall have residence or domicile in the R.O.C.
- (3) The Company shall report the name, residence/domicile of the preceding agent and power of attorney to the competent authority in the R.O.C. This reporting requirement shall also apply if there is any change.



Chlitina Holding Limited Shareholding of all directors

1. Total share issued by the Company: Common shares 79,492,350 shares
2. Total legal threshold of director shareholdings 6,359,388 shares (8%)
3. As of the last day for share transfer registration April 8, 2023 for this shareholder meeting, director shareholdings under the shareholder list are listed as follows: (Already meet the percentage required under Article 26 of the Securities and Exchange Act)

The last day for share transfer registration: April 8, 2023

Title	Name	Shares held	Shareholding ratio (%)
Chairman	Chen, Pi-Hua	0	0.00%
Director	Wealthy Garden Investment Limited Representative: Chen, Pei-Wen	28,056,000	35.29%
Director	Wu, Ssu-Tsung	0	0.00%
Director	Chao, Chen-Yu.	10,036	0.01%
Independent Director	Tsai, Yu-Ching	0	0.00%
Independent Director	Kao, Peng-Wen	0	0.00%
Independent Director	Yu, Hong-Ding	0	0.00%
Total		28,066,036	35.30%

Note: 1. No legal threshold holdings are required for the Board and the supervisors, as the Company has established the Audit Committee.