

Chlitina Holding Limited

Meeting Hansard of 2023 Regular Shareholders' Meeting (Translation)

(This document is prepared in accordance with the Chinese version and is for reference only. In the event of any inconsistency between the English version and the Chinese version, the Chinese version shall prevail.)

Time: 9:00 A.M. on (Tuesday), June 6, 2023

Place: Meeting Room 203, 2F., No.123, Songren Road, Xinyi District, Taipei City

Attending shareholders and proxy representing: 62,096,990 shares (among them, 28,528,988 shares voted via electronic transmission), which accounts for 78.61% of total 78,989,350 outstanding voting shares.

Directors Present : Chao Cheng-Yu, Wealthy Garden Investment Limited
Representative: Chen Pei-Wen

Independent Directors Present :

Independent Director and Audit Committee Convenor : Tsai Yu-Chin

Independent Director : Yu, Hung-Ding

Attendees :

Lin Chun-Yao, the independent auditors of the Pricewaterhouse Coopers

Huang Yu-Ting, the lawyer of Lee, Tsai & Partners

Senior CFO, Yeh Chien-Chih

Finance & Accounting Department and Investor Relationship Director, Hu An-Rong

Chairman : Chao Cheng-Yu(Acting Chairman)

Recorder : Chen, Yen-Ju

I. Issues to be reported

Proposal 1: Proposed business report of 2022.

- Notes:** (1) Business report of 2022. Please refer to Attachment I.
(2) Report sincerely.

Proposal 2: Proposal for an audit report of 2022 from the audit committee.

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

Proposal 3: Report 2022 employees' profit sharing bonus and directors' compensation.

- 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) Report sincerely.

Proposal 4: Proposal for related parties' transactions statements of 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 Attachment III.
(3) Report 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 for the the first “Plan for Share Repurchase and Transfer to Employees” in 2022 regarding the amendments.

(4) Report sincerely.

II. Issues to be acknowledged

Proposal 1: Proposed to business report and consolidated financial statements of 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.

(3) Please acknowledge.

Resolution:

Voting Results :

shares represented of voting		Votes in favor	Votes against	Votes invalid	Votes abstained
Electronic voting	28,528,988	27,868,581	757	0	659,650
Attendance	33,568,002	33,531,002	0	0	37,000
Total	62,096,990	61,399,583	757	0	696,650
	%	98.87%	0.00%	0.00%	1.12%

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

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

- Notes:**
- (1) Net income generated in 2022 was NTD689,752,056, 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 1,076,392,366, 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.
 - (5) Please acknowledge.

Resolution:

Voting Results :

shares represented of voting		Votes in favor	Votes against	Votes invalid	Votes abstained
Electronic voting	28,528,988	27,868,631	757	0	659,650
Attendance	33,568,002	33,531,002	0	0	37,000
Total	62,096,990	61,399,633	757	0	696,650
%		98.87%	0.00%	0.00%	1.12%

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

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 for the comparison table regarding the amendments.
- (3) Sincere resolution.

Resolution:

Voting Results :

shares represented of voting		Votes in favor	Votes against	Votes invalid	Votes abstained
Electronic voting	28,528,988	27,332,279	1,066	0	1,195,643
Attendance	33,568,002	33,531,002	0	0	37,000
Total	62,096,990	60,863,281	1,066	0	1,232,643
%		98.01%	0.00%	0.00%	1.98%

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

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 for the comparison table regarding the amendments.
- (3) Sincere resolution.

Resolution:

Voting Results :

shares represented of voting		Votes in favor	Votes against	Votes invalid	Votes abstained
Electronic voting	28,528,988	27,326,279	7,066	0	1,195,643
Attendance	33,568,002	33,531,002	0	0	37,000
Total	62,096,990	60,857,281	7,066	0	1,232,643
%		98.00%	0.01%	0.00%	1.98%

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

**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:

Voting Results :

shares represented of voting		Votes in favor	Votes against	Votes invalid	Votes abstained
Electronic voting	28,528,988	27,318,640	14,695	0	1,195,653
Attendance	33,568,002	33,531,002	0	0	37,000
Total	62,096,990	60,849,642	14,695	0	1,232,653
%		97.99%	0.02%	0.00%	1.98%

Since the percentage of affirmative vote was compliant with the Law, the proposal was acknowledged as submitted.

IV. Occasional (extemporaneous) motions : None.

V. Adjournment of the meeting : Closure of the Meeting at 9:22 a.m.

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



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 RMB500 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.

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:

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.

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

[Attachment VI]

Distribution of Earnings in 2022



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
<p>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>		

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>