Stock Code: 1218

Taisun Enterprise Co., Ltd.

2022 Annual Meeting of Shareholders

Procedure Handbook

Date & Time: May 26, 2022 at 9:00am

Venue: No.9 Xinggong Road, Tianzhong Town, Zhanghua County (Staff Training Center of the Company)

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Taisun Enterprise Co., Ltd.
Procedure of 2022 Annual Meeting of Shareholders

I. Call Meeting to Order

II. Chairperson Remarks

III. Management Presentation (Company Reports)

IV. Proposals

V. Discussion

VI. Questions and Motions

VII. Adjournment

Taisun Enterprise Co., Ltd.
2022 Annual Meeting of Shareholders

One. **Convening Method:** Physical Shareholders' Meeting

Two. **Date & Time**: May 26, 2022 (Thursday) at 9:00am

Three. **Venue:** No.9 Xinggong Road, Tianzhong Town, Zhanghua County (Staff Training Center of the Company)

Four. **The Chairperson Calls the Meeting to Order**

Five. **Chairperson Remarks**

Six. **Management Presentation (Company Reports)**

I. Report on the Company's business report for **2021**

II. Audit Committee's audit report of **2021**

III. Report on the distribution of remuneration to employees and directors for **2021**

IV. **2021** distribution cash dividends from earnings

Seven. **Proposals**

I. Adoption of the **2021** business report and financial statements.

II. Adoption of **2021** profit distribution motion.

Eight. **Discussion**

Motion for the amendment to the Company's Procedures of the Acquisition or Disposal of Assets.

Nine. **Questions and Motions**

Ten. **Adjournment**

◎Management Presentation (Company Reports)

<Case 1>

Description: The Company's 2021 business report.

Explanation: Please refer to pages 11 - 12 of this handbook for the Company's 2021 business report.

◎Management Presentation (Company Reports)

<Case 2>

Description: The Company's 2021 Audit Committee's Audit Report.

Explanation:

(I) The Company's 2021 final accounts have been audited by the Audit Committee and the Audit Committee's Audit Report has been issued accordingly.

(II) Please refer to page 13 of the handbook for the Audit Committee's Audit Report.

◎Management Presentation (Company Reports)

<Case 3>

Description: The Company's distribution of remuneration to employees and directors for 2021

Explanation: According to the Articles of Incorporation, it is proposed to appropriate NT$34,500,000 as remuneration to employees and NT$27,000,000 as remunerations to directors; both will be distributed in cash, and there is no difference from the recognized amount.

◎Management Presentation (Company Reports)

<Case 4>

Description: The Company's 2021 distribution cash dividends from earnings .

Explanation:

(I) Pursuant to Article 32-1 of the Company's Articles of Incorporation, the Board of Directors is authorized to resolve to distribute all or part of the distributable dividends and bonuses in cash.

(II) NT$499,999,038 was appropriated from the 2021 distributable earnings as shareholders' bonus for cash dividends of NT$1.0 per share.

(III) Total cash dividend to Shareholders will be rounded off to the nearest dollar. The fraction of a share falling below NT$1 will be recognized as other income of the Company.

(IV) The Chairman was authorized to set an ex-dividend date, payment date and handle other related matters.

(V) Prior to the ex-dividend date, if there is a change in the dividends ratio for earnings distribution due to a change in the number of the Company's outstanding shares, the Chairman is authorized to make adjustments.

◎Proposals

<Case 1>: Proposed by the Board of Directors

Motion: Adoption of 2021 business report and financial statements.

Explanation:

(I) The Company's 2021 balance sheet, comprehensive income statement, statement of changes in equity, cash flow statement and consolidated financial statements have been audited by independent auditors and approved by the Board of Directors together with the business report on {March 25, 2022, and are under the review of the Audit Committee. Please refer to pages 11-12 and 14-33 of this handbook.

(II) The case is herewith presented for adoption.

Resolution:

◎Proposals

<Case 2>: Proposed by the Board of Directors

Motion: Adoption of 2021 profit distribution scheme.

Explanation:

(I) The Company's 2021 after-tax net profit is NT$591,827,052. Please refer to page 34 of this handbook for the profit distribution scheme.

(II) The case is herewith presented for adoption.

Resolution:

◎Discussion

Description: Amendments to the Company's Procedures for the Acquisition or Disposal of Assets. (Proposed by the Board of Directors)

Explanation:

(I) The Company's Procedures of the Acquisition or Disposal of Assets are revised to accommodate the law and regulations. For the comparison table before and after amendments please refer to p.35-39 of this handbook.

(II) The case is herewith presented for discussion.

Resolution:

◎Questions and Motions

◎Adjournment

Attachment I

Taisun Enterprise Co., Ltd.
Business Report

I. 2021 Operating Results

1. Consolidated Revenue and Profit

The net consolidated operating income of the Company in 2021 was NT$9,944,978,000, an increase of NT$ 1,588,853,000 compared with that in 2020; the net operating profit was NT$209,357 ,000, a decrease of NT$107,185,000 compared with that in 2020; the net profit after tax was NT$ 592,011 000, a decrease of NT$259,530,000 compared with that of the previous year.

2. Consolidated Profitability Performance

Item	2021	2020
Gross profit margin	15.45%	19.63%
Net profit rate	5.95%	10.19%
Return on equity	8.45%	12.49%
Earnings per share	NT$1.22	NT$1.75

3. Business Policy

Although COVID-19 did not impact us as much in 2021 as it did in 2020, the outbreak made a significant structural impact on the global economic and trade environment. This was a particularly challenging year for us in Taiwan. But no matter the difficulties, thanks to the efforts of all employees, we still demonstrated strong ambition. Although our profit and loss was not as impressive as the previous year, our performance reached a new high in recent years.

In terms of oilseeds - given the fact that the business environment was challenging in Taiwan and other countries, we kept a close eye on international markets and flexibly adjusted the supply of raw materials, while controlling costs. This helped the Company drive growth, successfully stabling its profitability.

In terms of food - as the development of our existing products is stable, we constantly develop new products and new ideas. In the meantime, we continued to develop new products in our cold storage lines, contributing to higher revenue than the past year.

In terms of livestock - as a result of drought, there was a decrease in livestock production, impacting results. In the future, we will seek further improvement and breakthroughs and brand development in aquatic feeds by upstream and downstream integration.

Our business in China is stable despite the pandemic. In the meantime, we strive for adjusting strategies and improving operational efficiency, continuing to expand revenue and stabilizing profitability.

Not only has the pandemic hit many industries across the world, these industries are now facing inflation and rising prices. In conclusion, we must focus on the core values of the food industry to continue to keep people healthy. Our management team will do its utmost to improve corporate governance and create profits in the industry, so that the Company is run sustainably.

II. 2022 Business Plan

1. Business Policy

   (1) Set objectives that meet ESG's goal of sustainable management.

   (2) Develop new products, new business opportunities and new markets.

   (3) Continue to improve technology and equipment.

2. Operating Objectives

   (1) The oil business includes oil products and soybean powder and the sales volume is expected to be 242 thousand tons.

   (2) The food business includes normal temperature and cold storage items, with an estimated sales volume of 16.65 million cases.

   (3) The aquatic business includes general and extruded materials, and the estimated sales volume is 18,800 tons.

This is the end of my report. I hope that all shareholders will continue to give their support and advice and I wish you good health and all the best!

Chairman:	Manager:	Chief Accounting Officer:
Chan,Ching-Chao	Tsai Zheng-Da	Hsiao Kai-Tse

Attachment II

Taisun Enterprise Co., Ltd.

Audit Committee's Audit Report

The Board of Directors prepared the Company's 2021 annual business report, financial statements, and statement of earnings distribution, among which the financial statements were verified by CPAs Huang Hsin-Ting and Tseng Kuo-Yang of KPMG, and a verification report was issued. The business report, financial statements (including consolidated financial statements) and statement of earnings distribution stated above have been audited by the Audit Committee and found to be in compliance with the Company Act and other applicable laws and regulations. We have presented you the reports based on the provisions stipulated in Article 14-4 in the Securities and Exchange Act and Article 219 in the Company Act.

To

The Company's 2022 Annual Meeting of Shareholders

Taisun Enterprise Co., Ltd.

Convener of the Audit Committee: Chen Min-Hsun 

March 25, 2022

Attachment III

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web home.kpmg/tw

Independent Auditors' Report

To the Board of Directors of Taisun Enterprise Co., Ltd.:

Opinion

We have audited the non-consolidated financial statements of Taisun Enterprise Co., Ltd. ("the Company"), which comprise the non-consolidated statement of financial position as of December 31, 2021 and 2020, and the non-consolidated statement of comprehensive income, non-consolidated statement of changes in equity and non-consolidated statement of cash flows for the years then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the non-consolidated financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in the Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the report of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of non-consolidated financial statements for the year ended December 31, 2021 of Taisun Enterprise Co., Ltd.. Those matters have been addressed in our audit opinion on the said non-consolidated financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue recognition

   Please refer to Note 4(q) "Revenue" for the accounting priciples on the recognition of revenues and Note 6(s) "Revenue from Contracts with Customers" for details on revenue recognition.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

(a) Key audit matters:

The Company engages in the manufacturing and sales of cooking oil, food, beverages and aquafeeds. Revenue recognition on the sales of the Company's products is the timing of the transfer of control of the product depending on the individual terms with the customers, as well as the terms of acceptance and return of goods based on the sale contracts between the Company and its customers. There is risk of misstatement when the timing of revenue recognition is earlier than the transfers of control. It may result in ristk of inappropriate revenue recognition. Therefore, revenue recognition is considered as one of our key audit matters.

(b) Audit procedures performed:

- Understanding and testing the design, operation and implantation of the effectiveness of internal control on revenue recognition; understanding the major types of revenue, contract terms and transaction terms to determine the appropriateness timing of revenue recognition; We also perform random sampling of major customers and reviewing their contracts and sales orders to evaluate revenue recognition; random sampling of transaction records of sales within the balance sheet date and obtaining the related transaction documents to evaluate the appropriateness of timing of revenue recognition.

- We also assessed whether the Company's disclosure of informontion on revenue recognition was appropriate.

2. Accounts receivable evaluation

Please refer to Note 4(f) for accounting policies on accounts receivable evaluation, Note 5(a) for estimation of accounts receivable evaluation, and Note 6(d) for impairment evaluation of notes receivable, accounts receivable and other receivables.

(a) Key audit matters:

Since the Company's accounts receivable stands a significant ratio in the total asset of the statement of financial position, and the collectability of accounts receivable is subjected to the subjective judgement the management, the impairment of accounts receivable is deemed to be one of our key audit matters.

(b) Audit procedures performed:

- Assessing the appropriateness of accounts receivable and acquiring the estimations and historical trend of collection from relevant authorities; obtaining the aging analysis of accounts receivable and examining relevant documents to verify the accuracy of the aging period; understanding the recent trend of the industry and the long overdue accounts receivable of major customers to identify whether signs of impairment loss exist in order to assess the appropriateness of provision for doubtful accounts; and evaluating the reasonableness of the judgement of the managements based on the subsequent collection of accounts receivable.

- We also assessed whether the Company's disclosure of informontion on revenue recognition was appropriate.

3. Inventory valuation

Please refer to Note 4(g) for non-consolidated financial statement for accounting policies on measuring inventory, and for assumptions used and uncertainties of inventory, please refer to Note 5(b). For inventory falling price loss and loss on obsolescence, please refer to Note 6(f).

(a) Key audit matters:

The inventory of the Company is key asset for its operations.The inventory is evaluated whether the product is sluggish due to the fluctuations of the market. Therefore, the inventory evaluation test is one our key audit matters.

(b) Audit procedures performed:

- Testing the accuracy of the inventory aging report by sampling the nature of the inventory; evaluating the rationality of the management's judgement on the proportion of slow moving inventories; examining the latest sales price of inventory to determine whether the sales promotion rate is reasonable; assessing whether the allowance on inventory recognized by the management is reasonable.

- We also assessed whether the Company' s disclosure of information on inventory allowances was appropriate.

Other Matter

We did not audit the financial statements of certain associates. Those statements were audited by other auditors, and our opinion, insofar as it relates to the amounts included for those associates, is based solely on the report of the other auditors. The financial statements of these associates reflect the total assets constituting 32.41% and 38.13% of total assets on December 31, 2021 and 2020 ; and the related share of profit of subsidiaries accounted for using the equity method constituting 54.77% and 57.61% of total profit before tax for the years ended , respectively.

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

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

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

Those charged with governance (induding the Audit Commttee) are responsible for overseeing Taisun Enterprise Co., Ltd.'s financial reporting process.

Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Taisun Enterprise Co., Ltd.'s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Taisun Enterprise Co., Ltd.'s ability to continue as a going concern. If we determine that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the non-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 Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on Taisun Enterprise Co., Ltd.. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hsin-Ting Huang and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)
March 25, 2022

Notes to Readers

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

The independent auditors' report and the accompanying parent company only financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and parent company only financial statements, the Chinese version shall prevail.

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

TAISUN ENTERPRISE CO., LTD.

Non-Consoidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(a))	$ 1,268,500	13	580,448	7
1110	Current financial assets at fair value through profit or loss (Note 6(b))	85,174	1	75,029	1
1150	Notes receivable, net (Note 6(d))	127,330	1	105,333	1
1160	Notes receivable due from related parties, net (Notes 6(d) and 7)	-	-	2,700	-
1170	Accounts receivable, net (Note 6(d))	431,690	4	353,733	4
1180	Accounts receivable due from related parties, net (Notes 6(d) and 7)	812,934	8	679,976	8
1200	Other receivables, net (Note 6(e))	15,477	-	2,777	-
1210	Other receivables due from related parties, net (Notes 6(e) and 7)	25,252	-	60,385	1
1310	Inventories, manufacturing business (Note 6(f))	641,727	6	525,459	6
1400	Current biological assets	26,023	-	21,827	-
1421	Prepayments to suppliers	609,207	6	287,528	3
1429	Other prepayments	41,302	-	27,372	-
1476	Other current financial assets (Note 8)	12,254	-	146,816	2
1479	Other current assets, others	3,615	-	4,747	-
		4,100,485	39	2,874,130	33
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	98,530	1	145,823	2
1550	Investments accounted for using equity method (Notes 6(g) and 8)	3,774,163	37	3,705,288	42
1600	Property, plant and equipment (Note 6(h))	1,677,382	17	1,529,582	17
1760	Investment property, net (Note 6(i))	536,059	6	537,438	6
1780	Intangible assets	1,730	-	4,225	-
1830	Non-current biological assets	7,326	-	6,710	-
1840	Deferred tax assets (Note 6(p))	2,714	-	2,714	-
1975	Net defined benefit asset, non-current (Note 6(o))	16,921	-	18,949	-
1980	Other non-current financial assets	10,968	-	10,178	-
		6,125,793	61	5,960,907	67
	Total assets	**$ 10,226,278**	**100**	**8,835,037**	**100**

		December 31, 2021		December 31, 2020	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Note 6(j))	$ 504,312	5	108,027	1
2110	Short-term notes and bills payable (Note 6(k))	500,000	5	-	-
2120	Current financial liabilities at fair value through profit or loss (Note 6(b))	1,481	-	853	-
2150	Notes payable	278	-	278	-
2170	Accounts payable (Notes 6(l) and 7)	498,966	5	461,948	5
2200	Other payables (Notes 6(o) and 7)	370,640	4	365,613	4
2230	Current tax liabilities (Note 6(p))	62,323	1	29,689	-
2399	Other current liabilities, others	25,540	-	16,559	-
		1,963,540	20	982,967	10
	Non-Current liabilities:				
2540	Long-term borrowings (Note 6(m))	1,050,000	10	600,000	7
2570	Deferred tax liabilities (Note 6(p))	222,537	2	222,537	3
2670	Other non-current liabilities, others	4,219	-	3,068	-
		1,276,756	12	825,605	10
	Total liabilities	3,240,296	32	1,808,572	20
	Equity (Note 6(q)):				
3110	Ordinary share	4,999,990	49	4,999,990	57
3200	Capital surplus	993,134	10	974,083	11
	Retained earnings:				
3310	Legal reserve	209,930	2	126,621	1
3320	Special reserve	240,776	2	240,776	3
3350	Unappropriated retained earnings	851,981	8	964,748	11
3400	Other equity interest	(105,953)	(1)	(75,877)	(1)
3500	Treasury stock	(203,876)	(2)	(203,876)	(2)
	Total equity	6,985,982	68	7,026,465	80
	Total liabilities and equity	**$ 10,226,278**	**100**	**8,835,037**	**100**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

TAISUN ENTERPRISE CO., LTD.

Non-Consoidated Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		For the years ended December 31			
		2021		2020	
		Amount	%	Amount	%
4000	**Operating revenue (Notes 6(s) and 7)**	$ 8,622,713	100	7,140,795	100
5000	**Operating costs (Notes 6(f) and 7)**	7,606,870	88	5,982,205	84
5910	Less:Unrealized profit (loss) from sales	16,728	-	16,462	-
5920	Add:Realized profit (loss) on from sales	16,462	-	15,196	-
5900	**Gross profit from operations**	1,015,577	12	1,157,324	16
6000	**Operating expenses (Notes 6(d), (o), (t) and 7):**				
6100	Selling expenses	616,269	7	599,706	8
6200	Administrative expenses	287,984	4	321,505	5
6450	Expected credit loss	-	-	263	-
	Total operating expenses	904,253	11	921,474	13
6900	**Net operating income**	111,324	1	235,850	3
7000	**Non-operating income and expenses:**				
7020	Other gains and losses, net (Note 6(u))	72,641	1	55,992	1
7050	Finance costs, net (Note 6(u))	(10,651)	-	(11,354)	-
7070	Share of profit (loss) of associates and joint ventures accounted for using equity method, net (Note 6(g))	452,992	5	611,212	9
7100	Total interest income (Notes 6(u) and 7)	1,818	-	8,432	-
	Total non-operating income and expenses	516,800	6	664,282	10
	Profit from continuing operations before tax	628,124	7	900,132	13
7950	Less: Income tax expenses (Note 6(p))	36,297	-	49,054	1
	Profit	591,827	7	851,078	12
8300	**Other comprehensive income:**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	(Losses) gains on remeasurements of defined benefit plans (Note 6(o) and (q))	(6,402)	-	1,631	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	48,832	1	29,461	-
8330	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	8,891	-	(15,063)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	51,321	1	16,029	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(2,722)	-	(2,828)	-
8380	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	39	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(2,683)	-	(2,828)	-
8300	**Other comprehensive income**	48,638	1	13,201	-
	Total comprehensive income	**$ 640,465**	**8**	**864,279**	**12**
	Basic earnings per share (Note 6(r))				
9750	Basic earnings per share	**$**	**1.22**		**1.75**
9850	Diluted earnings per share	**$**	**1.21**		**1.74**

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

TAISUN ENTERPRISE CO., LTD.

Non-Consoidated Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Share capital		Retained earnings				Total other equity interest				
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury stock	Total equity
Balance at January 1, 2020	$ 4,999,990	961,786	69,197	240,776	639,083	949,056	(29,042)	(78,026)	(107,068)	(203,876)	6,599,888
Profit	-	-	-	-	851,078	851,078	-	-	-	-	851,078
Other comprehensive income	-	-	-	-	(17,404)	(17,404)	(2,828)	33,433	30,605	-	13,201
Total comprehensive income	-	-	-	-	833,674	833,674	(2,828)	33,433	30,605	-	864,279
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	57,424	-	(57,424)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(449,999)	(449,999)	-	-	-	-	(449,999)
Other changes in capital surplus:											
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	12,297	-	-	-	-	-	-	-	-	12,297
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(586)	(586)	-	586	586	-	-
Balance at December 31, 2020	4,999,990	974,083	126,621	240,776	964,748	1,332,145	(31,870)	(44,007)	(75,877)	(203,876)	7,026,465
Profit	-	-	-	-	591,827	591,827	-	-	-	-	591,827
Other comprehensive income	-	-	-	-	2,383	2,383	(2,683)	48,938	46,255	-	48,638
Total comprehensive income	-	-	-	-	594,210	594,210	(2,683)	48,938	46,255	-	640,465
Appropriation and distribution of retained earnings:											
Legal reserve appropriated	-	-	83,309	-	(83,309)	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(699,999)	(699,999)	-	-	-	-	(699,999)
Other changes in capital surplus:											
Adjustments of capital surplus for company’s cash dividends received by subsidiaries	-	19,051	-	-	-	-	-	-	-	-	19,051
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	76,331	76,331	-	(76,331)	(76,331)	-	-
Balance at December 31, 2021	**$ 4,999,990**	**993,134**	**209,930**	**240,776**	**851,981**	**1,302,687**	**(34,553)**	**(71,400)**	**(105,953)**	**(203,876)**	**6,985,982**

See accompanying notes to parent company only financial statements.

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

TAISUN ENTERPRISE CO., LTD.

Non-Consoidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	$ 628,124	900,132
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	75,672	64,398
Amortization expense	2,495	2,686
Expected credit losses	-	263
Net gains on financial assets or liabilities at fair value through profit or loss	(9,383)	(7,627)
Interest expense	10,651	11,354
Interest income	(1,818)	(8,432)
Dividend income	(8,509)	(6,222)
Shares of profit of associates and joint ventures accounted for using equity method	(452,992)	(611,212)
Gains on disposal of property, plan and equipment	(98)	(769)
Gains on disposal of investments	-	(3,755)
Unrealized profit from sales	16,728	16,462
Realized profit on from sales	(16,462)	(15,196)
Others	-	6,000
Total adjustments to reconcile profit (loss)	(383,716)	(552,050)
Changes in operating assets and liabilities:		
Increase in current financial assets at fair value through profit or loss	(14,229)	(3,354)
Increase in notes receivable	(21,997)	(10,337)
Decrease (increase) in notes receivable due from related parties	2,700	(356)
Increase in accounts receivable	(77,957)	(40,205)
Increase in accounts receivable due from related parties	(132,958)	(76,289)
(Increase) decrease in other receivables	(774)	676
Increase in other receivable due from related parties	(673)	-
(Increase) decrease in inventories	(116,268)	116,356
Increase in biological assets	(7,210)	(9,614)
Increase in prepayments	(336,201)	(93,594)
Decrease in other current assets	1,132	730
Increase in net defined benefit assets	(4,374)	(18,949)
Increase in current financial liabilities at fair value through profile or loss	4,095	2,738
Decrease in notes payable	-	(1,619)
Increase in accounts payable	37,018	63,588
Increase in other payables	5,027	19,667
Increase in other current liabilities	8,981	1,200
Increase in net defined benefit liabilities	-	184
Total adjustments	(1,037,404)	(601,228)
Cash inflow generated from operations	(409,280)	298,904
Interest received	1,818	8,432
Interest paid	(10,651)	(11,354)
Income taxes paid	(4,997)	(39,320)
Net cash flows from (used in) operating activities	(423,110)	256,662

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

TAISUN ENTERPRISE CO., LTD.

Non-Consoidated Statements of Cash Flows (CONT'D)

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2021	**2020**
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(72,873)
Proceeds from disposal of financial assets at fair value through other comprehensive income	96,125	1,314
Proceeds from disposal of investments accounted for using equity method	-	4,883
Acquisition of property, plant and equipment	(219,712)	(166,467)
Proceeds from disposal of property, plant and equipment	115	4,397
Increase in other receivables due from related parties	57,551	-
Decrease in other receivables due from related parties	(21,745)	48,493
Increase in other financial assets	(14,886)	(144,560)
Decrease in other financial assets	148,658	281,731
Dividends received	417,619	358,264
Net cash flows from (used in) investing activities	463,725	315,182
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	6,727,061	6,254,213
Decrease in short-term loans borrowings	(6,330,776)	(6,418,795)
Increase in short-term notes and bills payable	2,380,000	2,245,000
Decrease in short-term notes and bills payable	(1,880,000)	(2,345,000)
Proceeds from long-term borrowings	450,000	600,000
Repayments of long-term borrowings	-	(762,500)
Decrease in other non-current liabilities	1,151	(448)
Cash dividends paid	(699,999)	(449,999)
Net cash flows from (used in) financing activities	647,437	(877,529)
Net increase (decrease) in cash and cash equivalents	688,052	(305,685)
Cash and cash equivalents at beginning of period	580,448	886,133
Cash and cash equivalents at end of period	**$ 1,268,500**	**580,448**

See accompanying notes to parent company only financial statements.

安侯建業聯合會計師事務所
KPMG
台北市110615信義路5段7號68樓(台北101大樓)
68F., TAIPEI 101 TOWER, No. 7, Sec. 5,
Xinyi Road, Taipei City 110615, Taiwan (R.O.C.)
電 話 Tel + 886 2 8101 6666
傳 真 Fax + 886 2 8101 6667
網 址 Web home.kpmg/tw

Independent Auditors' Report

To the Board of Directors of Taisun Enterprise Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Taisun Enterprise Co., Ltd. ("the Company"), and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China (" the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of consolidated financial statements for the year ended December 31, 2021 of the Group. Those matters have been addressed in our audit opinion on the said consolidated financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue recognition

   Please refer to Note 4(q) "Revenue" for the accounting principles on the recognitioin of revenues and Note 6(u) "Revenue from Contracts with Customers" for details on revenue recognition.

KPMG, a Taiwan partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

(a) Key audit matters:

The Group engages in the manufacturing and sales of cooking oil, food, beverages and aquafeeds. Revenue recognition on the sales of the Group's products is the timing of the transfer of control of the product depending on the individual terms with the customers, as well as the terms of acceptance and return of goods based on the sale contracts between the Group and its customers. There is risk of misstatement when the timing of revenue recognition is earlier than the transfers of control. It may result in ristk of inappropriate revenue recognition. Therefore, revenue recognition is considered as one of our key audit matters.

(b) Audit procedures performed:

- Understanding and testing the design, operation and implantation of the effectiveness of internal control on revenue recognition; understanding the major types of revenue, contract terms and transaction terms to determine the appropriateness timing of revenue recognition; We also perform random sampling of major customers and reviewing their contracts and sales orders to evaluate revenue recognition; random sampling of transaction records of sales within the balance sheet date and obtaining the related transaction documents to evaluate the appropriateness of timing of revenue recognition.

- We also assessed whether the Group's disclosure of information on revenue recognition was appropriate.

2. Accounts receivable evaluation

Please refer to Note 4(g) for accounting policies on accounts receivable evaluation, Note 5(a) for estimation of accounts receivable evaluation, and Note 6(d) for impairment evaluation of notes receivable, accounts receivable and other receivables.

(a) Key audit matters:

Since the Group's accounts receivable stands a significant ratio in the total asset of the consolidated statement of financial position, and the collectability of accounts receivable is subjected to the subjective judgement the management, the impairment of accounts receivable is deemed to be one of our key audit matters.

(b) Audit procedures performed:

- Assessing the appropriateness of accounts receivable and acquiring the estimations and historical trend of collection from relevant authorities; obtaining the aging analysis of accounts receivable and examining relevant documents to verify the accuracy of the aging period; understanding the recent trend of the industry and the long overdue accounts receivable of major customers to identify whether signs of impairment loss exist in order to assess the appropriateness of provision for doubtful accounts; and evaluating the reasonableness of the judgement of the managements based on the subsequent collection of accounts receivable.

- We also assessed whether the Group's disclosure of information on account receivables was appropriate.

3. Inventory valuation

Please refer to Note 4(h) for consolidated financial statement for accounting policies on measuring inventory, and for assumptions used and uncertainties of inventory, please refer to Note 5(b). For inventory falling price loss and loss on obsolescence, please refer to Note 6(f).

(a) Key audit matters:

The inventory of the Group is key asset for the company's operations.The inventory is evaluated whether the product is sluggish due to the fluctuations of the market. Therefore, the inventory evaluation test is one our key audit matters.

(b) Audit procedures performed:

- Testing the accuracy of the inventory aging report by sampling the nature of the inventory; evaluating the rationality of the management's judgement on the proportion of slow moving inventories; examining the latest sales price of inventory to determine whether the sales promotion rate is reasonable; assessing whether the allowance on inventory recognized by the management is reasonable.

- We also assessed whether the Group' s disclosure of information on inventory allowances was appropriate.

Other Matter

We did not audit the financial statements of associates. Those statements were audited by other auditors, and our opinion, insofar as it relates to the amounts included for those associates, is based solely on the report of the other auditors. The financial statements of these associates reflect the total assets constituting 31.15% and 36.46% of the consolidated total assets at December 31, 2021 and 2020, respectively, and the related share of profit of associates accounted for using the equity method constituting 54.12% and 57.23% of the consolidated total profit before tax for the years then ended, respectively.

The Company has additionally prepared its parent-company-only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards (" IFRSs"), International Accounting Standards (" IASs"), interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the 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 auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group' s ability to continue as a going concern. If we determini that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hsin-Ting Huang and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)
March 25, 2022

Notes to Readers

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

The independent auditors' review report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' review report and consolidated financial statements, the Chinese version shall prevail.

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2021		December 31, 2020	
	Assets	**Amount**	**%**	**Amount**	**%**
	Current assets:				
1100	Cash and cash equivalents (Note 6(a))	$ 1,664,560	16	772,454	9
1110	Current financial assets at fair value through profit or loss (Note 6(b))	93,798	1	82,776	1
1150	Notes receivable, net (Note 6(d))	163,881	2	137,198	1
1160	Notes receivable due from related parties, net (Notes 6(d) and 7)	-	-	2,700	-
1170	Accounts receivable, net (Note 6(d))	769,031	7	654,035	7
1180	Accounts receivable due from related parties, net (Notes 6(d) and 7)	452,151	4	367,324	4
1200	Other receivables, net (Notes 6(e) and 13(a))	22,380	-	6,970	-
1220	Total current tax assets	1,502	-	1,502	-
1310	Inventories, manufacturing business (Note 6(f))	711,566	7	572,498	6
1400	Current biological assets	26,023	-	21,827	-
1421	Prepayments to suppliers	609,887	6	287,762	3
1429	Other prepayments	47,834	-	32,495	-
1476	Other current financial assets (Note 8)	12,254	-	272,796	3
1479	Other current assets, others	6,177	-	6,334	-
		4,581,044	43	3,218,671	34
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(c))	120,701	1	172,581	2
1550	Investments accounted for using equity method (Notes 6(g) and 8)	3,313,918	32	3,368,637	37
1600	Property, plant and equipment (Note 6(h))	1,947,298	18	1,798,417	20
1755	Right-of-use assets (Note 6(i))	14,496	-	13,091	-
1760	Investment property, net (Note 6(j))	614,900	6	616,818	7
1780	Intangible assets	1,869	-	4,411	-
1830	Non-current biological assets	7,326	-	6,710	-
1840	Deferred tax assets (Note 6(r))	3,059	-	7,659	-
1915	Prepayments for business facilities	1,242	-	-	-
1975	Net defined benefit asset, non-current (Note 6(q))	19,850	-	21,760	-
1980	Other non-current financial assets	12,573	-	11,510	-
		6,057,232	57	6,021,594	66
	Total assets	**$ 10,638,276**	**100**	**9,240,265**	**100**

		December 31, 2021		December 31, 2020	
	Liabilities and Equity	**Amount**	**%**	**Amount**	**%**
	Current liabilities:				
2100	Short-term borrowings (Note 6(k))	$ 516,312	5	148,027	2
2110	Short-term notes and bills payable (Note 6(l))	520,000	5	20,000	-
2120	Current financial liabilities at fair value through profit or loss (Note 6(b))	1,481	-	853	-
2130	Current contract liabilities (Note 6(u))	47,351	-	39,800	-
2150	Notes payable	719	-	1,857	-
2170	Accounts payable (Notes 6(m) and 7)	577,337	5	526,122	6
2200	Other payables (Notes 6(q) and (v))	467,193	4	465,552	5
2230	Current tax liabilities (Note 6(r))	64,864	1	29,772	-
2280	Current lease liabilities (Note 6(o))	2,498	-	1,634	-
2399	Other current liabilities, others (Note 7)	164,163	2	141,629	2
		2,361,918	22	1,375,246	15
	Non-Current liabilities:				
2540	Long-term borrowings (Note 6(n))	1,050,000	10	600,000	7
2570	Deferred tax liabilities (Note 6(r))	222,537	2	222,537	2
2580	Non-current lease liabilities (Note 6(o))	977	-	-	-
2640	Net defined benefit liability, non-current (Note 6(q))	5,119	-	5,576	-
2670	Other non-current liabilities, others	6,598	-	5,304	-
		1,285,231	12	833,417	9
	Total liabilities	3,647,149	34	2,208,663	24
	Equity (Note 6(c) and (s)):				
3110	Ordinary share	4,999,990	47	4,999,990	54
3200	Capital surplus	993,134	10	974,083	11
	Retained earnings:				
3310	Legal reserve	209,930	2	126,621	1
3320	Special reserve	240,776	2	240,776	3
3350	Unappropriated retained earnings	851,981	8	964,748	10
3400	Other equity interest	(105,953)	(1)	(75,877)	(1)
3500	Treasury stock	(203,876)	(2)	(203,876)	(2)
	Total equity attributable to owners of parent:	6,985,982	66	7,026,465	76
36XX	Non-controlling interests	5,145	-	5,137	-
	Total equity	6,991,127	66	7,031,602	76
	Total liabilities and equity	**$ 10,638,276**	**100**	**9,240,265**	**100**

See accompanying notes to consolidated financial statements.

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2021 and 2020

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

		For the years ended December 31			
		2021		2020	
		Amount	%	Amount	%
4000	**Operating revenue (Notes 6(u) and 7)**	$ 9,944,978	100	8,356,125	100
5000	**Operating costs (Notes 6(f) and 7)**	8,409,291	85	6,715,645	80
5910	Less: Unrealized profit (loss) from sales	231	-	702	-
5920	Add: Realized profit (loss) on from sales	702	-	721	-
	Gross profit from operations	1,536,158	15	1,640,499	20
	Operating expenses (Notes 6(d), (f), (o), (q), (v) and 7):				
6100	Selling expenses	955,655	9	914,278	11
6200	Administrative expenses	370,913	4	410,072	5
6450	Expected credit loss	233	-	(393)	-
	Total operating expenses	1,326,801	13	1,323,957	16
	Net operating income	209,357	2	316,542	4
	Non-operating income and expenses:				
7020	Other gains and losses, net (Note 6(w))	89,181	1	74,482	1
7050	Finance costs, net (Note 6(w))	(11,359)	-	(14,409)	-
7060	Shares of profit of associates and joint ventures accounted for using equity method, net (Note 6(h))	344,102	3	518,573	6
7100	Total interest income	4,355	-	10,862	-
	Total non-operating income and expenses	426,279	4	589,508	7
7900	**Profit from continuing operations before tax**	635,636	6	906,050	11
7950	**Less: Income tax expenses ((Note 6(r))**	43,625	-	54,509	1
	Profit	592,011	6	851,541	10
8300	**Other comprehensive income (Note 6(s)):**				
8310	**Components of other comprehensive income that will not be reclassified to profit or loss**				
8311	(Losses) gains on remeasurements of defined benefit plans	(6,933)	-	(12,888)	-
8316	Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	44,690	-	38,568	-
8320	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	13,595	-	(9,873)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
		51,352	-	15,807	-
8360	**Components of other comprehensive income (loss) that will be reclassified to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(2,722)	-	(2,828)	-
8370	Shares of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	39	-	-	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
		(2,683)	-	(2,828)	-
8300	**Other comprehensive income, net**	48,669	-	12,979	-
8500	**Total comprehensive income**	**$ 640,680**	**6**	**864,520**	**10**
	Profit, attributable to:				
8610	Owners of parent	$ 591,827	6	851,078	10
8620	Non-controlling interests	184	-	463	-
	Profit	**$ 592,011**	**6**	**851,541**	**10**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 640,465	6	864,279	10
8720	Non-controlling interests	215	-	241	-
	Total comprehensive income	**$ 640,680**	**6**	**864,520**	**10**
	Basic earnings per share (Note 6(t))				
9750	**Basic earnings per share**	**$**	**1.22**		**1.75**
9850	**Diluted earnings per share**	**$**	**1.21**		**1.74**

See accompanying notes to consolidated financial statements.

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statement of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent												
	Share capital		Retained earnings				Total other equity interest						
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity interest	Treasury stock	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Balance at January 1, 2020	$ 4,999,990	961,786	69,197	240,776	639,083	949,056	(29,042)	(78,026)	(107,068)	(203,876)	6,599,888	5,285	6,605,173
Profit	-	-	-	-	851,078	851,078	-	-	-	-	851,078	463	851,541
Other comprehensive income	-	-	-	-	(17,404)	(17,404)	(2,828)	33,433	30,605	-	13,201	(222)	12,979
Total comprehensive income	-	-	-	-	833,674	833,674	(2,828)	33,433	30,605	-	864,279	241	864,520
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	57,424	-	(57,424)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(449,999)	(449,999)	-	-	-	-	(449,999)	-	(449,999)
Other changes in capital surplus:													
Adjustments of capital surplus for the Company's cash dividends received by subsidiaries	-	12,297	-	-	-	-	-	-	-	-	12,297	-	12,297
Cash dividends contributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(389)	(389)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(586)	(586)	-	586	586	-	-	-	-
Balance at December 31, 2020	4,999,990	974,083	126,621	240,776	964,748	1,332,145	(31,870)	(44,007)	(75,877)	(203,876)	7,026,465	5,137	7,031,602
Profit	-	-	-	-	591,827	591,827	-	-	-	-	591,827	184	592,011
Other comprehensive income	-	-	-	-	2,383	2,383	(2,683)	48,938	46,255	-	48,638	31	48,669
Total comprehensive income	-	-	-	-	594,210	594,210	(2,683)	48,938	46,255	-	640,465	215	640,680
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	83,309	-	(83,309)	-	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(699,999)	(699,999)	-	-	-	-	(699,999)	-	(699,999)
Other changes in capital surplus:													
Adjustments of capital surplus for company's cash dividends received by subsidiaries	-	19,051	-	-	-	-	-	-	-	-	19,051	-	19,051
Cash dividends contributed to non-controlling interests by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(207)	(207)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	76,331	76,331	-	(76,331)	(76,331)	-	-	-	-
Balance at December 31, 2021	**$ 4,999,990**	**993,134**	**209,930**	**240,776**	**851,981**	**1,302,687**	**(34,553)**	**(71,400)**	**(105,953)**	**(203,876)**	**6,985,982**	**5,145**	**6,991,127**

See accompanying notes to consolidated financial statements.

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2021	2020
Cash flows from (used in) operating activities:		
Profit before tax	$ 635,636	906,050
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	102,227	93,813
Amortization expense	2,542	2,819
Expected credit losses (gains reverse)	233	(393)
Net (gains) losses on financial assets or liabilities at fair value through profit or loss	(10,260)	(8,291)
Interest expense	11,359	14,409
Interest income	(4,355)	(10,862)
Dividend income	(9,394)	(6,845)
Shares of profit of associates and joint ventures accounted for using equity method	(344,102)	(518,573)
Gains on disposal of property, plant and equipment	(654)	(1,166)
Gains on disposal of non-current assets classified as held-for-sale	-	(7,016)
Gain on disposal of investments	-	(3,755)
Unrealized profit from sales	231	702
Realized profit on from sales	(702)	(721)
Others	-	6,000
Total adjustments to reconcile profit (loss)	(252,875)	(439,879)
Changes in operating assets and liabilities:		
Increase in current financial assets at fair value through profit or loss	(14,229)	(3,354)
Increase in notes receivable	(26,683)	(11,981)
Decrease (increase) in notes receivable due from related parties	2,700	(382)
Increase in accounts receivable	(115,232)	(40,328)
Increase in accounts receivable due from related parties	(84,827)	(34,603)
Increase in other receivables	(1,005)	(820)
(Increase) decrease in inventories	(139,166)	108,024
Increase in biological assets	(7,210)	(9,614)
Increase in prepayments	(338,071)	(103,796)
Decrease in other current assets	153	753
Increase in defined benefit assets - non-current	(4,492)	(36,279)
Increase in financial liabilities at fair value through profit or loss	4,095	2,738
Increase (decrease) in contract liabilities	7,725	(5,657)
Decrease in notes payable	(1,138)	(3,516)
Increase in accounts payable	51,285	68,474
Increase in other payables	424	56,637
Increase in other current liabilities	22,617	5,502
Decrease in net defined benefit liabilities	(988)	(538)
Total changes in operating assets and liabilities, net	(644,042)	(8,740)
Total adjustments	(896,917)	(448,619)
Cash outflow generated from operations	(261,281)	457,431
Interest received	4,355	10,862
Interest paid	(11,359)	(14,409)
Income taxes paid	(5,266)	(44,515)
Net cash flows used in operating activities	(273,551)	409,369

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

TAISUN ENTERPRISE CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows (CONT'D)

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31	
	2021	**2020**
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	-	(74,388)
Proceeds from disposal of financial assets at fair value through other comprehensive income	96,125	1,314
Proceeds from disposal of investments accounted for using equity method	-	4,883
Proceeds from disposal of non-current assets classified as held-for-sale	-	12,465
Acquisition of property, plant and equipment	(247,777)	(175,442)
Proceeds from disposal of property, plant and equipment	4,391	12,959
Acquisition of intangible assets	-	(186)
Increase in other financial assets	(14,886)	(268,354)
Decrease in other financial assets	273,907	324,591
Increase in prepayments for business facilities	(1,242)	(4,658)
Dividends received	419,834	357,229
Net cash flows (used in) from investing activities	530,352	190,413
Cash flows from (used in) financing activities:		
Increase in short-term borrowings	7,039,061	6,631,515
Decrease in short-term borrowings	(6,670,776)	(6,761,098)
Increase in short-term notes and bills payable	2,991,000	2,751,000
Decrease in short-term notes and bills payable	(2,491,000)	(2,992,000)
Proceeds from long-term debt	450,000	600,000
Repayments of long-term debt	-	(762,500)
Payment of lease liabilities	(2,707)	(2,202)
Increase (decrease) in other non-current liabilities	1,299	(1,244)
Cash dividends paid	(680,948)	(437,702)
Net cash flows from (used in) financing activities	635,929	(974,231)
Effect of exchange rate changes on cash and cash equivalents	(624)	(121)
Net increase (decrease) in cash and cash equivalents	892,106	(374,570)
Cash and cash equivalents, beginning of the period	772,454	1,147,024
Cash and cash equivalents, end of the period	**$ 1,664,560**	**772,454**

See accompanying notes to consolidated financial statements.

Attachment IV

Taisun Enterprise Co., Ltd.
Earnings Distribution Table for 2021

Unit: NT$

Items	Amount
Undistributed earnings at beginning of period	**181,440,113**
Add: Disposal of changes in equity measured at fair value through other comprehensive income	76,330,967
Add: Changes of reevaluation of defined benefit plan in current period	2,382,752
Add: Net income for the year	591,827,052
Less: Provision of legal reserve (10%)	(67,054,077)
Distributable earnings in current period	**784,926,807**
Less: Shareholders dividends in cash (at NT$1.0/share)	(499,999,038)
Unappropriated retained earnings	**284,927,769**

Explanation:

1. The earnings in 2021 will be the first priority for distribution of earnings in current period.
2. Pursuant to Article 32-1 of the Company's Articles of Incorporation, the Board of Directors is authorized to resolve to distribute all or part of the distributable dividends and bonuses in cash.
3. NT$499,999,038 was appropriated from the 2021 distributable earnings as shareholders' bonus for cash dividends of NT$1.0 per share.
4. Total cash dividend to Shareholders will be rounded off to the nearest dollar. The fraction of a share falling below NT$1 will be recognized as other income of the Company.
5. The Chairman was authorized to set an ex-dividend date, payment date and handle other related matters.
6. Prior to the ex-dividend date, if there is a change in the dividends ratio for earnings distribution due to a change in the number of the Company's outstanding shares, the Chairman is authorized to make adjustments.

Chairman:	Manager:	Chief Accounting Officer:
Chan,Ching-Chao	Tsai Zheng-Da	Hsiao Kai-Tse

Attachment V

Taisun Enterprise Co., Ltd.

Comparison table of the Procedures for the Acquisitions or Disposal of Assets before and after amendments

Before amendments	After amendments	Reason for amendments
Article IV: Appraisal Reports or Opinions (above omitted) When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following: I. Before taking the case, assess the professional capacity, practical experience and independence of your own carefully. II. In **affirming** the case, prepare a proper plan and pursue in appropriate operation procedure so as to arrive at conclusion and issue a report or opinions. Keep the details of the procedure of pursuit, information gathered and conclusion as an integral part of the work sheets. III. Assess for the **integrity, accuracy** and rationality of the sources of data, parameters, and information as the foundation for issuing appraisal report or opinions. IV. The declaration shall cover the information on the professional standing, independence of related personnel, and the information adopted in the appraisals as justifiable and **accurate**, and in compliance with applicable laws.	Article IV: Appraisal Reports or Opinions (above omitted) When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with **the industry code of conduct of respective trade association**s and the following: I. Before taking the case, assess the professional capacity, practical experience and independence of your own carefully. II. In **carrying out** the case, prepare a proper plan and pursue in appropriate operation procedure so as to arrive at conclusion and issue a report or opinions. Keep the details of the procedure of pursuit, information gathered and conclusion as an integral part of the work sheets. III. Assess for the **appropriateness** and rationality of the sources of data, parameters, and information as the foundation for issuing appraisal report or opinions. IV. The declaration shall cover the information on the professional standing, independence of related personnel, and the information adopted in the appraisals as justifiable and **appropriate and** in compliance with applicable laws.	Amendment in alignment of applicable laws
Article IX: Property or other fixed assets (above omitted) III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be	Article IX: Property or other fixed assets (above omitted) III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be	Amendment in alignment of applicable laws

Before amendments	After amendments	Reason for amendments
disposed of are lower than the transaction amount, a certified public accountant shall be engaged to **perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and** render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (below omitted)	disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price: (below omitted)	
Article X: Securities In acquiring or disposing securities, the Company shall obtain the audited or reviewed financial statements of the issuers as reference for the evaluation of the transaction price prior to the day of deed. If the amount of transaction exceeds 20% of the paid-in capital or NT$300 million, consult a certified public accountant to express an opinion for the reasonability of the transaction price prior to the day of deed. **If the certified public accountants choose to adopt the report of experts, proceed to SAS No. 20 released by the Accounting Research and Development Foundation.** If the securities in point have open quotations from an active market or the competent authority regulated otherwise, this rule shall be waived.	Article X: Securities In acquiring or disposing securities, the Company shall obtain the audited or reviewed financial statements of the issuers as reference for the evaluation of the transaction price prior to the day of deed. If the amount of transaction exceeds 20% of the paid-in capital or NT$300 million, consult a certified public accountant to express an opinion for the reasonability of the transaction price prior to the day of deed. If the securities in point have open quotations from an active market or the competent authority regulated otherwise, this rule shall be waived.	Amendment in alignment of applicable laws
Article XI: Membership cards or intangible assets The Company may acquire or dispose membership cards or intangible assets or the right of use assets exceeding 20% of the paid-in capital of the Company or NT$300 million, consult a certified public accountant for expression of opinion for reasonability of the transaction price except for transactions with domestic government agencies. **The certified public accountant shall proceed to SAS No. 20 released by the Accounting Research and Development**	Article XI: Membership cards or intangible assets The Company may acquire or dispose membership cards or intangible assets or the right of use assets exceeding 20% of the paid-in capital of the Company or NT$300 million, consult a certified public accountant for expression of opinion for reasonability of the transaction price except for transactions with domestic government agencies.	Amendment in alignment of applicable laws

Before amendments	After amendments	Reason for amendments
Foundation.		
Article XIV: Materials or related party transactions for submission to the Auditing Committee and the Board (above omitted) **Proceed to Article 29-2 in calculating the amount of the aforementioned transaction. The period of one year as referred to shall be the duration from the day of deed in retrospect for one year. The amount of transaction supported by the resolution of the Auditing Committee and the Board under the Regulations could be excluded from calculation.** For transactions between the Company and its subsidiaries, or wholly-owned companies directly or indirectly held by the Company by equity share or capital investment, the Board shall authorize the Chairman pursuant to Article 6 to make decision with specific limit, and present to the nearest session of the Board for recognition: 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. If the Company has established the seats for Independent Directors, present to the Board for discussion under paragraph 1 and fully consider the opinions of the Independent Directors. If there is adverse opinion or qualified opinion from the Independent Directors, note down as minutes of the Board meeting on record. If the Company has established an Auditing Committee, the consent of at least 1/2 of the members of the Auditing Committee will be required before presenting to the Board for resolution. In the absence of the consent of more than 1/2 of the members of the Auditing Committee, the consent of at least 2/3 of the Directors will be required. In addition, the resolution of the Auditing	Article XIV: Materials or related party transactions for submission to the Auditing Committee and the Board (above omitted) For transactions between the Company and its subsidiaries, or wholly-owned companies directly or indirectly held by the Company by equity share or capital investment, the Board shall authorize the Chairman pursuant to Article 6 to make decision with specific limit, and present to the nearest session of the Board for recognition: 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. If the Company has established the seats for Independent Directors, present to the Board for discussion under paragraph 1 and fully consider the opinions of the Independent Directors. If there is adverse opinion or qualified opinion from the Independent Directors, note down as minutes of the Board meeting on record. If the Company has established an Auditing Committee, the consent of at least 1/2 of the members of the Auditing Committee will be required before presenting to the Board for resolution. In the absence of the consent of more than 1/2 of the members of the Auditing Committee, the consent of at least 2/3 of the Directors will be required. In addition, the resolution of the Auditing Committee should be stated as the minutes of Board meeting on record. **Where the Company or the Company's subsidiary that is not a domestic public company engages in the transaction as described in the first paragraph and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information listed in**	Amendment in alignment of applicable laws

Before amendments	After amendments	Reason for amendments
Committee should be stated as the minutes of Board meeting on record.	**the first paragraph to the shareholders' meeting for approval prior to entering into a transaction contract and paying the amount. However, this restriction does not apply to transactions between the Company and its parent company, subsidiaries or between subsidiaries. The calculation of the transaction amounts referred to in the preceding 2 paragraphs shall be made in accordance with Paragraph 2 of Article 31, and the term "within the preceding year" described refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders' meeting, Audit Committee and the Board of Directors need not be counted toward the transaction amount.**	
Article XXIX: Standards of announcement and declaration (above omitted) VII. Further to the asset trade as stated in the preceding 6 paragraphs, disposal of right of debts with financial institutions, and investment in Mainland China and the amount of transaction is more than 20% of the paid-in capital of the Company or NT$300 million. Except the following: (I) Trading of domestic government bonds. (II) Investment is the profession with trading of securities in **domestic** or **overseas** Stock Exchange or Securities Brokerage, or at the **domestic** primary market for subscription of regular corporate bonds for raising capital and regular bank debentures (excluding subordinated debentures) not related to equity or the subscription or redemption of securities investment trust funds or futures trust funds, or subscription of securities by	Article XXIX: Standards of announcement and declaration (above omitted) VII. Further to the asset trade as stated in the preceding 6 paragraphs, disposal of right of debts with financial institutions, and investment in Mainland China and the amount of transaction is more than 20% of the paid-in capital of the Company or NT$300 million. Except the following: (I) Trading of domestic bonds **or foreign bonds with a foreign central government with a sovereign rating not lower than the sovereign rating of Taiwan**. (II) Investment is the profession with trading of securities in Stock Exchange or Securities Brokerage, or at the primary market for subscription of **foreign bonds** or raising capital and regular bank debentures (excluding subordinated debentures) not related to equity or the subscription or redemption of securities investment trust funds or	Amendment in alignment of applicable laws

Before amendments	After amendments	Reason for amendments
Securities Brokerage for the needs of underwriting and acting as supervisor and recommendation of companies listed at the emerging stock market as required by Taipei Exchange. (below omitted)	subscribe for or repurchase index investment securities futures trust funds **or subscription for or repurchase index investment securities**, or subscription of securities by Securities Brokerage for the needs of underwriting and acting as supervisor and recommendation of companies listed at the emerging stock market as required by Taipei Exchange. (below omitted)	

Appendix I

Taisun Enterprise Co., Ltd. Articles of Incorporation

Chapter I General Provisions

Article 1: The Company is duly incorporated in accordance with the Company Act and bears the title of 泰山企業股份有限公司 in Chinese and TAISUN ENTERPRISE CO., LTD. in English.

Article 2: The Company is engaged in the following business:

1. C105010 Edible Oil and Fat Manufacturing
2. C201010 Feed Manufacturing
3. A101020 Growing of Crops
4. A301030 Aquaculture
5. A401020 Raising of Livestock and Poultry
6. F203030 Retail Sale of Alcohol
7. C199010 Manufacture of Noodles, Couscous and Similar Farinaceous Products
8. C104020 Manufacture of Bakery and Steam Products
9. F101040 Wholesale of Livestock and Poultry
10. F101050 Wholesale of Fishery Products
11. F102170 Wholesale of Foods and Groceries
12. C805030 Plastic Daily Necessities Manufacturing
13. C103050 Manufacturing of Canning, Freezing, Dehydration, Pickled of Food
14. F201010 Retail Sale of Agricultural Products
15. A102060 Food Dealers
16. C102010 Manufacture of Dairy Products
17. C109010 Manufacture of Seasoning
18. F101130 Wholesale of Vegetables and Fruits
19. C199020 Edible Ice Manufacturing
20. F399010 Convenience Stores
21. F301020 Supermarkets
22. H701020 Industrial Factory Development and Rental
23. H701050 Investment, Development and Construction in Public Construction
24. C199040 Beans Processed Food Manufacturing
25. H701010 Housing and Building Development and Rental
26. C110010 Beverage Manufacturing
27. C111010 Tea Manufacturing
28. F102030 Wholesale of Tobacco and Alcohol
29. F102040 Wholesale of Nonalcoholic Beverages
30. F102050 Wholesale of Tea
31. F106020 Wholesale of Daily Commodities
32. F107030 Wholesale of Cleaning Supplies
33. F108040 Wholesale of Cosmetics
34. F203010 Retail Sale of Food, Grocery and Beverage
35. F203020 Retail Sale of Tobacco and Alcohol
36. F206020 Retail Sale of daily commodities
37. F207030 Retail Sale of Cleaning Supplies
38. F208040 Retail Sale of Cosmetics

39. JZ99050 Agency Services
40. C113011 Alcoholic Manufacturing
41. C113020 Alcohol Products Semi-Finished Manufacturing
42. C801081 Ingestible Ethyl Alcohol Manufacturing
43. C114010 Food Additives Manufacturing
44. F121010 Wholesale of Food Additives
45. F221010 Retail of Food Additives
46. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 Article 2-1: The total direct investment of the Company may exceed 40% of the paid-in capital.

Article 3: The Company is headquartered at Changhua County, Taiwan, and may establish branches and stores at different cities in Taiwan and other countries where necessary.

Article 4: (Deleted)

Chapter II Shares

Article 5: The Company has stated capital of NT$10,000,000,000 and evenly split it into 1,000,000,000 shares at NT$10/share in face value. The Board is authorized to offer the shares in tranches as needed. The Company may offer preferred shares from the unissued shared as mentioned in the preceding paragraph. The Company may offer shares without the printing of physical share certificate and shall register with Taiwan Depository and Clearing Corporation.

Article 5-1 The Company may issue Employee Stock Options (ESO) and reserve 5,000,000 shares within the quantity of shares as stated in the preceding article as shares for ESO. The Board is authorized to offer the ESO in tranches as needed.
The Company may assign its shares at a price lower than the average price of repurchase, or offer the shares as ESO at a price lower than the closing price on the issuing day in favor of the employees, subject to the approval of the Shareholders Meeting in a session with the presence of shareholders representing more than half of the outstanding shares and a 2/3 majority of the shareholders in session.

Article 5-2 The treasury shares repurchased by the Company under law may be assigned to employees of the controlled companies or subsidiaries of the Company meeting specific condition.
The recipients of ESO of the Company may include employees of the controlled companies or subsidiaries of the Company meeting specific conditions.
Employees of the controlled companies or subsidiaries of the Company meeting specific conditions may subscribe new shares at the time of offering by the Company.
Employees of the controlled companies or subsidiaries of the Company meeting specific conditions are entitled to restricted shares at the time of offering by the Company.

Article 6: The Company issues registered shares with the affixing of authorized signatures/seals by Directors acting on behalf of and in the name of the Company unto the certificates, with the assignment of sequence number and the application of the official seal, subject to the certification of the competent authority for approval and offered under law.

Article 7: The Shareholders of the Company shall present information on their names or titles, residence place, specimen seal impression to the Company for registration and reference filing. The same procedure is applicable to any amendment thereto. Shareholders shall use the specimen seal impression on record with the Company when claiming for stock dividend or exercising other rights.

Article 8: The Company will halt the transactions of the shares being issued in the period of 60 days prior to the Annual Meeting of Shareholders, 30 days prior to the special session

of the Shareholders' Meeting, and 5 days prior to the dividend day or any other days of benefits.

Article 9: (Deleted)

Article 10: The share registration and investor services shall be handled in accordance with the requirements of the competent authority.

Article 10-1 Article 10- 1: (Deleted)

Chapter III Shareholders' Meeting

Article 11: Article 11: The Shareholders' Meeting may convene in the following 2 means:
Annual Meeting of Shareholders – The Board shall call for the session within 6 months after the end of the fiscal year.
Special session of the Shareholders Meeting – convened at any time as required by law.

Article 12: (Deleted)

Article 13: Shareholders shall be notified 30 days prior to the convention of an Annual Meeting of Shareholders, and be notified 15 days prior to the convention of a special session.

Article 14: The Chairman shall be the presiding officer of the Shareholders' Meeting. In the absence of the Chairman, the Vice Chairman shall act on behalf of the Chairman, where applicable. In the absence of both the Chairman and the Vice Chairman, the Chairman shall appoint a proxy to act as the presiding officer. If not, the Directors shall nominate one among themselves to presiding over the meeting.

Article 15: (Deleted)

Article 16: If a shareholder is unable to attend a session of the Shareholders' Meeting in person, such shareholder may issue the power of attorney with the affixing of its authorized seal/signature thereunto, and appoint a proxy to attend pursuant to Article 177 of the Company Act and Article 25-1 of the Securities and Exchange Act.

Article 17: If specific motions to be discussed and passed in the Shareholders' Meeting involved the personal interest of specific shareholders that may cause a conflict of interest with the Company, these shareholders shall recuse from voting. Likewise, these shareholders shall not act as proxies of other shareholders when voting.

Article 18: Unless the Company Act provides otherwise, resolutions of the Shareholders' Meeting shall be made by a session with the presence of shareholders representing more than half of the outstanding shares and a simple majority of the votes of consent cast by the shareholders in session. As per the requirement of the competent authority, the Company may adopt voting by electronic mean. Shareholders casting their votes electronically shall be construed as their presence in the session in person. Matters pertinent to electronic balloting shall be governed by applicable laws. The resolutions made by the Shareholders' Meeting shall be tracked as minutes of meeting on record, with the affixing of the authorized signature/seal of the presiding officer, and the certified true copies of which shall be circulated to the shareholders within 20 days thereafter. The sign-in book of the Shareholders' Meeting, and power of attorney presented by proxies of shareholders, shall be kept by the Company. Publicly-traded companies may circulate the aforementioned minutes of meeting on record by announcement.

Chapter IV Directors and Auditing Committee

Article 19: The Company has established 5 -17 seats of Directors. Directors shall be elected through the nomination of candidates' system and by shareholders on the list of nominated candidates. Each Director has tenure of 3 years, and may assume another term of office if reelected. The total registered shares held by all Directors of the Company shall be governed by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios in Public Companies.

The Company shall allocate at least 3 seats for Independent Directors, among all other Directors. The ratio of Independent Directors shall not fall below 1/5 of the total seats of Directors. The determination of the professional qualification, quantity of shareholding, restriction of holding other positions, and independence of the Independent Directors, the method of nomination and election to the seats and other particulars of compliance shall be governed by the Company Act, Securities and Exchange Act and other applicable laws.

The Company has established the Auditing Committee in 2016 in compliance with the Securities and Exchange Act. The previous functions of the Supervisors under the Company Act, Securities and Exchange Act, and other applicable laws were replaced by the Auditing Committee All the members of the Auditing Committee must be Independent Directors. The functions, organizational code, authority and other matters of compliance of the Auditing Committee shall be governed by the Company Act, Securities and Exchange Act and other applicable laws.

Article 19-1 The Board is authorized to determine the remunerations to the Chairman and Directors for their engagement in the operation of the Company with reference to the recommendation of the Remuneration Committee of the Company, their individual levels of participation in the operation and contribution value, and industry standard.

Article 19-2 The Board of the Company may establish other functional committees for operating needs, and shall institute the organization code of these committees.

Article 20: If 1/3 of the seats of Directors were left vacant, the Board shall call for a special session of the Shareholders Meeting for holding an election of Directors to fill the vacancies within 60 days.

The tenure for the newly elected Directors shall cover the remainder of the original term of office.

Article 21: If the term of office of Directors expires and no election of a new Board could be held, the tenure for these Directors shall be extended until a Board of Directors is elected and assumed office. However, the competent authority may order the Company to elect a new Board by a specific deadline within their power. If no election was being held, the previous term of the Board shall end on the expiration date.

Article 22: Directors shall be organized into the Board of Directors in a session attended by at least 2/3 of the Directors and at the consent of a simple majority of the Directors in session. The Directors in session shall nominate one among themselves to assume office as the Chairman and Vice Chairman for assisting the Chairman. The Chairman shall act on behalf of and in the name of the Company to administer all activities of the Company. In the absence of the Chairman due to leave or other reasons, the Vice Chairman shall act on behalf of the Chairman, where applicable. In the absence of the Vice Chairman or if there is no Vice Chairman established and no proxy has been appointed, the Directors shall nominate one among themselves to act on behalf of the Chairman.

Article 23: The Chairman shall call for the convening of the Board except for the 1st session of a newly elected Board where the Director winning the majority of the votes shall call for the convening within 15 days after the election. The Chairman shall act as the presiding officer for all sessions of the Board. In the absence of the Chairman and there is the position of Vice Chairman established, the Vice President shall act on behalf of

the Chairman. If no position of Vice Chairman is established or in the absence of the Vice Chairman, the Chairman shall appoint one Director as the presiding officer. If not, the Directors shall nominate one from among themselves to act as the presiding officer. The Board shall convene at least once quarterly, and may call for special session from time to time where necessary. The Board shall notify the Directors for convention by written notice, fax or electronic mean. If specific Director cannot attend a session of the Board, such Director may issue the power of attorney and specify the reason and the scope of authorization to appoint another Director to act as proxy to attend. Each proxy shall act in the name of and on behalf of only one other Director. The Board may convene through videoconferencing. Directors who participate in the videoconference shall be deemed attending the session in person.

Article 23-1 The functions of the Board

1. Calling for the convention of the Shareholders' Meeting and execution of its resolutions.
2. Review of corporate policy, mid and long-term development plan, review of annual plan and supervision for the implementation of the plan.
3. Review and approval of budget and account settlement.
4. Review and approval of the Articles of Incorporation of the Company and essential internal rules and regulations.
5. The establishment and cancellation, reorganization or dissolution of branches.
6. The appointment and dismissal of the General Manager, Vice General Manager and managers of the Company.
7. Planning and study of the procurement and disposal of important investment and assets of the Company.
8. Review of the endorsement and guarantee and loaning of funds in favor of third parties by the Company.
9. Planning of the distribution of earnings and covering carryforward loss.
10. Planning for capitalization and decapitalization, and decision of issuing new shares.
11. Decision of seeking financing from financial institutions.
12. Recommendation to the Shareholders' Meeting regarding the amendment to the Articles of Incorporation, proposal for the dissolution, or merger of the Company.
13. Authority granted by applicable laws and the Articles of Incorporation.

Article 24: Unless the Company Act provides otherwise, all resolutions of the Board shall be made by a session with the presence of at least half of the Directors and a simple majority for consent of the Directors in session. The Chairman shall preside over the sessions of the Board. In the absence of the Chairman and there is the position of Vice Chairman established, the Vice President shall act on behalf of the Chairman. If no position of Vice Chairman is established and the Chairman has not appointed one Director as the presiding officer, the Directors shall nominate one from among themselves to act as the presiding officer.

Article 25: The resolutions of the Board shall be tracked as minutes of meeting on record, affixed with the authorized signature/seal of the presiding officer, and circulated among the Directors within 20 days after the session. The summary and result of the motions in discussion and voting shall be noted in the minutes of meeting on record. The minutes of meeting on record, the sign-in book for tracking attendance of the Directors and the power of attorney for appointment of proxies shall be kept by the Company.

Article 26: (Deleted)

Article 27: (Deleted)

Chapter V Managers

Article 28: The Company shall establish the positions for a number of managers and the appointment, dismissal, and remuneration of whom shall be determined in accordance with the Company Act.

Article 29: The managers shall administer all activities of the Company in conformity to the resolutions of and the empowerment of the Board.

Article 30: (Deleted)

Chapter VI Accounting

Article 31: The Company settles the accounts at the end of December of the year. The Board shall then prepare the following documents and statements and present to the Annual Meeting of Shareholders for recognition in due process of law.

1. Business Report
2. Financial Statements
3. Proposal for distribution of earnings or covering carryforward loss.

The aforementioned documents and statement shall be subject to the recognition of the Annual Meeting of Shareholders. The Board shall prepare the certified true copies of the aforementioned documents and statements for circulations to or in the form of announcements to make known to the shareholders in accordance with the Company Act and other applicable laws.

Article 32: The Company shall appropriate at least 2% of its earnings, if applicable, as remunerations to the employees and no more than 5% as remunerations to the Directors. If the Company has carryforward loss, the Company shall appropriate for covering such loss first.

The recipients of the aforementioned remunerations in stock or cash shall include the employees of the controlled companies or subsidiaries of the Company meeting specific conditions.

Article 32-1 Currently, the Company's industry is well-developed with a stable profit. However, due to the significant expansion of production capacity and vertical development plans in the next few years, the distribution of earnings or deficit compensation may be conducted after the end of each quarter. Where the earnings are paid out in cash, it shall be approved by the Board of Directors and reported to the shareholders' meeting without submitting it to the shareholders' meeting for ratification in accordance with the provisions of Article 228-1 and Article 240, Paragraph 5 of the Company Act. Where there are earnings in the quarterly financial statements, the amount for tax payables shall be estimated and reserved before the cumulative deficits are compensated; then, 10% of the balance shall be set aside for the legal reserve unless when the legal reserve has reached the amount of the Company's paid-in capital. After an amount has been provided for the special reserve or the special reserve has been reversed in accordance with the Company's operational needs and laws and regulations, if there is still a balance, the Board of Directors shall make a proposal to distribute the balance and the cumulative undistributed earnings at the beginning of the period. Cash dividend to be distributed shall not be less than 30% of the total dividends to be distributed.

If the earnings per share falls below NT$0.1, the Board may retain the earnings and not be for distribution.

Chapter VII Miscellaneous

Article 33: The Company may undertake endorsement or guarantee in favor of outsiders in accordance with applicable laws governing publicly-traded companies and applicable internal rules and regulations but not guarantee of persons.

Article 34: Anything not covered by the Articles of Incorporation shall be governed by the Company Act.

Article 35: The Articles of Incorporation of the Company and other rules and regulations shall be instituted separately by the Board.

Article 36: The Articles of Incorporation was duly instituted on 1960.09.07 Amendment for the 1st instance was made on 1965.06.20; Amendment for the 2nd instance was made on 1967.09.15;
Amendment for the 3rd instance was made on 1969.04.20;
Amendment for the 4th instance was made on 1970.06.25;
Amendment for the 5th instance was made on 1972.06.20;
Amendment for the 6th instance was made on 1962.08.15;
Amendment for the 7th instance was made on 1973.04.18;
Amendment for the 8th instance was made on 1973.05.20;
Amendment for the 9th instance was made on 1974.01.30;
Amendment for the 10th instance was made on 1974.04.01;
Amendment for the 11th instance was made on 1975.12.02;
Amendment for the 12th instance was made on 1976.08.17;
Amendment for the 13th instance was made on 1978.01.10;
Amendment for the 14th instance was made on 1978,10.24;
Amendment for the 15th instance was made on 1981.01.20;
Amendment for the 16th instance was made on 1981.06.11;
Amendment for the 17th instance was made on 1983.07.04;
Amendment for the 18th instance was made on 1984.04.26;
Amendment for the 19th instance was made on 1984.11.20;
Amendment for the 20th instance was made on 1984.04.01;
Amendment for the 21st instance was made on 1985.08.15;
Amendment for the 22nd instance was made on 1986.05.10;
Amendment for the 23rd instance was made on 1987.04.14;
Amendment for the 24th instance was made on 1988.02.15
Amendment for the 25th instance was made on 1988. 06.28
Amendment for the 26th instance was made on 1988.10.11
Amendment for the 27th instance was made on 1989.04.23;
Amendment for the 28th instance was made on 1990. 05.07;
Amendment for the 29th instance was made on 1991.04.20;
Amendment for the 30th instance was made on 1992.05.09;
Amendment for the 31st instance was made on 1993.05.08;
Amendment for the 32nd instance was made on 1994.06.03;
Amendment for the 33rd instance was made on 1996.06.06;
Amendment for the 34th instance was made on 1997.06.07;
Amendment for the 35th instance was made on 1998.06.06;
Amendment for the 36th instance was made on 1999.06.05;
Amendment for the 37th instance was made on 2000.06.09;
Amendment for the 38th instance was made on 2001.06.08;
Amendment for the 39th instance was made on 2002.06.07;
Amendment for the 40th instance was made on 2004. 06.16;
Amendment for the 41st instance was made on 2005.06.14;
Amendment for the 42nd instance was made on 2006.06.14;
Amendment for the 43rd instance was made on 2009. 06.10;
Amendment for the 44th instance was made on 2010.06.15;
Amendment for the 45th instance was made on 2011. 06.15;
Amendment for the 46th instance was made on 2012. 06.15;
Amendment for the 47th instance was made on 2013.06.20;
Amendment for the 48th instance was made on 2014.06.19;
Amendment for the 49th instance was made on 2015.06.16;

Amendment for the 50th instance was made on 2016.06.29;
Amendment for the 51st instance was made on 2017. 06.22;
Amendment for the 52nd instance was made on 2018.06.27;
Amendment for the 53rd instance was made on 2018.11.21;
Amendment for the 54th instance was made on 2019.05.23;
Amendment for the 55th instance was made on 2020.05.21; Amendment for the 56 th instance was made on 2021.12.16, which shall come into force at the resolution of the Shareholders Meeting.

Taisun Enterprise Co., Ltd.
Chairman: Chan Ching-Chao

Appendix II

Taisun Enterprise Co., Ltd.

Parliamentary Procedures for Shareholders' Meeting

Date of amendment: 2021/8/18

I. The parliamentary procedure for the convention of the Shareholders' Meeting shall be governed by this procedure unless the law or the Articles of Incorporation provide otherwise.

II. Shareholders, proxies appointed by shareholders, or parties requesting for power of attorney for attending a Shareholders' Meeting should present the attendance pass, sign-in card issued by the Company or other certification documents for attendance in order to attend the Shareholders' Meeting, and must bring along the identification documents for confirmation of identity. shareholders attending the session should present their sign-in card in lieu of signing in. The number of representatives of government or institutional shareholders shall be limited to the number of Directors (including Independent Directors) of the current term of the Board. Each institutional shareholder may appoint only one representative to attend the Shareholders' Meeting.

III. The convention of the Shareholders' Meeting of the Company shall be called by the Board unless the law provides otherwise. If it is the Board that calls for the convention of the Shareholders' Meeting, the Chairman shall act as the presiding officer. In the absence of the Chairman due to leave or other reasons, the Vice Chairman shall act as the presiding officer on behalf of the Chairman. In the absence of both the Chairman or the Vice Chairman due to leave or other reasons, the Chairman shall appoint one Director to act as the presiding officer. If the Chairman did not appoint a proxy, the Directors shall nominate one among themselves to act as the presiding officer. If a Director acts as proxy on behalf of and in the name of the Chairman, such Director must be in office for at least 6 months and have a good understanding of the financial position and operation of the Company. The same principle applies to representatives of Institutional Directors. Where an entitled third party beyond the Board may call for the convention of the Shareholders' Meeting, such third party shall act as the presiding officer. If there are more than 2 parties calling for the convention, they shall nominate one among themselves to act as the presiding officer.

IV. The Company may appoint the retained lawyers, certified public CPA or related personnel to attend the Shareholders' Meeting as observers.

V. The Company shall track the entire process from the time shareholders start to register for presence to the Shareholders' Meeting, the meeting is in session, and counting of the votes cast by shareholders on record by voice recording and videotaping without pause. The aforementioned voice record and videotaped materials shall be kept for at least 1 year. If legal proceeding is instated pursuant to Article 189 of the Company Act, the aforementioned materials shall be kept until the conclusion of the legal proceedings.

VI. The attendance of shareholders to the Shareholders' Meeting shall be based on the quantity of shares being represented. The quantity of shares being represented in the Shareholders' Meeting shall be based on the sign-in card submitted by the shareholders in session plus the votes cast under the power of attorney or electronic mean. The chair shall call the meeting to order at the appointed meeting time and announce the information relating to the number of non-voting shares and the number of attending shares at the same time. If the presence of shareholders cannot represent more than half

of the outstanding shares at that point of time, the presiding officer shall announce to postpone the session for twice only. Each duration of delay shall not be more than 1 hour. If the session was postponed twice with the presence of shareholders representing less than 1/3 of the outstanding shares, the presiding officer shall announce to defer the session.

If the session was postponed twice under the preceding paragraph with the presence of shareholders representing less than 1/3 of the outstanding shares, the Shareholders' Meeting may proceed to provisional resolution pursuant to Paragraph 1 in Article 175 of the Company Act, and inform all shareholders of the provisional resolution for the convention of the Shareholders' Meeting within one month thereafter. If the presence of additional shareholders in the Shareholders' Meeting could represent more than half of the outstanding shares before the adjournment of the session, the presiding officer may refer the provisional resolutions to the Shareholders Meeting for a new round of voting pursuant to Article 174 of the Company Act.

VII. If it is the Board that calls for the convention of the Shareholders' Meeting, the Board shall prepare the agenda and proceed in accordance with the agenda. The motions contained in the agenda shall be referred to voting for decision. The agenda cannot be changed without the resolution of the Shareholders' Meeting. If an entitled third party beyond the Board calls for the convening of the Shareholders' Meeting, the rules of the preceding paragraph shall also be applicable. Before the agenda has been fully covered in the procedure (including extemporary motions), the presiding officer cannot announce the adjournment of the session without the resolution of the Shareholders' Meeting.

VIII. Shareholders in session shall note down the summary of opinion to be expressed, the account number (or attendance pass number) and the account title, on the memo sheet before the expression. The presiding officer shall determine the order of expression of opinions by the shareholders. Shareholders who just expressed their opinions on the memo sheet without verbal expression shall be construed as no expression of opinion. If the content of verbal expression is irrelevant with the content stated in the memo sheet, the content of verbal expression shall prevail. No shareholders may interrupt the presentation of another shareholder unless at the consent of the presiding officer and the shareholder presenting the speech or the presiding officer shall stop the interruption.

IX. The same shareholder may express his/her opinion on the same motion only twice, and may further express opinion on the same motion only at the consent of the presiding officer. Shareholders may have the floor for expression of opinion for up to 5 minutes for each instance. Shareholders who violate the rules in expression of opinion or the opinion so expressed is beyond the scope of the motion will be stopped by the presiding officer.

X. If specific institutional shareholder appoints more than two representatives to the Shareholders' Meeting, only one of the representatives may be appointed to express opinion on the same motion.

XI. After a shareholder has expressed its opinion, the presiding officer may respond personally or appoint designated personnel to respond to the opinion.

XII. Votes cast by the Shareholders' Meeting shall be based on the quantity of shares represented. The shares held by shareholders having no voting right shall not be counted in the total number of issued shares while adopting a resolution at a meeting of shareholders. If a particular motion discussed in the Shareholders' Meeting involves the conflict of interest between shareholders and the Company, the shareholders concerned shall recuse from voting and cannot act as proxy for another shareholder in

voting. Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of voting shares of the company, otherwise, the portion of excessive voting power shall not be counted.

XIII. Shareholders are entitled to one voting right for the holding of each shares except for the holding of restricted shares or shares bearing not votes under Paragraph 2 in Article 179 of the Company Act. The Company should adopt balloting by electronic means and correspondence, and shall specify the availability of these means of balloting in the meeting notice to shareholders. Shareholders casting votes by electronic means or correspondence shall be deemed present in the Shareholders' Meeting in person. However, balloting by electronic means or correspondence shall be deemed abstention in the voting of extemporary motions or amendment to original motions. Each motion shall be passed by a simple majority of the votes cast by shareholders in session unless the Company Act or the Articles of Incorporation of the Company provide otherwise. If there is an amendment to or substitute version of particular motion, the presiding officer shall combine the amendment and/or the substitute version to the original motion and decide the priority of voting. If the original motion, the amendment to the motion or the substitute version of the original motion is passed, it shall be deemed that with the passing of the motion no further resolution will be required. The presiding officer shall appoint the scrutineers and the tally clerks and the scrutineers must be shareholders at the same time. The results of the balloting shall be announced on the scene and tracked on record.

XIV. Election may also be held in the Shareholders' Meeting, and shall be governed by the rules and regulations of the Company governing elections. The voting result of an election of directors shall be announced on the spot, including the names of those elected as directors, the number of votes they were elected and the list of unsuccessful directors and the number of votes they received. The ballots shall be kept properly for at least one year. If legal proceeding is instated pursuant to Article 189 of the Company Act, the aforementioned materials shall be kept until the conclusion of the legal proceedings.

XV. The resolutions made by the Shareholders' Meeting shall be tracked as minutes of meeting on record, signed or sealed by the presiding officer and circulated to the shareholders within 20 days after the meeting. The production and circulation of the minutes of meeting on record may be done by electronic means or uploaded to MOPS for announcement. The year, month, day, venue, name of presiding officer, method of resolution, the summary of the procedures, and voting result (including the statistics on the votes cast) shall be noted down in the minutes of meeting on record. If an election for Directors was held, disclosed the votes earned by each Director elected to the seat. The record shall be kept within the perpetuity of the Company.

XVI. The Company shall keep statistics on the votes acquired by third parties requesting for votes and votes of the proxies in the standardized format on the day the Shareholders' Meeting is in session, and disclose the detail on the scene. If specific motion for resolution contains information of materiality under law or the requirements of Taiwan Stock Exchange Corporation, the Company shall upload the content to MOPS website by designated deadline.

XVII. The administrative staff shall wear ID or arm badge in the venue of the meeting. The presiding officer may command the prefects or security guard to maintain order of the meeting. In keeping order of the venue, prefects or security guards shall wear arm badge or ID marking the wording of "PREFECT." A sound amplifier may be provided

at the venue of the meeting. The presiding officer shall stop shareholders from using loud speaking equipment not prepared by the Company. If specific shareholder violates the procedure of the meeting and defies the corrective action given by the presiding officer, and continue to hinder the normal progress of the meeting regardless of persuasion, the presiding officer shall order the prefects or the security guards to escort such shareholder to leave the scene.

XVIII. The presiding officer may announce for recess when the Shareholders' Meeting is in session. In the event of force majeure, the presiding officer may rule to halt the session, and announce for the continuation of the session at the right time. Pursuant to Article 182 of the Company Act, the Shareholders' Meeting may resolve to postpone or continue the session within 5 days.

XIX. The convention of Shareholders' Meeting may be held in the area where the Company is located or a place convenient for the shareholders to travel to and suitable for holding meeting. In general, the meeting shall be held no earlier than 09:00 or no later than 15:00.

XX. This Procedure shall come into effect for enactment at the resolution of the Shareholders' Meeting. The same procedure is applicable to any amendments thereto.

Appendix III

Taisun Enterprise Co., Ltd.

Procedure for the Acquisitions or Disposals of Assets

Date of amendment: 2020/5/21

Chapter I General Principle

Article 1: Legal Reference

This Procedure is instituted in accordance with Article 36-1 of the Securities and Exchange Act of the Republic of China and the "Criteria for the Acquisitions or Disposals of Assets by Public Companies" established by the Securities and Futures Bureau of the Financial Supervisory Commission (hereinafter, "FSC").

Article 2: Scope of assets

Assets as referred to in this Procedure shall cover the following:

I. Investment of stocks, government bonds, corporate bonds, bank debentures, fund certificates, depository receipts, call (put)warrant, certificate of beneficial interests, and asset-back securities.
II. Property (including lands, housing and structures, investment property, and inventory of construction industry) and equipment.
III. Memberships.
IV. Patents, copyrights, trademarks, franchise rights and other intangible assets.
V. Right-of-use assets.
VI. Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
VII. Derivatives.
VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
IX. Other major assets.

Article 3: Terms and definitions

The terms and definitions used in this Procedures are specified as follows:

I. Derivatives
These are forwards contracts, options contracts, futures contracts, leverage margin contracts, and swaps, the value of which is derived from the underlying interest rate, financial instrument price, commodity price, exchange rate, price, or fee rate index, credit rating or credit index, or other variables, and the combinations or combined contracts of embedded derivatives or structured products.
Forwards contracts do not include insurance contracts, performance contracts, post-delivery service contracts, long-term lease agreement and long-term buy (sell) agreements.
II. Assets acquired or disposed by corporate merger, spinoff, acquisitions or assignments of shares under law:
These are the assets acquired or disposed through merger, spinoff, or acquisition under the Business Mergers & Acquisitions Act, Financial Holding Companies Act, and Financial Institutions Merger Act, or other applicable laws, or the acceptance of new shares assigned by issuers under Article 156-3 of the Company Act (hereinafter referred to as, "Assignees of Shares").
III. Related parties, subsidiaries:
Subject to the rules under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
IV. Professional appraisers:
They are the real estate appraisers or other appraisal firms engaged in the appraisal of property

and equipment under law.

V. Day of deed:
This refers to the contract signing day, payment day, transaction of trade order day, account transfer day, Board resolution day, or any other days that help to determine the counterparties and the transaction amount, whichever comes first. If it is the day of approval by the competent authority for investment, it will be the earlier the aforementioned dates or the day on which the approval of the competent authority is received.

VI. Investment in Mainland China:
The investment in Mainland China under the Regulations Governing the Permission of Investment or Technical Joint Ventures in Mainland China established by the Investment Commission of the Ministry of Economic Affairs.

VII. Investment is the profession:
Financial holding companies, banks, insurance companies, bills finance firms, trust firms, securities dealers engaged in proprietary trade and underwriting, commission futures merchants, securities investment trust firms, securities investment consulting firms and fund management firms established under law and regulated by the competent authority governing financing and banking in the place of incorporation.

VIII. Stock Exchange:
The domestic securities exchange is Taiwan Stock Exchange Corporation. Securities exchanges in foreign countries are the organized securities markets regulated by the competent authorities of respective countries.

IX. Over-the-Counter Securities Market
The domestic over-the-counter securities market shall be the Taipei Exchange governed by the Regulations Governing Securities Trading on the Taipei Exchange. Over-the-counter securities markets in other countries shall be the offices of the financial institutions regulated by the competent authorities governing securities in respective countries and are permitted to engage in securities trade.

Article 4: Article IV: Appraisal Reports or Opinions

For acquisition of appraisal reports or the opinions from certified public accountants, lawyers, or securities underwriters, the professional appraisers and their appraisal staff, certified public accountants, lawyers or securities underwriters concerned shall meet the following requirements:

1. No violation of this law, the Company Act, Banking Act, Insurance Act, Financial Holding Companies Act, Business Entities Accounting Act or act of fraud, breach of trust, criminal conversion, forgery of documents or other crimes from business operation and sentence for a prison term of longer than one year. However, this provision does not apply if 3 years have already passed since the completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. The counterparty of trade shall not be a related party or a party with a *de facto* relationship.
3. The Company may have to acquire appraisal reports issued by at least two professional appraisers, these professional appraisers or their appraisal staff shall not be related parties to one another or have de facto relation with one another.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:

1. Before taking the case, assess the professional capacity, practical experience and independence of your own carefully.
2. In affirming the case, prepare a proper plan and pursue in appropriate operation procedure so as to arrive at conclusion and issue a report or opinions. Keep the details of the procedure of pursuit, information gathered and conclusion as an integral part of the work sheets.
3. Assess for the integrity, accuracy and rationality of the sources of data, parameters, and information as the foundation for issuing appraisal report or opinions.
4. The declaration shall cover the information on the professional standing, independence of related personnel, and the information adopted in the appraisals as justifiable and accurate, and in compliance with applicable laws.

Chapter II Appraisal and Operating Procedures

Part I: Appraisal Procedures

Article 5: Method of the determination of price and references

1. Securities acquired from or disposed to centralized markets or OTC markets at home or overseas shall be appraised on the basis of the transaction prices in open market, and to be executed by the Financial Office along the line of gate approval.
2. For the acquisitions or disposals of securities in the centralized market or OTC markets at home or overseas, consider the net value per share, profitability, potential for development in the future, or the opinions of the certified public accountants retained for certification, and determine the transaction price through price comparison and bargaining, and executed by the Financial Office along the line of gate approval.
3. In the acquisition or disposals of property and other fixed assets, consult the posted present value, appraised value, the actual transaction price of property in the immediate area and determine the transaction price by price comparison, bargaining, or tender invitation along the line of gate approval. After the acquisition of assets, follow the rules and regulations of the Company in registration, management, and use. If experts are to be invited to express opinions as required by this Procedure, retain professional appraisal firms for appraisals or obtain the opinions from certified public accountants.

Part II: Operating Procedures

Article 6: Authorized Limit

1. In investing or disposing bond funds (including money market funds) as instruments for daily funding management, the Company and subsidiaries shall comply with applicable laws and the internal control system of the Company. If the total investment falls below 10% (inclusive) of the net worth of the Company, present to the Chief Financial Officer for approval. If the total investments are more than 10% of the net worth of the Company, the approval of the Chairman will be required.
2. Further to the aforementioned circumstances of acquiring or disposing of assets, the Chairman shall be authorized to make decision on investment falling below 10% of the net worth of the Company or NT$50,000,000 (inclusive) and investment in other amount that over NT$ 50M or 10% net worth of the Company shall be subject to the resolution of the Board before proceeding.

Article 7: Gate approval

The processing functional unit shall prepare a written request for the acquisition or disposal of assets, and refer the request to the competent authority of the Company for approval along the line of gate approval. The acquisitions or disposal of assets shall be governed by the internal control system and related rules and regulations of the Company.

Article 8: Executioners

The Financial Office shall be the executioner of investment in long and short-term securities. The execution of the acquisition and disposal of assets shall be relevant functional units with empowerment.

Chapter III Transaction Process

Part I The acquisitions or disposal of assets

Article 9: Property or other fixed assets

In acquiring or disposing property, equipment or right of use assets, except transactions with domestic government agencies, commissioning of construction on proprietary land, commissioning of construction on leased lands, or the acquisition or disposal of business equipment or other right of use assets, the Company shall obtain the appraisal reports issued by professional appraiser prior to the day of deed if the transaction amount exceeds 20% of the paid-in capital of the Company or

NT$300 million and shall comply with the following:

I. If limited price, designated price or special price have to be considered as reference for the transaction price due to specific reasons, present to the Board for resolution before proceeding. The same procedure is applicable to any change in the terms and conditions of transactions thereof.

II. If the amount of transaction exceeds NT$1 billion, appraisals conducted by at least two professional appraisers will be necessary.

III. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF) and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
   (I) If the appraisal result and the transaction amount varied by more than 20%.
   (II) If the appraisal results of two or more professional appraisers and the transaction amount varied by more than 10%.

IV. The date on which the professional appraisers issued the appraisal report shall not be longer than three months from the date of entering into agreement. If the posted present value of the same period is applicable and the period is shorter than six months, the original professional appraiser shall express an opinion in writing.

Article 10: Securities

In acquiring or disposing securities, the Company shall obtain the audited or reviewed financial statements of the issuers as reference for the evaluation of the transaction price prior to the day of deed. If the amount of transaction exceeds 20% of the paid-in capital or NT$300 million, consult a certified public accountant to express an opinion for the reasonability of the transaction price prior to the day of deed. If the certified public accountants choose to adopt the report of experts, proceed to SAS No. 20 released by the Accounting Research and Development Foundation. If the securities in point have open quotations from an active market or the competent authority regulated otherwise, this rule shall be waived.

Article 11: Membership cards or intangible assets

The Company may acquire or dispose membership cards or intangible assets or the right of use assets exceeding 20% of the paid-in capital of the Company or NT$300 million, consult a certified public accountant for expression of opinion for reasonability of the transaction price except for transactions with domestic government agencies. The certified public accountant shall proceed to SAS No. 20 released by the Accounting Research and Development Foundation.

Article 11-1

The calculation of the transaction amount in the preceding three articles shall be based on Paragraph 2 in Article 29. The period of one year as referred to shall be the duration from the day of deed in retrospect for one year. The amount of transaction supported by the appraisal reports issued by professional appraisers or the opinion of the certified public accountant as required by the Regulations could be excluded from calculation.

Article 12: Assets acquired through court auction

The Company may acquire or dispose assets through court auction, the certification documents issued by court could be used as the substitute for the appraisal reports or the opinion of the certified public accountant.

Part II Related Party Transaction

Article 13: Procedure, evaluation and counterparties

In acquiring or disposing assets with related parties, the Company shall proceed to related

procedures in resolutions as specified in preceding paragraphs and this part of the Regulations, and evaluate the terms and conditions for reasonability of the transaction. If the transaction amount exceeds 10% of the total assets of the Company, follow the rules of the preceding paragraph by obtaining the appraisal reports issued by professional appraiser or the opinion of the certified public accountant.
The calculation of the aforementioned transaction amount shall be governed by the rules of Article 11-1.
When judging whether or not a transaction counterparty is a related party, in addition to legal formalities, the substance of the relationship shall also be considered.

Article 14: Materials or related party transactions for submission to the Auditing Committee and the Board

For acquisition or disposal of property or the right of use assets with related parties, or acquisition or disposal of other assets other than property or the right of use assets the transaction value of which exceeds 20% of the paid-in capital of the Company or NT$300 million, except for the trading of domestic government bonds, RP and reverse RP bonds, subscription or redemption of money market funds issued by domestic securities investment trust firms, present the following materials to the Auditing Committee and the Board for resolution before proceeding to entering into trade agreement and effecting payment:

I. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
II. The reason for choosing the related party as a transaction counterparty.
III. In acquiring property or the right of use assets from related parties, proceed to Article 15 and Article 16 for assessing if the terms and conditions of transaction are reasonable and obtain related information.
IV. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party.
V. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
VI. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.
VII. Restrictive covenants and other important stipulations associated with the transaction.

Proceed to Article 29-2 in calculating the amount of the aforementioned transaction. The period of one year as referred to shall be the duration from the day of deed in retrospect for one year. The amount of transaction supported by the resolution of the Auditing Committee and the Board under the Regulations could be excluded from calculation.
For transactions between the Company and its subsidiaries, or wholly-owned companies directly or indirectly held by the Company by equity share or capital investment, the Board shall authorize the Chairman pursuant to Article 6 to make decision with specific limit, and present to the nearest session of the Board for recognition:

I. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
II. Acquisition or disposal of real property right-of-use assets held for business use.

If the Company has established the seats for Independent Directors, present to the Board for discussion under paragraph 1 and fully consider the opinions of the Independent Directors. If there is adverse opinion or qualified opinion from the Independent Directors, note down as minutes of the Board meeting on record.
If the Company has established an Auditing Committee, the consent of at least 1/2 of the members of the Auditing Committee will be required before presenting to the Board for resolution. In the absence of the consent of more than 1/2 of the members of the Auditing Committee, the consent of at least 2/3 of the Directors will be required. In addition, the resolution of the Auditing Committee should be stated as the minutes of Board meeting on record.

Article 15: In acquiring property or right of use assets from related parties, the Company shall proceed with the following in appraising the rationality of the cost of transactions:

I. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. "Necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.

II. Total loan value appraisal from a financial institution where the related party has previously created a mortgage on the property as security for a loan; provided, the actual cumulative amount loaned by the financial institution shall have been 70 percent or more of the financial institution's appraised loan value of the property and the period of the loan shall have been 1 year or more. However, this shall not apply where the financial institution is a related party of one of the transaction counterparties.

Where land and structures thereupon are combined as a single property purchased or leased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.

In the acquisition or disposal of property or other rights of use assets with related parties, the Company shall proceed to paragraph 1 and paragraph 2 in appraising the cost of the property or the right of use assets, and consult a certified public accountant for a second review and expression of substantive opinion.

If any of the following applies to the acquisition or disposal of property or the right of use assets with related parties, proceed to Article 40 where the rules of the preceding 3 paragraphs shall not be applicable:

(I) The related party acquired the property or the right of use assets from succession or as gifts.

(II) The time the related party entered into agreement on the acquisition of property or the right of use assets is longer than five years from the date of entering into agreement on this transaction.

(III) Entering into agreement with related parties on joint-venture construction, or commissioning of construction on proprietary lands, commissioning of construction on leased lands, for acquisition or property through commissioning related parties for construction work.

(IV) The acquisition of right of use of property for business purpose between the Company and its subsidiaries, wholly-owned companies directly or indirectly held by the Company in equity shares or capital.

Article 16: If the appraisal results as mentioned in paragraph 1 and paragraph 2 of the preceding article fall below the transaction price, proceed to Article 17. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:

I. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:

(I) A. Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.

(II) B. Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.

II. The Company proved with evidence that the property acquired from related parties or right of use of property through leasing from related parties are relevant with the cases of transactions

with unrelated parties with similar floor areas and in the immediate area in the terms and conditions of transaction within one year.
Completed transactions involving neighboring or closely valued parcels of land in the preceding paragraph in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to transactions completed by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

Article 17: Procedure for responding to unreasonable transaction price

If the Company acquired property or the right of use assets from related parties where the appraisal results as mentioned in Article 15 and Article 16 is lower than the transaction price, proceed to the following:

I. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Act against the difference between the real property transaction price and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where a public company uses the equity method to account for its investment in another company, then the special reserve called for under Article 41, paragraph of the Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.
II. The Auditing Committee shall proceed to Article 218 of the Company Act.
III. Actions taken pursuant to the preceding two subparagraphs shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.

If the Company has appropriated for special reserve as stated in the preceding paragraph, this special reserve may be used only when the assets purchased or leased at a higher price has been recognized for devaluation or disposed, or the lease is terminated or with appropriate compensation or recovery to original condition, or proved as not unreasonable with other evidence subject to the competent authority governing securities.
If the Company acquires property or the right of use assets from related parties, and there is evidence incriminating that the transaction falls beyond arm’s length, proceed to the rules stated in the preceding two paragraphs.

Part III Derivatives Trade

Article 18: Principles and Policies of Trade

I. Type of transactions:
Derivatives are contracts for transactions the value of which is derived from the underlying assets, interest rate, exchange rate, index or other beneficial interests (such as forwards contracts, options, futures, swaps and the composite contracts of the above instruments). Excluding insurance contracts, performance contracts, post-delivery service contracts, long-term lease agreement and long-term buy, sell agreements.
II. Operation and hedge strategy:
The Company engaged in derivative trade for hedging and non-hedging but under the strategy of hedging in operation.
III. Segregation of authority and responsibility
Derivatives trade of the Company shall be conducted in accordance with the authorities and responsibilities specified as follows further to this procedure:
(I) (I) The Board:
1. Senior executives designated for the conduct of derivatives trading.
2. Approval of the type of trace and executor of trade
(II) (II) Senior executives designated by the Board
1. Supervision and control of the risk from derivative trade.
2. Conduct routine evaluation on the performance of derivative trade for assurance of conformity to the corporate strategy and within the risk tolerance of the Company.

3. Conduct routine assessment of the risk management procedure in effect for assurance of appropriateness and in conformity to this procedure.
4. In the event of unusual market price in the evaluation report (the position is at the stop loss point), report to the Board at once and take necessary measures in responding to the situation.

(III) Executor of trade

1. Mapping out the trading strategy within the authorized limit and conduct the trade.
2. Gathering information on applicable laws and the market.
3. Providing transaction vouchers and information on position holding on due time.

IV. Performance Evaluation:

Conduct evaluation of the performance on the basis of the difference between the cost in book and the agreed price on the position of derivative trade.

The Finance Office shall assess the hedge trade conducted for business needs at least twice a month, and present the assessment report to the competent authority of the Company.

V. Transaction limit and cut loss limit

(I) Transaction Limit

The contract sum of derivate trade for hedging shall be based on the actual need of the hedge position, and shall be classified as follows:

1. Exchange rate derivatives: the upper limit of difference between the contract sum before maturity and realized position shall not exceed 20% of the sale value.
2. Interest rate derivatives: the realized position shall be the upper limit of the contract sum before maturity.
3. Other derivatives: the realized position shall be the upper limit of the contract sum before maturity.

The aforementioned realized position shall be the actual or contingent assets or liabilities.

(II) Cut loss limit

The cut loss limit of the derivatives trading of the Company shall be 3% of the net worth for the total of derivative contracts and the upper limit of loss for particular contract is 10% of the agreed price of contract. Seeing that the Company engaged in derivatives trading for hedging purposes, the Board will establish relevant risk management mechanisms depending on the characteristics of individual contracts, and the status of the hedge position to determine if it is necessary to square up the position.

(III) Departments, limits, and corporate levels authorized for the conduct of trade:

This will be governed by the “Regulations Governing Derivative Trade” of the Company.

Article 19: Risk Management Policy

I. Management of Credit Risk

The counterparties of trade shall be limited to the service banks of the Company or banks in good credit standing and can provide professional information.

II. Management of Market Risk

Mainly in the open foreign exchange market for the banks and customers.

III. Liquidity Risk Management

Choosing financial instruments with higher liquidity. The trading banks must have sufficient information and capable of conducting trade in any market at any time.

IV. Cash flow

Conduct routine assessment on cash flow position to understand the reasonable use of cash.

V. Operation Risk Management

Duly observe the authorized limit and operation procedure to avoid operation risk.

VI. Management of Legal Risk

All documents between financial institutions and the Company must be properly reviewed before signing. In case of legal problems, the Company shall retain professional legal counsel for settlement.

Article 20: Internal Control

The Company shall uphold the principle of stability and healthy operation in conducting derivative

trade and in conformity to the following requirements of internal control:

I. The dealing, confirmation, and settlement of derivative trade shall be performed by different persons. No single person may perform all these tasks at the same time.
II. The Office of the General Manager shall perform the duties of the measurement, monitoring and control of risk, and shall report to the senior officers authorized by the Board who are not engaged in trading or responsible for decision-making of position at least twice a year.
III. The position of derivatives trading shall be subject to evaluation at least twice a month. The evaluation report shall be submitted to the senior officers authorized by the Board.

Article 21: Supervision Management

The Board shall follow the principles specified below in the monitoring and management of derivative trade of the Company:

I. Designate senior management personnel to pay continuous attention to monitoring and controlling derivatives trading risk.
II. Periodically evaluate whether or not the derivatives trading performance is consistent with established operational strategy and whether the risk undertaken is within the company's permitted scope of tolerance.

Senior management personnel authorized by the board of directors shall manage derivatives trading in accordance with the following principles:

I. Evaluate the risk management policy in effect at regular intervals for assurance of appropriateness and in conformity to this procedure.
II. When irregular circumstances are found in the course of supervising trading and profit-loss circumstances, appropriate measures shall be adopted and a report immediately made to the board of directors; where a company has independent directors, an independent director shall be present at the meeting and express an opinion.

The derivatives trading of the Company shall be conducted by related authorized personnel of the Company in accordance with the Procedure for Derivative Trade of the Company and reported to the nearest session of the Board on the result.

Article 22: Internal Audit System

The Company shall establish a record book for tracking derivatives trading. The content shall cover the type of derivative trade, the amount, the date of resolution by the Board, and the items for cautious evaluation under paragraph 3 in Article 20, sub-paragraph 2 under paragraph 1 and paragraph 2 of Article 21.

The internal auditors of the Company should understand if the internal control of derivative trade is appropriate, and conduct audit on the derivative trade monthly for assurance of conformity to the procedure. The audit findings should be compiled into reports. If a material breach of rules and regulations is discovered, report to the Auditing Committee in writing.

Part IV Corporate mergers, spinoff, acquisitions and acceptance of assigned shares

Article 23: Opinions of the experts

In proceeding to merger, spinoff, acquisition or acceptance of assigned shares, the Company shall, prior to the convention of the Board for resolution, retain certified public accountants, lawyers or securities underwriters to express opinion on the rationality of the ratio of share swap, acquisition, price, the cash paid to the shareholders or other assets, and present the opinions to the Board for discussion and decision. However, the merger between the Company and wholly-owned subsidiaries directly or indirectly held by the Company by equity shares or total capital, or between the wholly-owned subsidiaries directly or indirectly held by the Company by equity shares or total capital, the aforementioned opinions from experts could be waived.

Article 24: Decision-Making Body

I. When participating in merger, spinoff or acquisition, the Company shall prepare information on the content of the essential agreement on the merger, spinoff or acquisition and related matters as public documents for the shareholders prior to the convention of Shareholders' Meeting. These documents should be combined with the opinions of the experts and notice of convention

of Shareholders' Meeting for delivery to the shareholders as reference for approval of the shareholders on merger, spinoff or acquisition. Provided, where a provision of another act exempts a company from convening a shareholders meeting to approve the merger, demerger or acquisition, this restriction shall not apply.

II. When participating in merger, spinoff or acquisition and Shareholders' Meeting of any side of the merger, spinoff, or acquisition cannot be convened and resolutions cannot be made due to the lack of a quorum, inadequate votes for approval, or restricted by law, or the motion was vetoed by the Shareholders' Meeting, the Company shall explain publicly the reason, subsequent action, and the expected date for the convening of the Shareholders' Meeting.

III. In participating in merger, spinoff or acquisition, the Company shall call for the convention of the Board and the Shareholders' Meeting on the same day for resolution of merger, spinoff, or acquisition and related matters unless the law specified otherwise, or under special circumstance that the prior consent of FSC is necessary.

IV. In participating in the acceptance of assignment of shares, the Company shall call for the convention of the Board on the same day unless the law specified otherwise, or under special circumstance that the prior consent of FSC is necessary.

V. In participating in the acceptance of assignment of shares, the Company shall compile the following materials into complete written record for keeping for a period of 5 years for reference and viewing. In addition, the Company shall also declare the information as stated in paragraph 1 and paragraph 2 below in designated format to the competent authority of securities for reference filing via the Internet within 2 days from the day of resolution of the Board.

(I) Basic information on the personnel: including all personnel participating in the merger, spinoff, acquisition or the acceptance of assignment of shares planning or executor of the plan prior to the disclosure of information, their titles, names, ID numbers (passport number in the case of foreign nationals).

(II) Date of essential matters: including the dates of entering into Statement of Intent or MOU, appointment of financial or legal advisor, entering into agreements, and convention of the Board.

(III) Important documents and minutes of meeting: including the plans of merger, spinoff, acquisition, or acceptance of the assignment of shares, statement of intent or MOU, major agreements and the minutes of the Board meeting on record.

VI. In participating in the acceptance of assignment of shares, and if the counterparties are not companies listed at TWSE or TPEx, the Company shall comply with the requirements stated in the preceding paragraph when entering into agreements with these companies.

Article 25: Undertaking of Confidentiality

Every person participating in or privy to the plan for merger, demerger, acquisition, or transfer of shares shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, spinoff, acquisition or transfer of shares.

Article 26: Changes in the ratios of share swaps or acquisition price.

In participating in the acceptance of assignment of shares, the Company shall not change the ratio of share swap or the acquisition price unless under the following circumstances, and shall specify the conditions for changes in merger, spinoff, acquisition, or acceptance of assignment of shares in the agreements:

I. Cash capital increase, issuance of convertible corporate bonds, or the issuance of bonus shares, issuance of corporate bonds with warrants, preferred shares with warrants, stock warrants, or other equity based securities.

II. An action, such as a disposal of major assets, that affects the company's financial operations.

III. An event, such as a major disaster or major change in technology, that affects shareholder equity or share price.

IV. An adjustment where any of the companies participating in the merger, demerger, acquisition,

or transfer of shares from another company, buys back treasury stock.

V. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or transfer of shares.

VI. Other terms/conditions that the contract stipulates may be altered and that have been publicly disclosed.

Article 27: Additional Information

In participating in merger, spinoff, acquisition, or acceptance of the assignment of shares, the Company shall specify the rights and obligations of companies participating in the merger, spinoff, acquisition or acceptance of the assignment of shares and the following in the agreements:

I. Handling of breach of contract.

II. Principles for the handling of equity-type securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or that is demerged.

III. The amount of treasury stock participating companies are permitted under law to buy back after the record date of calculation of the share exchange ratio, and the principles for handling thereof.

IV. The manner of handling changes in the number of participating entities or companies.

V. Preliminary progress schedule for plan execution, and anticipated completion date.

VI. Scheduled date for convening the legally mandated shareholders meeting if the plan exceeds the deadline without completion, and relevant procedures.

Article 28: Important Notice

I. If the Company has participated in a merger, spinoff, acquisition or acceptance of the assignment of shares, and any of the participants in the merger, spinoff, acquisition, or acceptance of the assignment of shares intends to engage in merger, spinoff, acquisition, or acceptance of the assignment of shares with other companies after the information was disclosed, all participants in the original merger, spinoff, acquisition or acceptance of the assignment of shares have to proceed to a new round of procedure or legal action already accomplished unless the number of participants decreased and the Shareholders' Meeting has resolved and authorized the Board to make changes that the participants are not required to call for a new round of convention of Shareholders' Meeting.

II. If the Company participates in a merger, spinoff, acquisition, or acceptance of the assignment of shares involved participants who are not publicly-traded companies, the Company shall enter into agreement with these participants and proceed to Paragraph 2 of Article 24, Article 25 and this article.

Chapter IV Procedures for Announcement and Declaration

Article 29: Standards of announcement and declaration

If any of the following applies to the acquisition or disposal of assets by the Company, the Company shall announce and declare related information with FSC at designated website by nature of the transactions and in designated format within two days thereafter:

I. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; Except for the trading of domestic government bonds, RP and reverse RP bonds, subscription or redemption of money market funds issued by domestic securities investment trust firms.

II. Merger, spinoff, acquisition or transfer of shares.

III. The loss from derivatives trading is at the cut loss point in all or on particular contracts under the procedure.

IV. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:

(I) For a public company whose paid-in capital is less than NT$10 billion, the transaction

amount reaches NT$500 million or more.

(II) Publicly-traded companies with paid-in capital of NT$10 billion and the transaction amount exceeds NT$1 billion.

V. For acquisition or disposal of property or right of use assets for business use from the construction business and the counterparties are not related parties and the amount of transactions fall below NT$500 million, where the paid-in capital is more than NT$10 billion, and the property in disposal is self-built projects and the counterparties of trade are not related parties and the amount of transaction is more than NT$1 billion.

VI. The acquisition or property through commissioning of construction on proprietary lands, commissioning of construction on leased lands, joint-venture in construction with sharing of finished premises, joint-venture in construction with sharing of proceeds, and joint-venture in construction with split up of premises for separate sale, and the counterparties of trade are not related parties, and the anticipated amount of investment made by the Company is less than NT$500 million.

VII. Further to the asset trade as stated in the preceding 6 paragraphs, disposal of right of debts with financial institutions, and investment in Mainland China and the amount of transaction is more than 20% of the paid-in capital of the Company or NT$300 million. Except the following:

(I) A. Trading of domestic government bonds.

(II) Investment is the profession with trading of securities in domestic or overseas Stock Exchange or Securities Brokerage, or at the domestic primary market for subscription of regular corporate bonds for raising capital and regular bank debentures (excluding subordinated debentures) not related to equity or the subscription or redemption of securities investment trust funds or futures trust funds, or subscription of securities by Securities Brokerage for the needs of underwriting and acting as supervisor and recommendation of companies listed at the emerging stock market as required by Taipei Exchange.

(III) Trading of RP and reverse RP bonds, subscription or redemption of money market funds issued by domestic securities trust firms.

The amount of transactions above shall be calculated as follows:

I. The amount of any individual transaction.

II. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.

III. The amount of the acquisition or disposal of property or right of use assets of the same development project accumulated in one year (separate accumulation for acquisition and disposal).

IV. The amount of the acquisition or disposal of the same securities accumulated in one year (separate accumulation for acquisition and disposal).

One year as referred to in the preceding paragraph shall be based on the day of deed in retrospect for one year. The portion already announced under this procedure could be excluded in the calculation.

The Company shall enter the information on the status of derivative trade conducted by the Company and subsidiaries which are not domestic publicly-traded companies by the end of the previous month in the format and to the declaration website designated by the Securities and Futures Bureau by the 10th day of each month.

In case of errors or missing details of the information for announcement as required, the Company shall take corrective action within 2 days after the acknowledgement of the error and missing detail in a new round of announcement and declaration.

In acquiring or disposing assets, the Company shall keep related contracts, minutes of meeting, record books, appraisal reports, opinions expressed by certified public accountants, lawyers, or securities underwriters at the office of the Company for at least 5 years unless the law specified otherwise.

Article 30: Important notice

If any of the following applies to the transactions required for announcement and declaration under the preceding article, the Company shall enter related information to the designated website of Securities and Futures Bureau for announcement and declaration within 2 days from the day of deed.

4. Change, termination or rescission of a contract signed in regard to the original transaction.
5. The merger, demerger, acquisition or transfer of shares is not completed by the scheduled date set forth in the contract.
6. Change to the originally publicly announced and reported information.

Chapter V Scope and Limit of Investment for the Company and Subsidiaries

Article 31: The scope and limit of investment by the parent company

I. The total amount of non-operating property acquired by the Company shall not exceed 20% of the total assets of the Company.
II. The total investment in securities by the Company shall not exceed 80% of the total assets of the Company. The total investment in particular securities shall not exceed 50% of the total assets of the Company.
III. The total investment in bond funds at lower risk and profit margin shall not exceed 20% of the net worth of the Company.

Article 32: The scope and limit of investment by subsidiaries

I. The total amount of non-business property acquired by respective domestic subsidiaries of the Company shall not exceed 20% of the total assets of respective subsidiaries.
II. The total investment in securities by respective domestic subsidiaries shall not exceed 80% of the total assets of respective subsidiaries, and the total investment in particular securities by respective domestic subsidiaries shall not exceed 50% of the total assets of respective subsidiaries.
III. The total investment in securities by respective overseas subsidiaries shall not exceed 150% of the total assets of respective subsidiaries, and the total investment in particular securities by respective domestic subsidiaries shall not exceed 120% of the total assets of respective subsidiaries.
IV. The total investment in low risk and low profit margin bond funds by respective subsidiaries shall not exceed 100% of the net worth of respective subsidiaries.

Article 33: Definition of paid-in capital of the Company

The standard of investment limit denotes that “paid-in capital of the company” will be the capital actually received by the Company or the subsidiary.

Chapter VI Control over the Subsidiaries

Article 34: Control over the subsidiaries

For acquisition or disposal of assets by subsidiaries of the Company which are not domestic publicly-traded companies and are required to announce and declare under Chapter IV, the Company shall make announcement and declaration for these companies.
If the aforementioned subsidiaries shall be governed by the standards of announcement and declaration under paragraph 1 in Article 29, which is at 20% of the paid-in capital or 10% of the total assets, the paid-in capital or total assets of the Company shall be the basis for calculation.
Where the subsidiaries of the Company may need to acquire or dispose assets for business needs, proceed to the “Regulations Governing the Acquisitions or of Assets by Public Companies” and related requirements under the procedure in establishing related procedures for the acquisition or disposal of assets and issue legitimate self-audit reports to the parent company for audit review before proceeding to the acquisition or disposal of assets.

Article 34-1

The requirement of 10% of the total assets specified in the procedure is based on the total assets presented in the separate financial statements covering the most recent period compiled under the financial statements compilation standard of the Company.
For shares issued by foreign companies without face value or the face value is not NT$10/share, the

limit of transaction amount at 20% of the paid-in capital as specified in the procedure shall be attributable as 10% of the shareholders' equity of the parent company in the calculation.

Chapter VII Miscellaneous

Article 35: Penalty

If specific personnel violate the "Regulations Governing the Acquisitions or Disposal of Assets by Public Companies" established by the Securities and Futures Bureau, or the rules and regulations under the procedure, these personnel shall be subject to penalty under the Regulations Governing Reward and Punishment of the Company depending on the severity of the violation.

Article 35-1 This article is deleted.

Article 36: Amendment procedure

I. This procedure shall come into force at the consent of the Auditing Committee and the approval of the Board with presentation to the Shareholders Meeting for consent. The same procedure is applicable to any amendment thereto. In case of adverse opinions from the Directors on record or in a written declaration, the Company shall refer the information on the adverse opinions to the Auditing Committee.
II. If the Company has established the seats for Independent Directors and present the procedure for the acquisitions and disposals of assets to the Board for discussion under the requirement of the preceding paragraph, take the opinions of the Independent Directors in full account and specify the adverse opinions or qualified opinions of the Independent Directors, where applicable, as minutes of Board meeting on record.
III. If the Company has established an Auditing Committee, the institution or amendment to the procedure for the acquisitions or disposals of assets shall be subject to the approval of at least 1/2 of the members of the Auditing Committee and the final approval of the Board.
IV. In the absence of the consent of more than 1/2 of the members of the Auditing Committee, but approved by more than 2/3 of the members of the Board, specify the resolution of the Auditing Committee as minutes of Board meeting on record.
V. All members of the Auditing Committee and all Directors as mentioned in paragraph 3 shall be those who are in office.

Appendix IV

Shares held by all Directors:

(I) The minimum number of shareholdings by all Directors and by individual Directors.

Pursuant to Article 26 of the Securities and Exchange Act and Sub-paragraph 5 under Paragraph 1 in Article 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the quantity of registered shares held by all Directors shall not fall below 4% of the outstanding shares issued by the Company. If there are two or more Independent Directors have been elected under paragraph 2, the quantity of shares held by all Directors other than the Independent Directors shall be counted at 80% of the above ratio.

	Outstanding shares	Quantity of shares held by all Directors
Shares	499,999,038	16,000,000

(II) Quantity of shares held by individual Directors and in aggregate stated in the Shareholders Registry

Date of information: 2022.3.27

Title	Name	Quantity of shares stated in Shareholders Registry
Director	Jing Xun Investment Industrial Corporation Limited Representative: Chan Ching-Chao	10,446,082
Director	Shen Yang Investment Corporation Limited Representative: Chan Yi-Houg	2,630,570
Director	Hongqiang Co., Ltd. Representative: Chan Hao-Jun	922,000
Director	Huang-Qiao-Lin Co., Ltd. Representative: Yin Chang-Chung	6,503,000
Director	Long Bon International Co., Ltd. Representative: Liu Wei-Lung	134,728,000
Director	Long Bon International Co., Ltd. Representative: Han Tai-Sheng	
Independent Director	Chen Min-Hsun	0
Independent Director	Li Ming-Hui	0
Independent Director	Tu Ying-Ta	0
Total		155,229,652