

Stock Code : 3093

The logo consists of the letters 'TKK' in a bold, green, sans-serif font. The letters are slightly shadowed, giving them a 3D appearance as if they are floating above a white rectangular base.

TAIWAN KONG KING CO., LTD.

Annual Shareholders' Meeting 2021
Meeting Agenda

June 16, 2021

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Taiwan Kong King Co., Ltd.

Procedure of the 2021 Shareholders' Meeting

1 、 Call Meeting to Order

2 、 Chairman's Address

3 、 Report Items

4 、 Matters for Ratification

5 、 Matters for Discussion

6 、 Matters for Election

7 、 Other Matters

8 、 Extempore motion

9 、 Adjournment

Taiwan Kong King Co., Ltd.

Procedure of the 2021 Shareholders' Meeting

Time : Wed, June 16, 2021 at 10 a.m

Place : Taiwan Kong King Co., Ltd.

(Rm. 1, 5F., No. 65, Sec. 2, Nankan Rd., Luzhu Dist., Taoyuan City 338)

1.Meeting Procedure

(1) Call Meeting to Order

(2) Chairman's Address

(3) Report Items

<1>Business Report of 2020

<2> Review Report of Supervisor of 2020

<3>Compensation Distribution for Employees and Directors of 2020

<4>Amend some of the provisions of " Ethical Corporate Management
Best Practive Principles "

<5>Amend some of the provisions of " Code of Ethical Conduct "

(4) Matters for Ratification

<1>Business Report and Financial Statements of 2020

<2>Appropriation of 2020 earnings

(5) Matters for Discussion

<1>Amend some of the provisions of " Articles of Incorporation "

<2>Amend some of the provisions of the " Procedures for Election of
Directors and Supervisors "

<3>Amend some of the provisions of the " Measures for the
Administration of Obtaining or Disposing of Assets "

<4>Amend some of the provisions of the " Operational Procedures for
Loaning Funds to Others "

<5>Amend some of the provisions of the " Regulations Governing
Making of Endorsements/Guarantees "

<6>Amend some of the provisions of the " Procedures for Financial
Derivatives Transactions "

(6) Matters for Election

<1>Election of the Directors (including Independent Directors) of the
Company

(7) Other Matters

<1>Release of the Company's Directors from Restrictions on Non-
Competition Clause is hereby submitted for discussion

(8) Extempore motion

(9) Adjournment

2. Meeting Agenda

(1) Report Items

<1>

Proposed by the Board of Directors

Proposal: Business Report of 2020

Explanation: Business Report of 2020, attached in Attachment 1 (page 10~11) of the Meeting Agenda.

<2>

Proposed by the Board of Directors

Proposal : Supervisor's review report of 2020

Explanation: Inspection Report of Supervisor of 2020, attached in Attachment 2 (page 12) of the Meeting Agenda

<3>

Proposed by the Board of Directors

Proposal: Compensation Distribution for Employees and Directors of 2020

Explanation:

[1] On March 24, 2021, the Board of Directors has resolved that the compensation for employees and directors of 2020 will be paid in cash. The compensation for employees and directors is NT\$2,108,075 and NT\$2,108,075, respectively.

[2] There is no difference between the above resolutions and the number of 2020 recognitions.

<4>

Proposed by the Board of Directors

Proposal : Amend some of the provisions of " Ethical Corporate Management Best Practice Principles "

Explanation: In conjunction with the establishment of the Audit Committee, please refer to [Attachment 5] (page 33~36) for amendments.

<5>

Proposed by the Board of Directors

Proposal : Amend some of the provisions of " Code of Ethical Conduct "

Explanation: In conjunction with the establishment of the Audit Committee, please refer to [Attachment 6] (page 37~40) for amendments.

(2) Matters for Ratification

<1>

Proposed by the Board of Directors

Proposal: Business Report and Financial Statement of 2020

Explanation:

- [1] The financial statements of 2020 were verified by Ernst & Young accountants Chang, Chih-Ming and Hsh, Jung-Huang, and an audit report was issued.
- [2] The financial statements of 2020 together with the business report were approved in the directors meeting, and then were sent to the supervisor to audit and issue a written audited report.
- [3] For the business report, supervisor's review report and financial statement, please refer to [Attachment 1] (page 10~11), [Attachment 2] (page 12), [Attachment 3] (page 13~22) and [Attachment 4] (page 23~32).
- [4] For your adoption.

Resolution:

<2>

Proposed by the Board of Directors

Proposal: Appropriation of 2020 earnings.

Explanation:

1. The available earnings for the year is allocated according to The Company Act and TTK Articles of Incorporation as follows:

2020 annual earnings allocation table

Unit: NTD

2020 net profit	
2020 after-tax net profit	176,191,824
Less: Legal reserve	(17,561,967)
Less: Special reserve	(5,722,407)

Less: Other consolidated profit or loss (Actuarial profit or loss on the defined benefit plan)	(572,151)
2020 distributable earnings	152,335,299
Plus: Beginning distributable earnings	94,995,843
Accumulated Distributable Earnings	247,331,142
Distributable items	
Less: Shareholder bonus - cash (NTD 4,200/thousand shares)	(152,413,355)
Unappropriated retained earnings	94,917,787

2. The cash dividend distribution less than NTD 1 was transferred to Taiwan Kong King Employees' Welfare Committee.
3. After the resolution of the shareholders' meeting is passed, it is proposed to authorize the board of directors to issue the ex-dividend date.
4. For your adoption.

Resolution:

(3) Matters for Discussion

<1>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of "Articles of Incorporation"

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 7] (page 41~44) for amendments.
2. Please proceed with resolution.

Resolution:

<2>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of the " Procedures for Election of Directors and Supervisors "

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 8] (page 45~47) for amendments.
2. Please proceed with resolution.

Resolution:

<3>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of the " Measures for the Administration of Obtaining or Disposing of Assets "

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 9] (page 48~51) for amendments.
2. Please proceed with resolution.

Resolution:

<4>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of the " Operational Procedures for Loaning Funds to Others "

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 10] (page 52~56) for amendments.
2. Please proceed with resolution.

Resolution:

<5>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of the " Regulations Governing Making of Endorsements/Guarantees "

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 11] (page 57~59) for amendments.
2. Please proceed with resolution.

Resolution:

<6>

Proposed by the Board of Directors

Proposal: Amend some of the provisions of the " Procedures for Financial Derivatives Transactions "

Explanation:

1. In conjunction with the establishment of the Audit Committee, please refer to [Attachment 12] (page 60~61) for amendments.
2. Please proceed with resolution.

Resolution:

(4) Matters for Election

<1>

Proposed by the Board of Directors

Proposal: Election of the Directors (including Independent Directors) of the Company

Explanation:

1. The 14th board of directors and supervisors of the Company will be ended on June 19, 2021 for a term of three years and re-election should be held in accordance with the law. Ten directors (including three independent directors) shall be elected. The new directors shall take office immediately after the shareholders' meeting and serve for a term of three years from June 16, 2021 to June 15, 2024.
2. In accordance with the Company's 2021 General Meeting of Shareholders, the terms of office of the 14th board of directors and supervisors of the Company will be automatically terminated upon the completion of the election of the new Directors.
3. The Company shall establish an audit committee in accordance with the law. The audit committee shall consist of all independent directors and the audit committee shall be responsible for carrying out the duties and responsibilities of the supervisors under the Company Act, the Securities and Exchange Act and other laws and regulations.
4. For a list of candidates for director and independent director and related information, please refer to [Attachment 13] (page 62~64) of this Handbook.
5. Please conduct the election.

Resolution:

(5) Other Matters

<1>

Proposed by the Board of Directors

Proposal: Release of the Company's Directors from Restrictions on Non-Competition Clause is hereby submitted for discussion

Explanation:

1. In accordance with Article 209 of the Company Act, "A director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval."
2. For the reason of meeting current status, approval of the shareholders' meeting is

sought for release of the Company's newly elected Directors from restrictions on non-competition clause and of corporate directors when they replace their representatives without prejudice to the Company's interests.

3. Related information of all nominated directors is attached hereto as [Attachment 14] (page 65).

Resolution:

(6) Extempore motion

(7) Adjournment

《Attachment 1》 Business Report

Dear shareholders, distinguished guests:

Major industry in Taiwan anticipated the prosperity this year as follows: Global coronavirus epidemic (COVID-19) has made a huge impact on global macroeconomy. In addition to the continued expansion of investment in the semiconductor industry and PCB high-end carrier boards, the sales market for end products in the electronics industry has been significantly reduced and the proportion of investment has slowed down; However, the Company is expected to maintain a stable growth trend this year. To become the staunchest backing of our customers, the Company as a professional agent of high-end products for the electronics industry has maintained existing advanced equipment, materials and general agent of key components and parts and actively crossed to new production field in the electronics industry to grow jointly with customers and suppliers.

The performance in 2020 grew significantly compared with the previous two years. In the future, we will continue to adhere to the solid operation, and endeavor to maintain profitability by controlling operating costs and improving business performance. The results of the 2020 business are as follows:

The consolidated operating income of the Company as of December 31, 2020 was NTD 1,386,400 thousand, an increase of 20.11% compared with NTD 1,154,228 thousand in 2019. The net profit attributable to owners of the parent company was NTD 176,191 thousand, which was 130.49% increase from NTD 76,441 thousand in 2019. The earnings per share was NTD 4.86, an increase of 130.33% from NTD 2.11 in 2019.

Under the global concern about corporate social responsibility and environmental protection issues, Taiwan Kong King will fulfill its corporate social responsibility with a sense of mission to society. In order to protect the earth, we will continue to introduce the most advanced green energy equipment, materials and key technologies from the electronics industry to the Taiwan market to provide products with low energy consumption and high production value.

Finally, I would like to thank all the shareholders of Taiwan Kong King. With the long-term support of the shareholders and the efforts of the company's employees, I believe Taiwan Kong King can continue to grow in stability. I wish you good health and good luck!

Taiwan Kong King Co., Ltd.

Chairman: Ho, Shu-Chan

General Manager: Liao, Hung-Ying

Accounting Supervisor: Zhou, Cui-Xia

《Attachment 2》 Supervisors' Review Report

Taiwan Kong King Co., Ltd.

Supervisors' Review Report

The Board of Directors made the 2020 consolidated and individual Financial Statements of the Company. It has been verified by Ernst & Young accountants Chang, Chih-Ming and Hsh, Jung-Huang, together with the business report and earnings distribution. It is considered that there is no disagreement, and in accordance with the provisions of Article 219 of the Company Act made a report to review.

To

2021 Annual Shareholders' Meeting

Taiwan Kong King Co. ,Ltd.

Supervisor: Wu, Guo-Xian

Supervisor: Cai, Zhi-Wei

Supervisor: Chou, Ken

March 24,2021

《Attachment 3》 Consolidated Financial Statements and Independent Auditor’s Report

Independent Auditors’ Report Translated from Chinese

To TAIWAN KONG KING CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of TAIWAN KONG KING CO., LTD and its subsidiaries (the “Company”) as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the consolidated financial statements, including the summary of significant accounting policies (together “the consolidated financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of a Component Auditors* section of our report), the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of December 31, 2020 and 2019, and its consolidated financial performance and cash flows for the years ended December 31, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of 2020 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for impairment losses of accounts receivables

Accounts receivables and allowance for impairment losses by the Company and its subsidiaries amounted to NT\$180,920 thousand and NT\$449 thousand as of December 31, 2020, respectively. The net amount of accounts receivables was approximately 14% of total assets and which is significant to the Company. Considering the assessment of allowance for impairment losses is measured by lifetime expected credit loss; the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate aging intervals, the aging loss rate for each interval and the use of forward-looking information, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding and evaluating whether the internal control is appropriate; when performing internal control, randomly selecting sales orders and vouching them to aging schedule to ensure the accuracy of aging intervals of accounts receivables; confirming whether the customer properly grouped by significantly different loss types and evaluating the reasonableness of management's estimates of assumptions; testing provision matrix, including evaluating the appropriateness of aging intervals and the accuracy of raw data by vouching them to supporting evidences, testing statistical information for the credit loss rate computed by roll rate over a one-year period, considering the reasonableness of forward-looking information used on the credit loss rate, and evaluating whether such forward-looking information would affect credit loss rate. In addition, performing the analytical review procedure to identify whether any material unusual fluctuations between the two-period of accounts receivables turnover exist. Also, reviewing the collections of accounts receivables during the subsequent period for customers with material period-end balances.

We also assessed the adequacy of disclosures of accounts receivables. Please refer to Note 5, 6 and 12 to the Company's consolidated financial statements.

Valuation of inventories

Net inventories by the Company and its subsidiaries amounted to NT\$85,237 thousand, was approximately 7% of total assets as of December 31, 2020 and which is significant to the Company. Considering the possibility of impairment of the inventory driven by economic conditions, the industry competition, and the unexpected decrease of total sales, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding the internal control of management's inventory valuation process. When performing internal control, sampling purchase orders and vouching them to supporting evidences to ensure the inventory aging and the calculation of write-downs from slow-moving inventories are accurate and reasonable; performing the analytical review procedure to assess whether any material unusual fluctuation of ending balances, inventory turnover and gross margin per product between the year ended December 31, 2020 and the prior year exists; sampling sales orders and purchase orders to verify the calculation of allowance for inventory valuation losses to evaluate whether the valuation of inventories is appropriate.

We also assessed the adequacy of disclosures of inventories. Please refer to Note 4, 5 and 6 to the Company's consolidated financial statement.

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain subsidiaries. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reports of other auditors. These assets of NT\$158,571 thousand and NT\$132,797 thousand, constituting 12% of consolidated total assets as of both December 31, 2020 and 2019. The operating revenues from the subsidiaries amounted to NT\$61,692 thousand and NT\$41,789 thousand, constituting 4% of consolidated operating revenues for the years ended December 31, 2020 and 2019.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Company and its subsidiaries, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including the audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

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 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 internal control of the Company and its subsidiaries.
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 ability to continue as a going concern of the Company and its subsidiaries. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and its subsidiaries to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, 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 Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2019 consolidated financial statements 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.

Other

We have audited and expressed an unqualified opinion including an Other Matter Paragraph on the parent company only financial statements of the Company as of and for the years ended December 31, 2020 and 2019.

CHANG, CHIH-MING

HSU, JUNG-HUANG

Ernst & Young, Taipei, Taiwan
March 24, 2021

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAIWAN KONG KING CO., LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of December 31,	
		2020	2019
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4,6&12	\$710,147	\$505,967
Notes receivable, net	4,6&12	1,348	2,856
Accounts receivable, net	4,6&12	179,640	166,284
Accounts receivable from related parties, net	4,6&12	831	-
Other receivables	12	3,256	3,431
Inventories, net	4&6	85,237	69,016
Prepayments		28,806	32,428
Other current assets		3,186	2,715
Total Current Assets		1,012,451	782,697
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss, noncurrent	4,6&12	15,758	22,567
Financial assets at fair value through other comprehensive income, noncurrent	4,6&12	25,411	30,072
Property, plant and equipment	4&6	229,677	245,729
Right-of-use asset	4&6	1,017	3,880
Intangible assets	4&6	3,410	2,104
Deferred tax assets	4&6	27,551	23,344
Other noncurrent assets	4&12	4,516	4,767
Total Non-Current Assets		307,340	332,463
TOTAL ASSETS		\$1,319,791	\$1,115,160

(continued)

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAIWAN KONG KING CO., LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of December 31,	
		2020	2019
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Contract liabilities, current	6	\$65,470	\$44,594
Notes payable	12	24	16
Accounts payable	12	137,455	114,462
Accounts payable-related parties, net	7&12	6,838	921
Other payables	12	106,459	76,208
Other payables-related parties	7	159	3,042
Current tax liabilities	4	27,598	8,240
Lease liabilities, current	4&6	1,039	2,825
Other current liabilities		306	472
Total Current Liabilities		<u>345,348</u>	<u>250,780</u>
NON-CURRENT LIABILITIES			
Non-current provisions	4&6	32,154	31,944
Deferred tax liabilities	4&6	2,455	3,776
Lease liabilities, noncurrent	4&6	-	1,111
Total Non-Current Liabilities		<u>34,609</u>	<u>36,831</u>
TOTAL LIABILITIES		<u>379,957</u>	<u>287,611</u>
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY			
Capital	6		
Common stock		362,888	362,888
Total Capital stock		<u>362,888</u>	<u>362,888</u>
Additional paid-in capital	6	46,759	46,759
Retained earnings			
Legal reserve		264,613	257,163
Special reserve		38,245	23,968
Unappropriated earnings		270,616	174,786
Total Retained earnings		<u>573,474</u>	<u>455,917</u>
Other components of equity		(43,967)	(38,245)
NON-CONTROLLING INTERESTS	6	680	230
TOTAL EQUITY		<u>939,834</u>	<u>827,549</u>
TOTAL LIABILITIES AND EQUITY		<u>\$1,319,791</u>	<u>\$1,115,160</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LIMITED AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 For the years ended December 31, 2020 and 2019
 (Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

ITEM	NOTES	For the years ended December 31,	
		2020	2019
OPERATING REVENUES	4,6&7	\$1,386,400	\$1,154,228
COST OF GOODS SOLD	4&7	(887,677)	(813,283)
GROSS PROFIT		<u>498,723</u>	<u>340,945</u>
OPERATING EXPENSES	4&7		
Sales and marketing expense		(152,626)	(137,567)
General and administrative expense		(138,622)	(131,234)
Research and development expenses		(4,504)	(5,481)
Total Operating Expense		<u>(295,752)</u>	<u>(274,282)</u>
OPERATING INCOME		<u>202,971</u>	<u>66,663</u>
NON-OPERATING INCOME AND EXPENSES			
Interest income	6	2,900	5,352
Other income	6	3,425	8,207
Other gains and losses	6	956	19,286
Financial cost	6	(130)	(359)
Subtotal		<u>7,151</u>	<u>32,486</u>
INCOME BEFORE INCOME TAX		210,122	99,149
INCOME TAX EXPENSE	4&6	(33,481)	(22,947)
PROFIT FROM CONTINUING OPERATIONS		<u>176,641</u>	<u>76,202</u>
NET INCOME		<u>176,641</u>	<u>76,202</u>
OTHER COMPREHENSIVE (LOSS) INCOME	6		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		(715)	(2,419)
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(4,363)	(12,820)
Income tax related to items that will not be reclassified subsequently		1,016	3,048
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(2,232)	(4,021)
TOTAL OTHER COMPREHENSIVE (LOSS) INCOME		<u>(6,294)</u>	<u>(16,212)</u>
TOTAL COMPREHENSIVE INCOME		<u>\$170,347</u>	<u>\$59,990</u>
NET INCOME ATTRIBUTABLE TO:			
Stockholders of the parent		176,191	76,441
Non-controlling interests		450	(239)
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Stockholders of the parent		169,897	60,229
Non-controlling interests		450	(239)
Earnings per share (NTD)			
Basic earnings per share	6		
Basic earnings (loss) per share from continuing operations		4.86	2.11

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to the Parent Company							Total	Non-Controlling Interests	Total Equity
	Retained earnings					Other components of equity				
	Capital	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income			
Balance as of January 1, 2019	\$362,888	\$46,759	\$251,247	\$11,697	\$165,642	\$(16,507)	\$(7,461)	\$814,265	\$426	\$814,691
Impact of retroactive applications	-	-	-	-	-	-	-	-	-	-
Adjusted balance as of January 1, 2019	362,888	46,759	251,247	11,697	165,642	(16,507)	(7,461)	814,265	426	814,691
Appropriation and distribution of 2018 retained earnings:										
Legal reserve	-	-	5,916	-	(5,916)	-	-	-	-	-
Special reserve	-	-	-	12,271	(12,271)	-	-	-	-	-
Cash dividends	-	-	-	-	(47,175)	-	-	(47,175)	-	(47,175)
Other changes in capital surplus:										
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2019	-	-	-	-	76,441	-	-	76,441	(239)	76,202
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	(1,935)	(4,021)	(10,256)	(16,212)	-	(16,212)
Total comprehensive income	-	-	-	-	74,506	(4,021)	(10,256)	60,229	(239)	59,990
Changes in non-controlling interests	-	-	-	-	-	-	-	-	43	43
Balance as of December 31, 2019	<u>\$362,888</u>	<u>\$46,759</u>	<u>\$257,163</u>	<u>\$23,968</u>	<u>\$174,786</u>	<u>\$(20,528)</u>	<u>\$(17,717)</u>	<u>\$827,319</u>	<u>\$230</u>	<u>\$827,549</u>
Balance as of January 1, 2020	\$362,888	\$46,759	\$257,163	\$23,968	\$174,786	\$(20,528)	\$(17,717)	\$827,319	\$230	\$827,549
Impact of retroactive applications	-	-	-	-	-	-	-	-	-	-
Adjusted balance as of January 1, 2019	362,888	46,759	257,163	23,968	174,786	(20,528)	(17,717)	827,319	230	827,549
Appropriation and distribution of 2018 retained earnings:										
Legal reserve	-	-	7,450	-	(7,450)	-	-	-	-	-
Special reserve	-	-	-	14,277	(14,277)	-	-	-	-	-
Cash dividends	-	-	-	-	(58,062)	-	-	(58,062)	-	(58,062)
Other changes in capital surplus:										
Difference between consideration and carrying amount of subsidiaries acquired	-	-	-	-	-	-	-	-	-	-
Net income for the year ended December 31, 2020	-	-	-	-	176,191	-	-	176,191	450	176,641
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	(572)	(2,232)	(3,490)	(6,294)	-	(6,294)
Total comprehensive income	-	-	-	-	175,619	(2,232)	(3,490)	169,897	450	170,347
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-
Balance as of December 31, 2020	<u>\$362,888</u>	<u>\$46,759</u>	<u>\$264,613</u>	<u>\$38,245</u>	<u>\$270,616</u>	<u>\$(22,760)</u>	<u>\$(21,207)</u>	<u>\$939,154</u>	<u>\$680</u>	<u>\$939,834</u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAIWAN KONG KING CO., LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

ITEM	For the years ended December 31,		ITEM	For the years ended December 31,	
	2020	2019		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			CASH FLOWS FROM INVESTING ACTIVITIES:		
Net income before tax	\$210,122	\$99,149	Acquisition of financial assets at fair value through other comprehensive income	-	(5,567)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Disposal of financial assets at fair value through profit or loss	-	13,581
Depreciation expense	23,798	26,163	Acquisition of property, plant and equipment	(9,951)	(42,875)
Amortization expense	2,195	2,515	Disposal of property, plant and equipment	23,525	226
Net loss on financial assets or liabilities at fair value through profit or loss	6,809	(22,026)	Acquisition of intangible assets	(3,820)	(1,066)
Interest expense	130	359	Disposal of intangible assets	2,250	-
Interest income	(2,900)	(5,352)	Decrease in refundable deposits	243	6,501
Dividend income	(1,328)	(4,773)	Net cash used in investing activities	12,247	(29,200)
Loss on lease modification	22	-			
Gain on disposal of property, plant and equipment	(18,471)	(123)	CASH FLOWS FROM FINANCING ACTIVITIES:		
Gain on disposal of intangible assets	(1,925)	-	Decrease in receivable deposit	-	(24)
Total adjustments to reconcile profit (loss)	8,330	(3,237)	Repayment of lease principal	(2,383)	(3,606)
Changes in operating assets and liabilities:			Cash dividends paid	(58,062)	(47,175)
Notes receivable	1,508	4,433	Net cash used in financing activities	(60,445)	(50,805)
Accounts receivable	(13,356)	24,407			
Accounts receivable from related parties	(831)	-	EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(2,605)	(3,251)
Other receivable	(12)	(2,217)	NET DECREASE IN CASH AND CASH EQUIVALENTS	204,180	27,453
Inventories	(16,221)	(17,461)	CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	505,967	478,514
Prepayments	3,622	(19,764)	CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$710,147	\$505,967
Other current assets	(471)	915			
Other noncurrent assets	8	-			
Contract liabilities	20,876	28,286			
Notes payable	8	-			
Accounts payable	22,993	12,693			
Accounts payable-related parties	5,917	(6,515)			
Other payable	30,251	4,724			
Other payable-related parties	(2,883)	2,921			
Other current liabilities	(166)	(509)			
Provisions	(362)	(70)			
Total changes in operating assets and liabilities	50,881	31,843			
Cash generated from operations	269,333	127,755			
Interest received	3,087	6,907			
Dividends received	1,328	4,773			
Interest expense paid	(130)	(169)			
Income taxes paid	(18,635)	(28,557)			
Net cash flows from operating activities	254,983	110,709			

(The accompanying notes are an integral part of the parent company only financial statements)

《Attachment 4》 Stand-alone Financial Statements and Independent Auditor’s Report

Independent Auditors’ Report Translated from Chinese

To TAIWAN KONG KING CO., LTD.

Opinion

We have audited the accompanying parent company only balance sheets of TAIWAN KONG KING CO., LTD. (the “Company”) as of December 31, 2020 and 2019, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the parent company only financial statements, including the summary of significant accounting policies (together “the parent company only financial statements”).

In our opinion, based on our audits and the reports of other auditors (please refer to the *Other Matter – Making Reference to the Audits of a Component Auditors* section of our report), the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and its financial performance and cash flows for the years ended December 31, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 parent company only Financial Statements* section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the “Norm”), and we have fulfilled our other ethical responsibilities in accordance with the Norm. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 parent company only financial statements. These matters were addressed in the

context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Allowance for impairment losses of accounts receivables

Accounts receivables and allowance for impairment losses by the Company amounted to NT\$159,412 thousand and NT\$449 thousand as of December 31, 2020, respectively. The net amount of accounts receivables was approximately 13% of total assets and which is significant to the Company. Considering the assessment of allowance for impairment losses is measured by lifetime expected credit loss; the process of measurement must appropriately divide accounts receivables into groups, determine and analyze the use of relevant assumptions in the process of measurement, including appropriate aging intervals, the aging loss rate for each interval and the use of forward-looking information, that reflected the measurement of the expected credit loss involving judgment, analysis and estimates, and the result of measurement affect the net amount of accounts receivables, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding and evaluating whether the internal control is appropriate; when performing internal control, randomly selecting sales orders and vouching them to aging schedule to ensure the accuracy of aging intervals of accounts receivables; confirming whether the customer properly grouped by significantly different loss types and evaluating the reasonableness of management's estimates of assumptions; testing provision matrix, including evaluating the appropriateness of aging intervals and the accuracy of raw data by vouching them to supporting evidences, testing statistical information for the credit loss rate computed by roll rate over a one-year period, considering the reasonableness of forward-looking information used on the credit loss rate, and evaluating whether such forward-looking information would affect credit loss rate. In addition, performing the analytical review procedure to identify whether any material unusual fluctuations between the two-period of accounts receivables turnover exist. Also, reviewing the collections of accounts receivables during the subsequent period for customers with material period-end balances.

We also assessed the adequacy of disclosures of accounts receivables. Please refer to Note 5, 6 and 12 to the parent company only financial statements.

Valuation of inventories

Net inventories by the Company amounted to NT\$25,376 thousand, was approximately 2% of total assets as of December 31, 2020 and which is significant to the Company. Considering the possibility of impairment of the inventory driven by economic conditions, the industry competition, and the unexpected decrease of total sales, we determined this as a key audit matter.

Our audit procedures included, but not limited to, understanding the internal control of management's inventory valuation process. When performing internal control, sampling purchase orders and vouching them to supporting evidences to ensure the inventory aging and the calculation of write-downs from slow-moving inventories are accurate and reasonable; performing the analytical review procedure to assess whether any material unusual fluctuation of ending balances, inventory turnover and gross margin per product between the year ended December 31, 2020 and the prior year exists; sampling sales orders and purchase orders to verify the calculation of allowance for inventory valuation losses to evaluate whether the valuation of inventories is appropriate.

We also assessed the adequacy of disclosures of inventories. Please refer to Note 4, 5 and 6 to the parent company only financial statement.

Other Matter – Making Reference to the Audits of Component Auditors

We did not audit the financial statements of certain subsidiaries, associates and joint ventures accounted for under the equity method. Those financial statements were audited by other auditors, whose reports thereon have been furnished to us, and our opinions expressed herein are based solely on the reports of other auditors. These subsidiaries, associates and joint ventures under equity method amounted to NT\$100,495 thousand and NT\$79,059 thousand, representing 8% of total assets as of both December 31, 2020 and 2019. The related shares of profits (loss) from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$22,753 thousand and NT\$(9,687) thousand, representing 11% and (10)% of the income before tax for the years ended December 31, 2020 and 2019, respectively, and the related shares of other comprehensive income (loss) from the subsidiaries, associates and joint ventures under the equity method amounted to NT\$5,097 thousand and NT\$(15,186) thousand, representing (81)% and 94% of the comprehensive income (loss) for the years ended December 31, 2019 and 2018, respectively.

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

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

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

Those charged with governance, including the audit committee or supervisors, are responsible for overseeing the financial reporting process of the Company.

Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 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 parent company only 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:

7. Identify and assess the risks of material misstatement of the parent company only 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.
8. 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 internal control of the Company.
9. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
10. 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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only 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.
11. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. Obtain sufficient appropriate audit evidence regarding the financial information of the entities

or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 parent company only financial statements 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.

CHANG, CHIH-MING

HSU, JUNG-HUANG

Ernst & Young, Taipei, Taiwan

March 24, 2021

Notice to Readers

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

Accordingly, the accompanying parent company only financial statements and report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice. As the financial statements are the responsibility of the management, Ernst & Young cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LIMITED
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of December 31,	
		2020	2019
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4,6&12	\$451,072	\$323,197
Notes receivable, net	4,6&12	141	826
Accounts receivable, net	4,6&12	158,182	142,525
Accounts receivable-related parties, net	6,7&12	781	3,691
Other receivables	12	640	779
Other receivables-related parties, net	7&12	2,906	453
Inventories, net	4&6	25,376	27,334
Prepayments		22,464	27,314
Other current assets		3,187	2,715
Total Current Assets		664,749	528,834
NON-CURRENT ASSETS			
Financial assets at fair value through profit or loss, non current	4,6&12	15,758	22,567
Financial assets at fair value through other comprehensive income, non current	4,6&12	20,724	25,279
Investments accounted for using equity method	4&6	301,109	256,645
Property, plant and equipment	4&6	173,849	179,068
Investment property, net	4&6	12,877	13,034
Intangible assets	4&6	2,116	1,583
Deferred tax assets	4&6	26,139	21,873
Other noncurrent assets	4&12	4,368	4,620
Total Non-Current Assets		556,940	524,669
TOTAL ASSETS		\$1,221,689	\$1,053,503

(continued)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LIMITED
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	NOTES	As of December 31,	
		2020	2019
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Contract liabilities, current	6	\$22,933	\$29,755
Notes payable	12	24	16
Accounts payable	12	75,872	79,547
Accounts payable-related parties, net	7&12	47,987	15,294
Other payables	12	75,551	55,197
Other payables-related parties	7	384	3,104
Current tax liabilities	4	25,618	8,130
Other current liabilities		122	284
Total Current Liabilities		<u>248,491</u>	<u>191,327</u>
NON-CURRENT LIABILITIES			
Non-current provisions	4&6	31,589	31,081
Deferred tax liabilities	4&6	2,455	3,776
Total Non-Current Liabilities		<u>34,044</u>	<u>34,857</u>
TOTAL LIABILITIES		<u>282,535</u>	<u>226,184</u>
EQUITY			
Capital	6		
Common stock		362,888	362,888
Total Capital stock		<u>362,888</u>	<u>362,888</u>
Additional paid-in capital	6	46,759	46,759
Retained earnings			
Legal reserve		264,613	257,163
Special reserve		38,245	23,968
Unappropriated earnings		270,616	174,786
Total Retained earnings		<u>573,474</u>	<u>455,917</u>
Other components of equity		(43,967)	(38,245)
TOTAL EQUITY		<u>939,154</u>	<u>827,319</u>
TOTAL LIABILITIES AND EQUITY		<u>\$1,221,689</u>	<u>\$1,053,503</u>

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LIMITED
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings per Share)

ITEM	NOTES	For the years ended December 31,	
		2020	2019
OPERATING REVENUES	4,6&7	\$1,024,853	\$949,215
COST OF GOODS SOLD	4&7	(663,986)	(688,621)
GROSS PROFIT		<u>360,867</u>	<u>260,594</u>
OPERATING EXPENSES	4&7		
Sales and marketing expense		(152,914)	(137,597)
General and administrative expense		(51,973)	(45,856)
Total Operating Expense		<u>(204,887)</u>	<u>(183,453)</u>
OPERATING INCOME		<u>155,980</u>	<u>77,141</u>
NON-OPERATING INCOME AND EXPENSES			
Interest income	6	1,348	3,192
Other income	6	3,913	4,102
Other gains and losses	6	(7,564)	21,230
Financial cost		-	(40)
Share of profit (loss) of subsidiaries, associates and joint ventures accounted for using equity method, net		52,913	(8,007)
Subtotal		<u>50,610</u>	<u>20,477</u>
INCOME BEFORE INCOME TAX		206,590	97,618
INCOME TAX EXPENSE	4&6	(30,399)	(21,177)
PROFIT FROM CONTINUING OPERATIONS		<u>176,191</u>	<u>76,441</u>
NET INCOME		<u>176,191</u>	<u>76,441</u>
OTHER COMPREHENSIVE (LOSS) INCOME	6		
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit pension plans		(899)	(2,671)
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income		(4,555)	1,312
Share of other comprehensive income of associates and joint ventures accounted for using equity method		339	(13,930)
Income tax related to items that will not be reclassified subsequently		1,053	3,098
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(2,232)	(4,021)
TOTAL OTHER COMPREHENSIVE (LOSS) INCOME		<u>(6,294)</u>	<u>(16,212)</u>
TOTAL COMPREHENSIVE INCOME		<u>\$169,897</u>	<u>\$60,229</u>
Earnings per share (NTD)			
Basic earnings per share	6		
Basic earnings (loss) per share from continuing operations		4.86	2.11

(The accompanying notes are an integral part of the parent company only financial statements)

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
 TAIWAN KONG KING CO., LIMITED
 PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
 For the years ended December 31, 2020 and 2019
 (Expressed in Thousands of New Taiwan Dollars)

	Retained earnings					Other components of equity		Total equity
	Capital	Additional paid-in capital	Legal reserve	Special reserve	Unappropriated earnings	Exchange differences on translation of foreign operations	Unrealized gains or losses on financial assets measured at fair value through other comprehensive income	
Balance as of December 31, 2019	\$362,888	\$46,759	\$251,247	\$11,697	\$165,642	\$(16,507)	\$(7,461)	\$814,265
Appropriation and distribution of 2018 retained earnings:								
Legal reserve	-	-	5,916	-	(5,916)	-	-	-
Special reserve	-	-	-	12,271	(12,271)	-	-	-
Cash Dividends	-	-	-	-	(47,175)	-	-	(47,175)
Net income for the year ended December 31, 2019	-	-	-	-	76,441	-	-	76,441
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	(1,935)	(4,021)	(10,256)	(16,212)
Total comprehensive income	-	-	-	-	74,506	(4,021)	(10,256)	60,229
Balance as of December 31, 2019	<u>\$362,888</u>	<u>\$46,759</u>	<u>\$257,163</u>	<u>\$23,968</u>	<u>\$174,786</u>	<u>\$(20,528)</u>	<u>\$(17,717)</u>	<u>\$827,319</u>
Balance as of January 1, 2020	\$362,888	\$46,759	\$257,163	\$23,968	\$174,786	\$(20,528)	\$(17,717)	\$827,319
Appropriation and distribution of 2019 retained earnings:								
Legal reserve	-	-	7,450	-	(7,450)	-	-	-
Special reserve	-	-	-	14,277	(14,277)	-	-	-
Cash dividends	-	-	-	-	(58,062)	-	-	(58,062)
Net income for the year ended December 31, 2020	-	-	-	-	176,191	-	-	176,191
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	(572)	(2,232)	(3,490)	(6,294)
Total comprehensive income	-	-	-	-	175,619	(2,232)	(3,490)	169,897
Balance as of December 31, 2020	<u>\$362,888</u>	<u>\$46,759</u>	<u>\$264,613</u>	<u>\$38,245</u>	<u>\$270,616</u>	<u>\$(22,760)</u>	<u>\$(21,207)</u>	<u>\$939,154</u>

(The accompanying notes are an integral part of the parent company only financial statements)

Note:

The Company recognized the employees' compensation and remuneration to directors and supervisors on December 31, 2020 were NT\$2,108 thousand and NT\$2,108 thousand, respectively.

The Company recognized the employees' compensation and remuneration to directors and supervisors on December 31, 2019 were NT\$996 thousand and NT\$996 thousand, respectively.

English Translation of Parent Company Only Financial Statements Originally Issued in Chinese
TAIWAN KONG KING CO., LIMITED
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

ITEM	For the years ended December 31,		ITEM	For the years ended December 31,	
	2020	2019		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			CASH FLOWS FROM INVESTING ACTIVITIES:		
Net income before tax	\$206,590	\$97,618	Acquisition of financial assets at fair value through other comprehensive income	-	(5,567)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Disposal of financial assets at fair value through profit or loss	-	13,581
Depreciation expense	10,836	11,999	Acquisition of property, plant and equipment	(5,648)	(37,974)
Amortization expense	1,379	1,384	Disposal of property, plant and equipment	1,085	-
Net loss on financial assets or liabilities at fair value through profit or loss	6,809	(22,025)	Acquisition of intangible assets	(2,237)	(745)
Interest expense	-	40	Disposal of intangible assets	2,250	-
Interest income	(1,348)	(3,192)	Refundable deposits	390	4,820
Dividends income	(19)	-	Net cash used in investing activities	(4,160)	(25,885)
Share of loss of associates and joint ventures accounted for using equity method	(52,913)	8,007			
Gain on disposal of property, plant and equipment	(578)	-	CASH FLOWS FROM FINANCING ACTIVITIES:		
Gain on disposal of intangible assets	(1,925)	-	Receivable deposit	-	(24)
Total adjustments to reconcile (loss) profit	(37,759)	(3,787)	Cash dividends paid	(58,062)	(47,175)
Changes in operating assets and liabilities:			Net cash used in financing activities	(58,062)	(47,199)
Notes receivable	685	270			
Accounts receivable	(15,657)	25,633	NET INCREASE IN CASH AND CASH EQUIVALENTS	127,875	21,856
Accounts receivable-related parties	2,910	(2,788)	CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	323,197	301,341
Other receivables	(1)	(22)	CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>\$451,072</u>	<u>\$323,197</u>
Other receivable-related parties	(2,453)	79			
Inventories	1,958	(6,336)			
Prepayments	4,850	(11,567)			
Other current assets	(472)	916			
Other non-current assets	(138)	-			
Contract liabilities	(6,822)	13,496			
Notes payable	8	-			
Accounts payable	(3,675)	3,351			
Accounts payable-related parties	32,693	(19,183)			
Other payables	20,354	4,745			
Other payables-related parties	(2,720)	2,965			
Other current liabilities	(162)	(514)			
Deferred tax liabilities	(899)	-			
Provisions	508	35			
Total changes in operating assets and liabilities	30,967	11,080			
Cash generated from operations	199,798	104,911			
Interest received	1,488	4,492			
Dividends received	6,256	11,227			
Interest expense paid	-	(40)			
Income taxes paid	(17,445)	(25,650)			
Net cash flows from operating activities	190,097	94,940			

(The accompanying notes are an integral part of the parent company only financial statements)

《Attachment 5》 Comparison Table of Amendments to " Ethical Corporate Management Best Practice Principles

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Comparison Table of Amendments to " Ethical Corporate Management Best Practice Principles "

Article	Modified provisions	Current provisions	Change cause
Article 10	When conducting business operations, directors, managers, employees, and mandataries of TWSE/GTSM listed companies or persons having substantial control over such companies shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor offer or receive improper benefits from customers, agents, contractors, suppliers, public officials or other interested parties, except for those who comply with the laws of the place of operation.	When conducting business operations, directors, <u>supervisors</u> , managers, employees, and mandataries of TWSE/GTSM listed companies or persons having substantial control over such companies shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor offer or receive improper benefits from customers, agents, contractors, suppliers, public officials or other interested parties, except for those who comply with the laws of the place of operation.	Establishment of an audit committee and elimination of the supervisor system
Article 11	When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and their directors, managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	When directly or indirectly offering a donation to political parties or organizations or individuals participating in political activities, the Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers, shall comply with the Political Donations Act and their own relevant internal operational procedures, and shall not make such donations in exchange for commercial gains or business advantages.	
Article 12	When making or offering donations and sponsorship, the Company and their directors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	When making or offering donations and sponsorship, the Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.	

Article	Modified provisions	Current provisions	Change cause
Article 13	The Company and their directors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	The Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.	
Article 16	The Company and their directors, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.	The Company and their directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.	
Article 17	<p>Conflict of interests of directors and managers</p> <p>After established the policies for preventing conflict of interests, the Company shall offer appropriate means for directors, and managers to voluntarily explain whether their interests would potentially conflict with those of the company.</p> <p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.</p> <p>The Company's directors, managers, employees, mandataries, and substantial controllers shall not</p>	<p>Conflict of interests of directors, <u>supervisors</u> and managers</p> <p>After established the policies for preventing conflict of interests, the Company shall offer appropriate means for directors, <u>supervisors</u>, and managers to voluntarily explain whether their interests would potentially conflict with those of the company.</p> <p>When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, <u>supervisors</u>, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.</p> <p>The Company's directors, <u>supervisors</u>,</p>	

Article	Modified provisions	Current provisions	Change cause
	take advantage of their positions in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.	managers, employees, mandataries, and substantial controllers shall not take advantage of their positions in the companies to obtain improper benefits for themselves, their spouses, parents, children or any other person.	
Article 19	The Company has established operational procedures and guidelines in accordance with Article 6 hereof to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters: (Omitted below)	The Company has established operational procedures and guidelines in accordance with Article 6 hereof to guide directors, <u>supervisors</u> , managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines should at least contain the following matters: (Omitted below)	
Article 20	The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.	The Company shall periodically organize training and awareness programs for directors, <u>supervisors</u> , managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.	
Article 21	(Paragraph 1 and 2 are omitted) The Company shall keep the identity of the whistleblower and the content of the whistleblower confidential in a written statement by the relevant personnel handling the whistleblower case, and the Company undertakes to protect the whistleblower from improper disposal as a result of the whistleblower case. The following procedures will be followed by the Company's dedicated units: 1. If the report involves a general employee, it should be reported to the department head, and if the report involves a director or senior supervisor, it should be reported to the independent director. (Items 2~6 below are omitted)	(Paragraph 1 and 2 are omitted) The Company shall keep the identity of the whistleblower and the content of the whistleblower confidential in a written statement by the relevant personnel handling the whistleblower case, and the Company undertakes to protect the whistleblower from improper disposal as a result of the whistleblower case. The following procedures will be followed by the Company's dedicated units: 1. If the report involves a general employee, it should be reported to the department head, and if the report involves a director or senior supervisor, it should be reported to the independent director <u>or supervisor</u> . (Items 2~6 below are omitted)	

Article	Modified provisions	Current provisions	Change cause
Article 23	The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the established ethical corporate management principles will be reviewed and improved with a view to achieving better performance of ethical management.	The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, <u>supervisors</u> , managers, and employees to make suggestions, based on which the established ethical corporate management principles will be reviewed and improved with a view to achieving better performance of ethical management.	
Article 24	The ethical corporate management best practice principles of the company shall be implemented after the board of directors grants the approval, and shall be sent to the <u>audit committee</u> and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.	The ethical corporate management best practice principles of the company shall be implemented after the board of directors grants the approval, and shall be sent to the <u>supervisors</u> and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended.	

《Attachment 6》 Comparison Table of Amendments to " Code of Ethical Conduct "

Comparison Table of Amendments to " Code of Ethical Conduct "

Article	Modified provisions	Current provisions	Change cause
Article 1	In order to guide the conduct of directors and managers in line with ethical standards and to make the stakeholders more aware of the company's ethical standards, the guidelines are based on the "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies".	In order to guide the conduct of directors, <u>supervisors</u> and managers in line with ethical standards and to make the stakeholders more aware of the company's ethical standards, the guidelines are based on the "Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/TPEX Listed Companies".	In conjunction to law amendments; Establishment of an audit committee and elimination of the supervisor system
Article 2	This Code applies to the directors and managers of the Company. The so-called managers include general manager and equivalents, deputy general manager and equivalents, senior manager and equivalents, head of finance department, head of accounting department, and others who have the authority to manage affairs and signature.	This Code applies to the directors, <u>supervisors</u> and managers of the Company. The so-called managers include general manager and equivalents, deputy general manager and equivalents, senior manager and equivalents, head of finance department, head of accounting department, and others who have the authority to manage affairs and signature.	
Article 3	The directors and managers of the company shall handle official duties in an objective and efficient manner and shall not cause improper interests of their relatives, spouses or <u>second-degree</u> relatives, etc., in their positions in the company. When the above-mentioned personnel belong to the relationship enterprise and the company for the loan or guarantee, major asset transaction, import (sale) goods, the relevant directors, managers and employees of the company should take the initiative to explain to the company whether they have a potential conflict of interest.	The directors, <u>supervisors</u> and managers of the company shall handle official duties in an objective and efficient manner and shall not cause improper interests of their relatives, spouses, <u>parents, children or third-degree relatives</u> , etc., in their positions in the company. When the above-mentioned personnel belong to the relationship enterprise and the company for the loan or guarantee, major asset transaction, import (sale) goods, the relevant directors, <u>supervisors</u> , managers and employees of the company should take the initiative to explain to the company whether	

Article	Modified provisions	Current provisions	Change cause
		they have a potential conflict of interest.	
Article 4	The directors and managers of the Company shall not: 1) take an opportunity to make personal gain through the use of company property, information or by virtue of their position; 2) through the use of company property, information or by virtue of their position to gain private benefits; 3) to compete with the company. When the company has a profit opportunity, the directors and managers have the responsibility to increase the legitimate interests that the company can obtain.	The directors, <u>supervisors</u> and managers of the Company shall not: 1) take an opportunity to make personal gain through the use of company property, information or by virtue of their position; 2) through the use of company property, information or by virtue of their position to gain private benefits; 3) to compete with the company. When the company has a profit opportunity, the directors, <u>supervisors</u> and managers have the responsibility to increase the legitimate interests that the company can obtain.	
Article 5	The directors and managers shall have confidentiality obligations for the company itself or its import (sale) customers, except for the disclosure by authorization or by law. Information that should be kept confidential includes all undisclosed information that may be harmed by the company or customer after being exploited or leaked by competitors.	The directors, <u>supervisors</u> and managers shall have confidentiality obligations for the company itself or its import (sale) customers, except for the disclosure by authorization or by law. Information that should be kept confidential includes all undisclosed information that may be harmed by the company or customer after being exploited or leaked by competitors.	
Article 6	The directors and managers shall treat the company's import (sale) customers, competitors and employees fairly. They shall not obtain improper benefits by manipulating, concealing, or abusing information that is based on their position, making false statements about important matters, or other unfair trading practices.	The directors, <u>supervisors</u> and managers shall treat the company's import (sale) customers, competitors and employees fairly. They shall not obtain improper benefits by manipulating, concealing, or abusing information that is based on their position, making false statements about important matters, or other unfair trading practices.	
Article 7	Directors and managers are responsible for protecting the company's assets and ensuring that they can be used effectively and legally in official business. If stolen, neglected or wasted, it will directly affect the company's profitability.	Directors, <u>supervisors</u> and managers are responsible for protecting the company's assets and ensuring that they can be used effectively and legally in official business. If stolen, neglected or wasted, it will directly affect the company's profitability.	

Article	Modified provisions	Current provisions	Change cause
Article 8	Directors and managers should abide by all the laws, regulations, and policies governing Company activities, such as the Company Act and the Securities Exchange Act.	Directors, <u>supervisors</u> , and managers should abide by all the laws, regulations, and policies governing Company activities, such as the Company Act and the Securities Exchange Act.	
Article 9	The company should strengthen its ethics and encourage employees to report to managers, internal auditors or other appropriate personnel when they suspect or discover that the company's directors and managers have violated laws and regulations or ethical conduct. If the report is found to be true, the company will reward the employee according to relevant regulations. The company <u>allows anonymous reporting and</u> will do its utmost to secretly report the identity of the reporter and protect the security of the reporter from any form of retaliation or threat.	The company should strengthen its ethics and encourage employees to report to <u>supervisors</u> , managers, internal auditors or other appropriate personnel when they suspect or discover that the company's directors, <u>supervisors</u> , and managers have violated laws and regulations or ethical conduct. If the report is found to be true, the company will reward the employee according to relevant regulations. The company will do its utmost to secretly report the identity of the reporter and protect the security of the reporter from any form of retaliation or threat.	
Article 10	When the directors and managers violate the ethical code of conduct, the company shall deal with it according to relevant regulations, immediatedly disclose at market observatory post system information such as date of violation, the incident of the violation, violated regulation and handling of the violation. Violators may file an appeal in accordance with the relevant regulations when they are punished for violating the provisions of this Code.	When the directors, <u>supervisors</u> and managers violate the ethical code of conduct, the company shall deal with it according to relevant regulations, immediatedly disclose at market observatory post system information such as <u>the violator's job title, name</u> , date of violation, the incident of the violation, violated regulation and handling of the violation. Violators may file an appeal in accordance with the relevant regulations when they are punished for violating the provisions of this Code.	
Article 11	If it is necessary for the directors and managers of the company to be exempted from complying with the requirements of this standard, the exemption shall be approved by the board of directors. And the information shall be immediately disclosed at market observatory post system such as the date of waiver, <u>objections or reservations</u>	If it is necessary for the directors, <u>supervisors</u> and managers of the company to be exempted from complying with the requirements of this standard, the exemption shall be approved by the board of directors. And the information shall be immediately disclosed at market observatory post system such as <u>the exempted person's</u>	

Article	Modified provisions	Current provisions	Change cause
	<p><u>of independent directors</u>, the applicable period and the applicable criteria, so that the shareholders may assess whether the resolutions of the board are appropriate to avoid any or suspected exemption compliance, and ensure that the exemptions are followed by appropriate controls to protect the company.</p>	<p><u>title, name and</u> the date of waiver, the applicable period and the applicable criteria, so that the shareholders may assess whether the resolutions of the board are appropriate to avoid any or suspected exemption compliance, and ensure that the exemptions are followed by appropriate controls to protect the company.</p>	
Article 12	<p>The Company shall disclose this Code <u>on its company website</u>, in its annual report, its prospectus and market observatory post system. The same applies to the amendment.</p>	<p>The Company shall disclose this Code in its annual report, its prospectus and market observatory post system. The same applies to the amendment.</p>	
Article 13	<p>The Code is implemented after the approval of the board of directors and is sent to the <u>audit committee</u> and to the shareholders' meeting. The same applies to the amendment.</p>	<p>The Code is implemented after the approval of the board of directors and is sent to the <u>supervisors</u> and to the shareholders' meeting. The same applies to the amendment.</p>	
Article 13	<p>This Code was enacted on March 5, 2019. <u>The 1st amendments were made on March 24, 2021.</u></p>	<p>This Code was enacted on March 5, 2019.</p>	

《Attachment 7》 Comparison Table of Amendments to " Articles of Incorporation "

Comparison Table of Amendments to " Articles of Incorporation "

Article	Modified provisions	Current provisions	Change cause
Article 1	The company was organized in accordance with the provisions of the Company Act and was named Taiwan Kong King Co., Ltd. <u>(add English company name)</u>	The company was organized in accordance with the provisions of the Company Act and was named Taiwan Kong King Co., Ltd.	
Article 6	The Company shall issue nominal shares <u>under the signature or seal of a director on behalf of the company and with a visa from a bank legally entitled to act as the issuer of the shares.</u> When the Company issues shares, those shares shall not be printed. The shares not printed shall be kept and recorded by the centralized securities depository enterprise.	The Company shall issue nominal shares <u>after the signing or stamping of seal by three or more directors and stamped with the company's seal and number as well as being attested.</u> When the Company issues shares, those shares shall not be printed. The shares not printed shall be kept and recorded by the centralized securities depository enterprise.	
	Chapter 4 Board of Directors and <u>Audit Committee</u>	Chapter 4 Board of Directors and <u>Supervisors</u>	In conjunction to law amendments; Establishment of an audit committee and elimination of the supervisor system
Article 12	The Company established seven to eleven directors. The terms of office for the directors shall be three years, and they may be eligible for re-election. The total shares of the Company held by all directors shall not less than the percentage in accordance with the laws and regulations of competent agencies. In accordance with Article 14-2 of Securities and Exchange Act, there shall be at least three seats for independent directors among the seats for directors in the preceding paragraph. The Company adopted a candidates nomination system for election of the directors of the company and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. Relevant matters, such as the	The Company established seven to eleven directors <u>and three to four supervisors.</u> The terms of office for the directors <u>and the supervisors</u> shall be three years, and they may be eligible for re-election. The total shares of the Company held by all directors <u>and supervisors</u> shall not less than the percentage in accordance with the laws and regulations of competent agencies. In accordance with Article 14-2 of Securities and Exchange Act, there shall be at least three seats for independent directors among the seats for directors in the preceding paragraph. The Company adopted a candidates nomination system for election of the directors <u>and supervisors</u> of the company and the shareholders shall elect the directors from	

Article	Modified provisions	Current provisions	Change cause
	<p>method of accepting the roster of director candidates nominated in the preceding paragraph and announcements, shall be handled in accordance with the relevant provisions in Company Act, Securities and Exchange Act. The Board of Directors may establish functional committee. The qualifications, authority exertions and relevant matters to its members shall be handled in accordance with relevant laws and regulations and established by the Board of Directors.</p> <p>The Company will establish committee to replace supervisors in accordance with Article 14-4 of Securities and Exchange Act. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and its authority exertions and relevant matters shall be handled in accordance with relevant laws and regulations and established by the Board of Directors.</p> <p>The company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship after the Board passed the resolution. The Company granted the Board of Directors to determine the remuneration of all directors by referencing the standards given by companies in the same industry.</p>	<p>among the nominees listed in the roster of director candidates. Relevant matters, such as the method of accepting the roster of director candidates nominated in the preceding paragraph and announcements, shall be handled in accordance with the relevant provisions in Company Act, Securities and Exchange Act. The Board of Directors may establish functional committee. The qualifications, authority exertions and relevant matters to its members shall be handled in accordance with relevant laws and regulations and established by the Board of Directors.</p> <p>The Company will establish committee to replace supervisors in accordance with Article 14-4 of Securities and Exchange Act <u>starting from the 2021 regular shareholders' meeting.</u></p> <p>The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and its authority exertions and relevant matters shall be handled in accordance with relevant laws and regulations and established by the Board of Directors.</p> <p><u>Relevant regulations of supervisors in the Articles of Incorporation shall be void since the establishment date of audit committee.</u> The company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship after the Board passed the resolution. The Company granted the Board of Directors to determine the remuneration of all directors <u>and supervisors</u> by referencing the standards given by companies in</p>	

Article	Modified provisions	Current provisions	Change cause
		the same industry.	
Article 13-1	The convening of the board of directors shall be notified to the directors by written, email or fax by 7 days. The company may call the board of directors at any time in case of emergency and may also do so by written, email or fax.	The convening of the board of directors shall be notified to the directors <u>and supervisors</u> by written, email or fax by 7 days. The company may call the board of directors at any time in case of emergency and may also do so by written, email or fax.	
Article 14	The directors are able to entrust other directors to attend the board of directors on their behalf by executing a power of attorney stating proxy therein the scope of power authorized, and may exercise voting rights on all matters arising from the meeting. However, <u>any director may only act as the agent of one director.</u>	The directors are able to entrust other directors to attend the board of directors on their behalf by executing a power of attorney stating proxy therein the scope of power authorized, and may exercise voting rights on all matters arising from the meeting. However, <u>no director may be an agent of more than one director.</u>	
Article 16	(Delete)	In addition to performing their duties according to law, the supervisor may attend the board of directors to make comments but have no voting rights.	
Article <u>17</u>	At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to <u>audit committee</u> for their auditing not later than the 30th day prior to the meeting date of a general meeting of shareholders, then send to the shareholders' meeting for ratification: (1)the business report. (2)the financial statements. (3)the surplus earning distribution or loss off-setting proposals.	At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to <u>supervisors</u> for their auditing not later than the 30th day prior to the meeting date of a general meeting of shareholders, then send to the shareholders' meeting for ratification: (1)the business report. (2)the financial statements. (3)the surplus earning distribution or loss off-setting proposals.	
Article <u>18</u>	(1) If the company is profitable, it should be deducted from the employee's remuneration and the remuneration of the directors and supervisors in advance of the pre-tax profit, and the employee's remuneration shall be 1% to 8% and the director and supervisor's remuneration shall be less than 1%. However, when the company	(1) If the company is profitable, it should be deducted from the employee's remuneration and the remuneration of the directors and supervisors in advance of the pre-tax profit, and the employee's remuneration shall be 1% to 8% and the director and supervisor's remuneration shall be less than 1%. However, when the company	

Article	Modified provisions	Current provisions	Change cause
	<p>still has accumulated losses, the amount of compensation should be retained in advance. ((2)(3) omitted) (4) In accordance with Article 240(5) of the Company Act, the Board of Directors is authorized to distribute dividends and bonuses or legal reserve and the capital reserve in accordance with Article 241 (1) in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors, and report the shareholders meeting.</p>	<p>still has accumulated losses, the amount of compensation should be retained in advance. ((2)(3) omitted)</p>	
Article <u>20</u>	Article <u>20</u> (omitted)	Article <u>21</u> (omitted)	Amendment to the article no.
Article <u>21</u>	<u>The thirty- eight amendment was made on June 16, 2020</u>		Add the date of revision

《Attachment 8》

Procedures for Election of Directors and Supervisors " is revised as " Procedures for Election of Directors "

Comparison Table of Amendments to " Procedures for Election of Directors "

Article	Modified provisions	Current provisions	Change cause
Article 1	The elections of directors of the Company shall be conducted in accordance with these Procedures.	The elections of directors <u>and supervisors</u> of the Company shall be conducted in accordance with these Procedures.	Establishment of an audit committee and elimination of the supervisor system
Article 2	The election of directors of the Company shall be held at the shareholders' meeting.	The election of directors <u>and supervisors</u> of the Company shall be held at the shareholders' meeting.	
Article 3	The Company shall adopt a cumulative <u>voting</u> system for the election of directors, and shall follow the procedures of the candidate nomination system. When electing the directors, each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Independent directors and non-independent directors of the Company shall be elected together in accordance with the relevant provisions of the Act, and shall be elected as independent directors and non-independent directors on the basis of separate vote counts.	The Company shall adopt a cumulative <u>election</u> system for the election of directors <u>and supervisors</u> , and shall follow the procedures of the candidate nomination system. When electing the directors, each share will have voting rights in number equal to the directors <u>or supervisors</u> to be elected, and may be cast for a single candidate or split among multiple candidates. <u>The election for supervisors shall be the same. In the case of simultaneous election of directors and supervisors, the election may be held separately.</u> Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Independent directors and non-independent directors of the Company shall be elected together in accordance with the relevant provisions of the Act, and shall be elected as independent directors and non-independent directors on the basis of separate vote counts.	
Article 5	The Directors of the Company shall be elected by the Shareholders' Meeting from a list	The Directors <u>and Supervisors</u> of the Company shall be elected by the Shareholders' Meeting from a	

Article	Modified provisions	Current provisions	Change cause
	<p>of candidates. In accordance with the quotas set forth in the Company's Articles of Incorporation, those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes as independent directors, non-independent directors. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.</p>	<p>list of candidates. In accordance with the quotas set forth in the Company's Articles of Incorporation, those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes as independent directors, non-independent directors <u>or supervisors. To be elected as a director or supervisor of the Company respectively. If a person who is also elected as a director or supervisor decides to be a director or supervisor by himself/herself, or if the elected director or supervisor is confirmed to be incompatible with his/her personal information or ineligible to serve according to the relevant regulations, the vacancy shall be filled by the candidate with the second highest number of original election.</u></p> <p>When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.</p>	
Article 5-1	(Delete)	<p>When a government or a legal entity is a shareholder of a company, its representative shall not be elected or serve as a director or supervisor of the company at the same time, unless approved by the competent authority.</p>	
Article 6	<p>The ballot shall be prepared and issued by the Board of Directors <u>or the conveyor</u> and the number of voting rights allotted on top.</p>	<p>The ballot shall be prepared and issued by the Board of Directors <u>with shareholder account number</u> and the number of voting rights allotted on top.</p>	
Article 7	<p>If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column</p>	<p>If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column of the ballot; for a non-</p>	

Article	Modified provisions	Current provisions	Change cause
	<p>of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder and the name of its representative shall be entered in the column for the candidate's account name in the ballot paper, <u>or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.</u></p>	<p>shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder and the name of its representative shall be entered in the column for the candidate's account name in the ballot paper.</p>	
Article 8	<p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared in accordance with the Procedures herein. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable. 4. The number of candidates exceeded the required number of seats. 5. Other words or marks are entered in addition to the candidate's account name. 6. <u>If two or more persons are elected on the same ballot.</u> 	<p>A ballot is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared in accordance with the Procedures herein. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable. 4. The number of candidates exceeded the required number of seats. 5. Other words or marks are entered in addition to the candidate's account name. 	

《Attachment 9》

Comparison Table of Amendments to " Measures for the Administration of Obtaining or Disposing of Assets "

Comparison Table of Amendments to " Measures for the Administration of Obtaining or Disposing of Assets "

Article	Modified provisions	Current provisions	Change cause
Article 7	<p>Acquire or dispose of real property from or to a related party When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been <u>approved by the audit committee and then submitted to the Board for approval:</u> (Omitted) The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 21, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the</p>	<p>Acquire or dispose of real property from or to a related party When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following matters have been <u>approved by the board of directors and recognized by the supervisors:</u> (Omitted) The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 21, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence</p>	<p>Establishment of an audit committee and elimination of the supervisor system</p>

Article	Modified provisions	Current provisions	Change cause
	board of directors need not be counted toward the transaction amount. (Omitted)	of the current transaction. Items that have been approved by the board of directors <u>and recognized by the supervisors</u> need not be counted toward the transaction amount. (Omitted)	
Article 10	Where a public company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken: 1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property or right-of-use assets 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 Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. <u>The independent directors of the audit committee</u> shall comply with Article 218 of the Company Act. 3. Actions taken pursuant to the Subparagraph 1 and 2 shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. (Omitted)	Where a public company acquires real property or right-of-use assets thereof from a related party and the results of appraisals conducted in accordance with the preceding two articles are uniformly lower than the transaction price, the following steps shall be taken: 1. A special reserve shall be set aside in accordance with Article 41, paragraph 1 of the Securities and Exchange Act against the difference between the real property or right-of-use assets 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 Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company. 2. <u>Supervisors</u> shall comply with Article 218 of the Company Act. 3. Actions taken pursuant to the Subparagraph 1 and 2 shall be reported to a shareholders meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus. (Omitted)	
Article 12	The Company is engaged in the trading of derivative commodities	The Company is engaged in the trading of derivative commodities	

Article	Modified provisions	Current provisions	Change cause
	<p>and shall establish a checklist for matters that should be carefully evaluated in respect of the type and amount of derivative commodity transactions, the date of passage of the board of directors and the Paragraph 3 of Article 7 of the “Guidelines for Derivatives Trading by Public Companies”. Details are published in the checklist for future reference.</p> <p>The internal auditor shall regularly understand the admissibility of the internal control of the derivative commodity transaction, and make an audit report on the compliance of the monthly auditing transaction department with the transaction procedures for the derivative commodity transaction. If a major violation is discovered, <u>the audit committee</u> should be notified in writing.</p>	<p>and shall establish a checklist for matters that should be carefully evaluated in respect of the type and amount of derivative commodity transactions, the date of passage of the board of directors and the Paragraph 3 of Article 7 of the “Guidelines for Derivatives Trading by Public Companies”. Details are published in the checklist for future reference.</p> <p>The internal auditor shall regularly understand the admissibility of the internal control of the derivative commodity transaction, and make an audit report on the compliance of the monthly auditing transaction department with the transaction procedures for the derivative commodity transaction. If a major violation is discovered, <u>the supervisors</u> should be notified in writing.</p> <p><u>Where independent directors have been appointed in accordance with the provisions of the Act, for matters for which notice shall be given to the supervisors under the preceding paragraph, written notice shall also be given to the independent directors.</u></p>	
Article 29	<p>The company has established its procedures for the acquisition or disposal of assets in accordance with the provisions of these Regulations. After the procedures have been <u>approved by the audit committee and then</u> the board of directors, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. <u>If any director expresses dissent and it is contained in the minutes or a written statement, the company</u></p>	<p>The company has established its procedures for the acquisition or disposal of assets in accordance with the provisions of these Regulations. After the procedures have been approved by the board of directors, they shall be submitted to each supervisor, and then to a shareholders' meeting for approval; the same applies when the procedures are amended.</p>	

Article	Modified provisions	Current provisions	Change cause
	<p><u>shall submit the director's dissenting opinion to the audit committee. When the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>If approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in the Procedure and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>		

《Attachment 10》 Comparison Table of Amendments to
" Operational Procedures for Loaning Funds to Others "

Comparison Table of Amendments to " Operational Procedures for Loaning Funds to
Others "

Article	Modified provisions	Current provisions	Change cause
Article 3	<p>Entities to which the company may loan funds: The company's funds are subject to the following circumstances, except for those who have the necessary funds for short-term financing: (1.2.Omitted) 3. The restriction in paragraph 1, subparagraph 2 shall not apply to inter-company loans of funds between overseas companies in which the company holds, directly or indirectly, 100% of the voting shares or between overseas companies in which <u>the company</u> holds, directly or indirectly, 100% of the voting shares. However, the setting of the aggregate amount of loans and the maximum amount permitted to a single borrower amount limits and the durations of loans shall still apply.</p>	<p>Entities to which the company may loan funds: The company's funds are subject to the following circumstances, except for those who have the necessary funds for short-term financing: (1.2.Omitted) 3. The restriction in paragraph 1, subparagraph 2 shall not apply to inter-company loans of funds between overseas companies in which the company holds, directly or indirectly, 100% of the voting shares or between overseas companies in which <u>the public company</u> holds, directly or indirectly, 100% of the voting shares. However, the setting of the aggregate amount of loans and the maximum amount permitted to a single borrower amount limits and the durations of loans shall still apply.</p>	<p>In conjunction to law amendments; Establishment of an audit committee and elimination of the supervisor system</p>
Article 4	<p>Amount of loan: The Company may lend up to 40% of the Company's net worth, subject to the prevailing financial condition. The total amount of loans to the same party shall not exceed 10% of the Company's net worth. For companies or firms that have business dealings with the Company, the amount of individual loans shall not exceed the amount of business dealings between the two parties. The amount of business transactions refers to the higher of the amount of goods purchased or sold</p>	<p>Amount of loan: The Company may lend up to 40% of the Company's net worth, subject to the prevailing financial condition. The total amount of loans to the same party shall not exceed 10% of the Company's net worth, <u>and the amount of each loan shall not exceed NT\$20 million</u>. For companies or firms that have business dealings with the Company, the amount of individual loans shall not exceed the amount of business dealings between the two parties. The amount of business transactions</p>	

Article	Modified provisions	Current provisions	Change cause
	<p>between the two parties. Loans of funds between foreign companies in which the Company directly or indirectly owns 100% of the voting shares are limited to 80% of the lending company's net worth.</p>	<p>refers to the higher of the amount of goods purchased or sold between the two parties. Loans of funds between foreign companies in which the Company directly or indirectly owns 100% of the voting shares are limited to 80% of the lending company's net worth.</p>	
Article 5	<p>Period for fund financing: Each facility is limited to a period of not more than <u>one year and cannot be extended.</u></p>	<p>Period for fund financing: Each loan is limited to a period of not more than <u>six months</u> and <u>a repayment date must be specified at the time of borrowing. If a loan cannot be repaid when due, a request must be submitted in advance, evaluated by the finance department, and then submitted to the president and chairman for approval and endorsed by the board of directors. Each loan shall be extended once and shall not exceed six months. Loans of capital between foreign companies in which the Company directly or indirectly holds 100% of the voting shares are limited to no more than one year, and the repayment date must be specified at the time the loan is made. If the loan is not repaid when due, it must be submitted in advance and approved by the board of directors of the parent company. Each loan shall be extended once and shall not exceed one year.</u></p>	
Article 8	<p>Application: When lending funds to another party, the case handling unit shall examine the necessity and reasonableness of the loan, evaluate the purpose of the loan and the guarantee conditions, conduct a detailed investigation, and draw up the maximum amount of the loan, the duration of the loan and the method for calculation of interest, and submit it to the board of directors for approval before making the</p>	<p>Application: When lending funds to another party, the case handling unit shall examine the necessity and reasonableness of the loan, evaluate the purpose of the loan and the guarantee conditions, conduct a detailed investigation, and draw up the maximum amount of the loan, the duration of the loan and the method for calculation of interest, and submit it to the board of directors for approval before making the</p>	

Article	Modified provisions	Current provisions	Change cause
	<p>appropriation.</p> <p><u>Loans of funds between the Company and its subsidiaries, or between its subsidiaries, shall be submitted for a resolution by the board of directors, and the chairperson may be authorized, for a specific borrowing counterparty, within a certain monetary limit resolved by the board of directors, and within a period not to exceed one year, to give loans in installments or to make a revolving credit line available for the counterparty to draw down, however, such authorized monetary limit shall not exceed 10% of the net worth on the most current financial statements of the lending company.</u></p>	<p>appropriation.</p>	
<p>Article 12</p>	<p>Internal control:</p> <ol style="list-style-type: none"> 1. The Company's internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify <u>the audit committee</u> in writing of any material violation found. If material violations are found, the manager and the case officer shall be punished depending on the circumstances of the violation. 2. If, as a result of a change in circumstances, an entity for which an endorsement/guarantee is made does not meet the requirements of these Regulations or the loan balance exceeds the limit, a public company shall adopt rectification plans and submit the rectification plans to <u>the audit committee</u>, and shall 	<p>Internal control:</p> <ol style="list-style-type: none"> 1. The Company's internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify <u>all the supervisors</u> in writing of any material violation found. If material violations are found, the manager and the case officer shall be punished depending on the circumstances of the violation. 2. If, as a result of a change in circumstances, an entity for which an endorsement/guarantee is made does not meet the requirements of these Regulations or the loan balance exceeds the limit, a public company shall adopt rectification plans and submit the rectification plans to <u>all the supervisors</u>, and shall 	

Article	Modified provisions	Current provisions	Change cause
	complete the rectification according to the timeframe set out in the plan.	complete the rectification according to the timeframe set out in the plan.	
Article 15	<p>The company formulates the Operational Procedures for Loaning Funds to Others, and, <u>approve by the audit committee and then</u> after passage by the board of directors, submit them for approval by the shareholders' meeting; <u>the same applies when the procedures are amended. If</u> any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>the audit committee</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p>When the company submits its Operational Procedures for Loaning Funds to Others for discussion by the board of directors, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p>If the preceding paragraph is not approved by more than one-half of all members of the audit committee, it may be agreed by more than two-thirds of all directors, and the resolutions of the audit committee shall be stated in the proceedings of the board of directors.</p> <p>All members of the audit committee referred to in the <u>Procedure</u> and all directors referred to in the preceding Paragraph shall be counted as actual incumbents.</p>	<p>The company formulates the Operational Procedures for Loaning Funds to Others, and, <u>after passage by the board of directors, submit the Procedures to each supervisor</u> and submit them for approval by the shareholders' meeting; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion <u>to each supervisor</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures.</p> <p>When the company submits its Operational Procedures for Loaning Funds to Others for discussion by the board of directors <u>under the preceding paragraph</u>, the board of directors shall take into full consideration each independent director's opinion; independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</p> <p><u>If the company has set up an audit committee, the establishment or amendment of the Operational Procedures for Loaning Funds to Others shall be approved by more than one-half of all members of the audit committee, and the resolution of the board of directors shall be submitted, and the provision of Paragraph 2 shall not apply.</u></p> <p>If the preceding paragraph is not approved by more than one-half of all members of the audit committee, it may be agreed by more than two-thirds of all</p>	

Article	Modified provisions	Current provisions	Change cause
		<p>directors, and the resolutions of the audit committee shall be stated in the proceedings of the board of directors.</p> <p>All members of the audit committee referred to in the Paragraph 3 and all directors referred to in the preceding Paragraph shall be counted as actual incumbents.</p>	
<p>Article 17</p>	<p>The sixth amendment was made on June 16, 2020</p>		<p>Add the date of revision</p>

《Attachment 11》 Comparison Table of Amendments to
" Regulations Governing Making of Endorsements/Guarantees "

Comparison Table of Amendments to " Regulations Governing Making of
 Endorsements/Guarantees "

Article	Modified provisions	Current provisions	Change cause
Article 5	<p>Authorization rights:</p> <p>Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of these Regulations, or the amount of endorsement/guarantee exceeds the limit, a public company shall adopt rectification plans and submit the rectification plans to <u>the audit committee</u>, and shall complete the rectification according to the timeframe set out in the plan.</p>	<p>Authorization rights:</p> <p>Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of these Regulations, or the amount of endorsement/guarantee exceeds the limit, a public company shall adopt rectification plans and submit the rectification plans to <u>all the supervisors</u>, and shall complete the rectification according to the timeframe set out in the plan.</p>	
Article 7	<p>Operating procedures for endorsement/guarantee</p> <p>5. If, as a result of a change in circumstances, the Company's endorsement/guarantee targets originally comply with the provisions of the Regulations but subsequently do not, or if the endorsement/guarantee amount exceeds the prescribed limit due to changes in the basis for calculating the limit, the Company shall, upon the expiration of the contractual period or within a certain period of time, formulate an improvement plan to eliminate the entire amount of the endorsement/guarantee target and send the relevant improvement plan to <u>the audit committee</u> and report to the Board of Directors.</p>	<p>Operating procedures for endorsement/guarantee</p> <p>If, as a result of a change in circumstances, the Company's endorsement/guarantee targets originally comply with the provisions of the Regulations but subsequently do not, or if the endorsement/guarantee amount exceeds the prescribed limit due to changes in the basis for calculating the limit, the Company shall, upon the expiration of the contractual period or within a certain period of time, formulate an improvement plan to eliminate the entire amount of the endorsement/guarantee target and send the relevant improvement plan to <u>each supervisor</u> and report to the Board of Directors.</p>	Establishment of an audit committee and elimination of the supervisor system

Article	Modified provisions	Current provisions	Change cause
Article 11	<p>Internal Control The Company's internal auditors shall audit the Operational Procedures for Endorsements/Guarantees for Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify <u>the audit committee</u> in writing of any material violation found.</p>	<p>Internal Control The Company's internal auditors shall audit the Operational Procedures for Endorsements/Guarantees for Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify <u>all the supervisors</u> in writing of any material violation found.</p>	
Article 13	<p>After the Operational Procedures were <u>approved by the audit committee and then</u> the board of directors, <u>and then</u> submit them for approval by the shareholders' meeting ; <u>the same applies when the procedures are amended. If</u> any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>the audit committee</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. When the Company submits its Operational Procedures for discussion by the board of directors, the board of directors shall take into full consideration each independent director's opinion. Independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting. If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors</p>	<p>After the Operational Procedures were passed by the board of directors, submit the Procedures to <u>each supervisor</u> and submit them for approval by the shareholders' meeting ; where any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>each supervisor</u> and for discussion by the shareholders' meeting. The same shall apply to any amendments to the Procedures. When the Company submits its Operational Procedures for discussion by the board of directors <u>under the preceding paragraph</u>, the board of directors shall take into full consideration each independent director's opinion. Independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting. <u>Where the Company has established an audit committee, when it adopts or amends its Operational Procedures for Making Guarantees / Endorsements, the procedures or amended procedures shall require the approval of one-half or more of all audit committee members, and furthermore shall be</u></p>	

Article	Modified provisions	Current provisions	Change cause
	<p>meeting. The terms "all audit committee members" in <u>the Operational Procedures</u> and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	<p><u>submitted for a resolution by the board of directors, and the provisions of paragraph 2 shall not apply.</u> If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting. The terms "all audit committee members" <u>in paragraph 3</u> and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</p>	
Article 16	<u>The sixth amendment was made on June 16, 2020</u>		Add the date of revision

《Attachment 12》 Comparison Table of Amendments to
" Procedures for Financial Derivatives Transactions "

Comparison Table of Amendments to " Procedures for Financial Derivatives
Transactions "

Article	Modified provisions	Current provisions	Change cause
Article 1	<u>In order to effectively manage the Company's assets, liabilities, revenues and expenses, reduce the risks arising from changes in exchange rates and interest rates, and ensure the management of the Company's various derivative transactions, these procedures have been established in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies " issued by the Financial Supervisory Commission. Any matters not covered by the Procedure shall be handled in accordance with the relevant laws and regulations.</u>	In order to protect the Company's shareholders' rights and interests and reduce financial risks, these procedures have been established with reference to the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" announced by the Securities and Futures Commission.	Establishment of an audit committee and elimination of the supervisor system
Article 8	Internal auditing system: In the event of material non-compliance, the <u>Audit Committee</u> shall be notified in writing.	Internal auditing system: In the event of material non-compliance, each supervisor shall be notified in writing.	
Article 9	After the Operational Procedures were <u>approved by the audit committee and then</u> the board of directors, <u>and then</u> submit them for approval by the shareholders' meeting ; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>the audit committee. When the Company submits its Operational Procedures for discussion by the board of directors, the board of directors shall take into full</u>	After the Operational Procedures were passed by the board of directors, submit the Procedures to <u>each supervisor</u> and submit them for approval by the shareholders' meeting; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the dissenting opinion to <u>each supervisor</u>	

Article	Modified provisions	Current provisions	Change cause
	<p><u>consideration each independent director's opinion. Independent directors' opinions specifically expressing assent or dissent and their reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p> <p><u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in the Operational Procedures and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>		

《Attachment 13》 Directors and Independent Directors candidates List

Title/Name	Shareholding (shares)	Education & Professional Qualifications	Major Past Positions	Rationale for Nomination
Director HO SHU-CHAN (Wong's Kong King International (Holdings) Limited Representative)	24,473,836	Chinese University of Hong Kong with a Bachelor of Commerce degree	CFO of Wong's Kong King International (Holdings) Limited	Not Applicable
Director SENTA WONG (Wong's Kong King International (Holdings) Limited Representative)	24,473,836	Chu Hai College of Higher Education	Chairman of Wong's Kong King International (Holdings) Limited	Not Applicable
Director TSUI YING-CHUN (Wong's Kong King International (Holdings) Limited Representative)	24,473,836	Bachelor of Arts degree from the University of Hong Kong	Group President and CEO of Wong's Kong King International (Holdings) Limited	Not Applicable
Director HSU HUNG-CHIEH (Wong's Kong King International (Holdings) Limited Representative)	24,473,836	Bachelor degree in Electrical Engineering from Tatung University	<ul style="list-style-type: none"> ● Chairman of Taiwan Kong King Co., Ltd. ● Director of Wong's Kong King International (Holdings) Limited 	Not Applicable
Director CHANG JUI-SHUM (Wong's Kong King International (Holdings) Limited Representative)	24,473,836	MBA from City University of Hong Kong	<ul style="list-style-type: none"> ● Director and President of WKK Distribution Limited ● Director of Wong's Kong King International (Holdings) Limited 	Not Applicable
Director LIAO HUNG-YING	487,000	The 31st NCCU entrepreneurship academy	General Manager of Taiwan Kong King Co., Ltd.	Not Applicable

Title/Name	Shareholding (shares)	Education & Professional Qualifications	Major Past Positions	Rationale for Nomination
Director CHEN MEI-FEN	287,035	Department of Business Management from Chung Yuan Christian University	Senior deputy general Manager of Taiwan Kong King Co., Ltd.	Not Applicable
Independent Director HUANG WEN-YUAN	1,050	<ul style="list-style-type: none"> ● Master of Electronic Engineering, National Jiaotong University ● Master of EMBA, National Jiaotong University 	Director of the plant of Taiwan Semiconductor Manufacturing Company, Limited	Mr. Huang Wen-Yuan has extensive experience and connections in related industries, and his experience and supervision will be of obvious benefit to the Company, so he will continue to be nominated as an independent director candidate this time.
Independent Director WEI HSING-HAI	0	<ul style="list-style-type: none"> ● Bachelor of Business, Accounting, Department of Business, National Taiwan University ● Master of EMBA, National Jiaotong University 	Accountant of Auditing Department, KPMG	Not Applicable
Independent Director CHEN CHAO-HUANG	0	Master of EMBA, National Jiaotong University	<ul style="list-style-type: none"> ● Mechanical design team leader, MICROTEK INTERNATIONAL INC. ● Senior engineer, plant construction and plant affair, AT&T ● R&D and Manufacturing Manager, UMAX Computer Corporation ● Deputy General Manager/Director, AVISION INC. 	Not Applicable

Title/Name	Shareholding (shares)	Education & Professional Qualifications	Major Past Positions	Rationale for Nomination
			Current position : <ul style="list-style-type: none"> ● Independent Director, Feedback Technology Corp. ● Responsible person, Jiaying International Investment Co., Ltd. ● Founder/Director, Seongnam Organic Farm ● Director, Andatek Technology Ltd. 	

《Attachment 14》 Lifting the Non-competiton Restrictions for Directors

Title/Name	Major Past Positions
Director HO SHU-CHAN (Wong's Kong King International (Holdings) Limited Representative)	CFO of Wong's Kong King International (Holdings) Limited
Director SENTA WONG (Wong's Kong King International (Holdings) Limited Representative)	Chairman of Wong's Kong King International (Holdings) Limited
Director TSUI YING-CHUN (Wong's Kong King International (Holdings) Limited Representative)	Group President and CEO of Wong's Kong King International (Holdings) Limited
Director HSU HUNG-CHIEH (Wong's Kong King International (Holdings) Limited Representative)	Director of Wong's Kong King International (Holdings) Limited
Director CHANG JUI-SHUM (Wong's Kong King International (Holdings) Limited Representative)	<ul style="list-style-type: none"> ● Director and President of WKK Distribution Limited ● Director of Wong's Kong King International (Holdings) Limited ● Director of The Kong King Technology Co., Ltd, (Suzhou)
Director LIAO HUNG-YING	<ul style="list-style-type: none"> ● Chairman of TKK Precision Co., Ltd. ● Chairman of THT Technology Co., Ltd. ● Chairman of The Kong King Technology Co., Ltd, (Suzhou) ● Chairman of Hiking Technology Co., Ltd.
Director CHEN MEI-FEN	<ul style="list-style-type: none"> ● Supervisor of TKK Precision Co., Ltd. ● Supervisor of THT Technology Co., Ltd. ● Supervisor of The Kong King Technology Co., Ltd, (Suzhou) ● Supervisor of Hiking Technology Co., Ltd. ● Director of Top Range Machinery Co., Ltd. ● Director of Leetech International
Independent Director CHEN CHAO-HUANG	<ul style="list-style-type: none"> ● Independent Director, Feedback Technology Corp. ● Responsible person, Jiaying International Investment Co., Ltd. ● Founder/Director, Seongnam Organic Farm ● Director, Andatek Technology Ltd.

《Appendix 1》 TKK Rules and Procedure of Shareholders' Meeting

- Article 1 The shareholders' meeting shall be handled in accordance with these rules, unless otherwise provided by the law.
- Article 2 The Company shall prepare an attendance book for shareholders to sign in, or the shareholder present may hand in an attendance card in lieu of signing on the attendance book.
- The number of shares in attendance is calculated according to the signature book or the signed card and the shareholding of the voting rights in writing or electronically.
- Article 3 Voting and attendance at a shareholders' meeting shall be calculated based the number of shares.
- Article 4 The venue for the shareholders' meeting shall be within the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- Article 5 If a shareholders meeting is called by the board of directors, the board chairman shall preside at the said shareholders meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, the vice chairman shall act in lieu of him. there is no vice chairman, or the vice chairman is also on leave of absence, or cannot exercise his powers and authority, the chairman shall designate a managing director to act in lieu of him; if there is no managing director, the chairman shall designate a director to act in lieu of him. the chairman does not designate a director, the managing directors or directors shall elect one from among themselves to act in lieu of the chairman. If a shareholders meeting is called by any other person than the board of directors, who has the right to call the meeting, said person shall preside at that meeting.
- Article 6 The Company may designate its lawyer, certified public accountant or other relevant persons to attend the shareholders meeting. Those handling the business of a shareholders meeting shall wear an identification card or a badge.
- Article 7 The Company shall record with an audio or video tape the whole proceedings of the shareholders meeting, and said video tape or audio tape shall be kept for at

least one year.

Article 8 When it is time to convene a shareholders meeting, the chairman shall immediately convene the meeting, provided, however, that if the shareholders present do not represent a majority of the total amount of issued shares, the chairman may postpone the meeting, provided, however, that the postponement of the said meeting shall be limited to two times, and the total time postponed shall not exceed one hour. If the meeting has been postponed for two times, but the shareholders present still do not represent a majority of the total amount of issued shares, a tentative resolution may be adopted in accordance with Paragraph 1 of Article 175 of the Company Act by shareholders representing one-third of the total amount of issued shares. Before the close of the said meeting if the shareholders present represent a majority of the total amount of issued shares, the chairman may present the tentative resolution so adopted to the meeting for resolution in accordance with the provisions of Article 174 of the Company Act.

Article 9 If a shareholders meeting is called by the board of directors, the proceedings of the meeting shall be formulated by the board of directors, and the meeting shall be proceeded with in accordance with the said proceedings. The proceedings shall not be changed without a resolution made by the shareholders meeting. If a shareholders meeting shall be called by any other person than the board of directors, the preceding provisions shall apply mutatis mutandis to the said meeting. The chairman shall not adjourn a meeting without resolution adopted by shareholders if the motions (including extraordinary motions) covered in the proceedings so arranged in the above two Paragraphs shall not have been resolved. After close of the said meeting, shareholders shall not elect another chairman to hold another meeting at the same place or at any other place. However, if the chairman violated the rules of procedure and adjourn the meeting, it is possible to be adopted by a majority vote of the shareholders' voting rights to elect one person to serve as the chairman to continue the meeting.

Article 10 A shareholder wishing to speak in a shareholders meeting shall first fill out a slip, specifying therein the major points of his speech, his serial number as a shareholder (or number of attendance) and his name, and the chairman shall determine his order of giving a speech. A shareholder who submits his slip for a

speech but does not actually speak shall be considered as not having given a speech. If the contents of his speech shall be different from those specified on the slip, the contents of his speech shall prevail. When a shareholder is giving a speech, the other shareholders shall not interrupt unless they have obtained the prior consent from the chairman and the said shareholder, and the chairman may prevent others from interrupting.

Article 11 A shareholder shall not speak more than two times for one motion, unless he has obtained the prior consent from the chairman, and each speech shall not exceed 5 minutes. If a shareholder violates the above provisions or his speech exceeds the scope of the motion, the chairman may prevent him from doing so.

Article 12 A corporate shareholder being entrusted to attend in a shareholders meeting may designate only one representative to represent it in the meeting. If a corporate shareholder which designates two or more representatives to represent it at the shareholders meeting, only one of the representatives so designated may speak on any one motion.

Article 13 After a shareholder has given a speech, the chairman may personally or designate relevant person to respond.

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

Article 15 The persons for supervising the casting of votes and the counting thereof for resolutions shall be designated by the chairman, provided, however, that the person supervising the casting of votes shall be a shareholder. The results of resolution shall be announced in the meeting, and recorded in the meeting minutes.

Article 16 During the proceedings of a meeting, the chairman may consider the schedule and announce for a break.

Article 17 Unless otherwise specifically provided for in the Company Act or the Articles of Incorporation of the Company, resolutions shall be adopted by a majority vote at a meeting attended by the shareholders. When voting on the resolution, the chairman or his designee shall announce the voting rights of the shareholders and the shareholders shall vote.

Article 18 If there shall be an amendment or alternative to one motion, the chairman may combine the amendment or alternative into the original motion, and determine their orders for resolution. any one of the above shall be resolved, the others shall be considered as rejected, upon which no further resolution shall be required.

Article 19 The chairman may direct disciplinary personnel (or security personnel) to maintain the order of the meeting. For doing so they shall wear a badge bearing the words of "disciplinary personnel".

Article 20 These rules shall be implemented after the approval of the shareholders' meeting, and the same shall apply to the amendments.

《Appendix 2》 TKK Articles of Incorporation

Chapter 1 General Provisions

Article 1 The company was organized in accordance with the provisions of the Company Act and was named Taiwan Kong King Co., Ltd.

Article 2 The company's businesses are as follows:

- (1) C802120 Industrial Catalyst Manufacturing
- (2) C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
- (3) CB01010 Machinery and Equipment Manufacturing
- (4) CB01020 Office Machines Manufacturing
- (5) CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing
- (6) CC020170 Wired Communication Equipment and Apparatus Manufacturing
- (7) CC020180 Telecommunication Equipment and Apparatus Manufacturing
- (8) CC020190 Electronic Parts and Components Manufacturing
- (9) CC01110 Computers and Computing Peripheral Equipments Manufacturing
- (10) CC01990 Electrical Machinery, Supplies Manufacturing
- (11) CD01050 Bicycles and Parts Manufacturing
- (12) CE01010 Precision Instruments Manufacturing
- (13) CF01011 Medical Materials and Equipment Manufacturing
- (14) EZ05010 Apparatus Installation Construction
- (15) EZ13010 Nucleus Construction
- (16) F2018200 Wholesale of Chemistry Raw Material
- (17) F2018990 Wholesale of Other Chemical Products
- (18) F2019031 Wholesale of Drugs, Medical Goods
- (19) F113010 Wholesale of Machinery
- (20) F113030 Wholesale of Precision Instruments
- (21) F113050 Wholesale of Computing and Business Machinery Equipment
- (22) F113990 Wholesale of Other Machinery and Equipment
- (23) F119010 Wholesale of Electronic Materials
- (24) F207200 Retail sale of Chemistry Raw Material
- (25) F207990 Retail Sale of Other Chemical Products
- (26) F208031 Retail sale of Medical Equipments
- (27) F213030 Retail sale of Computing and Business Machinery Equipment
- (28) F213040 Retail Sale of Precision Instruments

- (29) F213080 Retail Sale of Machinery and Equipment
- (30) F213990 Retail Sale of Other Machinery and Equipment
- (31) F219010 Retail Sale of Electronic Materials
- (32) H703110 Senior Citizen's Development
- (33) I301010 Software Design Services
- (34) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company has its head office in Taoyuan County, Taiwan, and the Company may establish branches in and out of this country.

Article 4

- (1) When the company is a limited liability shareholder of other companies, it is not subject to Article 13 of the Company Act and may not exceed the limit of 40% of the company's paid-in capital.
- (2) The company may guarantee the external by the needs of the business.
- (3) The board of directors may invest in the mainland China according to the upper limit set by the competent authority.

Chapter 2 **Shares**

Article 5 The total amount of the Company's capital is NTD450 million, which is further divided into 45 million Shares, with the value per share NTD10, and the Board is authorized to issue shares in installments.

Article 6 The Company shall issue nominal shares after the signing or stamping of seal by three or more directors and stamped with the company's seal and number as well as being attested. When the Company issues shares, those shares shall not be printed. The shares not printed shall be kept and recorded by the centralized securities depository enterprise.

Article 7 The entries in the shareholders' roster shall not be altered within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Article 7-1 The company buys back treasury shares, which can be transferred to employees based on the average price of the actual shares bought back. Subject to the

relevant laws and the attendance of more than half of the shareholders of the total number of issued shares of the shareholders' meeting, more than two-thirds of the voting rights of the shareholders shall agree to do so.

Chapter 3 Shareholders' Meeting

Article 8 There are two types of shareholders' meeting, namely, regular meeting and special meeting. The regular meeting shall be convened within six months after the close of each fiscal year. Whereas, special meetings are held in accordance with the law, when necessary. The shareholders' meeting shall be convened by the Board of Directors in addition to the provisions of the Company Act.

Article 9 If a shareholder cannot attend a shareholders' meeting for any reason, he or she may issue a proxy form in accordance with the company, stating the scope of authorization, to authorize an agent by signature and stamp to attend the meeting on his or her behalf.

Article 10 A shareholder shall be entitled to one vote for each share held, except when the shares are deemed non-voting shares under Article 179 and 197-1 of the Company Act.

Article 11 Except as otherwise provided in the Company Act, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders.

Chapter 4 Board of Directors and Supervisors

Article 12 The Company established seven to eleven directors and three to four supervisors. The terms of office for the directors and the supervisors shall be three years, and they may be eligible for re-election. The total shares of the Company held by all directors and supervisors shall not less than the percentage in accordance with the laws and regulations of competent agencies. In accordance with Article 14-2 of Securities and Exchange Act, there shall be at least three seats for independent directors among the seats for directors in the preceding paragraph. The Company adopted a candidates nomination system for election of the directors and supervisors of the company and the shareholders shall elect the directors from among the nominees listed in the roster of director candidates. Relevant matters, such as the method of accepting the roster of director candidates nominated in the

preceding paragraph and announcements, shall be handled in accordance with the relevant provisions in Company Act, Securities and Exchange Act. The Board of Directors may establish functional committee. The qualifications, authority exertions and relevant matters to its members shall be handled in accordance with relevant laws and regulations and established by the Board of Directors. The Company will establish committee to replace supervisors in accordance with Article 14-4 of Securities and Exchange Act starting from the 2021 regular shareholders' meeting. The audit committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and its authority exertions and relevant matters shall be handled in accordance with relevant laws and regulations and established by the Board of Directors. Relevant regulations of supervisors in the Articles of Incorporation shall be void since the establishment date of audit committee. The company may obtain directors liability insurance with respect to liabilities resulting from exercising their duties during their terms of directorship after the Board passed the resolution. The Company granted the Board of Directors to determine the remuneration of all directors and supervisors by referencing the standards given by companies in the same industry.

Article 13 The board of directors shall be organized by the directors. The board of directors is organized by the directors. More than two-thirds of the directors present and more than half of the attended directors agree to elect the chairman, and the vice-chairman can be elected as the business needs. The chairman of the board of directors shall internally preside the shareholders' meeting, the meeting of the board of directors, and the meeting of the managing directors; and shall externally represent the company. In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, the vice chairman shall act on his behalf. In case of the vice chairman is also on leave or absent or unable to exercise his power and authority for any cause, the chairman designate one of the directors to act on his behalf. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual

communication meeting shall be deemed to have attended the meeting in person.

Article 13-1 The convening of the board of directors shall be notified to the directors and supervisors by written, email or fax by 7 days. The company may call the board of directors at any time in case of emergency and may also do so by written, email or fax.

Article 14 The directors are able to entrust other directors to attend the board of directors on their behalf by executing a power of attorney stating proxy therein the scope of power authorized, and may exercise voting rights on all matters arising from the meeting. However, no director may be an agent of more than one director.

Article 15 In case the chairman of the board of directors is on leave or absent or can not exercise his power and authority for any cause, his agent is handled in accordance with the provisions of Article 208 of the Company Act.

Article 16 In addition to performing their duties according to law, the supervisor may attend the board of directors to make comments but have no voting rights.

Chapter 5 Managerial personnel

Article 17 The company may have one or more managerial personnel. Appointment and discharge and the remuneration of the managerial personnel shall be decided in accordance with Articles 29 of the Company Act.

Chapter 6 Accounting

Article 18 At the close of each fiscal year, the board of directors shall prepare the following statements and records and shall forward the same to supervisors for their auditing not later than the 30th day prior to the meeting date of a general meeting of shareholders, then send to the shareholders' meeting for ratification:

(1)the business report. (2)the financial statements. (3)the surplus earning distribution or loss off-setting proposals.

Article 19

(1) If the company is profitable, it should be deducted from the employee's remuneration and the remuneration of the directors and supervisors in advance of the pre-tax profit, and the employee's remuneration shall be 1% to 8% and

the director and supervisor's remuneration shall be less than 1%. However, when the company still has accumulated losses, the amount of compensation should be retained in advance.

- (2) The company shall, after its losses have been covered and all taxes and dues have been paid and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. The balance is calculated by accumulating undistributed earnings, and after accumulating or reversing the special reserve, it is the accumulated distributable earnings. The preceding accumulated distributable earnings is used to measure the necessity of the earnings to support the capital demand. According to the basic principles of the company's dividend policy, the amount of earnings reserve or distribution and the distribution are determined. According to the plan, the earnings distribution is proposed and submitted to the shareholders' meeting for resolution.
- (3) The company's dividend policy is based on the consideration of the best capital budget and the dilution of earnings per share. The amount of dividend from shareholders should be 50%~100% of the distributable earnings for the year. And in the dividends for the year, cash dividends are issued at a rate of not less than 30%. The cash dividend distribution rate depends on the profit and capital status of the year. After the board of directors proposes a distribution plan, it will be adjusted after the resolution of the shareholders' meeting.

Chapter 7 Supplemental Provisions

Article 20 The shareholders of the company's directors who supervise the execution of the business are paid wages or traveling expenses according to the level of the industry, and are paid regardless of profits and losses.

Article 21

- (1) Matters not covered in this article shall be handled in accordance with the provisions of the Company Act and other relevant laws and regulations.
- (2) The company's organization procedures and rules of procedure are separately set.

Article 22 The Article was enacted on May 20, 1977:
The first amendment was on December 24, 1977.
The second amendment was on November 1, 1978.
The third amendment was made on May 27, 1982.
The fourth amendment was on August 28, 1983.

The fifth amendment was on August 15, 1985.
The sixth amendment was on December 16, 1985.
The seventh amendment was made on May 26, 1987.
The eighth amendment was made on August 10, 1988.
The ninth amendment was on July 20, 1990.
The tenth amendment was on December 18, 1990.
The eleventh amendment was made on March 20, 1991.
The twelfth amendment was made on July 1, 1991.
The thirteenth amendment was made on April 27, 1995.
The fourteenth amendment was made on September 1, 1995.
The fifteenth amendment was made on October 31, 1995.
The sixteenth amendment was made on October 1, 1998.
The seventeenth amendment was made on July 5, 2000.
The eighteenth amendment was on October 5, 2000.
The nineteenth amendment was made on November 17, 2000.
The twentieth amendment was made on February 5, 2001.
The twenty-first amendment was on June 25, 2002.
The twenty-second amendment was made on May 30, 2003.
The twenty-third amendment was made on May 24, 2004.
The twenty-fourth amendment was made on May 16, 2005.
The twenty-fifth amendment was made on May 16, 2005.
The twenty-sixth amendment was made on May 25, 2006.
The twenty-seventh amendment was made on June 13, 2007.
The twenty-eighth amendment was made on June 25, 2008.
The twenty-ninth amendment was made on June 16, 2009.
The 30th amendment was made on June 18, 2010.
The thirty-first amendment was made on June 22, 2011.
The thirty-second amendment was made on June 20, 2012.
The thirty-third amendment was made on June 11, 2015.
The thirty-fourth amendment was made on June 17, 2016.
The thirty- fifth amendment was made on June 21, 2017.
The thirty- sixth amendment was made on June 20, 2018.
The thirty- seven amendment was made on June 15, 2020.

《Appendix 3》 Procedures for Election of Directors and Supervisors

- Article 1 The elections of directors and supervisors of the Company shall be conducted in accordance with these Procedures.
- Article 2 The election of directors and supervisors of the Company shall be held at the shareholders' meeting.
- Article 3 The Company shall adopt a cumulative election system for the election of directors and supervisors, and shall follow the procedures of the candidate nomination system. When electing the directors, each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. The election for supervisors shall be the same. In the case of simultaneous election of directors and supervisors, the election may be held separately. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Independent directors and non-independent directors of the Company shall be elected together in accordance with the relevant provisions of the Act, and shall be elected as independent directors and non-independent directors on the basis of separate vote counts.
- Article 4 Before the election begins, the chair shall appoint a number of persons to perform the respective duties of vote monitoring and counting personnel.
- Article 5 The Directors and Supervisors of the Company shall be elected by the Shareholders' Meeting from a list of candidates. In accordance with the quotas set forth in the Company's Articles of Incorporation, those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes as independent directors, non-independent directors or supervisors. To be elected as a director or supervisor of the Company respectively. If a person who is also elected as a director or supervisor decides to be a director or supervisor by himself/herself, or if the elected director or supervisor is confirmed to be incompatible with his/her personal information or ineligible to serve according to the relevant regulations, the vacancy shall be filled by the candidate with the second highest number of original election. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to

determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 5-1 When a government or a legal entity is a shareholder of a company, its representative shall not be elected or serve as a director or supervisor of the company at the same time, unless approved by the competent authority.

Article 6 The ballot shall be prepared and issued by the Board of Directors with shareholder account number and the number of voting rights allotted on top.

Article 7 If a candidate is a shareholder, a voter must enter the candidate's name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number. However, when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder and the name of its representative shall be entered in the column for the candidate's account name in the ballot paper.

Article 8 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared in accordance with the Procedures herein.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable.
4. The number of candidates exceeded the required number of seats.
5. Other words or marks are entered in addition to the candidate's account name.

Article 9 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation.

Article 10 Matters not provided in the Procedures herein shall be governed by the Company Act, the Company's Articles of Incorporation and relevant laws and regulations.

Article 11 These Procedures, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

《Appendix 4》 Impact of the Proposed Bonus Shares on the Company's Operating

Unit: Except for cash dividends per share and earnings per share are NTD1, the others are NTD 1,000.

Item / Year		2020
Initial paid-in capital		362,888.94
Share allotment of the year	Cash dividends per share	4.20(Remark 1)
	Capital increase by earning allotment per share (shares)	0
	Capital increase by capital reserve allotment per share (shares)	0
Changes in operating performance	Operating profit	(Remark 2)
	Operating profit increase compared to the same period last year (%)	
	Net profit after tax	
	Net profit after tax increase compared to the same period last year (%)	
	Earnings per share	
	Earnings per share increase compared to the same period last year (%)	
Pro forma earnings per share and P/E ratio	If the capital increase by earnings is fully transferred to the cash dividend	Pro forma earnings per share
		Pro forma annual average return
	If the capital increase by capital reserve is not processed	Pro forma earnings per share
		Pro forma annual average return
	If the capital increase by capital reserve is not processed and capital increase by earnings is transferred to the cash dividend	Pro forma earnings per share
		Pro forma annual average return

Remark 1 : To be resolved by the shareholders' meeting in 2021.

Remark 2 : The financial forecast for 2020 was not prepared.

Explanation of the shareholders' proposal on the shareholders' meeting:

According to Article 172-1 and Article 192-1 of the Company Act, the period in which the Company accepts the written proposal of the shareholders is from April 9, 2021 to April 19, 2021 at 5 pm. The acceptance office is the Management Department of Taiwan Kong King

Co., Ltd. (1st Floor, No. 6, Section 2, Nantun Road, Luzhu Township, Taoyuan County), and has been publicly announced in the market observatory post system.

《Appendix 5》 Shareholdings and The Minimum Shareholdings of All Directors and Supervisors

1. Types of issued shares and total number of shares: 36,288,894 common shares
 The minimum required combined shareholding of all directors by law: 3,600,000 shares.
 The minimum required combined shareholding of all supervisors by law: 360,000 shares.
2. As the company has three independent directors, according to the law, the minimum shareholding of directors and supervisors should be reduced to 80%.
3. Shareholding roster:

Date: April 18, 2021

Title	Name	The shares held in the shareholder list on book closure date	
		Current shareholding	Shareholding ratio (%)
Chairman (Remark 1)	Ho, Shu-Chan	24,473,836	67.44
Director (Remark 1)	Wong, Senta	24,473,836	67.44
Director (Remark 1)	Tsui, Ying-Chun	24,473,836	67.44
Director (Remark 1)	Hsu, Hung-Chieh	24,473,836	67.44
Director (Remark 1)	Chang, Jui-Shum	24,473,836	67.44
Director	Liao, Hung-Ying	487,000	1.34
Director	Chen, Mei-Fen	287,035	0.79
Independent Director	Lok, Arthur K.	0	0
Independent Director	Chan, Chun-Yen	0	0
Independent Director	Huang, Wen-Yuean	1,050	0
Supervisor (Remark 2)	Chou, Ken	378,484	1.04
Supervisor	Wu, Kuo-Hsien	0	0
Supervisor	Tsai, Chih-Wei	0	0
Number of shares held by all directors		25,248,921	69.57
Number of shares held by all supervisors		378,484	1.04

(Remark 1) The corporate representative of “Wong’s Kong King International (Holdings) Ltd. , incorporated in Bermuda” .

(Remark 2) The corporate representative of “Top Range Machinery Co., Ltd.”.