

Thai Kin Co., Ltd.

Minutes of 2020 Annual Shareholders' Meeting

- Time: June 24th, 2020 (Wednesday) at 9 a.m.
- Venue: Room AA, 15F., No. 99, Fuxing N. Rd., Songshan District, Taipei City 105, Taiwan (R.O.C.) (Primasia Conference & Business Center)
- Total outstanding shares of the Company: 33,530,000 shares
- Total shares represented by shareholders and Proxy Present: 30,520,011 shares (30,191,425 shares exercised via electronic transmission) accounted for 91.02% of total shares issued.
- Attending Director: Independent Director- WU,CHUNG-FERN 、 Independent Director- CHANG,AN-TSO 、 Independent Director- HUANG,PO-CHIA
- Attendees: Kuan, Chun-Hsiu (CPA ofKPMG), Odin Hsu (Lee and Li, Attorneys-at-Law)
- Chairman: Independent Director- WU,CHUNG-FERN
(In order to avoid the risk of COVID-19 (new crown pneumonia) infection due to travel between Thailand and Taiwan, Chairman HSU,TA-CHIN did not attend in person, and appointed independent director WU,CHUNG-FERN as chairman of the 2020 shareholders' meeting in accordance with relevant regulations)
- Minutes taker:CHANG, PEI-CHI

I. Meeting Called to Order(As a quorum was present, the Chairperson called the meeting to order.)

II. Chairperson Remarks(Omitted)

III. Announcements

- I. 2019 Annual Business Report is Submitted for Review.
Description: Please refer to Attachment I of the Meeting Handbook for the 2019 Annual Business Report.
- II. 2019 Audit Report of Audit Committee is Submitted for Review.
Description: Please refer to Attachment II of the Meeting Handbook for the 2019

Audit Report of Audit Committee.

III. Report on Remuneration Distribution to Directors' Remuneration and Employees in 2019 is Submitted for Review.

Description: In accordance with the Articles of Incorporation, if the Company has gained profits within a fiscal year, less than 5% (included) of the profits shall be reserved as the employees' compensation, and less than 3% (included) as the Director's remuneration. In consideration of future working capital requirements, no remuneration for directors and employees is proposed to be paid.

IV. Report on Cash Dividends of Earnings Distribution for 2019 is Submitted for Review.

Description:

1. In accordance with Article 14.3 of the Articles of Incorporation of the Company, the Board of Directors shall be authorized to distribute the stock dividends and bonuses in cash and report to the shareholders' meeting.
2. The Board of Directors has adopted the resolution to distribute a total cash dividend of NT\$103,943,000, with the proposed distribution of NT\$3.1 per share. The dividends shall be paid up to NT\$1 (round-off the number below NT\$1), and the total number of decimal fraction less than NT\$1 shall be included in the Company's other income. And the Chairperson shall be authorized to set other ex-dividend record date, distribution date, and other relevant matters. If the number of outstanding shares is affected by the change of the Company's capital stock, resulting in the change of the shareholders' dividends ratio which needs to be corrected, the chairperson of the Board of Directors shall be authorized to handle.

V. Report on Amendments to the Corporate Governance Best Practice Principles and the Corporate Social Responsibility Best Practice Principles is Submitted for Review.

Description:

1. Refer to the February 19, 2020 Public Announcement No. Securities-TPEX-Supervision-10900521402 of the Taipei Exchange.
2. The Corporate Governance Best Practice Principles and the Corporate Social Responsibility Best Practice Principles are amended in accordance with the New Corporate Governance Roadmap (2018-2020) and the amendments to relevant laws and regulations. Please refer to Attachment III and Attachment

IV of the Meeting Handbook for the Comparison Tables of the Amendments of Articles.

- VI. Report on Amendments to the Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct is Submitted for Review.

Description: With reference to the February 19, 2020 Public Announcement No. Securities-TPEX-Supervision-10900521402 of the Taipei Exchange, the Company's Ethical Corporate Management Best Practice Principles and the Procedures for Ethical Management and Guidelines for Conduct are amended. Please refer to Attachment V and Attachment VI of the Meeting Handbook for the Comparison Tables of the Amendments of Articles.

- VII. Report on the Performance Assessments of the Directors and Managers and the Connection Between and Reasonableness of the Contents and Amounts of Their Compensation and Performance Assessment Results is Submitted for Review.

Description: In accordance with the Article 7 of the Rules of Organization of Remuneration Committee of the Company, the remuneration committee shall periodically assess the degree to which performance goals for the directors and managerial officers of the Company have been achieved, set the types and amounts of their individual remuneration based on the results of the reviews conducted in accordance with the performance assessment standards, and make a report of the shareholders' meeting. Please refer to Attachment VII of the Meeting Handbook for the relevant report on the connection between and reasonableness of the performance assessment results.

IV. Proposals

Proposal I: 2019 Annual Business Reports and Financial Statements. (Proposed by the Board of Directors)

Description:

- I. The Company's consolidated financial statement for 2019 has been audited and certified by Chun-Hsiu Kuan and Chun-Yi Chang of KPMG Taiwan.
- II. Please refer to Attachment V and Attachment VIII of the Meeting Handbook for the Business Reports, CPA's Audit Report and Financial

Statements.

III. Please proceed to ratify the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%

Resolved, that the above proposal be and hereby was approved as proposed

Proposal II: 2019 Earnings Distribution Proposal. (Proposed by the Board of Directors)

Description:

- I. The resolution on the Company's earnings distribution for 2019 has been adopted by the Board of Directors at the meeting on March 20, 2020.
- II. The net profit after tax in 2019 is NT\$140,441,316, plus the undistributed profit at the beginning period of NT\$37,574,898, minus other comprehensive income of NT\$832,602, and the provision for statutory surplus reserves of NT\$14,044,132, then the distributable earnings is NT\$163,139,480 and the proposed distribution of cash dividend is NT\$ 3.1 per share, with a total of NT\$103,943,000. Please refer to Attachment IX of the Meeting Handbook for the Earnings Distribution Statement.

III. Please proceed to ratify the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%

Resolved, that the above proposal be and hereby was approved as proposed

V. Discussions

Proposal I: Amendments to part of the articles of the Company's Operational Procedures for Endorsements and Guarantees. (Proposed by the Board of Directors)

Description:

- I. To meet the Group's operation requirements, the Company's Operational Procedures for Endorsements and Guarantees is proposed for amendments. Please refer to Attachment X of the Meeting Handbook for the Comparison Table of the Amendments of Articles.
- II. Please proceed to discuss the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%

Resolved, that the above proposal be and hereby was approved as proposed

Proposal II: Amendments to part of the articles of the Company's Operational Procedures for Acquisition and Disposal of Assets. (Proposed by the Board of Directors)

Description:

- I. To meet the requirements of the Group's operational development, the Company's Operational Procedures for Acquisition and Disposal of Assets is proposed for amendments. Please refer to Attachment XI (#page43#) of the Meeting Handbook for the Comparison Table of the Amendments of Articles.
- II. Please proceed to discuss the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%

Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%
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Resolved, that the above proposal be and hereby was approved as proposed

Proposal III: Amendments to part of the articles of the Company's Rules of Procedure for Shareholders' Meetings. (Proposed by the Board of Directors)

Description:

- I. Refer to the January 13, 2020 Public Announcement No. Securities-TPEX-Supervision-10900500261 of the Taipei Exchange. Please refer to Attachment XII (#page44#) of the Meeting Handbook for the Comparison Table of the Amendments of Articles.
- II. Please proceed to discuss the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%

Resolved, that the above proposal be and hereby was approved as proposed

Proposal IV: Amendments to part of the articles of the Company's Articles of Incorporation. (Proposed by the Board of Directors)

Description:

- I. In accordance with the provisions of protection for the shareholders' equity prescribed in the "Checklist for Protection of Shareholders' Equity of Foreign Issuers" as amended according to the January 8, 2020 Letter No. Securities-TPEX-Examination-10800681281 of the Taipei Exchange, the Company's Articles of Incorporation and its outline proposed for amendments.
- II. Please refer to Attachment XIII (#page48#) of the Meeting Handbook for the Comparison Table of the Amendments to the Articles of Incorporation.
- III. Please proceed to discuss the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,490,011 shares (electronic voting included 30,191,425 shares)	99.90%

Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 30,000 shares (electronic voting included 0 shares)	0.09%

Resolved, that the above proposal be and hereby was approved as proposed

VI. Election

Proposal I: General Re-election of the Company's Directors (including Independent Directors). (Proposed by the Board of Directors)

Description:

- I. The current term of the Directors of the Company shall expire on July 31, 2020. In accordance with the meeting agenda of the 2020 shareholders' annual meeting, it is proposed to hold the general re-election of Directors (including three Independent Directors) at the shareholders' annual meeting this year. The term for the third Directors elected by the shareholders' meeting shall be three years from June 24, 2020, to June 23, 2023.
- II. The Company adopts a candidate nomination system for election of the Directors. The shareholders shall elect the Directors from among the nominees listed in the roster of director candidates. The qualifications for the Independent Directors shall comply with the requirements stipulated in Article 14-2 of the "Securities and Exchange Act" and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies," and the election shall be in accordance with the Company's Articles of Incorporation and relevant laws and regulations.
- III. Please refer to Attachment XIV of the Meeting Handbook for the Slate of Directors and Independent Directors Candidates.
- IV. Please refer to Attachment III of the Meeting Handbook for the Election Procedures of Directors.
- V. Call for election.

Election Results:

Title	Name	Shares
Director	HSU,TA-CHIN	31,351,828
Director	Lo,LUNG-SHAN	30,456,000
Director	HSU,CHEN-JUNG	30,456,000
Director	HSU,WEN-CHIH	30,456,000
Independent Director	WU,CHUNG-FERN	30,159,748

Independent Director	CHANG,AN-TSO	30,159,747
Independent Director	HUANG,PO-CHIA	30,159,747

VII. Other Motions

Proposal I: Lifting the Non-Competition Restrictions on New Directors. (Proposed by the Board of Directors)

Description:

- I. In accordance with Article 47.4 of the Company's Articles of Incorporation: A director who engages in any transaction for himself or on behalf of another person that is within the scope of the Company's operations shall explain the major content of such actions to other shareholders in the shareholders meeting and obtain its consent by resolution.
- II. Where the Company's Directors engage in any investment or operate other companies in the same or similar lines of business as the Company, and serve as a Director of such company, under the premise that there is no damage to the Company's interests, it is proposed to lift the non-competition restrictions on new Directors. Please refer to Attachment XV of the Meeting Handbook for the scope and contents of non-competition.
- III. Please proceed to discuss the proposal.

Resolution: Shares represented at the time of voting: 30,520,011 shares

Voting Results	Proportion of shareholder voting rights presented during vote%
Votes in favor 30,487,011 shares (electronic voting included 30,188,425 shares)	99.89%
Votes against 0 shares	0.00%
Votes invalid 0 shares	0.00%
Abstention votes/No votes 33,000 shares (electronic voting included 3,000 shares)	0.10%

Resolved, that the above proposal be and hereby was approved as proposed

VIII. Extempore Motions : None

IX. Adjournment. : June 24th, 2020 9.32 a.m.

Thai Kin Co., Ltd.
2019 Annual Business Report

Dear shareholders,

It is a great honor to report to you on behalf of the Company's business team the operating results of the Company in 2019. The overall economy in 2019 was affected by the US-China trade war, and the world's industrial supply chain will be reshuffled. In the face of the global economic changes, with the efforts of all colleagues, Thai Kin has optimized and improved the process to reduce the production cost. New customers for international brands and new products actively developed in previous years have also made further progress on the development with fruitful achievements in 2019 due to the impact of the trade war between the United States and China. Also, together with stable international raw material prices and other factors, the Company's profit increased by 90% compared with that of 2018.

I hereby, on behalf of the Board of Directors and the management team, sincerely thank all the shareholders and colleagues' trust in Thai Kin. In the future, Thai Kin will continue to uphold the spirit of integrity, pragmatism, and innovation, leading the Company to move forward continuously. Also, we look forward to your continuous support and encouragement, and we will create more value for the Company and returns to shareholders.

I. 2019 Annual Business Report

(I) Operating Results

Amount Unit: NT\$ thousand

Item	2019		2018		Change by Percentage
	Amount	As a Percentage of Operating Revenue	Amount	As a Percentage of Operating Revenue	
Operating Revenue	1,005,820	100%	894,377	100%	12%
Operating Cost	771,753	77%	723,331	81%	7%
Gross Operating Profit	234,067	23%	171,046	19%	4%
Net Operating Profit	140,103	14%	79,264	9%	77%
Net Profit before Tax	156,114	16%	89,670	10%	74%
Net Income after Tax	140,392	14%	73,926	8%	90%

In 2019, as mass production and delivery starting for new customers, the risk of consolidation of sales has been effectively reduced; therefore, the operating revenue grew by about 12%. In addition to the steady international raw material prices in 2019, the Company has made continuous improvement in the production process and effectively controlled the overall operating cost, thus driving the Company's gross profit to increase from 19% in 2018 to 23% in 2019 and the operating net profit to increase by 77%. Furthermore, the Company's subsidiary in Thailand is entitled to tax concession for investment in energy-saving equipment in 2019,

resulting in a substantial increase of 90% in net income after tax in 2019 compared with that in 2018.

(II) Profitability Analysis

Item	2019	2018
Return on Assets	12.70%	8.06%
Return on Equity	24.28%	16.14%
Net Profit Margin	14%	8%
Earnings Per Share	4.38	2.47

In terms of various indicators of profitability, since the operating performance in 2019 is significantly higher than that in 2018, both the return on assets and return on equity are considerably higher than that in the previous year. Earnings per share rose from last year's NT\$2.47 to NT\$4.38, which is the highest in the most recent three years.

(III) The Status of Research and Development

Thai Kin is a manufacturer of home decoration castings and committed to the improvement of manufacturing and process capacity, the optimization of product portfolio, the improvement of production efficiency, and the reduction of production cost, to achieve superior quality. In addition, the Company is actively developing new product projects in an attempt to develop in more areas. The R&D projects we completed in 2019 are as follows:

1. 13 series of sanitary ware projects.
2. Five series of window rod projects, eight series of window decoration peripheral accessories, and the development of window decoration c-shaped pipes.
3. Nine series of cabinet handle projects.
4. Three series of shelf supports.
5. Process improvement of production line, increase in output and reduction of movement time of the work-in-process.

Planned Development Projects in 2020:

1. 34 series of cabinet handle projects.
2. 47 series of sanitary ware projects.
3. Continuous process improvement of production line.

II. Annual Business Plan for 2020

(I) Business Policy

1. Business: In addition to the efforts put in the cabinet handle market, the Company also continues to deepen the development of new products and actively explores other fields such as bathroom accessories, curtain series to improve the sales volume of products. On the other hand, we also strive to develop more new customers so as to reduce the dependence on a single customer and increase the products' market share.
2. Production: The Company assigns full-time production management performance personnel, introduce industrial engineering, cooperate with site supervisors to reduce unnecessary waste in production, improve various production indicators, and enhance production efficiency.
3. Procurement: We have always been attentive to the price trend of international raw

materials while increasing the procurement of raw materials strategically when the price is low. Also, the Company actively develops more suppliers with competitive pricing.

4. Finance: The Company coordinates the Group's capital planning in keeping with the changes in the international foreign exchange rate to reduce the impacts of the exchange rate and interest rate and improve the financial structure of the Group.
5. Industry: We seek cross-industry cooperation to expand the Company's operational scale.

(II) Production and Marketing Policies

1. Shortening the product development cycle to meet the customer's delivery time for new product development.
2. Setting up standard processes, standard working hours, standard consumption, and standard output of each process to precisely master the production efficiency.
3. Reducing the defect rate, scrap rate, and rework rate.
4. Adjusting the production line to make the production process smoother and reduce the idle time of personnel and machines.
5. Improving utilization, increasing production capacity, improving economies of scale, and lowering production costs.

III. Operating Prospect in 2020

Looking forward to 2020, the global economy is still in turmoil under the influence of black swan factors such as the COVID-19 and the ongoing stalemate of the trade war between the United States and China, which will affect the brick-and-mortar retail channels to a certain extent. Thai Kin's production place is located in Thailand, thus the impact on it is limited. However, this is still a year full of challenges for the Company, and our future operation development will focus on stabilizing existing customers, actively developing new customers to adding new products, crossing different projects products, such as window decoration series, sanitary ware series, so as to improve the market share and visibility of the Company's products. We will also strengthen cost control to improve production performance and seek new opportunities for cross-sector cooperation and investment.

Facing the uncertainty of the global economy, Thai Kin and all its colleagues are well prepared to meet the challenges and believe that we can grow against the challenging environment. Best wishes to you all.

Good health and good luck.

Chairperson: HSU,TA-CHIN

General Manager: HSU,CHEN-JUNG

Accounting Manager: Huang Cheng Hsiu

THAI KIN CO., LTD.

Thai Kin Co., Ltd. Audit Committee's Review Report

The Board of Directors has prepared the Company's business report, financial statements, and the earnings distribution proposal for 2019, in which the consolidated financial statements have been audited by the CPAs Chun-Hsiu Kuan and Chun-Yi Chang of KPMG Taiwan entrusted by the Board of Directors, with the audit report issued. The above business report, consolidated financial statements, and earnings distribution proposal have been verified by the Audit Committee and deemed as appropriate and reported as above in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for approval.

Sincerely,

The Company's 2020 Annual Shareholders' Meeting

Thai Kin Co., Ltd.

Convener of the Audit Committee:
WU,CHUNG-FERN

March 3, 2020

**Corporate Governance Best Practice Principles of Thai Kin Co., Ltd.
Comparison Table of the Amendments to Part of the Articles**

Articles after Amendments	Articles before Amendments	Description
<p>Article 7</p> <p>(Shareholders' participation in corporate governance is encouraged) The Company shall encourage its shareholders to actively participate in corporate governance and engage a professional shareholder service agent to handle matters related to shareholders' meetings so that the meetings can proceed on a legal, effective and secure basis. The Company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas, and supplementary information of shareholders' meetings in both Chinese and English concurrently. Also, the Company shall adopt electronic voting in order to enhance shareholders' attendance rates at shareholders' meetings and ensure their exercise of rights at such meetings is in accordance with laws.</p> <p>The Company is advised to avoid raising extempore motions and amendments to original proposals at a shareholders' meeting.</p> <p>The Company is advised to arrange for its shareholders to vote on each proposal according to the shareholders' meeting agenda and record the conclusion of the meeting on the Market Observation Post System on the same day, including numbers of votes cast for and against and the number of abstentions.</p>	<p>Article 7</p> <p>(Shareholders' participation in corporate governance is encouraged) The Company shall encourage its shareholders to actively participate in corporate governance and engage a professional shareholder service agent to handle matters related to shareholders' meetings so that the meetings can proceed on a legal, effective and secure basis. The Company shall seek all ways and means, including fully exploiting technologies for information disclosure, to upload annual reports, annual financial statements, notices, agendas, and supplementary information of shareholders' meetings in both Chinese and English concurrently. Also, the Company shall adopt electronic voting in order to enhance shareholders' attendance rates at shareholders' meetings and ensure their exercise of rights at such meetings is in accordance with laws.</p> <p>The Company is advised to avoid raising extempore motions and amendments to original proposals at a shareholders' meeting. The Company is also advised to adopt a candidate nomination system for the election of Directors in the current year.</p> <p>The Company is advised to arrange for its shareholders to vote on each proposal according to the</p>	<p>Upload annual reports in English concurrently in accordance with the regulations of the competent authorities.</p> <p>The provision that a candidate nomination system for the election of Directors and Supervisors has been set forth in Articles 22 and 42; therefore, the second line of texts in paragraph 2 of this Article is deleted.</p>

Articles after Amendments	Articles before Amendments	Description
	shareholders' meeting agenda and record the conclusion of the meeting on the Market Observation Post System on the same day, including numbers of votes cast for and against and the number of abstentions.	
<p>Article 10</p> <p>(Placing high importance on the shareholders' right to know) The Company shall place high importance on the shareholders' right to know and faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the Company's website.</p> <p>To protect its shareholders' rights and interests and implement equal treatment, the Company shall adopt internal rules prohibiting company insiders from trading securities using information not disclosed to the market.</p> <p>The proceeding regulations shall include the measures for controlling the stock trading of TWSE/GTSM listed companies' insiders from the date they are informed of the Company's financial report or relevant performance contents.</p>	<p>Article 10</p> <p>(Placing high importance on the shareholders' right to know) The Company shall place high importance on the shareholders' right to know and faithfully comply with applicable regulations regarding information disclosure in order to provide shareholders with regular and timely information on company financial conditions and operations, insider shareholdings, and corporate governance status through the MOPS or the Company's website.</p> <p>To protect its shareholders' rights and interests and implement equal treatment, the Company shall adopt internal rules prohibiting company insiders from trading securities using information not disclosed to the market.</p>	<p>Additional paragraph 4. To prevent insider trading, referring to the provision as set forth in the listing rules of Hong Kong Stock Exchange that a Director must not deal any shares prior to the publication of financial results, it is advisable that TWSE/GTSM listed companies to establish the measures on controlling the stock trading of insiders from the date they are informed of the Company's financial report or relevant performance contents.</p>
<p>Article 22</p> <p>(It is specified in the Articles of Incorporation specifies that the</p>	<p>Article 22</p> <p>(It is specified in the Articles of Incorporation specifies that the</p>	<p>In line with the provisions of April 25, 2019 Letter No. Financial-Supervisory-</p>

Articles after Amendments	Articles before Amendments	Description
<p>candidate nomination system for elections of Directors is adopted) The Company shall, in accordance with the provisions of the regulations of the competent authorities, specify in its Articles of Incorporation that it adopts the candidate nomination system for elections of Directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.</p>	<p>candidate nomination system for elections of Directors is adopted) The Company shall, in accordance with the provisions of the Company Act, specify in its Articles of Incorporation that it adopts the candidate nomination system for elections of Directors, carefully review the qualifications of a nominated candidate and the existence of any other matters set forth in Article 30 of the Company Act, and act in accordance with Article 192-1 of the Company Act.</p>	<p>Securities-Trading-1080311451 from the competent authority: "A TWSE/TPEX listed company shall adopt a candidate nomination system for the election of the Directors and Supervisors, which shall be expressly stipulated in the Articles of Incorporation of the Company; and the shareholders shall elect the Directors and Supervisors from among the nominees listed in the roster of Director and Supervisors candidates," the contents of this article are amended for the time being.</p>
<p>Article 23 (The Board of Directors of a TWSE/TPEX listed company shall clearly distinguish the authorization and responsibilities and duties of the functional committee, the Chairperson of the Board and the general manager) Clear distinctions shall be drawn between the responsibilities and duties of the Chairperson of the Board and the general manager of a TWSE/TPEX listed company. It is inappropriate for the Chairperson to also act as the general manager or other equivalent position.</p>	<p>Article 23 (The Board of Directors of a TWSE/TPEX listed company shall clearly distinguish the authorization and responsibilities and duties of the functional committee, the Chairperson of the Board and the general manager) Clear distinctions shall be drawn between the responsibilities and duties of the Chairperson of the Board and the general manager of a TWSE/TPEX listed company. It is inappropriate for the Chairperson to also act as the general manager or other equivalent position (such as top-level managers). If the Chairperson also</p>	<p>In line with the New Corporate Governance Roadmap (2018~2020) and the needs of the Company's operation practice, related supporting measures on where a Chairperson also acts as the general manager or other equivalent position or the Chairperson and general manager or other equivalent position, are spouses or relatives within</p>

Articles after Amendments	Articles before Amendments	Description
<p>A TWSE/TPEX listed company with a functional committee shall clearly define the responsibilities and duties of the committee.</p>	<p>acts as the general manager or other equivalent position (such as top-level managers) or the Chairperson and general manager or other equivalent position (such as top-level managers) are spouses or relatives within one degree of kinship, it is advisable that the number of Independent Directors be increased and there be a majority of the members of the Board of Directors who are not employees or managers.</p> <p>A TWSE/TPEX listed company with a functional committee shall clearly define the responsibilities and duties of the committee.</p>	<p>one degree of kinship, has been specified in the "Operation Directions for Compliance with the Establishment of Board of Directors by TWSE Listed Companies and the Board's Exercise of Powers of the Company" and the "Taipei Exchange Directions for Compliance Requirements for the Appointment and Exercise of Powers of the Boards of Directors of TPEX Listed Companies." Therefore, the second line of texts in paragraph 2 of this Article is deleted.</p>
<p>Article 28-2 (It is advisable to establish a nominating committee)</p> <p>The Company shall, in the future, establish a nominating committee and formulate the charter as appropriate, and it is advisable that more than half of the committee members be Independent Directors, and the Chairperson be an Independent Director.</p>	<p>Article 28-2 (A whistle-blowing system)</p> <p>A TWSE/TPEX listed company is advised to establish and announce channels for internal and external whistle-blowers and have whistle-blower protection mechanisms in place. The unit that handles whistle-blowers' reporting shall be independent, provide encrypted protection for the files furnished by whistle-blowers, and appropriately restrict access to such files. It shall also formulate internal procedures and incorporate those procedures</p>	<p>I. The current articles are moved to Article 28-3.</p> <p>II. On May 26, 2004, the Company released the "Sample Template of ○○ Co., Ltd. Charter of Nominating Committee" as the reference for TWSE/TPEX listed companies in formulating the charter of their nominating committee. Subsequently, the Company amended the proceeding sample template on September 27, 2006, and</p>

Attachment III

Articles after Amendments	Articles before Amendments	Description
	<p>into the Company's internal control system for management purposes.</p>	<p>June 22, 2012. And according to the "Action Plans: Strengthening the Effectiveness of the Board" of "Project 3: Enhancing Board Functions in the Corporate Governance Roadmap 2013," with more and more attention being paid to the nominating committee in the international community to enhance the function of the Board of Directors; therefore, the Company amended the announcement of the "Sample Template of ○○ Co., Ltd. Charter of Nominating Committee" on January 26, 2015, with the reference of the legislative examples of the United Kingdom, Australia, Singapore, Japan, and Malaysia. In order to encourage TWSE/TPEX listed companies to set up their nominating committee, the provisions of this article have been amended for the time being.</p>

**Corporate Social Responsibility Best Practice Principles of Thai Kin
Co., Ltd.**

Comparison Table of the Amendments to Part of the Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 3 In fulfilling corporate social responsibilities, TWSE/GTSM-listed companies shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance. The Company shall conduct a risk assessment on environmental, social, and corporate governance issues related to the Company's operations in accordance with the materiality principle and formulate relevant risk management policies or strategies.</p>	<p>Article 3 In fulfilling corporate social responsibilities, TWSE/GTSM-listed companies shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society, and corporate governance.</p>	<p>Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). Paragraph 2 was added referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2, assessment item I) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.</p>
<p>Article 17 TWSE/GTSM-listed companies are advised to evaluate the present and future potential risks and opportunities of climate change to the Company and take measures to respond to climate-related issues. TWSE/GTSM-listed companies are advised to adopt domestic and</p>	<p>Article 17 TWSE/GTSM-listed companies are advised to adopt domestic and foreign standards or guidelines to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following: I. Direct greenhouse gas emissions: Emissions</p>	<p>I. The front part of paragraph 2 was amended and moved to paragraph 1. Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). The</p>

<p>foreign standards or guidelines to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:</p> <p>I. Direct greenhouse gas emissions: Emissions from operations that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: Emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.</p> <p>TWSE/GTSM-listed companies are advised to calculate greenhouse gas emissions, water consumption, and total waste weight and shall establish company strategies for energy conservation and carbon and greenhouse gas emissions reduction, water consumption reduction or other waste management. Such strategies should include obtaining carbon credits to promote and minimize the impact of business operations on climate change.</p>	<p>from operations that are owned or controlled by the Company.</p> <p>II. Indirect greenhouse gas emissions: Emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.</p> <p>TWSE/GTSM-listed companies are advised to pay close attention to the impact of climate change on their operations and shall establish company strategies for energy conservation and carbon and greenhouse gas emissions reduction based on their operations and the result of a greenhouse gas inventory. Such strategies should include obtaining carbon credits to promote and minimize the impact of business operations on climate change.</p>	<p>content of this Article was amended referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2, assessment item III(III)) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.</p> <p>II. The current paragraph 1 is moved to paragraph 2 without any amendment.</p> <p>III. The second half of paragraph 2 was amended and moved to paragraph 3. Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). The content of this Article was amended</p>
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		referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2, assessment item III(IV)) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.
<p>Article 21 TWSE/GTSM-listed companies are advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>TWSE/GTSM-listed companies shall adopt and implement reasonable employee benefits measures (including remuneration, leave and other benefits, etc.), appropriately reflect the business performance or achievements in the employee remuneration, to ensure the recruitment,</p>	<p>Article 21 TWSE/GTSM-listed companies are advised to create an environment conducive to the development of their employees' careers and establish effective training programs to foster career skills.</p> <p>TWSE/GTSM-listed companies shall appropriately reflect the corporate business performance or achievements in the employee remuneration policy to ensure the recruitment, retention, and motivation of human resources, and achieve the objective of sustainable</p>	<p>Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). Paragraph 2 was amended referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2,</p>

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<p>retention, and motivation of human resources, and achieve the objective of sustainable operations.</p>	<p>operations.</p>	<p>assessment item IV(II)) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.</p>
<p>Article 24 TWSE/GTSM-listed companies shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. TWSE/GTSM-listed companies shall follow relevant laws, regulations and international guidelines when protecting its customers' health and safety, customer privacy, marketing or labeling its products and services, and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>Article 24 TWSE/GTSM-listed companies shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries. TWSE/GTSM-listed companies shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers' trust or damage consumers' rights or interests.</p>	<p>Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). Paragraph 2 was amended referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2, assessment item IV(V)) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.</p>
<p>Article 26 TWSE/GTSM-listed companies are advised to assess the impact that their procurement has on society as well as the environment of the community that they are procuring from and shall cooperate with their suppliers to jointly implement the corporate social responsibilities. TWSE/GTSM-listed</p>	<p>Article 26 TWSE/GTSM-listed companies are advised to assess the impact that their procurement has on society as well as the environment of the community that they are procuring from and shall cooperate with their suppliers to jointly implement the corporate social responsibilities. TWSE/GTSM-listed</p>	<p>Disclosure of non-financial information is enhanced in the annual report in line with the New Corporate Governance Roadmap (2018~2020). Paragraph 2 was amended referring to international important development trend and the provision of "the status of the Company's performance of social responsibilities, any</p>

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<p>companies are advised to establish a supplier management policy that requires suppliers to comply with the relevant standards on issues such as environmental protection, occupational safety and health, or labor and human rights. Prior to engaging in commercial dealings, TWSE/GTSM-listed companies are advised to assess whether there is any record of a supplier's impact on the environment and society and avoid conducting transactions with those against corporate social responsibility policy. When TWSE/GTSM-listed companies enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused a significant negative impact on the environment and society of the community of the supply source.</p>	<p>companies are advised to assess whether there is any record of a supplier's impact on the environment and society and avoid conducting transactions with those against corporate social responsibility policy. When TWSE/GTSM-listed companies enter into a contract with any of their major suppliers, the content should include terms stipulating mutual compliance with corporate social responsibility policy, and that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused a significant negative impact on the environment and society of the community of the supply source.</p>	<p>variance from the Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies" and the reason for any such variance (see Table 2-2-2, assessment item IV(VI)) in "Regulations Governing Information to be Published in Annual Reports of Public Companies" from the competent authority.</p>
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**Ethical Corporate Management Best Practice Principles of
Thai Kin Co., Ltd.**

Comparison Table of the Amendments to Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 5 (Policy) The Company shall abide by the operational philosophies of honesty, transparency, and responsibility, frame policies on the principle of good faith with the approval from the Board of Directors, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>Article 5 (Policy) The Company shall abide by the operational philosophies of honesty, transparency, and responsibility, frame policies on the principle of good faith, and establish good corporate governance and risk control and management mechanism so as to create an operational environment for sustainable development.</p>	<p>According to paragraph 3.7 and paragraph 5.1.1 of ISO 37001 Anti-bribery Management Systems promulgated by the International Organization for Standardization (ISO) in October 2016, organizational anti-bribery management policies are required to obtain the approval of the Board of Directors. This article was amended accordingly to specify that the Company's ethical corporate management policies need to be approved by the Board of Directors.</p>
<p>Article 7 (Scope of prevention programs) The Company shall establish a risk assessment mechanism against unethical conduct, regularly analyze and assess business activities within their business scope which are at a higher risk of being involved in unethical conduct, establish prevention programs accordingly, and review their adequacy and effectiveness on a regular basis. It is advisable for the Company to refer to prevailing domestic and foreign standards or</p>	<p>Article 7 (Scope of prevention programs) In formulating the prevention programs, the Company shall regularly analyze and assess business activities within its business scope which are at a higher risk of being involved in unethical conduct and strengthen relevant preventive measures. The Company shall establish the prevention programs, which shall at least include preventive</p>	<p>I. Referring to paragraph 4.5.1 of ISO 37001-The organization shall conduct a bribery risk assessment on a regular basis and assess the suitability and effectiveness of the existing control methods and paragraph 4.5.2- Establishing the category of the level of bribery risk assessment, paragraph 1 of this Article is amended accordingly. II. In order to assist the Company on introducing the</p>

Articles after Amendments	Articles before Amendments	Description
<p>guidelines in establishing the prevention programs, which shall at least include preventive measures against the following:</p> <p>I. Offering and acceptance of bribes.</p> <p>II. Illegal political donations.</p> <p>III. Improper charitable donations or sponsorship.</p> <p>IV. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</p> <p>V. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</p> <p>VI. Engaging in unfair competitive practices.</p> <p>VII. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.</p>	<p>measures against the following:</p> <p>I. Offering and acceptance of bribes.</p> <p>II. Illegal political donations.</p> <p>III. Improper charitable donations or sponsorship.</p> <p>IV. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.</p> <p>V. Misappropriation of trade secrets and infringement of trademark rights, patent rights, copyrights, and other intellectual property rights.</p> <p>VI. Engaging in unfair competitive practices.</p> <p>VII. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.</p>	<p>management mechanism of ethical corporate management (anti-bribery) and establishing the corporate culture of ethical management (anti-bribery) and referring to domestic and foreign standards or guidelines such as ISO37001, GRI205: Anti-Corruption 2016, and the third edition of the "Business Principles for Countering Bribery" published by Transparency International in 2013, the texts in paragraph 2 of this Article are modified.</p>
<p>Article 8 (Commitment and implementation) The Company shall request its Directors and Senior Management to issue a statement of compliance with the ethical management</p>	<p>Article 8 (Commitment and implementation) The Company and its respective business group shall clearly specify in its rules and external documents the ethical corporate management</p>	<p>I. Add paragraph 1. The subparagraph c of paragraph 7.2.2.2 of ISO 37001 specifies that the organization shall require Senior Management</p>

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Articles after Amendments	Articles before Amendments	Description
<p>policy and require in the terms of employment that employees comply with such policy. The Company and its respective business group shall clearly specify in its rules and external documents and on the Company's website the ethical corporate management policies and the commitment by the Board of Directors and Senior Management on rigorous and thorough implementation of such policies and shall carry out the policies in internal management and in commercial activities. The Company shall compile documented information on the ethical management policy, statement, commitment, and implementation mentioned in the first and second paragraphs and retain said information properly.</p>	<p>policies and the commitment by the Board of Directors and Management on rigorous and thorough implementation of such policies and shall carry out the policies in internal management and in commercial activities.</p>	<p>members and Directors to issue statements of compliance with the anti-bribery policy, and the subparagraph a of paragraph 7.2.2.1 specifies that the organization shall require the employee to comply with the anti-bribery policy in the terms of employment. Therefore, the employment contract shall contain and emphasize the provisions of ethical corporate management. II. The current articles are amended and moved to paragraph 2. Besides the amendments to paragraph 1, Article 3-3 of the "Company's Rules Governing Information Filing by Companies with TWSE Listed Securities and Offshore Fund Institutions with TWSE Listed Offshore Exchange-Traded Funds" states that a TSWE-listed company shall establish a company website. Article 4-1 of the "Taipei Exchange Rules Governing Information Reporting by</p>

Articles after Amendments	Articles before Amendments	Description
		<p>Companies with TPEX Listed Securities" also sets out that a TPEX-listed company shall establish its company website. Therefore, it is advisable that the Company publish its policy of ethical management on its website, and that the Board of Directors and Senior Management actively implement the commitment of ethical management policies.</p> <p>III. Add paragraph 3. The policies, processes, and implementation referring to ISO 37001 Anti-bribery Management Systems shall all be compiled as documented information and retained properly. Paragraph 4.5.4 of ISO 37001 states that it is advisable to retain relevant documents of anti-bribery risk assessment; paragraph 5.2 specifies that the anti-bribery policies shall be expressly stipulated in documents; paragraph 7.3 advises to retain the documents of anti-bribery training</p>

Articles after Amendments	Articles before Amendments	Description
		procedures, contents, time and participants, the relevant policies, procedures, and implementation properly.
<p>Article 17 (Organization and responsibility) The Directors, Supervisors, Managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures, and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the audit unit of the Company shall be responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs, shall be in charge of the following matters, and shall report to the Board of Directors on a regular basis (at least once a year):</p> <p>I. Assisting in incorporating ethics and moral values into the Company's business</p>	<p>Article 17 (Organization and responsibility) The Directors, Supervisors, Managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures, and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.</p> <p>To achieve sound ethical corporate management, the audit unit of the Company shall be responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs, shall be in charge of the following matters, and shall report to the Board of Directors on a regular basis (at least once a year):</p> <p>I. Assisting in incorporating ethics and moral values into</p>	<p>I. Referring to paragraph 5.3.2 of ISO 37001 on providing adequate resources and appropriate personnel to the dedicated anti-bribery unit, and paragraph 9.4 on that the dedicated anti-bribery unit shall report to the Board of Directors at least once a year, paragraph 2 of this Article is amended accordingly.</p> <p>II. In line with the amendment to paragraph 1 of Article 7, subparagraph 2, paragraph 2 of this Article is added on that the main responsibilities of the dedicated ethical management unit include analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, and relevant texts are adjusted accordingly.</p>

Articles after Amendments	Articles before Amendments	Description
<p>strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</p> <p>II. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, accordingly adopting programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</p> <p>III. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>IV. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>V. Developing a whistle-blowing system and ensuring its operating effectiveness.</p>	<p>the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</p> <p>II. Adopting programs to prevent unethical conduct and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</p> <p>III. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>IV. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>V. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>VI. Assisting the Board of Directors and Management in</p>	

Articles after Amendments	Articles before Amendments	Description
<p>VI. Assisting the Board of Directors and Management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	<p>auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	
<p>Article 20 (Accounting and internal control) The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in unethical conduct, shall not have under-the-table accounts or keep secret accounts, and shall conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit unit of the Company shall, based on the results of the assessment of the risk of involvement in unethical conduct, devise relevant audit plans including auditees, audit scope, audit items, audit frequency, etc., and examine accordingly the compliance with the prevention programs. The internal audit unit may</p>	<p>Article 20 (Accounting and internal control) The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in unethical conduct, shall not have under-the-table accounts or keep secret accounts, and shall conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit unit of the Company shall periodically examine the Company's compliance with the foregoing systems and prepare audit reports and submit the same to the Board of Directors. The internal audit unit may engage a certified public accountant to carry out the audit and may engage professionals to assist if</p>	<p>I. Referring to Article 9.2 of ISO 37001 on the internal audit of the anti-bribery management system (such as subparagraph a of paragraph 9.2.2-The audit plan shall include the conducting frequency and method, subparagraph b of paragraph 9.2.2- Defining the criteria and scope of each audit, paragraph 9.2.3-The audit shall be on the basis of risk operation, paragraph A.16.3 of the Appendix-Audit objects may be selected according to their risk), paragraph 2 of this Article is amended accordingly. II. Add paragraph 3. Referring to subparagraph d of</p>

Articles after Amendments	Articles before Amendments	Description
<p>engage a certified public accountant to carry out the audit and may engage professionals to assist if necessary.</p> <p>The audit results in the preceding paragraph shall be reported to Senior Management and the ethical management dedicated unit and put down in the form of an audit report to be submitted to the Board of Directors.</p>	<p>necessary.</p>	<p>paragraph 9.2.2 of ISO 37001-Ensuring that audit results are reported to relevant anti-bribery management system personnel, senior management personnel and the Board of Directors. Considering the architecture, texts such as "and put down in the form of an audit report to be submitted to the Board of Directors" and the notification procedures after the audit by the internal audit unit are stipulated in the Article.</p>
<p>Article 23 (Whistle-blowing system)</p> <p>The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following matters:</p> <p>I. Establishing and announcing an internal independent mailbox or hotline or having it set up by an independent external institution to allow internal and external personnel of the Company to submit reports.</p> <p>II. Dedicated personnel or unit appointed to handle the whistle-blowing system. Any</p>	<p>Article 23 (Whistle-blowing system)</p> <p>The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following matters:</p> <p>I. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow internal and external personnel of the Company to submit reports.</p> <p>II. Appointing dedicated personnel or unit to handle the whistle-blowing system. Any</p>	<p>I. Referring to paragraph A.18.8 of the Appendix of ISO 37001- Appropriate follow-up measures shall be adopted after investigations of bribery cases, subparagraph 3, paragraph 1 is added, and subparagraph 3 to 6, paragraph 1 is moved to subparagraph 4 to 7.</p> <p>II. To keep the wording consistent, the text in subparagraph 2, paragraph 1 in this Article is modified as appropriate.</p> <p>III. Referring to subparagraph c, paragraph 8.9 in ISO 37001 on allowing anonymous</p>

Articles after Amendments	Articles before Amendments	Description
<p>tip involving a Director or Senior Management shall be reported to the independent directors or supervisors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</p> <p>III. Follow-up measures to be adopted depending on the severity of the circumstances after investigations of cases reported are completed. Where necessary, a case shall be reported to the competent authority or referred to the judicial authority.</p> <p>IV. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.</p> <p>V. Confidentiality of the identity of whistle-blowers and the content of reported cases, and an undertaking regarding anonymous reporting.</p> <p>VI. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>VII. Whistle-blowing</p>	<p>matter involving a Director or Senior Management shall be reported to the Independent Directors or Supervisors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.</p> <p>III. Records and preservation of documentation of case acceptance, investigation processes, investigation results, and relevant documents.</p> <p>IV. Confidentiality of the identity of whistle-blowers and the content of reported cases.</p> <p>V. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing.</p> <p>VI. Whistle-blowing incentive measures. When material misconduct or likelihood of material impairment to the Company comes to its awareness upon investigation, the dedicated personnel or unit handling the whistle-</p>	<p>reporting, paragraph 1 of this Article is amended and moved to subparagraph 5.</p>

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Articles after Amendments	Articles before Amendments	Description
<p>incentive measures. When material misconduct or likelihood of material impairment to the Company comes to its awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors or supervisors in written form.</p>	<p>blowing system shall immediately prepare a report and notify the independent directors or supervisors in written form.</p>	
<p>Article 27 (Implementation) The Ethical Corporate Management Best Practice Principles of the Company shall be implemented after the Board of Directors approves and shall be sent to the supervisors and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended. When the Company submits its Ethical Corporate Management Best Practice Principles to the Board of Directors for discussion pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. Any objections or reservations of each Independent Director shall be recorded in the minutes of the Board of Directors meeting. An</p>	<p>Article 27 (Implementation) The Ethical Corporate Management Best Practice Principles of the Company shall be implemented after the Board of Directors approves and shall be sent to the supervisors and reported at a shareholders' meeting. The same procedure shall be followed when the principles have been amended. Where the Company has established the position of Independent Director. When the Company submits its Ethical Corporate Management Best Practice Principles to the Board of Directors for discussion pursuant to the preceding paragraph, the Board of Directors shall take into full consideration each Independent Director's opinions. Any objections or reservations of each Independent Director</p>	<p>Considering that the Company has completed the establishment of the position of independent director, therefore, the texts of paragraph 2 in this article is amended to comply with the practical operation.</p>

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Articles after Amendments	Articles before Amendments	Description
<p>Independent Director that cannot attend the Board of Directors meeting in person to express objections or reservations shall provide a written opinion before the Board of Directors meeting unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the Board of Directors meeting.</p>	<p>shall be recorded in the minutes of the Board of Directors meeting. An Independent Director that cannot attend the Board of Directors meeting in person to express objections or reservations shall provide a written opinion before the Board of Directors meeting unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the Board of Directors meeting.</p>	

**Procedures for Ethical Management and Guidelines for Conduct of
Thai Kin Co., Ltd.**

Comparison Table of the Amendments to Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 5 (Responsible unit and duties) The Company has designated the audit unit as the solely responsible unit (hereinafter referred to as the "responsible unit of the Company") under the Board of Directors provided with adequate resources and appropriate personnel and in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and report to the Board of Directors on a regular basis (at least once a year):</p> <p>I. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</p>	<p>Article 5 (Responsible unit) The Company has designated the audit unit as the solely responsible unit (hereinafter referred to as the "responsible unit of the Company") in charge of the monitoring of implementation. The responsible unit is in charge of the amendment, implementation, interpretation, and advisory services with respect to these Procedures and Guidelines, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and report to the Board of Directors on a regular basis:</p> <p>I. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.</p>	<p>I. In line with Article 17 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"- Providing adequate resources and appropriate personnel to the responsible unit, and the responsible unit shall report to the Board of Directors at least once a year; the title of this Article and the provisions of the preface are amended.</p> <p>II. In line with Article 17 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"- The main responsibilities of the responsible unit include analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, the current subparagraph 2 is amended and moved.</p> <p>III. In line with Article 8 of "Ethical Corporate</p>

<p>II. Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</p> <p>III. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>IV. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>V. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>VI. Assisting the Board of Directors and Management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p> <p>VII. Compiling documented information</p>	<p>II. Adopting programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the Company's operations and business.</p> <p>III. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.</p> <p>IV. Promoting and coordinating awareness and educational activities with respect to ethics policy.</p> <p>V. Developing a whistle-blowing system and ensuring its operating effectiveness.</p> <p>VI. Assisting the Board of Directors and Management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.</p>	<p>Management Best Practice Principles for TWSE/GTSM Listed Companies"- Documented information shall be compiled on the ethical management policy, statement, commitment and implementation and retain said information properly, paragraph 7 is added.</p>
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<p>on the ethical management policy, compliance statement, commitment, and implementation and retaining said information properly.</p>		
<p>Article 11 (Recusal) When the Company's Director, Supervisor, officer or other stakeholder attending or present at a Board meeting, or the juristic person represented thereby, has a stake in a matter at the meeting, that Director, Supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or voting, shall recuse himself/herself from any discussion and voting, and may not exercise voting rights as a proxy on behalf of another Director. The Directors shall exercise discipline among themselves and may not support each other in an inappropriate manner. Where the spouse or a blood relative within the second degree of kinship of a Director or a company which has a controlling or subordinate relation with a Director, is an interested party with respect to an agenda item as described in the preceding paragraph, such Director shall be deemed</p>	<p>Article 11 (Recusal) When the Company's Director, Supervisor, officer or other stakeholder attending or present at a Board meeting, or the juristic person represented thereby, has a stake in the proposals at the meeting, that Director, Supervisor, officer or stakeholder shall state the important aspects of the stake in the meeting and, where there is a likelihood that the interests of the Company would be prejudiced, may not participate in the discussion or voting, shall recuse himself/herself from any discussion and voting, and may not exercise voting rights as a proxy on behalf of another Director. The Directors shall exercise discipline among themselves and may not support each other in an inappropriate manner.</p>	<p>I. In line with paragraph 1 of Article 16 of "Regulations Governing Procedure for Board of Directors Meetings of Public Companies," the texts in paragraph 1 of this Article are modified as appropriate.</p> <p>II. In line with paragraph 1 of Article 16 of Company Act, paragraph 2 of this Article is added, stipulating that where the spouse or a blood relative within the second degree of kinship of a Director or a company which has a controlling or subordinate relation with a Director, is an interested party with respect to an agenda item given at the Board meeting, such Director shall be deemed to be an interested party with respect to that agenda item.</p> <p>III. The current paragraph 2 is moved to paragraph 3 without any amendment.</p>

<p>to be an interested party with respect to that agenda item. If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions. No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.</p>	<p>If in the course of conducting company business, any personnel of the Company discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions. No personnel of the Company may use company resources on commercial activities other than those of the Company, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of the Company.</p>	<p>IV. The current paragraph 3 is moved to paragraph 4 without any amendment.</p>
<p>Article 16 (Compliance and announcement of ethical management policy) The Company shall request its Directors and Senior Management to issue a statement of compliance with the ethical management policy and require in the terms of employment that</p>	<p>Article 16 (Announcement of policy of ethical management to outside parties) The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the Company's websites, and in other promotional materials and make timely</p>	<p>I. In line with Article 8 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"- TWSE/GTSM listed companies shall request their Directors and Senior Management to issue a statement of</p>

<p>employees comply with such policy.</p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the Company's websites, and in other promotional materials and make timely announcements of the policy in events held for external parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p>	<p>announcements of the policy in events held for external parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p>	<p>compliance with the ethical management policy and require in the terms of employment that employees comply with such policy, paragraph 1 of this Article is added and the title of this article is amended accordingly.</p> <p>II. The current paragraph is moved to paragraph 2 without any amendment</p>
<p>Article 21 (Handling of unethical conduct by personnel of the Company)</p> <p>As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward under NT\$10,000 based on the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. The Company has internally established and publicly announced an independent mailbox or hotline or has it provided by an independent external institution, to</p>	<p>Article 21 (Handling of unethical conduct by personnel of the Company)</p> <p>As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, the Company will grant a reward under NT\$10,000 based on the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material. The Company has internally established and publicly announced an independent mailbox or hotline or has it provided by an independent external institution, to</p>	<p>In line with Article 23 of "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies"-An undertaking regarding anonymous reporting and follow-up measures to be adopted after investigations of reported cases are completed, subparagraph 1, paragraph 2 of this Article is amended as well as the texts in paragraph 4 and subparagraph 3 of the same paragraph.</p>

<p>allow company insiders and outsiders to submit reports. A whistle-blower shall at least furnish the following information:</p> <p>I. The whistle-blower's name and I.D. number, which will be undertaken regarding anonymous reporting, and the contact address, phone number, and e-mail address.</p> <p>II. The informed party's name or other information which is sufficient to distinguish its identifying features.</p> <p>III. Specific facts available for investigation.</p> <p>Company personnel handling whistle-blowing matters shall represent in writing that they will keep the whistle-blowers' identity and contents of information confidential. The Company also undertakes to protect the whistle-blowers from improper treatment due to their whistle-blowing. The responsible unit of the Company shall handle the whistle-blowing matters in accordance with the following procedures:</p> <p>I. Reported violations that involve ordinary employees shall be reported to the department supervisor. Reported violations that involve Directors or Senior Management shall be reported to Independent Directors.</p> <p>II. The responsible unit of the Company and the</p>	<p>allow company insiders and outsiders to submit reports. A whistle-blower shall at least furnish the following information:</p> <p>I. The whistle-blower's name and I.D. number, contact address, phone number, and e-mail address.</p> <p>II. The informed party's name or other information which is sufficient to distinguish its identifying features.</p> <p>III. Specific facts available for investigation.</p> <p>Company personnel handling whistle-blowing matters shall represent in writing that they will keep the whistle-blowers' identity and contents of information confidential. The Company also undertakes to protect the whistle-blowers from improper treatment due to their whistle-blowing. And the responsible unit of the Company shall handle in accordance with the following procedures:</p> <p>I. Reported violations that involve ordinary employees shall be reported to the department supervisor. Reported violations that involve Directors or Senior Management shall be reported to Independent Directors.</p> <p>II. The responsible unit of the Company and the</p>	
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<p>department supervisor or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related departments.</p> <p>III. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company shall report to the competent authority, refer the case to the judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>IV. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistle-blowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p>	<p>department supervisor or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related departments.</p> <p>III. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or the Company's policy and regulations of ethical management, the Company shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, the Company shall refer the case to the judicial authority for investigation, or institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>IV. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistle-blowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p>	
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<p>V. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>VI. The responsible unit of the Company shall submit a report on the whistle-blowing case, actions taken, subsequent reviews, and corrective measures to the Board of Directors.</p>	<p>V. With respect to a confirmed information, the Company shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>VI. The responsible unit of the Company shall submit a report on the whistle-blowing case, actions taken, subsequent reviews, and corrective measures to the Board of Directors.</p>	
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Attachment VII

Report on the Connection Between and Reasonableness of the Performance Assessment Results of the Directors and Managers and Their Compensation

Performance Assessment Mechanism for the Board of Directors	Performance Self-Assessment Results of the Board of Directors in 2019	The Connection Between and Reasonableness of the Contents and Amounts of the Compensation of the Directors and Managers and the Performance Assessment Results
<p>The performance assessment of the Board of Directors shall be completed before the end of the first quarter of the following year after the end of each fiscal year in accordance with the Company's Rules of Organization of Remuneration Committee and the Rules and Procedures for the Performance Assessments of the Board of Directors.</p> <p>The assessment includes the overall performance of the Board of Directors and the performance of individual Directors.</p> <p>The criteria for evaluating the performance of the Company's Board of Directors shall cover the following five aspects:</p> <p>I. Participation in the operation of the Company.</p> <p>II. Improvement of the quality of the Board of Directors' decision making;</p> <p>III. Composition and structure of the Board of</p>	<p>I. Assessment period: from January 1, 2019 to December 31, 2019.</p> <p>II. Performance self-assessment results of the Board of Directors:</p> <ol style="list-style-type: none"> 1. Participation in the operation of the Company: Surpassing the standards 2. Improvement of the quality of the Board of Directors' decision making: Meeting the standards 3. Composition and structure of the Board of Directors: Surpassing the standards 4. Election and continuing education of the Directors: Surpassing the standards 5. Internal control: Surpassing the standards <p>III. Average self-assessment results of the Board members:</p>	<p>In accordance with the Company's Articles of Incorporation, less than 3% (included) of the profits shall be reserved as the Director's remuneration, and reasonable compensation shall be paid to Directors with the consideration on the Company's operating results, and their contribution to the Company's performance. The payment of remuneration to the managers shall be based on the Company's policies and procedures including the management measures on the labor and wage cycle, the salary level of the position in the same industry, the scope of rights and liabilities of the position in the Company, and the individual's contribution to the Company's operating objectives. The remuneration shall be reasonably determined on the basis of the methods for annual performance assessment of the Company, referring to the overall operating performance of the Company, the future operating risks and development trend of the industry. Also, the</p>

Attachment VII

Performance Assessment Mechanism for the Board of Directors	Performance Self-Assessment Results of the Board of Directors in 2019	The Connection Between and Reasonableness of the Contents and Amounts of the Compensation of the Directors and Managers and the Performance Assessment Results
<p>Directors; IV. Election and continuing education of the Directors; and V. Internal control The criteria for evaluating the performance of the Board members shall cover the following six aspects: I. Alignment of the goals and missions of the Company; II. Awareness of the duties of a Director; III. Participation in the operation of the Company; IV. Management of internal relationship and communication; V. The Director's professionalism and continuing education; and VI. Internal control.</p>	<ol style="list-style-type: none"> 1. Alignment of the goals and missions of the Company: Surpassing the standards 2. Awareness of the duties of a Director: Surpassing the standards 3. Participation in the operation of the Company: Surpassing the standards 4. Management of internal relationship and communication: Surpassing the standards 5. The Director's professionalism and continuing education: Surpassing the standards 6. Internal control: Surpassing the standards <p>IV. The performance assessment results of the Board of Directors have been reported to the Board of Directors on March 20, 2020.</p>	<p>individual's achievement rate and contribution to the Company are taken into consideration. The reasonableness of relevant performance assessment and remuneration shall be audited by the Remuneration Committee and the Board of Directors, and the remuneration system shall be reviewed according to the actual operating conditions and relevant laws and regulations.</p>



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Independent Auditors' Report

To the Board of Directors of Thai Kin Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Thai Kin Co., Ltd. and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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. Based on our judgments, the key audit matters that should be disclosed in this audit report are as follows:

1. Revenue recognition

Please refer to note 4(m) "Recognition of Revenue" for accounting policy related to revenue recognition, and note 6(p) for the information related to revenue of the consolidated financial statements.

Description of key audit matter:

The Group entered into agreements or sales orders with its major customers, which contain different terms and conditions and increase the complexity of identifying the timing of revenue recognition and transferring control of the products. Therefore, the revenue recognition was considered one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing and testing the design, and the effectiveness of the internal controls over revenue recognition.
- Performing trend analysis on operating income generated from each top ten customer in current period versus that in latest quarter and last year to assess the occurrence of any significant variation and the rationale for the variation.
- Performing test-of-details on transactions to assess the existence of the transactions and the accuracy of the recognized sales as well as the timing of the recognition.
- Performing sales cut-off test over a period prior and post to the balance sheet date by vouching relevant documents of sales transactions to determine whether the revenue have been recognized in proper period.

2. Subsequent measurements of inventories

Please refer to note 4(h) "Inventories" for accounting policy related to subsequent measurements of inventories, note 5 for accounting assumptions and estimation uncertainties of inventories and note 6(d) for information related to impairment of inventories of the consolidated financial statements.

Description of key audit matter:

Inventories of the Group are measured at the lower of cost and net realizable value. The fair value of inventories is affected by the market price. The increase in the risk of declining in market price would lead to the increase in the risk that the subsequent measurement of inventories is likely to be overestimated. Therefore, the subsequent measurements of inventories was considered one of the key audit matters in our audit.

How the matter was addressed in our audit:

Our audit procedures included:

- Assessing the appropriateness of the provision policies for inventories.
- Performing inventory turnover analysis and trend analysis on the provision for inventory impairments of the current period and of the last period to assess the occurrence of any significant variation and the rationale for the variation.
- Assessing whether the inventories have been subsequently measured in accordance with the Group's provision policies on a consistent basis.
- Obtaining aging analysis of inventories, assessing the appropriateness of provision for obsolete and slow-moving inventories, and examining supporting documents to verify the accuracy of the aging period.
- Understanding the source of sales prices and the changes of the sales prices after the balance sheet date to assess the reasonableness of management's methodology for evaluating the inventories at net realizable value; then, vouching the source documents of selected inventory samples to verify the accuracy of the net realizable value calculation and to assess the appropriateness of provision for decline in the value of inventories.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the IFRSs, IASs, IFRC, SIC endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chun-Hsiu Kuang and Chung-I Chang.

KPMG

Taipei, Taiwan (Republic of China)
March 20, 2020

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
THAI KIN CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

(expressed in thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%
Assets				
Current assets:				
11xx Cash and cash equivalents (note 6(a))	\$ 150,961	12	143,838	14
1170 Trade receivables, net (notes 6(b) and (p))	213,239	18	129,592	13
1200 Other receivables (note 6(c))	19,796	2	10,444	1
130x Inventories (note 6(d))	277,425	23	248,786	25
1470 Other current assets (notes 6(e) and (h))	11,326	1	13,812	1
Total current assets	<u>672,747</u>	<u>56</u>	<u>546,472</u>	<u>54</u>
Non-current assets:				
15xx Property, plant and equipment (notes 6(e), (i), (j), 8 and 9)	469,430	39	409,462	40
1755 Right-of-use assets (notes 3(a), 6(f) and 7)	1,948	-	-	-
1760 Investment property, net (notes 6(g), (i), (j) and 8)	31,840	3	30,055	3
1840 Deferred tax assets (note 6(m))	17,426	2	16,635	2
1900 Other non-current assets (notes 6(h), 8 and 9)	7,186	-	6,834	1
Total non-current assets	<u>527,830</u>	<u>44</u>	<u>462,986</u>	<u>46</u>
Total assets	<u>\$ 1,200,577</u>	<u>100</u>	<u>1,009,458</u>	<u>100</u>
Liabilities and Equity				
Current liabilities:				
21xx Short-term borrowings (notes 6(e), (g), (i), 7 and 8)	\$ 355,945	30	120,925	12
Notes payable	1,364	-	1,355	-
Trade payables	40,748	4	50,678	5
Other payables (note 7)	28,709	2	27,620	3
Payables for machinery and equipment	2,103	-	2,006	-
Dividends payable (note 6(n))	-	-	90,000	9
Current tax liabilities	10,497	1	17,574	2
Current lease liabilities (notes 3(a), 6(k) and 7)	861	-	-	-
Current portion of long-term borrowings (notes 6(e), (g), (i), 7 and 8)	5,756	-	-	-
Other current liabilities	319	-	325	-
Total current liabilities	<u>446,302</u>	<u>37</u>	<u>310,483</u>	<u>31</u>
Non-current liabilities:				
25xx Long-term borrowings (notes 6(e), (g), (i), 7 and 8)	33,911	3	222,268	22
2570 Deferred tax liabilities (note 6(m))	8,207	1	11,695	1
2580 Non-current lease liabilities (notes 3(a), 6(k) and 7)	1,096	-	-	-
2640 Defined benefit liabilities – non-current (note 6(l))	11,524	1	7,262	1
Total non-current liabilities	<u>54,738</u>	<u>5</u>	<u>241,225</u>	<u>24</u>
Total liabilities	<u>501,040</u>	<u>42</u>	<u>551,708</u>	<u>55</u>
Equity attributable to owners of the Company (notes 6(l), (m) and (n)):				
31xx Common stock	335,300	28	300,000	29
3200 Capital surplus	143,602	12	48,483	5
Retained earnings:				
3310 Legal reserve	7,396	-	-	-
3350 Unappropriated retained earnings	177,183	15	89,971	9
Total retained earnings	<u>184,579</u>	<u>15</u>	<u>89,971</u>	<u>9</u>
Other equity:				
34xx Exchange differences on translation of foreign financial statements	35,869	3	19,066	2
3410 Total equity attributable to owners of the Company	699,350	58	457,520	45
36xx Non-controlling interests	187	-	230	-
3xxx Total equity	699,537	58	457,750	45
2-3xxx Total liabilities and equity	<u>\$ 1,200,577</u>	<u>100</u>	<u>1,009,458</u>	<u>100</u>

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
THAI KIN CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2019 and 2018
(expressed in thousands of New Taiwan Dollars, except earnings per share)

		<u>2019</u>		<u>2018</u>	
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
4000	Operating revenues (note 6(p))	\$ 1,005,820	100	894,377	100
5000	Operating costs (notes 6(d), (e), 7 and 12)	<u>771,753</u>	<u>77</u>	<u>723,331</u>	<u>81</u>
5900	Gross profit from operations	<u>234,067</u>	<u>23</u>	<u>171,046</u>	<u>19</u>
6000	Operating expenses (notes 6(e), (f), (l), 7 and 12):				
6100	Selling expenses	23,832	2	15,373	2
6200	Administrative expenses	64,866	6	60,926	6
6300	Research and development expenses	<u>5,266</u>	<u>1</u>	<u>15,483</u>	<u>2</u>
	Total operating expenses	<u>93,964</u>	<u>9</u>	<u>91,782</u>	<u>10</u>
6900	Net operating income	<u>140,103</u>	<u>14</u>	<u>79,264</u>	<u>9</u>
7000	Non-operating income and expenses (notes 6(k), (r), (s) and (t)):				
7010	Other income	5,599	1	1,545	-
7020	Other gains and losses	20,507	2	14,835	2
7050	Finance costs	<u>(10,095)</u>	<u>(1)</u>	<u>(5,974)</u>	<u>(1)</u>
	Total non-operating income and expenses	<u>16,011</u>	<u>2</u>	<u>10,406</u>	<u>1</u>
7900	Profit before income tax	156,114	16	89,670	10
7950	Less: income tax expenses (note 6(m))	<u>15,722</u>	<u>2</u>	<u>15,744</u>	<u>2</u>
8200	Profit for the period	<u>140,392</u>	<u>14</u>	<u>73,926</u>	<u>8</u>
8300	Other comprehensive income:				
8310	Items that will not be reclassified subsequently to profit or loss (notes 6(l) and (m))				
8311	Gains (losses) on remeasurements of defined benefit plans	(1,041)	-	177	-
8349	Less: income tax related to items that may not be reclassified subsequently to profit or loss	<u>(208)</u>	<u>-</u>	<u>35</u>	<u>-</u>
	Total items that will not be reclassified subsequently to profit or loss	<u>(833)</u>	<u>-</u>	<u>142</u>	<u>-</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	16,809	2	15,381	2
8399	Less: income tax related to items that may be reclassified subsequently to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total items that may be reclassified subsequently to profit or loss	<u>16,809</u>	<u>2</u>	<u>15,381</u>	<u>2</u>
8300	Other comprehensive income	<u>15,976</u>	<u>2</u>	<u>15,523</u>	<u>2</u>
8500	Total comprehensive income	<u>\$ 156,368</u>	<u>16</u>	<u>89,449</u>	<u>10</u>
8700	Profit (loss), attributable to:				
8610	Owners of the Company	\$ 140,441	14	73,958	8
8620	Non-controlling interests	<u>(49)</u>	<u>-</u>	<u>(32)</u>	<u>-</u>
		<u>\$ 140,392</u>	<u>14</u>	<u>73,926</u>	<u>8</u>
	Comprehensive income attributable to:				
8710	Owners of the Company	\$ 156,411	16	89,472	10
8720	Non-controlling interests	<u>(43)</u>	<u>-</u>	<u>(23)</u>	<u>-</u>
		<u>\$ 156,368</u>	<u>16</u>	<u>89,449</u>	<u>10</u>
	Basic earnings per share (NT dollars) (note 6(o))				
9750	Basic earnings per share	<u>\$ 4.38</u>		<u>2.47</u>	
9850	Diluted earnings per share	<u>\$ 4.38</u>		<u>2.47</u>	

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
THAI KIN CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2019 and 2018
(expressed in thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company					Non-controlling interests	Total equity
	Common stock	Capital surplus	Legal reserve	Retained earnings	Exchange differences on translation of foreign financial statements		
Balance on January 1, 2018	\$ 300,000	48,483	-	105,871	105,871	3,694	458,048
Appropriation and distribution of retained earnings:							
Cash dividends of ordinary share	-	-	-	(90,000)	(90,000)	-	(90,000)
Profit (loss) for the period	-	-	-	73,958	73,958	-	73,958
Other comprehensive income	-	-	-	142	142	15,372	15,514
Total comprehensive income	-	-	-	74,100	74,100	15,372	89,472
Balance on December 31, 2018	300,000	48,483	-	89,971	89,971	19,066	457,520
Appropriation and distribution of retained earnings:							
Legal reserve appropriated	-	-	7,396	(7,396)	-	-	-
Cash dividends of ordinary share	-	-	-	(45,000)	(45,000)	-	(45,000)
Profit (loss) for the period	-	-	-	140,441	140,441	-	140,441
Other comprehensive income	-	-	-	(833)	(833)	16,803	15,970
Total comprehensive income	-	-	-	139,608	139,608	16,803	156,411
Issuance of shares	35,300	95,119	-	-	-	-	130,419
Balance on December 31, 2019	\$ 335,300	143,602	7,396	177,183	184,579	35,869	699,350
						187	699,537

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
THAI KIN CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2019 and 2018
(expressed in thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities:		
Profit before income tax	\$ 156,114	89,670
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expenses	46,602	36,683
Interest expenses	10,095	5,974
Interest revenues	(1,322)	(1,545)
Gains from disposal of investments	(4,337)	-
Total adjustments to reconcile profit	<u>51,038</u>	<u>41,112</u>
Changes in operating assets and liabilities:		
Net changes in operating assets:		
Trade receivables	(83,647)	49,355
Other receivables	(9,850)	(1,116)
Inventories	(28,639)	(38,291)
Other current assets	(2,428)	(4,485)
Total net changes in operating assets	<u>(124,564)</u>	<u>5,463</u>
Net changes in operating liabilities:		
Notes payable	9	202
Trade payables	(9,930)	1,804
Other payables	1,212	(7,808)
Other current liabilities	(6)	(3,581)
Net defined benefit liabilities	3,221	2,291
Total net changes in operating liabilities	<u>(5,494)</u>	<u>(7,092)</u>
Net changes in operating assets and liabilities	<u>(130,058)</u>	<u>(1,629)</u>
Total adjustments	<u>(79,020)</u>	<u>39,483</u>
Cash inflow generated from operations	77,094	129,153
Interest received	1,320	1,545
Interest paid	(10,218)	(5,776)
Income taxes paid	(26,014)	(39,841)
Net cash flows from operating activities	<u>42,182</u>	<u>85,081</u>
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(76,192)	(61,227)
Proceeds from disposal of property, plant and equipment	63	-
Decrease (increase) in refundable deposits	555	(831)
Decrease (increase) in prepayments for equipment	(479)	425
Increase in restricted deposits	(76)	(296)
Net cash flows used in investing activities	<u>(76,129)</u>	<u>(61,929)</u>
Cash flows from financing activities:		
Proceeds from short-term borrowings	700,607	-
Repayments of short-term borrowings	(468,999)	-
Proceeds from long-term borrowings	36,060	7,626
Repayments of long-term borrowings	(220,162)	-
Payment of lease liabilities	(852)	-
Cash dividends paid	(135,000)	(20,856)
Proceeds from issuance of shares	130,419	-
Net cash flows from (used in) financing activities	<u>42,073</u>	<u>(13,230)</u>
Effect of exchange rate changes on cash and cash equivalents	<u>(1,003)</u>	<u>9,830</u>
Net increase in cash and cash equivalents	7,123	19,752
Cash and cash equivalents at beginning of period	143,838	124,086
Cash and cash equivalents at end of period	<u>\$ 150,961</u>	<u>143,838</u>

See accompanying notes to consolidated financial statements.

THAI KIN CO., LTD.

2019 Annual Profit Distribution Table

Unit : NTD\$

Items	Sub-total	Total
Beginning retained earnings		37,574,898
Add : Profit (Loss) for the period 2019	140,441,316	
Less : Other comprehensive income (note1)	(832,602)	
Less : Legal reserve appropriated	(14,044,132)	
Distributable net profit		163,139,480
Less : Cash dividend (NTD 3.1 per share)		(103,943,000)
Unappropriated retained earnings		59,196,480

note1 : Caused by actuarial gains from revaluation of defined benefit plan.

Chairman : HSU,TA-CHIN

Chief Executive Officer : HSU,CHEN-JUNG

Accounting Manager: Huang Cheng Hsiu

**Operational Procedures for Endorsements and Guarantees of
Thai Kin Co., Ltd.**

Comparison Table of the Amendments to Part of the Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 5 Amount of Endorsement and Guarantee</p> <p>I. The total amount of the Company's external endorsements/guarantees shall not exceed 100% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p> <p>II. The total amount of the Company's endorsements/guarantees in favor of any single enterprise shall be capped at 100% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p> <p>III. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements/guarantees may not exceed 10% of the net worth of the Company. This restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p> <p>IV. The aggregate amount of external endorsements/guarantees provided by the Company and its subsidiaries as a whole shall not exceed 150% of the Company's net</p>	<p>Article 5 Amount of Endorsement/Guarantee</p> <p>I. The total amount of the Company's external endorsements/guarantees shall not exceed 50% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p> <p>II. The total amount of the Company's endorsements/guarantees in favor of any single enterprise shall be capped at 40% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p> <p>III. Companies in which the Company holds, directly or indirectly, 90% or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements/guarantees may not exceed 10% of the net worth of the Company. This restriction shall not apply to endorsements/guarantees made between companies in which the Company holds, directly or indirectly, 100% of the voting shares.</p> <p>IV. The aggregate amount of external endorsements/guarantees provided by the Company and its subsidiaries as a</p>	<p>In order to meet the needs of the Group's business development and capital movement, it is proposed to increase the limit of endorsements/guarantees.</p>

Attachment X

Articles after Amendments	Articles before Amendments	Description
<p>worth as stated in its latest reports certified or audited by CPAs.</p> <p>V. The aggregate amount of endorsements/guarantees in favor of any single enterprise provided by the Company and its subsidiaries as a whole shall not exceed 150% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p>	<p>whole shall not exceed 50% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p> <p>V. The aggregate amount of endorsements/guarantees in favor of any single enterprise provided by the Company and its subsidiaries as a whole shall not exceed 40% of the Company's net worth as stated in its latest reports certified or audited by CPAs.</p>	

**Operational Procedures for Acquisition and Disposal of Assets of
Thai Kin Co., Ltd.**

Comparison Table of the Amendments to Part of the Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 6: Limits on real property and right-of-use assets thereof or securities acquired by the Company for non-business use</p> <p>The limits on the following assets acquired by the Company and its subsidiaries is determined as follows:</p> <p>I. The total amount of real property and right-of-use assets acquired by the Company for non-business use shall not exceed 50% of the net value of the Company; The total amount of real property and right-of-use assets acquired by each subsidiary of the Company shall not exceed 50% of the net value of the Company.</p> <p>II. The total amount of securities acquired by the Company shall not exceed 100% of the net value of the Company; The total amount of investment in securities acquired by each subsidiary of the Company shall not exceed 100% of the net value of the Company.</p>	<p>Article 6: Limits on real property and right-of-use assets thereof or securities acquired by the Company for non-business use</p> <p>The limits on the following assets acquired by the Company is determined as follows:</p> <p>I. The total amount of real property and right-of-use assets purchased by the Company for non-business use shall not exceed 50% of the net value of the Company; The total amount of real property and right-of-use assets purchased by each subsidiary of the Company shall not exceed 50% of the net value of the Company.</p> <p>II. The total amount of investment in securities of the Company shall not exceed 100% of the net value of the Company; The total amount of investment in securities of each subsidiary of the Company shall not exceed 100% of the net value of the Company.</p>	<p>In order to meet the needs of the Group's operation expansion, the investment limit is proposed to be increased.</p>

Articles after Amendments	Articles before Amendments	Description
<p>III. The total amount of individual securities acquired by the Company shall not exceed 100% of the net value of the Company; The total amount of individual securities acquired by each subsidiary of the Company shall not exceed 100% of the net value of the Company. The amount of the above-mentioned investment in securities is calculated on the basis of the original investment cost.</p> <p>The Company and its subsidiaries shall not be subject to the limit set forth in the preceding paragraph under the following circumstances:</p> <p>I. Where the acquired equity investment is a company in which the Group company holds more than 50% of the consolidated share.</p> <p>II. Reorganization of the Group organizational structure.</p>	<p>III. The total amount of investment in individual securities of the Company shall not exceed 80% of the net value of the Company; The total amount of investment in individual securities of each subsidiary of the Company shall not exceed 80% of the net value of the Company. The amount of the above-mentioned investment in securities is calculated on the basis of the original investment cost.</p>	

Rules of Procedure for Shareholders' Meetings of Thai Kin Co., Ltd.

Comparison Table of the Amendments to Part of the Articles

Articles after Amendments	Articles before Amendments	Description
<p>Article 3 Paragraph 1, 2, 3 and 4 are omitted.</p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of addressees, the meeting notice may be given in an electronic form. The following matters shall be set out and their main contents shall be explained in the notice of the reasons for convening the shareholders meeting, and none of the matters may be raised by an extempore motion:</p> <p>I. Election or dismissal of Directors. II. Amendments to the Articles of Incorporation. III. Reduction of capital. IV. Application for the approval of ceasing the Company as a public company. V. (i) the dissolution, merger, or demerger of the Company; (ii) entering into, amending, or terminating any contract for the lease of the Company's business in whole, or for entrusted business, or for regular joint operation with others; (iii) transferring</p>	<p>Article 3 Paragraph 1, 2, 3 and 4 are omitted.</p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of addressees, the meeting notice may be given in an electronic form. The following matters shall be set out in the notice of the reasons for convening the shareholders meeting, and none of the matters may be raised by an extempore motion:</p> <p>I. Election or dismissal of Directors. II. Amendments to the Articles of Incorporation. III. Reduction of capital. IV. Application for the approval of ceasing the Company as a public company. V. (i) the dissolution, merger, or demerger of the Company; (ii) entering into, amending, or terminating any contract for the lease of the Company's business in whole, or for entrusted business, or for regular joint operation with others; (iii) transferring the whole or any essential</p>	<p>Paragraph 4 is amended in accordance with the amendment to paragraph 5, Article 172 of the Company Act.</p>

Articles after Amendments	Articles before Amendments	Description
<p>the whole or any essential part of the Company's business or assets; or (iv) acquiring or accepting the transfer of another's whole business or assets, which has great impacts on the business operation of the Company.</p> <p>VI. Approval for the Director to act for himself or on behalf of another person that is within the scope of the Company's business.</p> <p>VII. Distribution of the surplus earning, in whole or in part, by issuing new shares to increase capital.</p> <p>VIII. Distribution of the statutory surplus reserves, the capital reserves arising from the income derived from the issuance of new shares at a premium, and the income from endowments received by the Company by issuing new shares or by cash.</p> <p>IX. The Company's issuance or private placement of equity securities.</p> <p>X. The Company's issuance of employee stock warrants is not subject to the restriction that the exercise price may not be lower than the closing price of the Company stocks as of the issuing date.</p>	<p>part of the Company's business or assets; or (iv) acquiring or accepting the transfer of another's whole business or assets, which has great impacts on the business operation of the Company.</p> <p>VI. Approval for the Director to act for himself or on behalf of another person that is within the scope of the Company's business.</p> <p>VII. Distribution of the surplus earning, in whole or in part, by issuing new shares to increase capital.</p> <p>VIII. Distribution of the statutory surplus reserves, the capital reserves arising from the income derived from the issuance of new shares at a premium, and the income from endowments received by the Company by issuing new shares or by cash.</p> <p>IX. The Company's issuance or private placement of equity securities.</p> <p>X. The Company's issuance of employee stock warrants is not subject to the restriction that the exercise price may not be lower than the closing price of the Company stocks as of the issuing date.</p> <p>XI. The Company's</p>	<p>Per August 6, 2018 Letter No. Jin-Shang-Zi 10702417500 by the MOEA, paragraph 5 of this Article was added.</p> <p>Amendment to the paragraph was numbered to 6. Paragraph 5 was added and relevant texts were modified in line with paragraph 1, Article 172-1 of the amended Company Act.</p>

Articles after Amendments	Articles before Amendments	Description
<p>XI. The Company's application for issuance of new restricted employee shares.</p> <p>The main contents of the above-mentioned matters may be published on the website designated by the competent securities authorities or the Company, and the web address shall be set forth in the shareholders' meeting convening notice. The reasons for convening the shareholders' meeting have specified the general re-election of Directors and the date of their appointment. After the completion of the re-election in the shareholders' meeting, the same meeting shall not change the date of appointment by extempore motion or other means.</p> <p>Shareholders holding one percent or more of the total number of issued shares during the emerging stock registration period or the period of the Company's shares primarily listing on the Taiwan Stock Exchange or on the OTC market may submit the Company a written proposal for discussion at the annual shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more</p>	<p>application for issuance of new restricted employee shares.</p> <p>The main contents of the above-mentioned matters may be published on the website designated by the competent securities authorities or the Company, and the web address shall be set forth in the shareholders' meeting convening notice.</p> <p>Shareholders holding one percent or more of the total number of issued shares during the emerging stock registration period or the period of the Company's shares primarily listing on the Taiwan Stock Exchange or on the OTC market may submit the Company a written proposal for discussion at the annual shareholders' meeting. Such proposals, however, are limited to one item only, and no proposal containing more</p>	<p>Amendment to the paragraph was numbered to 7, and the amendment is in line with paragraph 2, Article 172-1 of the Company Act.</p>

Articles after Amendments	Articles before Amendments	Description
<p>than one item will be included in the meeting agenda. However, a shareholder proposal proposed for urging the Company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at an annual meeting of shareholders by the Board of Directors. Where any of the following circumstances is satisfied, the Board of Directors of the Company shall not include the proposal submitted by a shareholder in the list of proposals to be discussed at a annual meeting of shareholders:</p> <p>I. Where the number of shares of the Company in the possession of the shareholder making the said proposal is less than one percent (1%) of the total number of outstanding shares at the time when the share transfer registration is suspended by the Company before the convention of an annual shareholders' meeting;</p> <p>II. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a meeting of shareholders;</p> <p>III. Where the said proposal containing more than one matter in a single proposal;</p> <p>IV. Where the said</p>	<p>than one item will be included in the meeting agenda. Where any of the following circumstances is satisfied, the Board of Directors of the Company shall not include the proposal submitted by a shareholder in the list of proposals to be discussed at a annual meeting of shareholders:</p> <p>I. Where the number of shares of the Company in the possession of the shareholder making the said proposal is less than one percent (1%) of the total number of outstanding shares at the time when the share transfer registration is suspended by the Company before the convention of an annual shareholders' meeting;</p> <p>II. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a meeting of shareholders;</p> <p>III. Where the said proposal containing more than one matter in a single proposal;</p> <p>IV. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting shareholders' proposals.</p> <p>Prior to the book closure date before an annual shareholders' meeting is held, the Company shall publicly announce that it</p>	

Articles after Amendments	Articles before Amendments	Description
<p>proposal is submitted on a day beyond the deadline fixed and announced by the Company for accepting shareholders' proposals.</p> <p>Prior to the date on which share transfer registration is suspended before the convention of an annual shareholders' meeting, the Company shall give a public notice announcing acceptance of proposal in writing or by way of electronic transmission, the place and the period for shareholders to submit proposals to be discussed at the meeting; and the period for accepting such proposals shall not be less than ten (10) days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and proposals containing more than 300 words will be not included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual shareholders' meeting and take part in the discussion of the proposal.</p> <p>Prior to the date for issuance of the notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the</p>	<p>will receive shareholder proposals and the location and time period for their submission; the period for submission of shareholder proposals may not be less than ten (10) days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and proposals containing more than 300 words will be not included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual shareholders' meeting and take part in the discussion of the proposal.</p> <p>Prior to the date for issuance of the notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the</p>	

Articles after Amendments	Articles before Amendments	Description
shareholders meeting, the Board of Directors shall explain the reasons for the exclusion of any proposals on the agenda.	shareholders meeting, the Board of Directors shall explain the reasons for the exclusion of any proposals on the agenda.	
<p>Article 10 If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The relevant proposals (including extempore motions and amendments to original proposals) shall be decided by voting on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>Paragraph 2-3 are omitted.</p> <p>The Chair shall allow ample opportunities for explanation and discussion of proposals and of amendments or extempore motions put forward by the shareholders during the meeting; when the Chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chair may announce the discussion closed and call for a vote.</p>	<p>Article 10 If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>Paragraph 2-3 are omitted.</p> <p>The Chairperson shall allow ample opportunities for explanation and discussion of the proposals and of the amendments or extempore motions put forward by the shareholders during the meeting; when the Chairperson believes that a proposal has been discussed sufficiently and ready for voting, the Chairperson may announce the closure of the discussion and call for the vote.</p>	<p>Amendments to paragraph 1 in line with the spirit that TWSE/GTSM listed companies shall adopt electronic voting and implement voting on proposals submitted to the shareholders' meeting one after another from 2018.</p> <p>Amendments to paragraph 4 were made in order to prevent the impact on the shareholders to exercise of voting rights because of late voting from excessive restricted voting time by the convener of the shareholders' meeting.</p>
<p>Article 13 Paragraph 1 is omitted. When the Company holds a shareholder meeting</p>	<p>Article 13 Paragraph 1 is omitted. When the Company holds a shareholder meeting</p>	<p>Amendments to paragraph 2 were made in line with</p>

Articles after Amendments	Articles before Amendments	Description
<p>after the emerging stock registration or the Company is listed on the TWSE/TPEX, it shall allow the shareholders to exercise their voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, he/she will be deemed to have waived his/her rights with respect to the extempore motions and revisions to the original proposals of that meeting; it is therefore advisable that the Company shall avoid submission of extempore motions and revision to the original proposals.</p> <p>The following paragraphs are omitted.</p>	<p>after the emerging stock registration or the Company is listed on the TWSE/TPEX, it shall allow the shareholders to exercise their voting rights by electronic means or by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, he/she will be deemed to have waived his/her rights with respect to the extempore motions and revisions to the original proposals of that meeting; it is therefore advisable that the Company shall avoid submission of extempore motions and revision to the original proposals.</p> <p>The following paragraphs are omitted.</p>	<p>the provisions that TWSE/TPEX listed companies shall fully adopt electronic voting on proposals submitted to the shareholders' meeting from 2018.</p>
<p>Article 15 Paragraph 1 and 2 are omitted.</p> <p>The meeting minutes shall accurately record the year, month, day, place of the meeting, the Chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the</p>	<p>Article 15 Paragraph 1 and 2 are omitted.</p> <p>The meeting minutes shall accurately record the year, month, day, place of the meeting, the Chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be</p>	<p>Amendments to paragraph 3 were made so as to implement voting on submitted proposals one after another, with reference to the recommendations from the Asian Corporate Governance Association.</p>

Attachment XII

Articles after Amendments	Articles before Amendments	Description
number of voting rights calculated). When a Director is elected, the number of voting rights of each candidate shall be disclosed. The meeting minutes shall be retained for the duration of the existence of the Company.	retained for the duration of the existence of the Company.	

泰金投資控股股份有限公司
「公司章程」修正條文對照表

Proposal for the Amendment	Original Article
Memorandum of Association of Thai Kin Co., Ltd. 第四次修訂及重述章程大綱 修正前後條文對照表	
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Law (<u>2020 Revision</u>).	3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Law (<u>as amended</u>).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Law (<u>2020 Revision</u>).	4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Law (<u>as amended</u>).
8. The authorized share capital of the Company is New Taiwan Dollars 1,000,000,000 divided into 100,000,000 ordinary shares of a par value of New Taiwan Dollars 10.00 each provided always that subject to the provisions of the Companies Law (<u>2020 Revision</u>) and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the	8. The authorized share capital of the Company is New Taiwan Dollars 1,000,000,000 divided into 100,000,000 ordinary shares of a par value of New Taiwan Dollars 10.00 each provided always that subject to the provisions of the Companies Law (<u>as amended</u>) and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any

<p>said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.</p>	<p>part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.</p>
<p>9. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (<u>2020 Revision</u>).</p>	<p>9. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Law (<u>as amended</u>).</p>

Proposal for the Amendment	Original Article
<p>Articles of Association of Thai Kin Co., Ltd. 第四次修訂及重述章程 修正前後條文對照表</p>	
<p>1.1 In these Articles, the following words and expressions shall, where not inconsistent with the context, have the following</p>	<p>1.1 In these Articles, the following words and expressions shall, where not inconsistent with the context, have the following</p>

meanings, respectively:		meanings, respectively:	
(Omitted)		(Omitted)	
Directors' Remuneration	has the meaning given thereto in Article 14.4;	Directors' Remuneration	has the meaning given thereto in Article 14.5;
<u>Dissenting Member</u>	<u>has the meaning given thereto in Article 28.2;</u>		(New Definition)
(Omitted)		(Omitted)	
Employees' Compensations	has the meaning given thereto in Article 14.4;	Employees' Compensations	has the meaning given thereto in Article 14.5;
(Omitted)		(Omitted)	
Law	The Companies Law <u>(2020 Revision)</u> of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;	Law	The Companies Law of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;
(Omitted)		(Omitted)	
<u>Share Exchange</u>	<u>a 100% share exchange as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the "Acquiring Company") acquires all the issued and outstanding shares of another company with the consideration being the shares of the Acquiring Company, cash or other assets;</u>		(New Definition)

<p>(Omitted)</p> <p><u>Spin-off</u> <u>a spin-off as defined in the ROC Business Mergers and Acquisitions Act whereby a company transfers a part or all of its business that may be operated independently to an existing company or newly incorporated company (the "Acquirer") with the consideration being the shares of the Acquirer, cash or other assets;</u></p> <p>Statutory Reserve has the meaning given thereto in Article 14.5;</p> <p>(Omitted)</p>	<p>(Omitted)</p> <p>(New Definition)</p> <p>Statutory Reserve has the meaning given thereto in Article 14.6;</p> <p>(Omitted)</p>
<p>2.4 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The</p>	<p>2.4 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The</p>

Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with such directions and terms and conditions as determined by the Board and the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules.

If any person who has subscribed the new shares (by exercising the aforesaid pre-emptive right of Members or subscribing the Public Offering Portion or the Employee Subscription Portion) fails to pay when due any amount of the subscription price in relation to such newly-issued shares within the payment period as determined by the Company, the Company shall fix a period of no less than one month and call for payment of the subscription price or the Company may declare a forfeiture of such subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding

Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights and that if any Member fails to purchase his pro rata portion of such remaining newly-issued shares within the prescribed period, such Member shall be deemed to forfeit his pre-emptive right to purchase such newly-issued shares. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with such directions and terms and conditions as determined by the Board and the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules.

<p><u>sentence, forfeiture of the subscription may be declared without the demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares remaining unsubscribed to shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.</u></p>	
<p>2.6 The pre-emptive right of employees under Article 2.3 and the pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:</p> <ul style="list-style-type: none"> (a) in connection with a Merger, <u>Share Exchange</u>, <u>Spin-off</u>, or pursuant to any reorganization of the Company; (b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.11; (c) in connection with the issue of Restricted Shares in accordance with Article 2.5; (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares; (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares; (f) in connection with the issue of shares in accordance with Article 14.7; or 	<p>2.6 The pre-emptive right of employees under Article 2.3 and the pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:</p> <ul style="list-style-type: none"> (a) in connection with a Merger, <u>spin-off</u>, or pursuant to any reorganization of the Company; (b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.11; (c) in connection with the issue of Restricted Shares in accordance with Article 2.5; (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares; (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares; (f) in connection with the issue of shares in accordance with Article 14.8; or

<p>(g) in connection with Private Placement of the securities issued by the Company.</p>	<p>(g) in connection with Private Placement of the securities issued by the Company.</p>
<p>12.3 Subject to the Law and Article 12.4, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:</p> <ul style="list-style-type: none"> (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17; (b) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only), <u>Share Exchange</u>, or <u>Spin-off</u> of the Company; (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract; (d) the transferring of the whole or any essential part of the business or assets of the Company; or (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation. 	<p>12.3 Subject to the Law and Article 12.4, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:</p> <ul style="list-style-type: none"> (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17; (b) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only) or <u>spin-off</u> of the Company; (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract; (d) the transferring of the whole or any essential part of the business or assets of the Company; or (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.
<p>12.5 Subject to the Applicable Law, the Company may distribute its Capital Reserve, in whole or in part, by issuing new shares which shall be distributed as bonus shares to its existing Members in proportion to the number of shares being held by each of them or</p>	<p>12.5 Subject to the Applicable Law, the Company may <u>by Supermajority Resolution</u>, distribute its Capital Reserve, in whole or in part, by issuing new shares which shall be distributed as bonus shares to its existing Members in proportion to the number</p>

<p>by cash distribution to its Members.</p>	<p>of shares being held by each of them or by cash distribution to its Members.</p>
<p>14.3 With respect to the dividend to be distributed at the end of each financial year, subject to the Law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits after each financial year in accordance with a proposal for profits distribution approved by, in the case of dividend to be paid in cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors or, in the case of Article 12.3(a) <u>or 12.5 (in case of the issuance of new shares)</u>, Supermajority Resolution in the annual meeting. After the Board approves the distribution of dividend in cash, the Board shall report such distribution in the next annual general meeting.</p>	<p>14.3 With respect to the dividend to be distributed at the end of each financial year, subject to the Law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits after each financial year in accordance with a proposal for profits distribution approved by, in the case of dividend to be paid in cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors or, in the case of Article 12.3(a), Supermajority Resolution in the annual meeting. After the Board approves the distribution of dividend in cash, the Board shall report such distribution in the next annual general meeting.</p>
<p>(Deleted)</p>	<p>14.4 Subject to the Law and this Article and except as otherwise <u>provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profits distribution approved by the Board and sanctioned by the Members by an Ordinary Resolution, in annual general meetings.</u></p>
<p>14.4 (Omitted)</p>	<p>14.5 (Omitted)</p>
<p>14.5 In determining the Company's dividend policy, the Board recognizes that the Company is in the growth stage. In determining the amount, if any, of the dividend or other distribution it recommends to Members for approval in any</p>	<p>14.6 In determining the Company's dividend policy, the Board recognizes that the Company is in the growth stage. In determining the amount, if any, of the dividend or other distribution it recommends to Members for approval in any</p>

<p>financial year, the Board:</p> <p>(a) may take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and</p> <p>(b) shall set aside out of the profits of the Company for each financial year in addition to the allocation in accordance with Article 14.4: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent as a general reserve ("Statutory Reserve") (unless the Statutory Reserve has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 15.1.</p>	<p>financial year, the Board:</p> <p>(a) may take into consideration the earnings of the Company, overall development, financial planning, capital needs, industry outlook and future prospects of the Company in the relevant financial year, so as to ensure the protection of Members' rights and interests; and</p> <p>(b) shall set aside out of the profits of the Company for each financial year in addition to the allocation in accordance with Article 14.5: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent as a general reserve ("Statutory Reserve") (unless the Statutory Reserve has reached the total paid-up capital of the Company), and (iv) a special surplus reserve as required by the applicable securities authority under the Applicable Public Company Rules or a reserve as determined by the Board pursuant to Article 15.1.</p>
<p>14.6 For so long as the shares are traded on the ESM or listed on the TPEx or the TSE in the ROC, subject to compliance with the Law and after setting aside the amounts for Employees' Compensations and Directors' Remuneration in accordance with Article 14.4 and such amounts as the Board deems fit in accordance with the dividend policy set out in Article 14.5, the Board shall recommend to Members for approval to distribute no less than 10 per cent of the earnings generated from the immediately preceding financial year (exclusive of those</p>	<p>14.7 For so long as the shares are traded on the ESM or listed on the TPEx or the TSE in the ROC, subject to compliance with the Law and after setting aside the amounts for Employees' Compensations and Directors' Remuneration in accordance with Article 14.5 and such amounts as the Board deems fit in accordance with the dividend policy set out in Article 14.6, the Board shall recommend to Members for approval to distribute no less than 10 per cent of the earnings generated from the immediately preceding financial year (exclusive of those</p>

<p>accumulated from previous years) out of the distributable amount as dividend to the Members and the allocation will be made upon the passing of the resolution by the Members.</p>	<p>accumulated from previous years) out of the distributable amount as dividend to the Members and the allocation will be made upon the passing of the resolution by the Members.</p>
<p>14.7 (Omitted)</p>	<p>14.8 (Omitted)</p>
<p>14.8 (Omitted)</p>	<p>14.9 (Omitted)</p>
<p>14.9 (Omitted)</p>	<p>14.10(Omitted)</p>
<p>14.10(Omitted)</p>	<p>14.11(Omitted)</p>
<p>17. Capitalization</p> <p>Subject to the Applicable Law (for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in the ROC) and Articles <u>12.3(a) and 12.5 (in case of the issuance of new shares)</u>, the Board may capitalize any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.</p>	<p>17. Capitalization</p> <p>Subject to the Applicable Law (for so long as the shares are traded on the ESM or listed on the TPEX or the TSE in the ROC) and Articles 12.3(a), the Board may capitalize any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.</p>
<p>20.6 For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in the ROC, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:</p>	<p>20.6 For so long as the shares are traded on the ESM or listed on the TPEX or the TSE in the ROC, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:</p>

- (a) election or discharge of Directors,
- (b) alteration of the Memorandum or the Articles,
- (c) capital deduction,
- (d) application to terminate the public offering of the Shares,
- (e) (i) dissolution, Merger, Share Exchange, or Spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
- (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
- (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
- (h) making distributions of new shares or cash out of the Statutory Reserve, the premium received on the issuance of any shares and income from endowments received by the Company to its Members, and
- (i) Private Placement of any equity-related securities to be

- (a) election or discharge of Directors,
- (b) alteration of the Memorandum or the Articles,
- (c) capital deduction,
- (d) application to terminate the public offering of the Shares,
- (e) (i) dissolution, Merger or spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
- (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
- (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
- (h) making distributions of new shares or cash out of the Statutory Reserve, the premium received on the issuance of any shares and income from endowments received by the Company to its Members, and
- (i) Private Placement of any equity-related securities to be issued by the Company.

<p>issued by the Company.</p> <p>The major content of the above matters can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.</p>	<p>The major content of the above matters can be announced at the website designated by Taiwan securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.</p>
<p>28.1 Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <u>abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during</u> the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:</p> <p>(a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(b) the Company transfers the whole or an essential part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;</p> <p>(c) <u>the Company</u> acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;</p> <p>(d) <u>the Company proposes to undertake a Spin-off, Merger or Share Exchange; or</u></p> <p>(e) <u>the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and</u></p>	<p>28.1 Subject to compliance with the Law, in the event any of the following resolutions is passed at general meetings, any Member who has <u>notified the Company in writing of his objection to such matter prior to the meeting and has raised again his objection at the meeting</u>, may request the Company to purchase all of his shares at the then prevailing fair price:</p> <p>(a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;</p> <p>(b) the Company transfers the whole or an essential part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;<u>or</u></p> <p>(c) acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company.</p>

<p>liabilities to another person.</p>	
<p>28.2 <u>Subject to compliance with the Law, any Member exercising his rights in accordance with Article 28.1 (the "Dissenting Member") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection with the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety (90)-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.</u></p>	<p>28.2 <u>In the event any part of the Company's business is spun off or involved in any Merger, any Member, who has abstained from voting in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting approving such spin off or Merger, may request the Company to purchase all of his shares at the then prevailing fair price.</u></p>
<p>28.3 <u>Subject to compliance with the Law, if, within sixty (60) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's shares, then, within thirty (30) days immediately following the date of the expiry of such sixty (60)-day period, the Company shall file a petition with the court against all the Dissenting</u></p>	<p>(New Article)</p>

<p><u>Members for a determination of the fair price of the shares held by all the Dissenting Members. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.</u></p>	
<p><u>28.4 Notwithstanding the above provisions under this Article 28, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Law to payment of the fair value of his shares upon dissenting from a merger or consolidation.</u></p>	<p>(New Article)</p>
<p>37.1 The office of Director shall be vacated: (Omitted) (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the Taiwan Anti-Corruption Act, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years; or (Omitted)</p>	<p>37.1 The office of Director shall be vacated: (Omitted) (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the Taiwan Anti-Corruption Act <u>during the time of his public service</u>, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years; or (Omitted)</p>
<p>47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the</p>	<p>47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the</p>

<p>relevant meeting of the Directors as required by the Applicable Law. <u>If the Company proposes to enter into any transaction specified in Article 28.1 or effect other forms of mergers and acquisitions in accordance with Applicable Law, a Director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the Applicable Law.</u> Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.</p>	<p>relevant meeting of the Directors as required by the Applicable Law. Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Directors, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.</p>
<p><u>62.4 Subject to compliance with the Law, before the meeting of the Board resolves any matter specified in Article 28.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of the Board and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share</u></p>	<p>(New Article)</p>

<p><u>exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the Applicable Law. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the Taiwan securities authority and made available to the Members for their inspection and review at the venue of the general meeting.</u></p>	
<p>66. Shareholder Protection Mechanism</p> <p>If the Company proposes to undertake:</p> <ul style="list-style-type: none"> (a) a merger or consolidation which will result in the Company being dissolved; (b) a sale, transfer or assignment of all of the Company's assets and businesses to another entity; (c) a <u>S</u>hare <u>E</u>xchange; or (d) a <u>S</u>pin-off, <p>which would result in the termination of the Company's listing on the TPEX or the TSE, and where (in the case of (a) above) the surviving entity, (in the case of (b) above) the transferee, (in the case of (c) above) the entity whose shares has been allotted in</p>	<p>66. Shareholder Protection Mechanism</p> <p>If the Company proposes to undertake:</p> <ul style="list-style-type: none"> (a) a merger or consolidation which will result in the Company being dissolved; (b) a sale, transfer or assignment of all of the Company's assets and businesses to another entity; (c) a <u>s</u>hare <u>e</u>xchange; or (d) a <u>d</u>emerger (<u>s</u>pin_off), <p>which would result in the termination of the Company's listing on the TPEX or the TSE, and where (in the case of (a) above) the surviving entity, (in the case of (b) above) the transferee, (in the case of (c) above) the entity whose shares has been allotted in</p>

Attachment XIII

exchange for the Company's shares and, (in the case of (d) above) the existing or newly incorporated spun-off company's shares are not listed on the TPEX or the TSE, then in addition to any requirements to be satisfied under the Law, such action shall be first approved at a general meeting by a resolution passed by members holding two-thirds or more of the votes of the total number of issued shares of the Company.

exchange for the Company's shares and, (in the case of (d) above) the existing or newly incorporated spun-off company's shares are not listed on the TPEX or the TSE, then in addition to any requirements to be satisfied under the Law, such action shall be first approved at a general meeting by a resolution passed by members holding two-thirds or more of the votes of the total number of issued shares of the Company.

Thai Kin Co., Ltd.

The Slate of Directors and Independent Directors Candidates

Number	Name	Main Working/Education Experience	Current Position	Title	Number of Shares holding
1	HSU,TA-CHIN	Fu Jen Catholic University Department of Business Administration Thai Kin Chairman	Thai Kin Chairman Royal Finishing director Paokin director Wealth Develop Co.,Ltd director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director	Director	249,385
2	Lo,LUNG-SHAN	Lucao junior high school Window Coverings Co.,Ltd R & D engineer of machine equipment and mold	Window Coverings Co., Ltd. director	Director	0
3	HSU,CHEN-JUNG	Sasin University of Thailand master's degree Thai Kin CEO	Thai Kin CEO Royal Finishing director Paokin director Wealth Develop Co.,Ltd director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director	Director	149,293
4	HSU,WEN-CHIH	University of Southern California Master of Electrical Engineering Thai Kin Vice President	Thai Kin Vice President Royal Finishing director Paokin director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director	Director	149,293
5	WU,CHUNG-FERN	UCLA Anderson Graduate School of Management Ph.D National Taiwan University Professor, Department of Accounting, School of Management Professor FSC Republic of Taiwan (Committee member)	Everlight Chemical Industrial Corporation Independent Director Chunghwa Precision Test Tech. Co., Ltd Independent Director TWSE Director	Independent Director	0
6	CHANG,AN-TSO	National Taiwan University	National Taipei University of	Independent Director	0

Attachment XIV

		Master of International Business Management BENQ Medical Director	Education Cultural and Creative Industries Management Adjunct Associate Professor		
7	HUANG,PO-CHIA	National Dong Hwa University Master of International Business Management East Sun United Co., Ltd Vice President	East Sun United Co., Ltd Vice President	Independent Director	0

Thai Kin Co., Ltd.

Restriction List of Directors for Non-Competition Proposed to be Lifted

Number	Name	Concurrent positions in the Company and Other companies	Title
1	HSU,TA-CHIN	Royal Finishing Co., Ltd. Chairman Paokin Co., Ltd. director Wealth Develop Co.,Ltd director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director	Director
2	Lo,LUNG-SHAN	Window Coverings Co., Ltd. director	Director
3	HSU,CHEN-JUNG	Royal Finishing Co., Ltd. director Paokin Co., Ltd. director Wealth Develop Co.,Ltd director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director Thai Kin Company Limited director Mira Home,Inc. director	Director
4	HSU,WEN-CHIH	Royal Finishing Co., Ltd. director Paokin Co., Ltd. director Grand Lake Living Co.,Ltd director Window Coverings Co., Ltd. director	Director
5	WU,CHUNG-FERN	Everlight Chemical Industrial Corporation Independent Director Chunghwa Precision Test Tech. Co., Ltd Independent Director TWSE Director	Independent Director
6	CHANG,AN-TSO	National Taipei University of Education Cultural and Creative Industries Management Adjunct Associate Professor	Independent Director
7	HUANG,PO-CHIA	East Sun United Co., Ltd Vice President	Independent Director