

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

2022 Annual Shareholders' Meeting

Meeting Handbook

Time of Meeting : April 10, 2023(Monday) at 9:00am

Location of Meeting : 4F-5, No.20, Dalong Road, West District, Taichung
City(Company Training Classroom)



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FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Procedures for 2023 Annual Shareholders' Meeting

- I、 Call the Meeting to Order
- II、 Chairman's Remarks
- III、 Reports
- IV、 Ratifications
- V、 Discussion
- VI、 Motions
- VII、 Adjournment

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Agenda of 2023 Annual Shareholders' Meeting

Time of Meeting : April 10, 2023(Monday) at 9:00am

Holding method : Physical shareholders meeting

Location of Meeting : 4F-5, No.20, Dalong Road, West District, Taichung City(Company Training Classroom)

The agenda for the Meeting is as follows:

- I 、 Call the Meeting to Order
- II 、 Chairman's Remarks
- III 、 Reports
 - 1.2022 Business Report.
 - 2.2022 Audit Committee's Review Report.
 - 3.The 2018 first time, the 2019 first time, the 2019 second time, the 2019 third time and the 2020 first time secured ordinary corporate bond enforcement report.
 - 4.2022 The cumulative loss in the year reached one-half of the paid-in capital.
- IV 、 Ratifications
 - 1.To accept 2022 business report and financial statements.
 - 2.To accept 2022 deficit compensation.
- V 、 Discussion
 - 1.Amendments to the Articles of Incorporation.
 - 2.Amendments to the Procedures for Acquisition and Disposal of Assets ".
 - 3.Capital reduction to offset losses.
- VI 、 Motions
- VII 、 Adjournment

Reports

Case 1. 2022 Business Report.

Explanation: Please refer to pages 8~11 of this handbook for the 2022 Business Report (Attachment 1).

Case 2. 2022 Audit Committee's Review Report.

Explanation: Please refer to page 12 of this handbook for the Audit Committee's Review Report (Attachment 2).

Case 3. The 2018 first time, the 2019 first time, the 2019 second time, the 2019 third time and the 2020 first time secured ordinary corporate bond enforcement report.

Explanation: The execution of the 2018 first time, the 2019 first time, the 2019 second time, the 2019 third time and the 2020 first time secured ordinary corporate bond are as follows :

Types of corporate bonds	First secured corporate bonds in 2018 (B86206)	First secured corporate bonds in 2019 (B86207)	First secured corporate bonds in 2019 (B86208)	First secured corporate bonds in 2019 (B86209)	First secured corporate bonds in 2020 (B86210)
Issue (Processing) Date	December 2018	March 2019	May 2019	July 2019	April 2020
Face value	NT\$1 million	NT\$1 million	NT\$1 million	NT\$1 million	NT\$1 million
Issuance and trading location	Taiwan	Taiwan	Taiwan	Taiwan	Taiwan
Issue price	Issued in full by face value	Issued in full by face value	Issued in full by face value	Issued in full by face value	Issued in full by face value
Total amount	NT\$300 million	NT\$400 million	NT\$300 million	NT\$300 million	NT\$400 million
Interest rate	1.02%	0.95%	0.88%	1.05%	0.74%
Period	5 years; maturity date: December 2023	5 years; maturity date: March 2024	5 years; maturity date: May 2024	5 years; maturity date: July 2024	3 years; maturity date: April 2023
Guarantee Agency	Taiwan Cooperative Bank	Taiwan Cooperative Bank	Taiwan Cooperative Bank	Taiwan Business Bank Co., Ltd.	Taiwan Cooperative Bank
Trustee	Jih Sun International Bank	Jih Sun International Bank	Jih Sun International Bank	Jih Sun International Bank	Jih Sun International Bank
Underwriting Agency	Taiwan Cooperative Securities	Taiwan Cooperative Securities	Taiwan Cooperative Securities	BankTaiwan Securities Co.,Ltd.	Taiwan Cooperative Securities
Attorney-CPAs	Far East Law Offices Attorney Chiu Ya-Wen	Far East Law Offices Attorney Chiu Ya-Wen	Far East Law Offices Attorney Chiu Ya-Wen	Far East Law Offices Attorney Chiu Ya-Wen	Handsome Attorney-at-Law Attorney Chiu Ya-Wen
Certified Public Accountant	CPA Yen Hsiao-Fang and Tseng Tung-Yun at Deloitte Taiwan	CPA Su Ting-Chien and Yen Hsiao-Fang at Deloitte Taiwan	CPA Su Ting-Chien and Yen Hsiao-Fang at Deloitte Taiwan	CPA Su Ting-Chien and Yen Hsiao-Fang at Deloitte Taiwan	CPA Su Ting-Chien and Chiang Shu-Ching at Deloitte Taiwan
Repayment Method	Repayment of principal in cash at 5-year-maturity from the issue date	Repayment of principal in cash at 5-year-maturity from the issue date	Repayment of principal in cash at 5-year-maturity from the issue date	Repayment of principal in cash at 5-year-maturity from the issue date	Repayment of principal in cash at 3-year-maturity from the issue date
Outstanding principal	NT\$300 million	NT\$400 million	NT\$300 million	NT\$300 million	NT\$400 million
Redemption or Early Settlement Terms	None	None	None	None	None
Restriction Terms	None	None	None	None	None
Name of the credit rating agency, date of the rating, results of corporate bond rating	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Other Rights Attached	Number of ordinary shares, overseas depositary receipts, or other marketable securities converted (exchanged or subscribed) as of the date of publication of the annual report	Not applicable	Not applicable	Not applicable	Not applicable
	Issuance and conversion (exchange or subscription)	Not applicable	Not applicable	Not applicable	Not applicable
If issuance, conversion, exchange, or subscription rights are attached to the bonds, the issuance and conversion, exchange, or subscription rules, possibility of dilution of equity under the terms and conditions of issuance, and effect on shareholder equity	None	None	None	None	None
Name of the depository institution of the exchangeable corporate	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

Types of corporate bonds	First secured corporate bonds in 2018 (B86206)	First secured corporate bonds in 2019 (B86207)	First secured corporate bonds in 2019 (B86208)	First secured corporate bonds in 2019 (B86209)	First secured corporate bonds in 2020 (B86210)
bonds					

Case 4. 2022 The cumulative loss in the year reached one-half of the paid-in capital.

Explanation: The paid-in capital of the Company as of December 31, 2022 was NT\$1,540,162,760, and the accumulated loss was NT\$937,263,276, which has reached one-half of the paid-in capital. Pursuant to Article 211 of the Company Act, submit a report to the shareholders' meeting.

Ratifications

Case 1: To accept 2022 business report and financial statements. (Proposed by Board of Directors)

Explanation:

- (I) The Company's individual and consolidated financial statements for 2022 have been duly audited by Jane Wang and Mei-Lan Liu, the CPAs from PwC Taiwan, who have approved the report without reservation, and issued an unqualified opinion.
- (II) The aforesaid financial statements together with the operating report have reviewed and determined as correct and accurate by the Audit Committee.
- (III) Please refer to pages 8~11 of this handbook for the 2022 Business Report (Attachment 1).
- (IV) Please refer to pages 13~34 of this handbook for the CPA opinion and Financial statements (Attachment 3).
- (V) It is hereby submitted for ratification.

Resolution:

Case 2: To accept 2022 deficit compensation. (Proposed by Board of Directors)

Explanation:

- (I) The Company has no surplus available for distribution in 2022, so no surplus will be distributed in the fourth quarter of 2022. The proposed loss allowance table is as follows:

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Deficit Compensation



Unit: NT\$

Item	Amount
Undistributed earnings in previous year	40,087,981
Plus (Less): Loss for the year	(977,659,105)
:Rotation Special reserve	307,848
Losses to be covered at the end of the period	(937,263,276)

Chairman:



Manager:



Accounting Controller:



- (II) It is hereby submitted for ratification.

Resolution:

Discussion

Case 1: Amendments to the Articles of Incorporation. (Proposed by Board of Directors)

Explanation:

- (I) In line with the provisions of the Company Law, it is proposed to amend the Articles of Incorporation.
- (II) The Table of Amendments to the Articles of Incorporation. Please refer to page 35 of this handbook (Attachment 4).
- (III) It is hereby submitted for discussion.

Resolution:

Case 2: Amendments to the Procedures for Acquisition and Disposal of Assets. (Proposed by Board of Directors)

Explanation:

- (I) In order to meet the Company's practical needs, it is proposed to amend the Procedures for Acquisition and Disposal of Assets.
- (II) The Table of Amendments to the Procedures for Acquisition and Disposal of Assets. Please refer to page 36 of this handbook (Attachment 5).
- (III) It is hereby submitted for discussion.

Resolution:

Case 3: Capital reduction to offset losses. (Proposed by Board of Directors)

Explanation:

- (I) The paid-in capital of the Company is NT\$1,540,162,760, the issued shares are 154,016,276 shares, and the loss to be covered as of December 31, 2022 is NT\$937,263,276.
- (II) In order to improve the financial structure and increase the net value per share, it is proposed to reduce the capital by NT\$600,000,000 and eliminate the number of ordinary shares by NT\$600,000 in accordance with Article 168, Item 1 of the Company Law. It is expected that each 1000 shares will be reduced by 389.56921669 shares (that is, 610.43078330 shares will be exchanged for each 1000 shares), the capital reduction ratio will be about 38.95692166%, and the paid-in capital of the company after the capital reduction will be NT\$940,162,760, and the issued shares will be 94,016,276 shares. If, due to other factors, there is a change in the actual number of shares outstanding in the Company, and the capital reduction ratio changes, it is proposed to request the shareholders' meeting to authorize the board of directors to handle it with full authority.
- (III) The new shares exchanged after this capital reduction shall be issued without entity, and their rights and obligations shall be the same as those of the original issued shares. For the aberrant fractional shares of less than one share after the capital reduction, the shareholders may register the whole shares with the stock agency of the Company from five days before the date of cessation of transfer to the day before the cessation of transfer, and the aberrant fractional shares that are not cobbled together or still less than one share are discounted in cash

at par amount (insufficient amounts shall be rounded off), and the aberrant fractional shares of less than one share are provided for the cost of book transfer. All fractional shares of less than one share shall be subscribed by the chairman of the board of directors at par value.

- (IV) After the discussion and approval of the shareholders' meeting and the consent of the competent authority, it is proposed to authorize the board of directors to set the base date for capital reduction, the base date for capital reduction and share exchange, the suspension date for transfer and other matters related to capital reduction.
- (V) If there are any unspecified matters in this capital reduction case, or if it is necessary to change or amend due to changes in laws and regulations, instructions from competent authorities, or due to objective circumstances, the Board of Directors is hereby authorized to handle it at its sole discretion.
- (VI) According to Letter No. 1120000616 dated March 7, 2023 of the Securities and Futures Investors Protection Center(SFIPC), the relevant explanations regarding the Company's handling of capital reduction to cover losses are as follows:
 - 1. The reason for this capital reduction: to improve the financial structure and increase the net value per share.
 - 2. Sound the business plan and implement the control measures:
 - (1) Increase in revenue scale: The Company continues to develop new projects and cooperate with the market sales strategy of real estate to drive the overall revenue momentum upward.
 - (2) Strengthen the completion of the construction project progress on schedule: Overcome the adverse factors of the industry to affect the progress of the project, complete the construction project schedule on schedule, and achieve the entry of the house smoothly.
 - (3) Implementation of control measures: The implementation of the sound business plan will be reported to the board of directors on a quarterly basis.
 - 3. The sound operation plan and the implementation results will be explained by the shareholders' meeting in the following year, and in accordance with the instructions of the Financial Supervisory Commission in letter No. 0990028032 of May 21, 2010, the case of capital reduction to make up for losses will be handled at this ordinary meeting of shareholders, and the above information will be submitted to the shareholders' meeting for explanation and resolution.
- (VII) It is hereby submitted for discussion.

Resolution:

Motions

Adjournment

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED
2022 Business Report

In recent years, the real estate market has been limited by the unfavorable policy environment of the housing market, the impact of inflation disruption driving a sharp rise in raw materials and construction costs, and the general shortage of work in various work items, and the total revenue of the Company and its subsidiaries has shrunk to NT\$578,022 thousand in 2022.

The following is a report to shareholders on the Company's operating results for 2022:

I. Business results
(I) Implementation Results of Business Plans:

Unit: NTD thousand

Item	2022	2021	Increase (decrease) change	
			Amount	Percentage %
Sales revenue	578,022	3,185,720	(2,607,698)	-81.86%
Operating costs	423,833	2,484,992	(2,061,159)	-82.94%
Net operating margin	154,189	700,728	(546,539)	-78.00%
Total operating expenses	258,927	322,963	(64,036)	-19.83%
Operating (loss) profit	(104,738)	377,765	(482,503)	-127.73%
Total nonoperating revenue and expenses	(866,860)	(279,956)	(586,904)	209.64%
Profit (loss) before income tax	(971,598)	97,809	(1,069,407)	-1093.36%
Profit (loss) for the year	(977,659)	67,822	(1,045,481)	-1541.51%

(II) Budget Implementation:

The Company did not prepare 2022 financial forecasts and therefore there was no budget implementation.

(III) Financial receipts and expenditures and profitability analysis:
International Financial Reporting Standards - Consolidated Financial Statements

Analysis		2022	2021	
Financial performance (%)	Debt to assets ratio	91.09	82.38	
	Long-term capital to property, plant and equipment ratio	2,441.01	10,647.98	
Solvency (%)	Current ratio	109.95	135.53	
	Quick ratio	17.58	57.58	
	Times interest earned	(7.99)	1.32	
Profitability (%)	Return on assets (%)	(9.32)	1.04	
	Return on equity (%)	(71.30)	3.39	
	Ratio to paid-in capital	Operating (loss) profit	(6.80)	24.53
		Profit (loss) before income tax	(63.08)	6.35
	Net profit margin (%)	(169.14)	2.13	
Earnings per share (NT\$)	(6.35)	0.44		

(IV) Research and Development:

1. Land development ability: Have complete control of the market intelligence and produce accurate judgment and land resource integration through accurate analysis and comparison.
2. Product planning ability: Provide quality living space product through accurate market research and product positing.
3. Sales integrity ability: Establish sales integrity principles by creating realistic sales advertisements to gain the trust of customers.
4. Construction management ability: Enhance the quality in structure and waterproofing of construction works as well as interior decoration to effectively control construction quality.
5. Brand image: Enable our customers to enjoy second-to-none living quality by planting a large amount in greenery and integrating the concept of human technology and sustainability.

II. Summary of 2023 Business Plan:

(I) Management Policy:

The Company is a comprehensive real estate team. It carries out a full range of research and analysis. It develops various building products based on land attributes, including residential buildings, villa residences, office buildings, and industrial real estate. Based on the idea of constructing classic, green future, and creating living space, we construct buildings that integrate technology facility and would be standing for hundreds of years.

Full Wang's common sense of "relationship like siblings and warmth like a family" is deeply rooted within our customers to pursue the Company's future operational goals. At Full Wang, we adhere to the management philosophy of "responsibility, teamwork, quality and innovation" and implement it into each and every construction project, achieving the Company's commitment that customers always come first. We fully adopt our corporate core values in a bid to build a win-win situation for our customers, shareholders and employees, and are committed to fulfilling our responsibilities to society.

[Do good deeds]

we always strive to do our best;

[Goodwill]

Cultivate community in the neighborhood;

[Spread positive ideas]

we contribute what we can anywhere and anytime

[Achievement]

Satisfy customers and exceed their expectations

(II) Expected sales volume and its basis

Our Company's construction division has purchased the land for the next 3 years as planned to be developed. Construction projects are planned according to the construction period in the short, medium and long term. These projects are expected to be complete in 2023, 2024 and 2025, respectively, to contribute to each year's operating income and profitability. And actively develop the complex mall located in the Wuri high-speed railway special zone, attract well-known manufacturers at home and abroad to enter the cooperation, so as to create the long-term and stable development of the company's future operation.

(III) Important production and marketing policies

Production strategy: The development strategy for Company's construction business division regarding construction projects is focused on self-occupied projects, supplemented by home exchange and investment products. The company's products meet the market demand and our current development projects are in the metropolitan areas in Hsinchu County, Yunlin County, Taichung City, and Kaohsiung City. To solve the issue of the lack of land for industrial use, we provide industries with

production bases and develop land in industrial real estates centered on areas where the transportation is convenient and where industries are concentrated. These places include Taoyuan, Hsinchu, Changhua, Nantou, and Tainan.

Sales strategy: We adopt the pre-sale method and integrate different a variety of marketing channels to achieve the sales objective of “zero remaining empty houses” after the completion of the contraction project. At the same time, we also establish a robust customer service system and provide our customers with sustainable services to enhance customer satisfaction and recognition, establishing the Company's brand image as a sustainable service.

III. The Company's future development strategy

(I) Customer service: We understand the customer's perspective and create maximum benefits for them. Our goal is to satisfy customers with our service.

(II) Sustainable management: We regularly hold community events to give back and care for those in need and maintain customer relations.

(III) Give back to society: Full Wang dedicates itself to public welfare activities, adhering to the philosophy of “taking from society and giving back to society.” We do our utmost to give back to society as well as helping the disadvantaged as a means to implement corporate social responsibility.

(IV) High-quality Buildings: To continue providing quality architectural products, the Company considers the suitable function of living space and the convenience for occupants at the stage of the design planning.

IV. Effects by external competitive, regulatory and overall operating environments

(I) External competition

The development of Taiwan's real estate market is centered on the Greater Taipei area. Given the reason, most construction sectors are concentrated in Taipei City and New Taipei City, competing with each other for land. Due to the increasing scarcity of land available for construction and the supply of land is limited, land in prime areas is hard to come back these days, resulting in a constant increase in land prices. The Company has sufficient land in Hsinchu, Yunlin, and Taichung for new construction projects. Since 2020, the Company has also been developing land in Kaohsiung, Yunlin and Miaoli for residential construction projects.

In this competitive environment, in order to respond to the competition in the real estate market, the Company takes into account the future demand for mobility in the “racetrack economy.” Land close to MRT, large public buildings, newly re-planned areas, and important transportation projects will be the focus to build houses, villa-type buildings, and community building-type housing. We have the advantages of land cost and product planning. We offer fair prices to attract the attention of those in need while also actively engaged in the development of commercial real estate, and the complex mall located in the Wuri high-speed railway special zone is in full swing to cope with the competition in the external market.

(II) Regulatory environment

Although the current government policy is not favorable to the housing market, it still manages to generate profits. Through implementing ethical corporate management and social responsibility, not only are investors protected and management risk reduced, we have also enhanced our audit management to prevent internal fraud risks. Related information disclosure measures or material financial operations rules have been formulated, expecting to improve the Company's information transparency and timeliness.

Full Wang has set up an investor service section to publish important information, which is released on the public information website designated by the competent authority and the Company's website. We also comply with the amendments or promulgation of laws and regulations formulated by the competent authorities to

make our internal regulations more stringent. By taking such an approach, we aim to strengthen corporate governance and the protection of shareholders' rights.

(III) Overall operation

Looking back at the global economic situation in 2022. Under the influence of factors such as variant virus, Russia-Ukraine war, high inflation and climate change, the global economic performance in 2022 is not ideal, most countries implement monetary policy tightening to control high inflation, and negative shocks such as rising inflation, policy tightening and financial stress have darkened the global economic outlook. In terms of real estate industry, due to the general environment, the confidence of the real estate market has been disturbed, which not only caused investors to continue to exit the market, but also lengthened the assessment time for self-occupied property purchases, and it is obvious that the real estate market is still conservative. The company actively provides reasonable prices and high-quality products for consumers to choose, hoping to drive the overall sales amount to grow steadily.

With the support of each and every of our shareholder, all board members, and chairman will lead our employees and do our utmost to continue to innovate and refine ourselves to create the highest value for the Company and return it to our shareholders. I express my deepest gratitude to all shareholders and hope you stay well and healthy.

Chairman:



Manager:



Accounting Controller:



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Full Wang International Development Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Full Wang International Development Co., Ltd. and subsidiaries (the "Group") as at December 31, 2022 and 2021, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Group's 2022 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

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

Cut-off of building and land sales revenue**Description**

Please refer to Note 4(25) for accounting policies on sales revenue, and Note 6(17) for details. For the year ended December 31, 2022, building and land sales revenue amounted to

NT\$573,028 thousand, representing 99% of consolidated operating revenue.

In the construction industry, building and land sales revenue are recognised when control of the building and land has been transferred. Since building and land sales in the construction industry involve numerous customers, the control transfer related documents shall be reviewed before recognising revenue which usually involves manual work, and thus may result in inappropriate timing of revenue recognition around the balance sheet date. Thus, we identified the cut-off of building and land sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding, assessment and verification on operating procedures and internal controls in relation to building and land sales revenue, including the following items:
 - (1) Interviewed employees involved in operating procedures of building and land sales revenue in each segment and obtained revenue recognition procedures of building and land sales in order to confirm that they are in line with the operating regulations.
 - (2) Examined the internal control of building and land sale revenue, checked whether the home inspection information had been reviewed by the competent supervisors and verified whether the date and the information recorded in supporting documents (including land registrations, house ownership certificates, home inspection information and house handover information) were consistent with the date and the information recorded in building and land sales contracts in order to ensure transactions were recorded in the proper period.
2. Performed cut-off test on building and land transactions around the end of the reporting period, including verifying land registration, transfer date in the house ownership certificate, customers' home inspection checklists and customers' signed receipts for handing over of property to confirm that the building and land sales revenue recognition timing was appropriate.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(12) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumptions in relation to inventory valuation. As at December 31, 2022, the carrying amount of inventories and allowance for inventory valuation losses amounted to NT\$6,985,759 thousand and NT\$0 thousand, respectively.

The Group's inventories pertain to buildings and land held for sale and construction in progress, and inventories are measured at the lower of cost and net realisable value. Since the Group operates in the construction industry which involves a high degree of capital input and has a long capital recovery period, the market price of real estate has higher fluctuations due to the impact of the government's housing policy and the state of the economy in recent years and because the

inventory valuation involves management's subjective judgment, thus, we identified assessment of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of and assessed the nature of the Group's business and industry and discussed with management in order to assess the reasonableness of the method and the procedure that the Group used to determine net realizable value.
2. Obtained the net realizable value report of inventory at the end of the reporting period, sampled and tested the adequacy of basis used in estimation of net realizable assets, including obtaining recent transaction prices of each project, recent transaction information of similar assets of neighboring area or appraisal report issued by external experts and the adequacy of the estimated costs necessary to complete the sale, and confirmed the net realizable value of ending inventories in order to assess the reasonableness of allowance for inventory valuation losses.

Other matter - parent company only financial reports

We have audited and expressed an unqualified opinion and an unqualified opinion with other matter paragraph on the parent company only financial statements of Full Wang International Development Co., Ltd. as at and for the years ended December 31, 2022 and 2021.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to

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

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

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

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

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

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

Wang, Yu-Chuan
For and on Behalf of PricewaterhouseCoopers, Taiwan
February 23, 2023

Liu, Mei Lan

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.
As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
Current assets					
1100	Cash and cash equivalents	\$ 197,812	2	\$ 673,067	6
1110	Financial assets at fair value through profit or loss - current	521,251	5	1,596,578	15
1136	Current financial assets at amortised cost	103,069	1	437,802	4
1150	Notes receivable, net	1,486	-	7,310	-
1170	Accounts receivable, net	43,858	1	832,031	8
1200	Other receivables	20,143	-	74,335	1
1220	Current tax assets	9,440	-	-	-
130X	Inventory	6,985,759	72	5,258,266	49
1470	Other current assets	548,364	6	471,520	5
11XX	Current Assets	<u>8,431,182</u>	<u>87</u>	<u>9,350,909</u>	<u>88</u>
Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	20	-	20	-
1535	Non-current financial assets at amortised cost	980,953	10	979,579	9
1600	Property, plant and equipment	35,365	-	35,367	-
1755	Right-of-use assets	163,637	2	184,270	2
1780	Intangible assets	923	-	1,101	-
1840	Deferred income tax assets	30,154	-	28,105	-
1900	Other non-current assets	51,418	1	85,931	1
15XX	Non-current assets	<u>1,262,470</u>	<u>13</u>	<u>1,314,373</u>	<u>12</u>
1XXX	Total assets	<u>\$ 9,693,652</u>	<u>100</u>	<u>\$ 10,665,282</u>	<u>100</u>

(Continued)

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2100	Current borrowings	\$ 4,759,162	49	\$ 4,754,743	45
2110	Short-term notes and bills payable	348,737	4	349,518	3
2130	Current contract liabilities	1,233,459	13	1,164,027	11
2150	Notes payable	23,085	-	41,458	-
2170	Accounts payable	523,076	5	476,305	4
2200	Other payables	52,730	1	57,437	1
2230	Current income tax liabilities	-	-	14,091	-
2280	Current lease liabilities	11,589	-	12,632	-
2320	Long-term liabilities, current portion	699,875	7	-	-
2399	Other current liabilities, others	16,437	-	29,201	-
21XX	Current Liabilities	<u>7,668,150</u>	<u>79</u>	<u>6,899,412</u>	<u>64</u>
Non-current liabilities					
2530	Corporate bonds payable	999,605	10	1,698,916	16
2580	Non-current lease liabilities	156,562	2	173,781	2
2600	Other non-current liabilities	6,072	-	14,055	-
25XX	Non-current liabilities	<u>1,162,239</u>	<u>12</u>	<u>1,886,752</u>	<u>18</u>
2XXX	Total Liabilities	<u>8,830,389</u>	<u>91</u>	<u>8,786,164</u>	<u>82</u>
Share capital					
3110	Share capital - common stock	1,540,163	16	1,540,163	14
Capital surplus					
3200	Capital surplus	92,566	1	92,566	1
Retained earnings					
3310	Legal reserve	167,797	2	161,015	2
3320	Special reserve	746	-	-	-
3350	(Accumulated deficit)unappropriated retained earnings	(937,571)	(10)	86,120	1
3400	Other equity interest	(438)	-	(746)	-
31XX	Equity attributable to owners of the parent	<u>863,263</u>	<u>9</u>	<u>1,879,118</u>	<u>18</u>
3XXX	Total equity	<u>863,263</u>	<u>9</u>	<u>1,879,118</u>	<u>18</u>
Significant Contingent Liabilities and Unrecognised Contract Commitments					
Significant Events after the Balance Sheet Date					
3X2X	Total liabilities and equity	<u>\$ 9,693,652</u>	<u>100</u>	<u>\$ 10,665,282</u>	<u>100</u>

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

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except earnings per share)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue		\$ 578,022	100	\$ 3,185,720	100
5000	Operating costs		(423,833)	(73)	(2,484,992)	(78)
5900	Net operating margin		154,189	27	700,728	22
	Operating expenses					
6100	Selling expenses		(88,616)	(15)	(164,141)	(5)
6200	General & administrative expenses		(170,311)	(30)	(158,822)	(5)
6000	Total operating expenses		(258,927)	(45)	(322,963)	(10)
6900	Operating (loss) profit		(104,738)	(18)	377,765	12
	Non-operating income and expenses					
7100	Interest income		2,314	-	1,958	-
7010	Other income		73,064	13	98,085	3
7020	Other gains and losses		(905,722)	(157)	(332,616)	(10)
7050	Finance costs		(36,516)	(6)	(47,383)	(2)
7000	Total non-operating revenue and expenses		(866,860)	(150)	(279,956)	(9)
7900	Profit (loss) before income tax		(971,598)	(168)	97,809	3
7950	Income tax expense		(6,061)	(1)	(29,987)	(1)
8200	Profit (loss) for the year		<u>(\$ 977,659)</u>	<u>(169)</u>	<u>\$ 67,822</u>	<u>2</u>
	Other comprehensive income					
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		\$ 308	-	(\$ 746)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		308	-	(746)	-
8300	Total other comprehensive income for the year		<u>\$ 308</u>	<u>-</u>	<u>(\$ 746)</u>	<u>-</u>
8500	Total comprehensive income for the year		<u>(\$ 977,351)</u>	<u>(169)</u>	<u>\$ 67,076</u>	<u>2</u>
	(Loss) profit, attributable to:					
8610	Owners of the parent		<u>(\$ 977,659)</u>	<u>(169)</u>	<u>\$ 67,822</u>	<u>2</u>
	Comprehensive (loss) income attributable to:		<u>(\$ 977,659)</u>	<u>(169)</u>	<u>\$ 67,822</u>	<u>2</u>
8710	Owners of the parent		<u>(\$ 977,351)</u>	<u>(169)</u>	<u>\$ 67,076</u>	<u>2</u>
	Basic (loss) earnings per share					
9750	Total basic (loss) earnings per share		<u>(\$ 6.35)</u>		<u>\$ 0.44</u>	
	Diluted (loss) earnings per share					
9850	Diluted (loss) earnings per share		<u>(\$ 6.35)</u>		<u>\$ 0.44</u>	

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

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to owners of the parent							
	Notes	Share capital - common stock	Total capital surplus, additional paid-in capital	Retained Earnings		Total unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Total equity
Legal reserve				Special reserve				
<u>Year ended December 31, 2021</u>								
Balance at January 1, 2021		\$ 1,540,163	\$ 92,566	\$ 124,756	\$ -	\$ 362,590	\$ -	\$ 2,120,075
Profit for the year		-	-	-	-	67,822	-	67,822
Other comprehensive income (loss) for the year		-	-	-	-	-	(746)	(746)
Total comprehensive income (loss)		-	-	-	-	67,822	(746)	67,076
Appropriations and distribution of 2020 retained earnings								
Legal reserve		-	-	36,259	-	(36,259)	-	-
Cash dividends		-	-	-	-	(308,033)	-	(308,033)
Balance at December 31, 2021		\$ 1,540,163	\$ 92,566	\$ 161,015	\$ -	\$ 86,120	(\$ 746)	\$ 1,879,118
<u>Year ended December 31, 2022</u>								
Balance at January 1, 2022		\$ 1,540,163	\$ 92,566	\$ 161,015	\$ -	\$ 86,120	(\$ 746)	\$ 1,879,118
Loss for the year		-	-	-	-	(977,659)	-	(977,659)
Other comprehensive income for the year		-	-	-	-	-	308	308
Total comprehensive income		-	-	-	-	(977,659)	308	(977,351)
Appropriations and distribution of 2021 retained earnings								
Legal reserve		-	-	6,782	-	(6,782)	-	-
Special reserve		-	-	-	746	(746)	-	-
Cash dividends		-	-	-	-	(38,504)	-	(38,504)
Balance at December 31, 2022		\$ 1,540,163	\$ 92,566	\$ 167,797	\$ 746	(\$ 937,571)	(\$ 438)	\$ 863,263

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

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Year ended December 31		
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(Loss) profit before tax		(\$ 971,598)	\$ 97,809
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense - property, plant and equipment		12,175	12,501
Depreciation expense - right-of-use assets		11,247	8,622
Amortization expense		655	596
Impairment loss (impairment gain and reversal of impairment loss)		-	447
Loss on financial assets at fair value through profit or loss		895,298	322,065
Interest expenses		36,516	47,383
Interest income	(	2,314)	(1,958)
Dividend revenue	(	56,650)	(16,870)
Other income		-	(79,368)
Losses on disposals of property and equipment		50	-
Profit from lease modification	(	964)	-
Litigation loss		5,977	8,635
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		5,824	3,379
Accounts receivable (including related parties)		788,173	(775,765)
Other receivables (including related parties)	(	10,094)	(413)
Inventory	(	1,647,018)	47,892
Other current assets	(	76,844)	(248,658)
Changes in operating liabilities			
Current contract liabilities		69,432	705,688
Notes payable	(	18,373)	40,482
Accounts payable		46,771	260,789
Other payables	(	11,106)	(42,758)
Other current liabilities	(	12,764)	(8,574)
Cash (outflow) inflow generated from operations	(	935,607)	381,924
Interest received		2,314	1,958
Interest paid	(	118,106)	(111,626)
Income taxes paid	(	31,641)	(38,801)
Net cash flows (used in) from operating activities	(	1,083,040)	233,455

(Continued)

FULL WANG INTERNATIONAL DEVELOPMENT CO.,LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

	Year ended December 31	
	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through profit or loss	(\$ 9,384,464)	(\$ 46,092,115)
Proceeds from disposal of financial assets at fair value through	9,619,090	45,743,376
Financial assets at fair value through profit or loss for using the equity method	4,617	-
Decrease (increase) in financial assets at amortised cost	333,359	(158,641)
Acquisition of property, plant and equipment	(12,223)	(26,636)
Increase in refundable deposits	(9,669)	(54,069)
Decrease in refundable deposits	42,315	71,163
Acquisition of intangible assets	(477)	(578)
Decrease in prepayments for business facilities	-	2,857
Dividends received	56,650	16,870
Net cash flows from (used in) investing activities	<u>649,198</u>	<u>(497,773)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	9,807,868	23,150,784
Decrease in short-term borrowings	(9,803,449)	(22,712,497)
Increase in short-term notes and bills payable	350,000	350,000
Decrease in short-term notes and bills payable	(350,000)	(400,000)
Increase in guarantee deposits received	867	212
Decrease in guarantee deposits received	(591)	(575)
Repayment of principal portion of lease liabilities	(7,912)	(6,536)
Cash dividends paid	(38,504)	(308,033)
Net cash flows (used in) from financing activities	<u>(41,721)</u>	<u>73,355</u>
Effect of change in foreign currency exchange	<u>308</u>	<u>(746)</u>
Net decrease in cash and cash equivalents	(475,255)	(191,709)
Cash and cash equivalents at beginning of year	<u>673,067</u>	<u>864,776</u>
Cash and cash equivalents at end of year	<u>\$ 197,812</u>	<u>\$ 673,067</u>

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Full Wang International Development Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Full Wang International Development Co., Ltd. (the "Company") as at December 31, 2022 and 2021, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as at December 31, 2022 and 2021, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Company's 2022 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2022 parent company only financial statements are stated as follows:

Cutoff of building and land sales revenue

Description

Please refer to Note 4(25) for accounting policies on sales revenue, and Note 6(18) for details. For the year ended December 31, 2022, building and land sales revenue amounted to NT\$573,028 thousand, representing 99% of operating revenue.

In the construction industry, building and land sales revenue are recognised when control of the building and land has been transferred. Since building and land sales in the construction industry involve numerous customers, the control transfer related documents shall be reviewed before recognising revenue which usually involves manual work, and thus may result in inappropriate timing of revenue recognition around the balance sheet date. Thus, we identified the cut-off of building and land sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding, assessment and verification on operating procedures and internal controls in relation to building and land sales revenue, including the following items:
 - (1) Interviewed employees involved in operating procedures of building and land sales revenue in each segment and obtained revenue recognition procedures of building and land sales in order to confirm that they are in line with the operating regulations.
 - (2) Examined the internal control of building and land sale revenue, checked whether the home inspection information had been reviewed by the competent supervisors and verified whether the date and the information recorded in supporting documents (including land registrations, house ownership certificates, home inspection information and house handover information) were consistent with the date and the information recorded in building and land sales contracts in order to ensure transactions were recorded in the proper period.
2. Performed cut-off test on building and land transactions around the end of the reporting period, including verifying land registration, transfer date in the house ownership certificate, customers' home inspection checklists and customers' signed receipts for handing over of property to confirm that the building and land sales revenue recognition timing was appropriate.

Assessment of allowance for inventory valuation losses

Description

Please refer to Note 4(11) for accounting policy on inventory valuation, Note 5(2) for accounting estimates and assumptions in relation to inventory valuation. As at December 31, 2022, the carrying amount of inventories and allowance for inventory valuation losses amounted to NT\$6,610,960 thousand and NT\$0 thousand, respectively.

The Company's inventories pertain to buildings and land held for sale and construction in progress, and inventories are measured at the lower of cost and net realisable value. Since the Company operates in the construction industry which involves a high degree of capital input and has a long capital recovery period, the market price of real estate has higher fluctuations due to the impact of the government's housing policy and the state of the economy in recent years and because the inventory valuation involves management's subjective judgment, thus, we identified

assessment of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of and assessed the nature of the Company's business and industry and discussed with management in order to assess the reasonableness of the method and the procedure that the Company used to determine net realizable value.
2. Obtained the net realizable value report of inventory at the end of the reporting period, sampled and tested the adequacy of basis used in estimation of net realizable assets, including obtaining recent transaction prices of each project, recent transaction information of similar assets of neighboring area or appraisal report issued by external experts and the adequacy of the estimated costs necessary to complete the sale, and confirmed the net realizable value of ending inventories in order to assess the reasonableness of allowance for inventory valuation losses.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

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

Those charged with governance, including the audit committee, are responsible for overseeing the Company's financial reporting process.

Auditors' responsibilities for the audit of the parent company only financial statements

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

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
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 Company'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 Company'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 parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the company 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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Wang, Yu-Chuan
For and on Behalf of PricewaterhouseCoopers, Taiwan
February 23, 2023

Liu, Mei Lan

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

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

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
Current assets					
1100	Cash and cash equivalents	\$ 155,241	2	\$ 608,612	6
1110	Financial assets at fair value through profit or loss - current	482,524	5	1,486,980	14
1136	Current financial assets at amortised cost	102,919	1	430,245	4
1150	Notes receivable, net	1,066	-	7,310	-
1170	Accounts receivable, net	43,826	1	831,891	8
1200	Other receivables	32,401	-	87,419	1
1220	Current tax assets	2,766	-	-	-
130X	Inventory	6,610,960	72	5,001,399	49
1470	Other current assets	466,917	5	367,946	4
11XX	Current Assets	<u>7,898,620</u>	<u>86</u>	<u>8,821,802</u>	<u>86</u>
Non-current assets					
1510	Non-current financial assets at fair value through profit or loss	10	-	10	-
1535	Non-current financial assets at amortised cost	980,953	11	979,580	9
1550	Investments accounted for under equity method	45,558	1	185,881	2
1600	Property, plant and equipment	33,086	-	32,324	-
1755	Right-of-use assets	163,637	2	184,270	2
1780	Intangible assets	876	-	953	-
1840	Deferred tax assets	28,347	-	25,596	-
1900	Other non-current assets	41,536	-	74,468	1
15XX	Non-current assets	<u>1,294,003</u>	<u>14</u>	<u>1,483,082</u>	<u>14</u>
1XXX	Total assets	<u>\$ 9,192,623</u>	<u>100</u>	<u>\$ 10,304,884</u>	<u>100</u>

(Continued)

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2022		December 31, 2021	
		AMOUNT	%	AMOUNT	%
Current liabilities					
2100	Short-term borrowings	\$ 4,523,172	49	\$ 4,540,066	44
2110	Short-term notes and bills payable	348,737	4	349,518	3
2130	Current contract liabilities	1,134,148	12	1,083,295	11
2150	Notes payable	22,182	-	41,113	1
2170	Accounts payable	382,835	4	435,674	4
2200	Other payables	33,433	1	53,755	1
2230	Current income tax liabilities	-	-	2,054	-
2280	Current lease liabilities	11,589	-	12,632	-
2320	Long-term liabilities, current portion	699,875	8	-	-
2399	Other current liabilities, others	7,577	-	20,652	-
21XX	Current Liabilities	<u>7,163,548</u>	<u>78</u>	<u>6,538,759</u>	<u>64</u>
Non-current liabilities					
2530	Bonds payable	999,605	11	1,698,916	16
2580	Non-current lease liabilities	156,562	2	173,781	2
2600	Other non-current liabilities	9,645	-	14,310	-
25XX	Non-current liabilities	<u>1,165,812</u>	<u>13</u>	<u>1,887,007</u>	<u>18</u>
2XXX	Total Liabilities	<u>8,329,360</u>	<u>91</u>	<u>8,425,766</u>	<u>82</u>
Equity					
Share capital					
3110	Share capital - common stock	1,540,163	16	1,540,163	15
Capital surplus					
3200	Capital surplus	92,566	1	92,566	1
Retained earnings					
3310	Legal reserve	167,797	2	161,015	1
3320	Special reserve	746	-	-	-
3350	Total unappropriated retained earnings (accumulated deficit)	(937,571)	(10)	86,120	1
Other equity interest					
3400	Other equity interest	(438)	-	(746)	-
3XXX	Total equity	<u>863,263</u>	<u>9</u>	<u>1,879,118</u>	<u>18</u>
Significant Contingent Liabilities and Unrecognised Contract Commitments					
Significant Events after the Balance Sheet Date					
3X2X	Total liabilities and equity	<u>\$ 9,192,623</u>	<u>100</u>	<u>\$ 10,304,884</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2022 AND 2021

(Expressed in thousands of New Taiwan dollars, except earnings per share)

	Items	Notes	Year ended December 31			
			2022		2021	
			AMOUNT	%	AMOUNT	%
4000	Sales revenue		\$ 576,663	100	\$ 3,176,713	100
5000	Operating costs		(433,016)	(75)	(2,540,260)	(80)
5900	Net operating margin		<u>143,647</u>	<u>25</u>	<u>636,453</u>	<u>20</u>
	Operating expenses					
6100	Selling expenses		(83,984)	(15)	(144,563)	(4)
6200	General & administrative expenses		(126,935)	(22)	(120,839)	(4)
6000	Total operating expenses		(210,919)	(37)	(265,402)	(8)
6900	Operating (loss) profit		(67,272)	(12)	<u>371,051</u>	<u>12</u>
	Non-operating income and expenses					
7100	Interest income		2,423	1	2,002	-
7010	Other income		69,315	12	43,353	1
7020	Other gains and losses		(857,052)	(149)	(362,980)	(11)
7050	Finance costs		(36,510)	(6)	(45,232)	(1)
7070	Share of (loss) profit of associates and joint ventures accounted for using equity method, net		(81,462)	(14)	<u>77,036</u>	<u>2</u>
7000	Total non-operating revenue and expenses		(903,286)	(156)	(285,821)	(9)
7900	Profit (loss) before income tax		(970,558)	(168)	85,230	3
7950	Income tax (expense) benefit		(7,101)	(1)	(17,408)	(1)
8200	Profit (loss) for the year		<u>(\$ 977,659)</u>	<u>(169)</u>	<u>\$ 67,822</u>	<u>2</u>
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		\$ 308	-	(\$ 746)	-
8360	Components of other comprehensive income that will be reclassified to profit or loss		<u>308</u>	<u>-</u>	<u>(746)</u>	<u>-</u>
8300	Other comprehensive income for the year		<u>\$ 308</u>	<u>-</u>	<u>(\$ 746)</u>	<u>-</u>
8500	Total comprehensive income for the year		<u>(\$ 977,351)</u>	<u>(169)</u>	<u>\$ 67,076</u>	<u>2</u>
	Basic earnings per share					
9750	Total basic earnings per share		<u>(\$ 6.35)</u>		<u>\$ 0.44</u>	
	Diluted earnings per share					
9850	Diluted earnings per share		<u>(\$ 6.35)</u>		<u>\$ 0.44</u>	

The accompanying notes are an integral part of these parent company only financial statements.

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital - common stock	Capital surplus, additional paid-in capital	Retained Earnings		Total unappropriated retained earnings (accumulated deficit)	Exchange differences on translation of foreign financial statements	Total equity
				Legal reserve	Special reserve			
<u>Year ended December 31, 2021</u>								
Balance at January 1, 2021		\$ 1,540,163	\$ 92,566	\$ 124,756	\$ -	\$ 362,590	\$ -	\$ 2,120,075
Profit for the year		-	-	-	-	67,822	-	67,822
Other comprehensive income for the year		-	-	-	-	-	(746)	(746)
Total comprehensive income		-	-	-	-	67,822	(746)	67,076
Appropriations and distribution of 2020 retained earnings								
Legal reserve		-	-	36,259	-	(36,259)	-	-
Cash dividends		-	-	-	-	(308,033)	-	(308,033)
Balance at December 31, 2021		<u>\$ 1,540,163</u>	<u>\$ 92,566</u>	<u>\$ 161,015</u>	<u>\$ -</u>	<u>\$ 86,120</u>	<u>(\$ 746)</u>	<u>\$ 1,879,118</u>
<u>Year ended December 31, 2022</u>								
Balance at January 1, 2022		\$ 1,540,163	\$ 92,566	\$ 161,015	\$ -	\$ 86,120	(\$ 746)	\$ 1,879,118
Loss for the year		-	-	-	-	(977,659)	-	(977,659)
Other comprehensive income for the year		-	-	-	-	-	308	308
Total comprehensive income		-	-	-	-	(977,659)	308	(977,351)
Appropriations and distribution of 2021 retained earnings								
Legal reserve		-	-	6,782	-	(6,782)	-	-
Special reserve		-	-	-	746	(746)	-	-
Cash dividends		-	-	-	-	(38,504)	-	(38,504)
Balance at December 31, 2022		<u>\$ 1,540,163</u>	<u>\$ 92,566</u>	<u>\$ 167,797</u>	<u>\$ 746</u>	<u>(\$ 937,571)</u>	<u>(\$ 438)</u>	<u>\$ 863,263</u>

The accompanying notes are an integral part of these parent company only financial statements.

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31		
	Notes	2022	2021
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
(Loss) profit before tax		(\$ 970,558)	\$ 85,230
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation expense - property, plant and equipment		10,596	10,982
Depreciation expense - right-of-use assets		11,247	8,622
Amortization expense		554	444
Impairment loss (impairment gain and reversal of impairment loss)		-	(447)
Loss on financial assets at fair value through profit or loss		856,582	361,169
Interest expenses		36,510	45,232
Interest income	(	2,423)	(2,002)
Dividend revenue	(	54,466)	(15,235)
Other income		-	(28,550)
Share of profit of associates for using the equity method		81,462	(77,036)
Losses on disposals of property and equipment		50	-
Profit from lease modification	(	964)	-
Litigation loss		377	-
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		6,244	3,316
Accounts receivable (including related parties)		788,065	(776,646)
Other receivables	(	10,160)	(31)
Other receivables due from related parties	(	11,312)	(3,392)
Inventory	(	1,533,714)	(184,274)
Other current assets	(	98,972)	(186,031)
Changes in operating liabilities			
Current contract liabilities		50,853	646,194
Notes payable	(	18,931)	(40,706)
Accounts payable(including related parties)	(	52,839)	(160,506)
Other payables(including related parties)	(	14,207)	(41,747)
Other current liabilities	(	13,074)	(9,885)
Cash (outflow) inflow generated from operations	(	939,080)	(405,673)
Interest received		2,423	2,002
Interest paid	(	111,928)	(105,670)
Income taxes paid	(	14,673)	(30,650)
Net cash flows (used in) from operating activities	(	1,063,258)	(271,355)

(Continued)

FULL WANG INTERNATIONAL DEVELOPMENT CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2022 AND 2021
(Expressed in thousands of New Taiwan dollars)

	Year ended December 31		
	Notes	2022	2021
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at fair value through profit or loss		(\$ 9,008,910)	(\$ 38,268,984)
Proceeds from disposal of financial assets at fair value through profit or loss		9,202,074	37,925,265
Financial assets at fair value through profit or loss for using the equity method		4,440	-
Decrease (increase) in financial assets at amortised cost		325,953	(174,491)
Acquisition of property, plant and equipment		(11,408)	(26,263)
Increase in refundable deposits		(8,897)	(44,096)
Decrease in refundable deposits		41,829	71,045
Acquisition of intangible assets		(477)	(578)
Decrease in prepayments for business facilities		-	2,857
Dividends received		128,460	25,882
Net cash flows from (used in) investing activities		<u>673,064</u>	<u>(489,363)</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		9,462,648	19,934,909
Decrease in short-term borrowings		(9,479,542)	(19,543,455)
Increase in short-term notes and bills payable		350,000	350,000
Decrease in short-term notes and bills payable		(350,000)	(400,000)
Increase in guarantee deposits received		725	212
Decrease in guarantee deposits received		(592)	(575)
Repayment of principal portion of lease liabilities		(7,912)	(6,536)
Cash dividends paid		(38,504)	(308,033)
Net cash flows (used in) from financing activities		<u>(63,177)</u>	<u>26,522</u>
Net decrease in cash and cash equivalents		(453,371)	(191,486)
Cash and cash equivalents at beginning of year		<u>608,612</u>	<u>800,098</u>
Cash and cash equivalents at end of year		<u>\$ 155,241</u>	<u>\$ 608,612</u>

The accompanying notes are an integral part of these parent company only financial statements.

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Table of Amendments to the Articles of Incorporation

Article	After amendment	Before amendment	Description
Article 7	All the shares issued by the Company shall be in the form of registered shares, signed or sealed and numbered by the directors representing the Company, and issued after obtaining a bank visa to act as a stock issuance visa holder in accordance with the law. When the Company issues new shares, it may print shares together for the total number of shares issued and contact the securities centralized custodian institution for safekeeping. The shares issued by the Company may also be exempted from printing shares and registered with the securities centralized custodian institution.	All the shares issued by the Company shall be in the form of registered shares, signed or sealed by three or more directors and numbered, and issued after being issued by the competent authority or its approved issuance registration agency. When the Company issues new shares, it may print shares together for the total number of shares issued and contact the securities centralized custodian institution for safekeeping. The shares issued by the Company may also be exempted from printing shares and registered with the securities centralized custodian institution.	Amendment is made as per law.
Article 40	The Articles of Incorporation is hereby formulated on April 4, 1997; The 1st Amendment on May 10, 1997; The 2nd Amendment on November 9, 1998; The 3rd Amendment on September 14, 1999; The 4th Amendment on March 27, 2000; The 5th Amendment on June 26, 2000; The 6th Amendment on September 21, 2000; The 7th Amendment on March 23, 2001; The 8th Amendment on May 21, 2002; The 9th Amendment on May 21, 2003; The 10th Amendment on June 14, 2004; The 11th Amendment on September 21, 2005; The 12th Amendment on May 16, 2006; The 13th Amendment on June 21, 2007; The 14th Amendment on June 13, 2008; The 15th Amendment on November 28, 2008; The 16th Amendment on May 22, 2009; The 17th Amendment on April 30, 2010; The 18th Amendment on June 16, 2011; The 19th Amendment on November 20, 2012; The 20th Amendment on May 23, 2013; The 21st Amendment on January 23, 2015; The 22nd Amendment on April 29, 2016; The 23rd Amendment on May 10, 2019; The 24th Amendment on May 10, 2021; The 25th Amendment on June 16, 2022; The 26th Amendment on April 10, 2023.	The Articles of Incorporation is hereby formulated on April 4, 1997; The 1st Amendment on May 10, 1997; The 2nd Amendment on November 9, 1998; The 3rd Amendment on September 14, 1999; The 4th Amendment on March 27, 2000; The 5th Amendment on June 26, 2000; The 6th Amendment on September 21, 2000; The 7th Amendment on March 23, 2001; The 8th Amendment on May 21, 2002; The 9th Amendment on May 21, 2003; The 10th Amendment on June 14, 2004; The 11th Amendment on September 21, 2005; The 12th Amendment on May 16, 2006; The 13th Amendment on June 21, 2007; The 14th Amendment on June 13, 2008; The 15th Amendment on November 28, 2008; The 16th Amendment on May 22, 2009; The 17th Amendment on April 30, 2010; The 18th Amendment on June 16, 2011; The 19th Amendment on November 20, 2012; The 20th Amendment on May 23, 2013; The 21st Amendment on January 23, 2015; The 22nd Amendment on April 29, 2016; The 23rd Amendment on May 10, 2019; The 24th Amendment on May 10, 2021; The 25th Amendment on June 16, 2022.	The amendment date at this time is added.

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Table of Amendments to the Procedures for Acquisition and Disposal of Assets

After amendment	Before amendment	Description
<p>Article 8. Procedures for Acquisition or Disposal of Securities:</p> <p>I. Appraisal and Operational Procedures The Company's acquisition or disposal of securities shall be conducted in accordance with the Company's internal control system investment reversed.</p> <p>II. Procedures for Deciding Trading Conditions and Authorization Amount</p> <p>(I) Securities traded in a securities trading market or a securities firm's business premises shall be decided by the responsible unit according to the market conditions and the amount is less than NT\$1500 million, (inclusive), it shall be approved by the chairman of the board of directors; If the amount exceeds NT\$1500 million, it must also be approved by the Audit Committee and approved by the Board of Directors. The responsible unit submits a monthly analysis report on the unrealized benefits or losses of negotiable securities for the reference of decision makers.</p> <p>(II) ~ (III) Omitted.</p> <p>III ~ IV Omitted.</p>	<p>Article 8. Procedures for Acquisition or Disposal of Securities:</p> <p>I. Appraisal and Operational Procedures The Company's acquisition or disposal of securities shall be conducted in accordance with the Company's internal control system investment reversed.</p> <p>II. Procedures for Deciding Trading Conditions and Authorization Amount</p> <p>(I) Securities traded in a securities trading market or a securities firm's business premises shall be decided by the responsible unit according to the market conditions and the amount is less than NT\$1500 million, (inclusive), it shall be approved by the chairman of the board of directors and reported at the latest meeting of the board of directors afterwards, and an analysis report on the unrealized benefits or losses of long-term and short-term marketable securities shall be submitted; If the amount exceeds NT\$1500 million, it must also be approved by the Audit Committee and approved by the Board of Directors.</p> <p>(II) ~ (III) Omitted.</p> <p>III ~ IV Omitted.</p>	<p>Amendment is made as company's practice.</p>

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED

Rules and Procedures for the Shareholders' Meeting

Article 1

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

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

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.

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

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

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the

notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.

A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda. Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation 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 shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before five days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

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

Article 6

This Corporation shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in

the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

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

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

Article 6-1

To convene a virtual shareholders meeting, this Corporation shall include the following particulars in the shareholders meeting notice:

1. How shareholders attend the virtual meeting and exercise their rights.
2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - C. In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 7

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors

or the directors shall select from among themselves one person to serve as chair. When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

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

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

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

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within one month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10

If a shareholders meeting is convened by the board of directors, the meeting agenda shall

be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; 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, call for a vote, and schedule sufficient time for voting.

Article 11

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

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

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 12

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that

percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights 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, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

When this Corporation convenes a virtual shareholders meeting, after the chair declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

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

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

meeting online.

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

Article 14

The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes. When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 16

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

Article 17

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the

meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor." At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.

Article 19

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

Article 20

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

Article 21

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

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

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

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

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

Under the circumstances where a meeting should continue as in the preceding paragraph,

the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

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

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

Article 22

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

Article 23

These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED
Articles of Incorporation (Before Amendment)

Chapter 1. General Provisions

Article 1

The Company is organized in accordance with the provisions of the Company Act, and is named 富旺國際開發股份有限公司, and the English name is FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED.

Article 2

The scope of the Company's business is as follows:

1. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing.
2. CC01030 Electric Appliance and Audiovisual Electric Products Manufacturing.
3. CC01080 Manufacture of Other Electronic Parts and Components.
4. CC01110 Manufacture of Computers and Peripheral Equipment.
5. EZ05010 Apparatus Installation Construction.
6. F113020 Wholesale of Electrical Household Appliances.
7. F213010 Retail Sale of Electrical Household Appliances in Specialized Stores.
8. F113030 Wholesale of Precision Instruments
9. F213040 Retail Sale of Precision Instruments.
10. F113050 Wholesale of Computing and Business Machinery Equipment.
11. F213030 Retail sale of Computing and Business Machinery Equipment.
12. F118010 Wholesale of Computer Software.
13. F218010 Retail Sale of Computer Software.
14. F401010 International Trade.
15. I103060 Management Consultancy Activities.
16. I501010 Product Designing.
17. I599990 Other Designing.
18. CA02010 Manufacture of Metal Structure and Architectural Components.
19. F111090 Wholesale of Metal Construction Materials.
20. F211010 Retail Sale of Construction Materials in Specialized Stores.
21. E801010 Building Maintenance and Upholstery.
22. H701010 Residence and Buildings Lease Construction and Development.
23. H701020 Industrial Factory Buildings Lease Construction and Development.
24. H701040 Specialized Field Construction and Development.
25. H701050 Public Works Construction and Investment.
26. H701060 New County and Community Construction and Investment.
27. H701070 Section Expropriation and Municipal Rezoning Agency Business.
28. H701080 Urban renewal and reconstruction.
29. H701090 Urban renewal, renovation and maintenance.
30. H703090 Real estate trading.
31. H703100 Real estate leasing.
32. H703110 Housing industry for the elderly.
33. I503010 Landscape and Interior Designing.
34. H704031 Real estate brokerage.
35. H704041 Real estate agency brokerage.
36. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3

The company's investment as necessary for business, and may be a limited liability shareholder of another company by resolution of the board of directors, and its total investment may not be subject to the restrictions on the amount of transfer investment stipulated in Article 13 of the Company Law.

The Company may endorse and guarantee the external business needs.

Article 4

The Company is headquartered in Taichung City, and may establish branches at home and abroad when necessary with a resolution adopted by the Board of Directors.

Article 5 Deletion.

Chapter 2. Shareholding

Article 6

The total capital amount of the Company is three billion five hundred million New Taiwan Dollars (NT\$3,500,000,000), which is divided into three hundred fifty million (350,000,000) shares with a par value of ten New Taiwan Dollars (NT\$10) each, The unissued shares authorize the Board of Directors to decide on the issuance of them as necessary.

In the first item of capital, NT\$200 million shall be retained for the issuance of stock option certificates, corporate bonds with stock options and special shares with stock options, etc., a total of NT\$10,000 shares, each of which may be issued in installments according to the resolution of the Board of Directors.

Article 7

All the shares issued by the company shall be in the form of registered shares, signed or sealed by three or more directors and numbered, and issued after being issued by the competent authority or its approved issuance registration agency. When the Company issues new shares, it may print shares together for the total number of shares issued and contact the securities centralized custodian institution for safekeeping. The shares issued by the Company may also be exempted from printing shares and registered with the securities centralized custodian institution.

Article 8

The Company's shares shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Service of Public Companies" and provisions of relevant laws and regulations..

Article 9 Deletion.

Article 10 Deletion.

Article 11 Deletion.

Article 12 Deletion.

Article 13

The change of the shareholder register shall be suspended within 60 days before an annual general meeting, within 30 days before an extraordinary shareholders' meeting, or within 5 days before the record date of payout of dividends, bonuses, or other benefits.

Article 14 Deletion.

Chapter 3. Shareholders' Meeting

Article 15

There are annual general and extraordinary shareholders' meetings.

1. The Board of Directors shall convene the annual meeting once a year within six months after the end of each fiscal year.
2. The latter may be duly convened according to relevant laws whenever the Company deems necessary.
3. The Company's Shareholders' Meeting may do so by video conference or other means announced by the central competent authority.

Article 16

The convening of annual general Shareholders' Meeting shall be notified to all shareholders 30 days in advance. The convening of extraordinary shareholders' meetings shall be notified to shareholders 15 days in advance. The notice shall state the date, place and reason for convening the meeting.

The notice of Shareholders' Meeting may be made electronically with the consent of the counterparty.

For shareholders holding less than 1,000 registered shares, the notice of convocation in the preceding paragraph may be notified by public announcement.

Article 17

Each shareholder of the Company shall have one voting right per share. However, this does not apply to those who are restricted or have no voting rights listed in Article 179, Paragraph 2 of the Company Law.

Article 18

Unless otherwise provided by the Company Law, the resolution of the shareholders' meeting shall be carried out with the consent of a majority of the shareholders representing a majority of the total number of issued shares, and the consent of a majority of the voting rights of the shareholders present.

Article 19

The shareholders' meeting shall be convened by the board of directors, the chairman shall be appointed by the chairman of the board, and in the absence of the chairman of the board, one director shall be appointed by the chairman of the board of directors to act as an agent, and if the chairman of the board of directors has not appointed a proxy, one director shall be elected by each other. If there are two or more conveners other than the convener of the board of directors, one person shall be elected to serve as the convener. When a shareholders' meeting is held, if the chairman violates the rules of procedure and announces the dismissal of the meeting, he or she may elect a person to serve as the chairman with the approval of a majority of the shareholders' voting rights present and continue the meeting.

Article 20

If a shareholder is unable to attend a shareholders' meeting for any reason, he or she shall issue a power of attorney issued by the company specifying the scope of authorization and entrust a proxy to attend the shareholders' meeting. In addition to the provisions of Article 177 of the Company Law, the measures for shareholders' entrustment shall be handled in accordance with the Rules for the Use of Power of Attorney for Publicly Offered Companies to Attend Shareholders' Meetings promulgated by the competent authority.

Article 21

The resolutions of the shareholders' meeting shall be made into a record of the meeting, signed or sealed by the chairman, together with the shareholders' signing book and the proxy for the attendance of the representative, and shall be kept in the Company, and the minutes shall be distributed to the shareholders within 20 days after the meeting. The minutes of proceedings referred to in the preceding paragraph may be prepared and distributed electronically. The Company may make a public announcement of the distribution of the minutes.

Chapter 4. Board of Directors

Article 22

The Company shall have seven to nine directors, who shall be elected by the shareholders' meeting for a term of three years and may be re-elected. If the shortfall is as large as one-third, the Board of Directors shall convene an extraordinary general meeting of shareholders within 60 days to elect the by-election. Among the above-mentioned directors of the Company, there shall be no less than two independent directors and not less than one-fifth of the number of directors, and the selection of directors shall adopt a candidate nomination system, which shall be selected by the shareholders' meeting on the list of candidates. Matters related to the nomination method shall be handled in accordance with the Company Act and other relevant laws and regulations.

Article 22-1

The Company may establish an audit committee pursuant to Article 14quarter of the Securities and Exchange Act, which shall consist of all independent directors consisting of not less than three persons, one of whom shall be the convener and at least one of whom shall have accounting or financial expertise. The Audit Committee and its members are responsible for the implementation of the powers of the Ombudsman as prescribed by the relevant laws and regulations.

Article 23

The shareholders of the legal person of the Company have the right to appoint a representative to be a director, and have the right to reappoint a representative to serve as a director at any time to make up the original term of office.

Article 24

If the board of directors is organized by directors, the board of directors present at least two-thirds and the consent of a majority of the directors present shall elect a chairman of the board of directors, and may elect a vice chairman of the board of directors in the same manner, and the chairman of the board of directors shall represent the company externally.

Article 25

The Board of Directors shall be convened by the Chairman of the Board. The first term of the Board of Directors shall be convened by the directors who receive the majority of votes to vote. Directors should attend the meeting in person or via video screen, and the directors who are unable to attend shall issue a power of attorney and list the scope of authorization for the reason for the convocation to authorize other directors' representatives to attend. A director who represents another director before the board of directors may be entrusted by one person. The notice of a meeting of the board of directors shall set forth the reasons and agenda, and shall be notified to the directors seven days in advance, but in case of emergency, it may be convened at any time and may be replaced by fax, e-mail, etc. in lieu of written notice.

Article 26

Except as otherwise provided by the Company Law, the board of directors shall be convened by the chairman of the board of directors, with the chairman of the board of directors as the chairman, and when the chairman of the board of directors requests leave or is unable to exercise his or her powers for any reason, the chairman of the board of directors shall appoint a director to act as his agent, and if the chairman of the board of directors has not appointed an agent, the directors shall appoint one person to act as the agent.

Article 27

When the board of directors resolves any matter, each director shall have one vote, and his resolution shall be subject to the presence of a majority of the directors and the consent of a majority of the directors present, and shall be made into a record of the proceedings, except as otherwise provided in the Company Law or the Articles of Association.

Article 28

The functions and powers of the Board of Directors are as follows:

1. Review of business policies and medium- and long-term development plans.
2. Review and supervise the implementation of the annual business plan.
3. Examination and approval of the budget and consideration of final accounts.
4. Review of capital increase or decrease plans.
5. Consideration of the distribution of surpluses or the recovery of losses.
6. Review of articles of association or amendments.
7. Review of the company's organizational procedures.
8. Agreements on the establishment, reorganization or abolition of branch offices.
9. Formulation of the Company's investment in other business measures.
10. Implementation of resolutions of the shareholders' meeting.
11. The general manager submits the request for approval and deliberation of matters.
12. Convening of shareholders' meetings and business reports.
13. Other functions and powers conferred on them in accordance with laws and regulations.

Article 28-1

In order to reduce and disperse the risk of significant damage to the company and shareholders caused by illegal acts of directors and important managers, the Company authorizes the Board of Directors to purchase liability insurance for the above-mentioned persons during their term of office for the liability of the above-mentioned persons in accordance with the law for the execution of their business scope.

Article 28-2

The remuneration of directors of the Company's executive business, regardless of business profit or loss, shall be paid by the Board of Directors according to the usual level of the industry.

Chapter 5. Audit Committee

Article 29 Deletion.

Article 30

The number, term of office, powers, rules of procedure and resources to be provided in the exercise of the functions and powers of the Audit Committee shall be formulated by the Board of Directors in accordance with the organizational regulations of the Audit Committee.

Chapter 6. Managerial Officer

Article 31

The Company may appoint managers, which shall be acted by the Board of Directors with the consent of a majority of the directors and the consent of a majority of the directors.

Article 32 Deletion.

Article 33 Deletion.

Chapter 7. Accounting

Article 34

The fiscal year of the Company shall begin on January 1 and end on December 31 of each year.

Article 35

At the end of each fiscal year, the board of directors shall, in accordance with the provisions of Article 228 of the Company Law, prepare various forms and submit them to the ordinary meeting of shareholders for examination 30 days before the ordinary meeting of shareholders for examination and submit them to the ordinary meeting of shareholders for recognition. The Company's surplus distribution or loss provision is made after the end of each quarter.

Article 36

If the Company records a profit in a year, the Company shall set aside no less than 3% of the profit for employee's remuneration, which shall be distributed in shares or cash by resolution of the board of directors and shall be distributed to employees of the Company who meet certain criteria. The Company may, by resolution of the board meeting, set aside no more than 3% of the said profit for directors'/supervisors' remuneration. The remuneration to employees and directors/supervisors shall be reported to the shareholders' meeting.

If, however, the Company has accumulated losses, profit shall first be used to offset accumulated losses and then to set aside employees' and directors'/supervisors' remuneration according to the aforementioned percentages.

Article 36-1

Where the Company made a profit in a fiscal year, the profit shall be first utilized for paying taxes, offsetting losses of previous years, setting aside as legal reserve 10% of the remaining profit, setting aside or reversing a special reserve in accordance with the laws and regulations. It may not be set aside provided that the legal reserve has reached the amount in the Company's paid-in capital. The Company's board of directors shall use any remaining profit together with any undistributed retained earnings as the basis for proposing a distribution plan, which should be resolved in the shareholders' meeting for distribution of dividends and bonus to shareholders.

In accordance with Articles 240 and 241 of the Company Act, the board of directors is authorized to distribute cash dividends and bonuses by special resolutions. These may be distributed with capital surplus or legal reserve in cash according to the Company Act's regulations and shall be reported at the next shareholders' meeting.

Article 37

The Company's business cycle is at a growing stage and adopts a balanced dividend policy bearing in mind long-term financial planning and maximizing shareholders' equity. The Company's dividend distribution takes into account the Company's capital expenditure budget and capital needs in the coming years. The distribution of dividends to shareholders may not be less than 10% of distributable earnings. However, earnings may not be distributed if the accumulated distributable earnings are less than 10% of the paid-in-capital. Dividends to shareholders may be distributed in the form of cash or shares, and among these, cash dividends may not be less than 10% of the total dividends.

The distribution of dividends to shareholders shall be based on the shareholders recorded in the register of shareholders on the basis date of the dividend.

Chapter 8 Supplementary Provisions

Article 38

The relevant rules or measures of these Articles of Association shall be formulated by the Board of Directors separately.

Article 39

If there are any matters not covered in the Articles of Association, they shall be handled in accordance with the provisions of the Company Law.

Article 40

The Articles of Incorporation is hereby formulated on April 4, 1997;

The 1st Amendment on May 10, 1997;

The 2nd Amendment on November 9, 1998;

The 3rd Amendment on September 14, 1999;

The 4th Amendment on March 27, 2000;

The 5th Amendment on June 26, 2000;

The 6th Amendment on September 21, 2000;

The 7th Amendment on March 23, 2001;

The 8th Amendment on May 21, 2002;

The 9th Amendment on May 21, 2003;

The 10th Amendment on June 14, 2004;

The 11th Amendment on September 21, 2005;

The 12th Amendment on May 16, 2006;

The 13th Amendment on June 21, 2007;

The 14th Amendment on June 13, 2008;

The 15th Amendment on November 28, 2008;

The 16th Amendment on May 22, 2009;

The 17th Amendment on April 30, 2010;

The 18th Amendment on June 16, 2011;

The 19th Amendment on November 20, 2012;

The 20th Amendment on May 23, 2013;

The 21st Amendment on January 23, 2015;

The 22nd Amendment on April 29, 2016;

The 23rd Amendment on May 10, 2019;

The 24th Amendment on May 10, 2021;

The 25th Amendment on June 16, 2022.

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED



Chairman: Lin Cheng-Hsiung



FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED
Procedures for Acquisition or Disposal of Assets(Before Amendment)

Article 1. Purpose

In order to protect assets and implement information disclosure, this procedure is specially formulated.

Article 2. Legal Basis

The Procedures are adopted in accordance with the provisions of Article 36-1 of the Securities and Exchange Act (the Securities Act) and related laws.

Article 3. Scope of Assets

- I. Securities: Include stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, asset-backed securities, and other investments.
- II. Property (including land, building and construction, property held for investment, and inventory of construction) and equipment.
- III. Membership Certificate.
- IV. Intangible assets: Including patents, copyrights, trademarks, franchise rights, and other intangible assets.
- V. Right-of-use assets
- VI. Claims of financial institutions (including accounts receivable, bill discounts, loans, and receivables on demand)
- VII. Derivatives.
- VIII. Assets acquired or disposed of through merger, demerger, acquisition, or share transfer in accordance with the law.
- IX. Other important assets.

Article 4. Terms & Definitions

- I. The term "Derivative Products" means forward contracts, options, futures, leverage contracts, or swaps, whose value is derived from assets, interest rates, foreign exchange rates, indexes or other interests, and the hybrid contracts consisting of the above products. The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, longterm leasing contracts, or long-term purchase (sales) contracts.
- II. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfers of shares in accordance with the law: refer to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institutions Merger Act and other acts, or transfer of shares from another company through the issuance of new shares of its own as the consideration ("Share Transfer") under Article 156-3 of the Company Act.
- III. Related parties and subsidiaries: As used in these Procedures mean those parties defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.
- IV. The term "professional appraisal" as used in these procedures, means a certified appraiser or a company in the business of appraising real property or equipment.
- V. "Date of occurrence": It means the date of contract signing, date of payment, date of fiduciary transaction, delivery date, dates of boards of directors' resolutions, or other dates that can confirm the counterparty and monetary amount of the transaction, whichever date is earlier. However, with investments that require the approval of the competent authority, the earliest of the above dates or the date of receipt of approval by the competent authority shall apply.
- VI. Investments in Mainland: Means investments made in accordance with the provisions of the Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area by the Investment Commission of the Ministry of Economic Affairs.
- VII. "Within one year" means that the disclosed part will not be included again one year before the occurrence date of the recent transaction as the base.
- VIII. "Latest financial statement" refers to the disclosed financial statement that is

checked or reviewed by the accountant before the Company's acquisition or disposal of assets.

- IX. "10% of total assets": Calculated on the basis of the total assets of the most recent individual or individual financial report stipulated in the financial reporting standards of securities issuers.
- X. "The so-called "20% of the paid-up capital": is calculated based on 10% of the equity vested in the owners of the parent company. The so-called "transaction amount of paid-up capital amounting to NT\$10 billion" is calculated based on equity attributable to the owners of the parent company of NT\$20 billion.
- XI. Investment as a professional: refers to financial holding companies, banks, insurance companies, bill finance companies, trust businesses, securities dealers engaged in proprietary or underwriting business, futures dealers engaged in proprietary business, securities investment trust undertakings, securities investment consulting undertakings and fund management companies established in accordance with laws and regulations and managed by local financial authorities.
- XII. Stock Exchange: Domestic Stock Exchange, which refers to the Taiwan Stock Exchange Co., Ltd.; A foreign stock exchange means any securities trading market that is organized and regulated by the securities authority of that country.
- XIII. Securities dealer premises: Domestic Securities dealer premises where securities dealers set up special counters for trading in accordance with the Administrative Measures for the Trading of Negotiable Securities in Securities Firms' Business Premises; A business office of a foreign securities dealer refers to the business premises of a financial institution that is managed by the competent foreign securities authority and can operate securities business.

Article 5. Acquisition of non-business use real property and securities quota

The assets acquired by the Company and subsidiaries under this article and their quotas are determined as follows:

- I. The total amount of non-business use real property and right-of-use assets shall be no higher than 50% of the net value of the Company in the latest financial statement.
- II. The total amount of securities acquired shall be no higher than 300% of the net value of the Company and subsidiaries in the latest financial statement.
- III. The amount invested in individual marketable securities shall be no higher than 150% of the net value of the Company and subsidiaries in the latest financial statement.

Article 6. Professional appraisers and their appraisal officers, certified public accountants, attorneys, and securities underwriters, who provide the Company with appraisal reports or opinions shall meet the following requirements:

- I. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if three years have passed since the completion of the sentence, expiration of the term of probation, or grant of a pardon.
- II. May not be a related party or de facto related party of any party to the transaction.
- III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.

The professionals referred to in the preceding paragraph shall comply with the following provisions when preparing and issuing an appraisal report or opinion letter:

- I. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- II. When auditing a case, they shall appropriately plan and execute adequate operating procedures, in order to produce a conclusion and use the conclusion as the basis for issuing a report or opinion. The relevant working procedures, data collected, and conclusions shall be fully and accurately specified in the case

working papers.

- III. They shall conduct an item-by-item evaluation of the completeness, accuracy, and reasonableness of the sources of data, parameters, and information used, as the basis for issuance of an appraisal report or opinion.
- IV. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared such a report or opinion, and that they have evaluated and verified that the information used is reasonable and accurate and that they have complied with applicable laws and regulations.

Article 7. Operating procedures for acquisition or disposal of property, equipment, or right-of-use assets thereof

I. Appraisal and Operational Procedures

The Company obtains or disposes of real estate, equipment, or its right-of-use assets in accordance with the internal control system of fixed assets recycling procedures.

II. Procedures for Deciding Trading Conditions and Authorization Amount

- (I) To acquire or dispose of immovable property (which is a construction inventory), the transaction conditions and transaction price shall be determined with reference to the present value of the announcement, the assessed value, the actual transaction price of the adjacent real estate, etc., and an analysis report shall be submitted to the chairman, and if the amount is less than NT\$1 billion (inclusive), it shall be submitted to the chairman of the board of directors for approval and reported in the latest audit committee and board of directors; If it exceeds NT\$1 billion, it must also be approved by the Audit Committee and approved by the Board of Directors.
- (II) To acquire or dispose of immovable property (non-construction inventory), the transaction conditions and transaction price shall be determined with reference to the present value of the announcement, the assessed value, the actual transaction price of adjacent real estate, etc., and an analysis report shall be submitted to the chairman, and the amount of which shall be less than NT\$10,000 (inclusive) shall be submitted to the chairman of the board of directors for approval and shall be submitted to the latest meeting of the board of directors afterwards; If it exceeds NT\$10,000, it must be approved by the Board of Directors before it can be done.
- (III) The acquisition or disposal of equipment or assets with the right to use shall be made by way of inquiry, comparison, negotiation or tendering, and the amount of which shall be less than NT\$20,000 (inclusive) shall be approved step by step in accordance with the authorization measures; If the amount exceeds NT\$2,000,000, it shall be submitted to the chairman of the board of directors for approval and approved by the board of directors.
- (IV) If the assets acquired or disposed of by the Company should be approved by the board of directors in accordance with the prescribed procedures or other laws, if there is a record or written statement expressed by the directors, the company shall send the directors' objection materials to the supervisors. If the Company has appointed independent directors in accordance with the provisions of the Securities and Exchange Act, the opinions of each independent director shall be fully considered when the transaction of acquiring or disposing of assets is submitted to the board of directors for discussion in accordance with the regulations, and any objections or reservations of the independent directors shall be stated in the minutes of the board meeting. If the Company has established an audit committee in accordance with the provisions of the Securities and Exchange Act, material asset or derivative transactions shall be subject to the consent of more than one-half of all members of the audit committee and a resolution of the board of directors, and the provisions of Items 4 and 5 of Article 17 shall apply.

III. Implementation Entity

In acquiring or disposing of real estate, equipment, or right-of-use assets thereof, after the transaction is approved in accordance with the approval method as in the preceding paragraph, the transaction shall be carried out by the units that will use and manage the said asset.

IV. Evaluation Reports of Real Property, Equipment, or Right-of-use Assets thereof
In the event of the Company's acquisition or disposal of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, except for the transactions with domestic government agencies, engaging others to build on their own lands, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof for business use, the Company shall obtain an appraisal report from a professional appraiser prior to the Date of Occurrence and shall comply with the following provisions:

- (I) In the event that, due to special circumstances, the transaction price should refer to a limited price, a specified price, or a special price, the transaction shall be adopted at the Board of Directors' meeting, and the same procedure shall apply to subsequent changes to the terms and conditions of the transaction.
- (II) Where the transaction amount is more than NT\$ 1 billion, appraisals from two or more professional appraisers shall be obtained.
- (III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:
 1. Where the discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount.
 2. Where the discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount.
- (IV) The date of the report issued by the professional valuer and the date of the establishment of the contract shall not exceed 3 months. However, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, the original professional appraiser may still issue an opinion.
- (V) Court documents can be substituted for reports or opinions issued by a CPA or certified appraiser if the assets are acquired or disposed of through court auction.
- (VI) In addition to using limited prices, specific prices or special prices as the reference basis for transaction prices, if the construction industry engaged in the company fails to obtain the valuation report in real time for legitimate reasons, the valuation report shall be obtained within two weeks from the date of occurrence of the fact, and the accountant's opinion in paragraph 3 of the preceding paragraph shall be obtained within two weeks from the date of obtaining the valuation report.

Article 8. Procedures for Acquisition or Disposal of Securities:

I. Appraisal and Operational Procedures

The Company's acquisition or disposal of securities shall be conducted in accordance with the Company's internal control system investment reversed.

II. Procedures for Deciding Trading Conditions and Authorization Amount

- (I) Securities traded in a securities trading market or a securities firm's business premises shall be decided by the responsible unit according to the market conditions and the amount is less than NT\$1500 million, (inclusive), it shall be approved by the chairman of the board of directors and reported at the latest meeting of the board of directors afterwards, and an analysis report on the unrealized benefits or losses of long-term and short-term marketable securities shall be submitted; If the amount exceeds NT\$1500 million, it must also be approved by the Audit Committee and approved by the Board of Directors.
- (II) When trading securities not traded at a trading market or a securities firm's business premises, the Company shall check the most recent financial statements of the target company verified, assured, or reviewed by the accountant to serve as the reference for the transaction price and consider its net value per share, profitability and future development potential, and

the amount is less than NT\$30 million, (inclusive), it shall be approved by the chairman of the board of directors and reported at the latest meeting of the board of directors afterwards, and an analysis report on the unrealized benefits or losses of long-term and short-term marketable securities shall be submitted; If the amount exceeds NT\$30 million, it must be approved by the Board of Directors.

- (III) If the Company acquires or disposes of assets that should be approved by the Board of Directors in accordance with the prescribed procedures or other laws, if there is a record or written statement from the directors, the Company shall send the directors' objection materials to the supervisors. In addition, if the Company has appointed independent directors in accordance with the provisions of the Securities and Exchange Act, the opinions of each independent director shall be fully considered when the acquisition or disposal of assets is submitted to the board of directors for discussion in accordance with the regulations, and any objections or reservations of the independent directors shall be stated in the minutes of the board meeting. If the Company has established an audit committee in accordance with the provisions of the Securities and Exchange Act, material asset or derivative transactions shall be subject to the consent of more than one-half of all members of the audit committee and a resolution of the board of directors, and the provisions of Items 4 and 5 of Article 17 shall apply.

III. Implementation Entity

When the Company acquires or disposes of securities, the handling entity shall be responsible for approval and placement of order after the transaction is submitted for resolution in accordance with the preceding paragraph, and then the Finance Department shall implement the delivery.

IV. Obtain Expert Opinion

- (I) If the transaction amount is 20 percent of the Company's paid-in capital or NT\$300 million or more when the Company acquires or disposes of securities, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. However, this does not apply if the securities have a public quotation in the active market or the following circumstances:
1. Those who initiate the establishment or solicitation of establishment and obtain negotiable securities by cash contribution.
 2. Securities issued at denomination by participating in the cash capital increase of the target company in accordance with relevant laws and regulations.
 3. Those who participate in the subscription and transfer of 100% of the securities issued by the invested company to handle the cash capital increase.
 4. Listed, OTC and OTC negotiable securities traded on stock exchanges or securities dealers' business premises.
 5. Bonds that are public bonds, with conditions for buying back or selling back.
 6. Domestic and overseas funds.
 7. Acquire or dispose of the shares of listed (OTC) companies in accordance with the bidding and purchase methods or auction methods of listed (OTC) securities of the stock exchange or OTC buying center.
 8. Those who participate in the public offering of the company's cash capital increase and share subscription, and the securities obtained are not private securities.
 9. Those who apply for funds before the establishment of the fund in accordance with Item 1 of Article 11 of the Securities Investment Trust and Consulting Act and Order No. 0930005249 of the Financial Supervisory Commission dated 1 November 2004.
 10. For domestic private equity funds that are applied for or repurchased, if the investment strategy specified in the trust deed is the same as that of the public fund, except for securities credit transactions and the

unwritten securities-related commodity parts.

- (II) Court documents can be substituted for reports or opinions issued by a CPA or certified appraiser if the assets are acquired or disposed of through court auction.

Article 9. Related Party Transactions

I. In addition to the procedures for the acquisition or disposal of immovable property, equipment or assets of the right to use thereof with related persons, the relevant resolution procedures and the assessment of the reasonableness of the transaction conditions shall also be handled in accordance with the following provisions, and if the transaction amount reaches more than 10% of the total assets of the company, it shall also be handled in accordance with Article 7, Articles 8 and 10 and other provisions to obtain valuation reports or accountants' opinions issued by professional appraisers. In acquiring or disposing of assets, the Company shall determine if the counterparty of the transaction is a related party and, in judging the relationship, in addition to legal formalities, the substance of the relationship shall also be considered.

II. Appraisal and Operational Procedures

When the Company acquires or disposes of any asset other than property or right-of-use asset thereof to or from a related party and the transaction amount reaches 20% of the paid-in capital or 10% of the total assets of the Company or exceeds NT\$300 million, the Company shall submit the following documents to the Audit Committee for approval by more than half of all members, submit it to the Board of Directors for approval before signing the transaction contract and paying the price, except for the trading of government bonds, trading of bonds with buyback or redemption options, or subscription or redemption of money market funds issued by domestic securities investment trust firms:

- (I) The purpose, necessity, and expected benefits of the acquisition or disposal of assets;
- (II) The reason for choosing a related party as the counterparty;
- (III) Documents used to assess whether the predefined transaction terms are reasonable in accordance with Subparagraphs (I) and (IV) of Paragraph III of this article, when the Company acquires property or right-of-use asset thereof from a related party;
- (IV) The date and price of original acquisition by the related party, counterparty, relation with the Company and the related party, and other affairs;
- (V) Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction and reasonableness of the fund utilization;
- (VI) The appraisal report from a professional appraiser or a CPA's opinion obtained in accordance with the preceding paragraph;
- (VII) Restrictive covenants and other important stipulations associated with the transaction.

The transaction amount in the preceding paragraph shall be calculated in accordance with the provision of Subparagraph VII of Paragraph I of Article 14 unless the Company has submitted it to the Board of Directors for approval to avoid including it in part within one year before the occurrence date of the recent transaction in accordance with this operating procedure.

When the Company engages in the transaction of acquires or disposes of equipment or right-of-use assets or real estate right-of-use assets for business use with a subsidiary or a subsidiary where the Company directly or indirectly holds 100% of the issued shares or total capital, the Board of Directors shall authorize the Chairman to decide the transaction to the amount of which is less than NT\$20 million, (inclusive) and then report it to the most recent meeting of the Board of Directors for retroactive confirmation.

If the Company has appointed independent directors in accordance with the provisions of the Securities and Exchange Act, the opinions of each independent director shall be fully considered when submitting it to the board of directors for discussion in accordance with the provisions of Paragraph 2, and any objections or reservations of the independent directors shall be stated in the minutes of the board meeting. If the Company has established an Audit

Committee in accordance with the provisions of the Securities and Exchange Act, matters that should be acknowledged by the supervisor under Paragraph 2 shall first obtain the consent of more than one-half of all members of the Audit Committee and submit a resolution of the Board of Directors to apply the provisions of Paragraphs 4 and 5 of Article 17.

If the Company or a subsidiary of the Company that is not a domestic public offering company has the Paragraph I transaction, and the transaction amount reaches more than 10% of the total assets of the Company, the Company shall submit the information listed in Paragraph I to the shareholders' meeting for approval before signing the transaction contract and making payment. However, this does not apply to transactions between the Company and the parent company, subsidiaries, or subsidiaries.

III. The assessment of the reasonableness of transaction costs

- (I) When acquiring property or right-of-use asset thereof from a related party, the Company shall employ the following method to assess the reasonableness of the transaction cost:
 1. Based on the transaction price offered by the related party plus necessary interest on funding and the cost payable by the buyer according to the law. The term "necessary interest on funding" is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, however, that it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
 2. If a related party has used the subject asset to secure a loan from a financial institution, the cumulative loan amount actually extended by the financial institution shall be more than 70% of the total appraisal value of the subject asset given by the financial institution, and the loan term shall have exceeded one year. This shall not apply if the financial institution is a related party of one of the trading counterparties.
- (II) Where land and structures are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in the preceding paragraph.
- (III) When acquiring or disposing of property or related parties thereof to a related party, the Company shall appraise the cost of the asset in accordance with the two preceding paragraphs, and request the CPA to review the transaction and express a concrete opinion;
- (IV) When the appraisal results of the property or right-of-use asset thereof acquired by the Company from a related party based on Subparagraphs (I) and (II) of Paragraph III of this article are both lower than the transaction price, the transaction shall be handled in accordance with Subparagraph (V) of Paragraph III of this article. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA have been obtained, this restriction shall not apply:
 1. Where the related party acquires the undeveloped land or leased land, it shall submit evidence to prove the compliance with one of the following conditions:
 - (1) Where undeveloped lands are evaluated in accordance with the preceding Article and where buildings are evaluated according to the related party's construction costs plus reasonable construction profit, the cumulative value exceeds the actual transaction price. The term "reasonable construction profit" shall be the average gross operating profit margin of the related party's construction division over the most recent three years, or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (2) Transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring lands, where the land area and the transaction terms are similar after the calculation of

reasonable price discrepancies in floor or area in accordance with standard property sales or leasing market practices.

2. Where the Company acquiring real property from a related party provides evidence that the terms of the transaction are similar to the terms of transactions completed for the acquisition of neighboring or closely valued parcels of land of similar size by unrelated parties within the preceding year. Completed transactions in the preceding paragraph, in principle, refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions of similarly sized parcels, in principle, refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property. Within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment of the right-of-use assets thereof.

(V) If the appraisal results of the property or right-of-use asset thereof acquired by the Company from a related party based on Subparagraphs (I), (II), and (IV) of Paragraph III of this Article are both lower than the transaction price, the following matters shall be handled. If the Company has set aside a special reserve in accordance with the following regulations, the special reserve cannot be used until the assets purchased or leased at a high price have been recognized as loss from falling price or disposal or termination of the lease, or proper compensation or reinstatement, or there is other evidence to determine that there is no irrationality and the approval of the competent authority is obtained.

1. The Company shall set aside the special reserve in accordance with Paragraph I of Article 41 of the Securities Exchange Act in respect of the difference between the transaction price of the real estate or its right-of-use asset and the estimated cost, and shall not distribute or transfer capital to allotment. Where the Company uses the equity method to account for its investment in another company, then the special reserve required by law shall be set aside pro rata to the shareholding in accordance with Article 41-1 of the Securities and Exchange Act.
2. The Audit Committee shall act in accordance with the provisions of Article 218 of the Company Act.
3. The handling of the first two points shall be reported to the shareholders meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus.

(VI) If the Company obtains real estate or its right-to-use assets from related parties, any one of the following situations shall be handled in accordance with the relevant assessment and operating procedures in Paragraph II of this Article, and the provisions on the assessment of the reasonableness of transaction costs in Subparagraphs (I), (II) and (III) of Paragraph III of this Article shall not apply:

1. A related party acquires real estate or its right-to-use assets due to inheritance or bestowal.
2. It has been more than five years since the related party contracted to obtain the real property or its right-to-use assets.
3. The real property is acquired through the signing of a joint development contract with the related party, or contracting with a related party in the construction of real estate such as contracted construction with its own land or contracted construction on leased land.
4. The right-to-use asset of real estate for operation is obtained between the Company and its subsidiaries, or between subsidiaries that directly or indirectly hold 100% of the issued shares or total capital.

(VII) If the Company obtains real estate or its right-to-use asset from related parties and if there is other evidence showing that the transaction is not in accordance with regular business practices, it shall also be handled in accordance with Subparagraph (V) of Paragraph III of this Article.

Article 10. Procedures for obtaining or disposing of intangible assets or their right-to-use assets or memberships

I. Appraisal and Operational Procedures

The Company shall obtain or dispose of intangible assets or their right-of-use assets or memberships in accordance with the internal control system of real estate, plant and equipment circulation procedures.

II. Procedures for Deciding Trading Conditions and Authorization Amount

- (I) Obtaining or disposing of memberships, shall be refer to the fair market price of the market to determine the trading conditions and trading price, make an analysis report and submit it to the general manager, if the amount is less than NT\$3 million (inclusive), it shall be submitted to the general manager for approval and shall be reported to the latest meeting of the board of directors afterwards; If the amount exceeds NT\$3 million, it must be submitted to the Board of Directors for approval before implementation.
- (II) Obtaining or disposing of intangible assets or their right-to-use assets, shall be refer to the expert assessment report or the fair market value to determine the trading conditions and trading price, make an analysis report and submit it to the chairman of the board of directors, if the amount is less than NT\$20 million (inclusive), it shall be submitted to the chairman for approval and shall be reported to the latest meeting of the board of directors afterwards; If the amount exceeds NT\$20 million, it must be submitted to the Board of Directors for approval before implementation.
- (III) If the Company acquires or disposes of assets that should be approved by the Board of Directors in accordance with the prescribed procedures or other laws, the Company shall also send the directors' objection information to the supervisors if there is a record or written statement that the directors have expressed objections. If the Company has appointed independent directors in accordance with the provisions of the Securities and Exchange Act, the opinions of each independent director shall be fully considered when the transaction of acquiring or disposing of assets is submitted to the board of directors for discussion in accordance with the regulations, and any objections or reservations of the independent directors shall be stated in the minutes of the board meeting. If the Company has established an audit committee in accordance with the provisions of the Securities and Exchange Act, material asset or derivative transactions shall be subject to the consent of more than one-half of all members of the audit committee and a resolution of the board of directors, and the provisions of Paragraph IV and V of Article 17 shall apply.

III. Implementation Entity

When the Company obtains or disposes of intangible assets or their right-of-use assets or memberships, it shall be executed by the use department, the finance department, or the administrative department after it has been examined and approved according to the pre-existing authority.

IV. Expert evaluation report on intangible assets, right-of-use assets thereof, or memberships

If the amount for obtaining or disposing of intangible assets or their right-to-use assets or memberships is 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant (CPA) prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price except for the transactions with domestic government agencies.

Article 11. Deletion.

Article 12. Procedures for obtaining or disposing of derivative commodities

I. Transaction Principles and Policies

(I) Transaction type

1. Derivative commodities that could be traded by the Company refer to transaction contracts where the values are derived from assets, interest rate, exchange rate, index, or other benefits and other commodities, such as forward contracts, options, futures, swaps, and compound contracts combining the above commodities.
2. Matters related to bond margin trading shall be handled in accordance with the relevant provisions of this processing procedure. Transactions in bonds subject to repurchase conditions are exempt from the provisions

of this procedure.

(II) Operating (hedging) strategies

The company engaged in derivatives financial products trading, should be for the purpose of hedging, trading commodities should choose to use to avoid the risks arising from the company's business operations, the currency held must be consistent with the company's actual import and export transactions foreign currency demand, to the company's overall internal parts (only foreign currency income and expenditure) self-flattening as the principle, so as to reduce the company's overall foreign exchange risk, and save foreign exchange operation costs. Other specific purpose transactions are subject to careful evaluation and approval by the Board of Directors.

(III) Division of powers and responsibilities

1. Finance Division

(1) Trader

- A. Responsible for the strategy formulation of the company's financial instrument trading.
- B. Traders should regularly calculate positions every two weeks, collect market information, conduct trend judgment and risk assessment, formulate operation strategies, and use them as the basis for trading after approval by the approval authority.
- C. Execute transactions in accordance with authorized authority and established strategies.
- D. When there are major changes in the financial market and the trader judges that the established strategy is no longer applicable, he will submit an assessment report at any time, reformulate the strategy, and use it as the basis for engaging in trading after approval by the general manager.

(2) Accountant

- A. Execution of transaction confirmation.
- B. Review whether the transaction is carried out in accordance with the authorized authority and established strategy.
- C. Conduct monthly evaluation, and submit the evaluation report to the general manager.
- D. Accounting and accounting processing.
- E. Make declarations and announcements in accordance with the requirements of the FSC.

(3) Delivery personnel: perform delivery tasks.

(4) Derivatives approval authority

A. Verification authority for risk-off transactions

Decision-making holders	Daily trading privileges	Net accumulated position trading authority
General manager	US\$2 million (inclusive)	US\$5 million (inclusive)
Chairman	US\$2 million or more	US\$10 million (inclusive)

- B. Other special-purpose transactions may only be carried out after being submitted to the Board of Directors for approval.
- C. If the Company acquires or disposes of assets that should be approved by the Board of Directors in accordance with the prescribed procedures or other laws, the Company shall send the directors' objection materials to each supervisor if there is a record or written notice from the directors. If the Company has appointed independent directors in accordance with the provisions of the Securities and Exchange Act, the opinions of each independent director shall be fully considered when the transaction of acquiring or disposing of assets is submitted to the board of directors for discussion in accordance with the regulations, and any objections or reservations of the independent directors shall be stated in the minutes of the board meeting. If the Company has established an audit committee in accordance with the provisions of the Securities

and Exchange Act, material asset or derivative transactions shall be subject to the consent of more than one-half of all members of the audit committee and a resolution of the board of directors, and the provisions of Paragraph IV and V of Article 17 shall apply.

2. Audit department

Responsible for understanding the appropriateness of internal control in derivative commodity transactions and checking the compliance of the trading department with the operating procedures, analyzing the transaction cycle, making an audit report, and submitting it to the board of directors if major violations are found.

3. Performance evaluation

(1) Risk-off transactions

A. The basis for performance evaluation depends on the profit/loss resulting from the difference between the book cost of the Company and the derivative trading.

B. For fully control and express the evaluation risk of the transaction, the Company evaluates the profit and loss by employing the evaluation method of monthly statement.

C. The financial department should provide foreign exchange position evaluation and foreign exchange market trend and market analysis to the general manager as management reference and instruction.

(2) Special-purpose transactions

The actual profits and losses generated are used as the basis for performance evaluation, and the accountants must regularly prepare reports to provide management reference.

4. Determination of total contract amount and limit on maximum loss

(1) Total contract value:

A. Risk-off transaction quota

The financial department should grasp the overall part of the company to avoid transaction risks, and the amount of risk-off transactions should not exceed two-thirds of the company's overall net position, and if more than two-thirds, it should be submitted to the general manager for approval.

B. Special-purpose transactions

Based on the forecast of market changes, the Finance Department may formulate strategies according to needs and submit them to the general manager and chairman for approval before proceeding. The total contractual amount of the company-wide net accumulated portion of the Company's specific purpose transactions is limited to US\$10 million, and the above amount is subject to the approval of the Board of Directors and in accordance with policy instructions.

(2) Setting of the upper limit of loss

A. There is no need to set a limit on loss because of the risk avoidance transaction related to risk avoidance.

B. If it is a transaction contract for a specific purpose, after the part is established, a stop loss point should be set to prevent excess loss. The stop loss point shall be set with a maximum limit of 10% of the transaction contract amount, and if the loss amount exceeds 10% of the transaction amount, it shall be immediately reported to the general manager and reported to the board of directors to discuss necessary countermeasures.

C. The maximum loss amount of individual contracts shall not exceed 5% of the transaction contract amount.

D. The maximum annual loss of the company's trading operations for specific purposes is US\$300,000.

II. Risk management measures

(I) Credit risk management:

Based on the fact that the market is subject to changes in various factors, it is easy to cause operational risks of derivative financial products, so in the market risk management, the following principles are carried out:

1. Trading objects: mainly famous financial institutions at home and

abroad.

2. Trading commodities: limited to commodities provided by famous financial institutions at home and abroad.
3. Transaction amount: The unwritten transaction amount of the same transaction partner shall not exceed 10% of the authorized total amount, except for the approval of the general manager.

(II) Market risk management:

The open foreign exchange market provided by banks is the mainstay, and the futures market is not considered for the time being.

(III) Liquidity risk management:

In order to ensure market liquidity, the selection of financial products is mainly based on high liquidity (that is, they can be covered in the market at any time), and the financial institution entrusted with the transaction must have sufficient information and the ability to trade in any market at any time.

(IV) Cash flow risk management:

In order to ensure the stability of the company's working capital turnover, the company's source of funds for derivatives trading is limited to its own funds, and its operating amount should consider the capital needs of the cash income and expenditure forecast in the next three months.

(V) Operational risk management:

1. The company's authorized quota, operation process and internal audit should be followed to avoid operational risks.
2. Personnel engaged in trading derivatives and personnel engaged in confirmation, delivery and other operations shall not serve concurrently with each other.
3. The personnel who measure, supervise and control risks shall belong to different departments from the personnel in the preceding paragraph and shall report to the board of directors or to senior executives who are not responsible for decision-making in transactions or locations.
4. The positions held by the derivatives exchange shall be evaluated at least once a week, except that hedging transactions for business needs should be evaluated at least twice a month, and the evaluation report should be submitted to the senior executives authorized by the board of directors.

(VI) Commodity risk management:

Insider traders should have complete and correct professional knowledge of financial products, and require banks to fully disclose risks to avoid the risk of misuse of financial products.

(VII) Legal risk management:

Any document signed with a financial institution shall be inspected by foreign exchange and legal or legal counsel professionals before they can be formally signed to avoid legal risks.

III. Internal audit system

- (I) The internal auditors shall periodically look into the appropriateness of the internal control over derivatives products, conduct a monthly audit of how faithfully derivatives products trading by the trading department adheres to these Procedures, and prepare an audit report. Where a material violation is found, the Audit Committee shall be informed in writing.
- (II) The internal auditors shall file the auditing report and the implementing status of annual auditing plans of internal audits to the competent authority before the end of February of the coming year and shall also report the improvement situation for any abnormal affairs according to the provisions of the competent authority before the end of May of the coming year.
- (III) The Company shall urge its subsidiaries to check by themselves whether the prescribed procedures for the acquisition or disposal of assets comply with the relevant standards and whether the relevant matters are handled in accordance with the provisions of the prescribed handling procedures.
- (IV) The internal audit shall review the subsidiary's self-inspection report.

IV. Periodic evaluation method

- (I) The Board of Directors shall authorize senior executives to regularly supervise and evaluate whether the transactions in the derivatives are

actually handled in accordance with the Company's trading procedures, and whether the risks assumed are within the scope of the allowable undertaking and the market price assessment report has abnormal circumstances (such as the holding position). When the loss has been exceeded, they shall report to the Board of Directors immediately and take the appropriate measures.

- (II) The positions held by derivative commodity trading shall be evaluated at least once per week; however, positions for hedge trades required by business shall be evaluated at least twice every month. Evaluation reports shall be submitted to senior management personnel authorized by the Board of Directors.

V. Where the Company engages in derivative commodity trading, the Board of Directors shall supervise and manage such trading in accordance with the following principles.

- (I) The Board of Directors shall designate senior executives to pay attention to the supervision and control of derivative transaction risks at all times. The management principles are as follows:
 - 1. Periodically evaluate whether the risk management measures currently employed are appropriate and are faithfully conducted in accordance with the Regulations and these Procedures for engaging in derivatives trading formulated by the Company.
 - 2. Supervise the transaction and loss/benefit status, take necessary measures in response to irregular situations, and report to the Board of Directors immediately. The Board of Directors shall have independent directors present and express their opinions.
- (II) The Board of Directors shall evaluate whether the performance of the derivative transactions is consistent with the Company's current operational strategies and whether the risks the Company bears are under the tolerable level.
- (III) When the Company engages in the transaction of derivative commodities, it shall authorize the relevant personnel to handle the procedures in accordance with the procedures for dealing with the derivatives transactions, and shall report to the most recent board of directors afterwards.
- (IV) In trading of derivative commodities, the Company shall draft verification documents, in which the types, amounts, losses/profits, approval date from the Board, and subparagraph (II) of Paragraph IV, Subparagraphs (I) and (II) of Paragraph V in this Article shall be included in details for verification.

Article 13. Procedures for handling merger, demerger, acquisition, or share transfer

I. Appraisal and Operational Procedures

- (I) When the Company conducts a merger, demerger, acquisition, or transfer of shares, the Company shall engage a certified public accountant, attorney, or securities underwriter to settle on a timeline, and to form a project group to carry out the transaction. The Company shall, prior to convening the Board of Directors to resolve the relevant matters, engage a certified public accountant, an attorney, or an underwriter to provide an opinion on the reasonableness of the share exchange ratio, acquisition price or distribution of cash or other property to shareholders, and shall submit it to the Board of Directors for deliberation and resolution. The requirement of obtaining an aforesaid opinion on reasonableness issued by an expert may be exempted in the case of a merger by the Company of a subsidiary in which it directly or indirectly holds 100% of the issued shares or total capital, or in the case of a merger between subsidiaries in which the Company directly or indirectly holds 100% of the respective subsidiaries' issued shares or total capital.
- (II) The Company participating in a merger, demerger, or acquisition shall prepare a public report to shareholders detailing important contractual content and relevant matters prior to the shareholders' meeting and include it along with the expert opinion referred to in Subparagraph (I) of Paragraph I in this Article when sending shareholders meeting invitation

for reference in deciding whether to approve the merger, demerger, or acquisition. Provided, where a provision of another act exempts the Company from convening a shareholders meeting to approve the merger, demerger, or acquisition, this restriction shall not apply. Where the shareholders' meeting of any one of the companies, participating in a merger, demerger, or acquisition, fails to convene or pass a resolution due to inadequate quorum, insufficient votes, or other legal restriction, or the proposal is vetoed by the shareholders meeting, the companies participating in the merger, demerger, or acquisition shall immediately make public statement on the reasons, the follow-up measures, and the preliminary date of the next shareholders' meeting.

II. Other matters to be noticed

(I) Date of Board of Directors' meeting: Unless otherwise prescribed by law or the competent authority is notified in advance of extraordinary circumstances and grants consent, the Company shall convene the Board of Directors' meeting and shareholders' meeting on the same day to resolve matters relevant to the merger, demerger or acquisition. Unless otherwise prescribed by law or the competent authority is notified in advance of extraordinary circumstances and grants consent, the Company shall call a Board of Directors' meeting on the same day.

When participating in a merger, demerger, acquisition, or share transfer, the Company that is listed on an exchange or has its shares traded in a business establishment of a securities dealer shall prepare a full written record of the following information and retain it for 5 years for reference:

1. Basic information of the personnel: Including the titles, names, and ID numbers (or passport numbers in the case of foreign nationals) of all persons involved in the planning of any merger, demerger, acquisition, or share transfer or the implementation of the plan prior to disclosure of such information.
2. Dates of material events: include the dates of executing the letter of intent or memorandum of understanding, engaging a financial or legal advisor, executing the contract, and convening the Board of Director meeting.
3. Material documents and minutes: Include documents for merger, demerger, acquisition, and share transfer plans, any letter of intent or memorandum of understanding, material contracts, and minutes of Board of Directors' meetings.

When participating in a merger, demerger, acquisition, or share transfer, the Company that is listed on an exchange or has its shares traded in a business establishment of a securities dealer shall, within two days from the date of adoption of the board of directors' resolution, report the information on points 1 and 2 of the second paragraph of this paragraph to the FSC in the prescribed format in the Internet information system for reference.

If the company participating in the merger, division, acquisition or transfer of shares is not listed or whose shares are traded in the securities dealer's premises, the listed company or whose shares are traded in the securities dealer's business premises shall enter into an agreement with it and handle it in accordance with the provisions of Subparagraphs 2 and 3 of this Paragraph.

- (II) Each and every person participating in or possessing knowledge of the plan for merger, demerger, acquisition, or share transfer shall issue a written undertaking of confidentiality and may not disclose the content of the plan prior to the public disclosure of the information and may not trade, in their own name or under the name of another person, in any stock or other equity security of any company related to the plan for merger, demerger, acquisition, or share transfer.
- (III) Principle for formulation and change of share exchange ratio or acquisition price: The Company participating in merger, demerger, acquisition, or share transfer shall, prior to the Board of Directors meetings of both parties, engage a certified public accountant, an attorney, or an

underwriter to provide an opinion on the reasonableness of the share exchange ratio, acquisition price or distribution of cash or other property to shareholders, and shall submit it to the Shareholders' Meeting.

In principle, share exchange ratio or acquisition price shall not be arbitrarily changed, except where the conditions for the change have been stipulated in the contract and have been publicly disclosed. The exchange rate or purchase price may be changed under the following conditions:

1. Increase of cash capital, and issuance of convertible corporate bonds, stock grants, and issuance of corporate bonds with stock warrants, preferred stock with stock warrants, certificates of stock options, and other equity securities.
2. An action, such as disposal of major assets, that affects the Company's financial operations.
3. An event, such as major disasters or major evolution in technology, that affects shareholders' equity or the price of securities.
4. An adjustment where any of the companies participating in the merger, demerger, acquisition, or share transfer buys back the treasury stocks in accordance with the laws.
5. An increase or decrease in the number of entities or companies participating in the merger, demerger, acquisition, or share transfer.
6. Other conditions stipulated in the contract that may be amended and that have been publicly disclosed.

(IV) The contents of the contract: the contract of the merger, demerger, acquisition, or share transfer company shall be subject to the following matters, in addition to the provisions of Article 317-1 of the Company Act and Article 22 of Business Mergers and Acquisitions Act.

1. Handling of breach of contract.
2. Principles for handling equity-based securities previously issued or treasury stock previously bought back by any company that is extinguished in a merger or demerger.
3. The amount and principles of the purchase of treasury stocks in accordance with the laws after the base date of the participating companies' calculation of the share exchange ratio.
4. Procedures for handling the increase or decrease in the number of participating entities or companies.
5. The estimated progress of the plan and estimated completion date.
6. The scheduled date for convening the legally mandated shareholders' meeting and the relevant procedures if the plan is not completed within the scheduled time frame.

(V) When there is any change to the number of companies participating in merger, demerger, acquisition, or share transfer: After public disclosure of the information, if any company participating in the merger, demerger, acquisition, or share transfer intends to further carry out a merger, demerger, acquisition, or share transfer with another company, all of the participating companies shall carry out anew the procedures or legal actions that had originally been completed toward the merger, demerger, acquisition, or share transfer; except where the number of participating companies is decreased and a participating company's shareholders meeting has resolved a decision authorizing the Board of Directors to alter the limits of authority. Such a participating company may be exempted from convening another shareholders meeting to resolve the matter anew.

(VI) Where any of the companies participating in a merger, demerger, acquisition, or share transfer is not a public company, the Company shall sign an agreement with the non-public company. The agreement shall be handled according to Paragraph II of this Article: Subparagraph (I) - date of the Board of Directors' meeting; Subparagraph (II) - pre-emptive confidentiality commitment; and Subparagraph (V) - changes in number of companies involved in merger, demerger, acquisition, or transfer of shares.

Article 14. Procedure for public disclosure of information

I. Regulatory announcements and declaration standards

- (I) Acquisition or disposal of real estate or its right-to-use assets from or to a

related party, or acquisition or disposal of other assets other than real estate or its right-to-use assets from or to a related party where the transaction amount reaches 20 percent or more of the Company's paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements or subscription or redemption of domestic money market funds issued by securities investment trust enterprises.

- (II) Merger, demerger, acquisition, or share transfer.
- (III) Losses from derivative commodity trading reaching the limits on aggregate losses or losses on individual contracts set out in these Procedures.
- (IV) For acquisition or disposal of machines and machinery or their right-to-use assets which are for operating use, and the trading counterparty is not a related party, and the transaction amount reaches one of the following amounts:
 - 1. Where the paid-in capital is less than NT\$10 billion and the transaction amount reaches NT\$500 million or more.
 - 2. Where the paid-in capital reaches NT\$10 billion or more and the transaction amount reaches NT\$1 billion or more.
- (V) The Company engaged in construction business acquires or disposes of immovable property or its right-of-use assets for construction use, and its transaction partner is not a related person, and the transaction amount reaches NT\$500 million or more; If the paid-in capital of the Company reaches NT\$10 billion or more, it will dispose of the immovable property built by itself, and the transaction partner is not a related person, the transaction amount will reach NT\$1 billion or more.
- (VI) Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the trading object is not a related party, and the amount the Company expects to invest in the transaction is more than NT\$500 million.
- (VII) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20% or more of the Company's paid-in capital or NT\$300 million or more. Provided, this shall not apply to the following circumstances:
 - 1. Trading of civil bonds.
 - 2. Those who specialize in investment, buy or sell marketable securities on stock exchanges or securities dealers' business premises, or subscribe for foreign public bonds or ordinary corporate bonds and general financial bonds (excluding sub-subordinate bonds) that do not involve equity in the primary market, or apply for or buy back securities investment trusts or futures trust funds, or apply for or sell back index investment securities, or securities dealers who serve as counselors and recommend securities firms for underwriting business in accordance with the provisions of the Securities Exchange Center of the Republic of China Securities Counter.
 - 3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises
- (VIII) The aforesaid transaction amount shall be calculated in accordance with the following formula. "Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of this transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.
 - 1. The amount of any individual transaction.
 - 2. The cumulative transaction amount of the acquisitions or disposals of the same type of assets with the same counterparty within the preceding year.

3. The cumulative transaction amount of real estate or its right-of-use asset acquisitions and disposals (cumulative acquisitions and disposals respectively) under the same development plan within the preceding year.
 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals respectively) of the same securities within the preceding year.
- II. Time limit for handling announcements and filing In acquiring or disposing of assets, when items that require public disclosure per Item 1 in this Article are found and the transaction amount has reached the standard that requires public disclosure, the Company shall proceed with public disclosure within 2 days of the time of the event according to the required format.
- III. Procedures for announcement and filing
- (I) The Company shall announce relevant information on a website designated by the competent authority.
 - (II) The Company shall enter the monthly reports on the status of derivative transactions engaged in up to the end of the preceding month by itself and the subsidiaries which are not domestic public companies in the prescribed format, by the 10th day of each month, onto the information filing website designated by the competent authority.
 - (III) When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced within 2 days and reported in their entirety.
 - (IV) Unless otherwise provided for by other laws, the Company engaging in the acquisition or disposal of assets shall retain the relevant contracts, meeting minutes, registry, appraisal report, and the opinion books by CPA, attorneys, and security underwriters at the Company for at least 5 years.
 - (V) Where any of the following circumstances occurs with respect to a transaction that the Company has already announced and filed in accordance with the preceding article, a public report of relevant information shall be made on the website designated by the competent authority within two days from the Date of Occurrence:
 1. Change, termination, or rescission of a contract signed in regard to the original transaction.
 2. The merger, demerger, acquisition, or transfer of shares not completed by the scheduled date set forth in the contract.
 3. Change to the originally publicly announced and reported information.
- IV. Announcement Format
- The matters and contents to be announced by the Company in accordance with this procedure shall be announced and declared on the website designated by the FSC in accordance with the prescribed format.
- Article 15. The subsidiaries of the Company shall comply with the following provisions:
- I. The subsidiary shall also establish procedures for the Acquisition or Disposal of Assets in accordance with the provisions of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, and after approval by the board of directors of the subsidiary, it shall be submitted to the shareholders' meeting of both parties, and the same shall apply when amended.
 - II. When a subsidiary acquires or disposes of assets, it shall also execute such in accordance with the provisions of the Company.
 - III. If the subsidiary is not a publicly offered company, and the acquisition or disposal of assets meets the announcement and reporting standards stipulated in Article 14 of the "Guidelines for the Acquisition or Disposal of Assets by a Public Offering Company", the parent company shall also handle the announcement and declaration on behalf of the subsidiary.
 - IV. The filing standard regarding paid-in capital and total assets for the subsidiary shall be based on the paid-in capital and total assets of the Company.
 - V. The internal auditors of the subsidiary shall audit the procedures for obtaining or disposing of assets and their implementation at least quarterly, and make written records; if major violations are discovered, they shall immediately notify the audit unit of the Company in writing, and the audit unit of the Company shall

send the written information to the supervisor.

VI. When the company's auditors go to the subsidiary for audit according to the annual audit plan, if they find any deficiencies, they should continue to track their improvement and make a tracking report to the board of directors.

Article 16. Penalties

In the event that any of the Company's employees dealing with acquisition and disposal of assets violates these Procedures, the employee shall be periodically evaluated in accordance with the personnel management measures of the Company and shall be punished based on the seriousness of the violation.

Article 17. Implementation and revision

The Company's "Procedures for the Acquisition or Disposal of Assets" have been adopted by the Audit Committee and the Board of Directors and submitted to the Shareholders' Meeting for consent, and the same applies when amended. If there is a record or written statement of any objection by a director, the Company shall also send the director's objection information to the Audit Committee.

In the event that matters are submitted to the Board of Directors for discussion according to the "Procedures for the Acquisition or Disposal of Assets", the Board of Directors shall take each Independent Director's opinion into full consideration. If an Independent Director objects to or expresses reservation about any matter, it shall be recorded in the minutes of the Board of Directors' meeting.

The Company's amendment to the "Procedures for the Acquisition or Disposal of Assets" shall be subject to the consent of more than one-half of all members of the Audit Committee and a resolution of the Board of Directors.

If approval of more than half of all Audit Committee members as required in preceding paragraph is not obtained, the procedures may be implemented if approved by more than two-thirds of all directors, and the resolution by the Audit Committee shall be recorded in the minutes of the Board of Directors meeting.

The terms "all members of the Audit Committee" referred to in Paragraph III and "all directors" referred to in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.

Article 18. Supplementary Provisions

In the case that this Procedure is incomplete, handling shall be conducted in accordance with related laws.

FULL WANG INTERNATIONAL DEVELOPMENT COMPANY LIMITED
Shareholdings of All Directors

- I. The total number of shares issued by the Company is currently 154,016,276 shares, and according to the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", required minimum shares held by all directors is 9,240,976 shares.
- II. The number of shares held by all directors of the Company has reached the statutory percentage standard.
- III. As of the book closure date for the shareholders meeting (February 10, 2023), the shareholding by all Directors and each of them recorded in the shareholder register is as follows:

Position	Account name	Shares Held	Percentage of Ownership
Chairman	Lin, Cheng-Hsiung	2,518,648	1.64%
Director	PAO CHU Investment Co., Ltd. deputy: Lin, Yu-Jen	23,684,480	15.38%
Director	PAO CHU Investment Co., Ltd. deputy: Lin, Yu-Chen	23,684,480	15.38%
Director	Chang, Yu-Tuan	286,494	0.19%
Director	Lin, Tsung-Yi	0	0.00%
Independent Director	Wang, Chin-Hsiang	0	0.00%
Independent Director	Wang, Jin-Chun	0	0.00%
Independent Director	Lii, Yuan-shuh	0	0.00%
Independent Director	Chang, Kuo-Hsiung	0	0.00%
Share Ownership of All Directors		26,489,622	17.20%