



Stock code: 6504

NAN LIU ENTERPRISE CO., LTD.

2022 Annual Shareholders' Meeting

Meeting Handbook

(Translation)

Time: 10:00 a.m., Tuesday, May 31, 2022

Place: No. 699, Silin Rd., Yanchao Dist., Kaohsiung City 824, Taiwan

NAN LIU ENTERPRISE CO., LTD.

Table of Contents

	Pages
I. Meeting Agenda.....	2
II. Report Items.....	3
III. Proposed Resolutions.....	3
IV. Discussion.....	5
V. Election.....	6
VI. Other Business and Special Motion.....	7
VII. Meeting Adjourned.....	7
Attachment 1: 2021 Business Report.....	8
Attachment 2: Audit Committee's Review Report.....	11
Attachment 3: Independent Auditors' Report.....	12
Attachment 4: Financial statements.....	23
Attachment 5: Comparison between the original and amendments to Articles of Incorporation	35
Attachment 6: Comparison between the original and amendments to the Rules and Procedures of Shareholders' Meeting	37
Attachment 7: Comparison between the original and amendments to Procedures for Acquisition or Disposal of Assets	58
Appendix 1: Rules and Procedures for the Shareholders' Meeting.....	74
Appendix 2: Procedure for Election of Directors	83
Appendix 3: Articles of Incorporation.....	86
Appendix 4: Shareholding of Directors	91
Appendix 5: The Effect of the Current Fiscal Year's Dividend Distributions on the Company's Operational Performance, Earnings PerShare, and Return on Equity.....	91

NAN LIU ENTERPRISE CO., LTD.
2022 Shareholders' Meeting Agenda

Time: 10:00 a.m., Tuesday, May 31, 2022

Place: No. 699, Silin Rd., Yanchao Dist., Kaohsiung City

I. Call Meeting to Order

II. Chairman's Address

III. Report Items

1. 2021 Business Report.
2. 2021 Audit Committee's Review Report.
3. Distribution of Remuneration to Employees and Directors in 2021.

IV. Proposed Resolutions

1. To accept 2021 Financial Statements and Business Report.
2. To approve the proposal for distribution of 2021 Profit.

V. Discussion Items

1. To revise the Articles of Incorporation.
2. To revise Rules and Procedures of the Shareholders' Meeting.
3. To revise Procedures for Acquisition or Disposal of Assets.

VI. Election Item:

Directors Election.

VII. Other Business and Special Motion

To release limit of new directors' non-compete competition prohibition.

VIII. Meeting Adjourned

Report Items

1. To report 2021 Business Report

Explanatory Notes: Please refer to pages 8~10 of the Handbook for the Business Report (Attachment 1).

2. To report 2021 Audit Committee's Review Report.

Explanatory Notes: Please refer to pages 11 of the Handbook for the Audit Committee's Review Report (Attachment 2).

3. To report Distribution of Remuneration to Employees and Directors in 2021.

Explanatory Notes: According to the Company Act and the Articles of Incorporation, when the Company makes a profit, over 1% of thereof should be set aside as employee compensation, and less than 2% set aside as compensation for the directors. In the latest financial year, 1.3% (i.e., NT\$1,127,236) of the profit has been set aside for employee compensation, while 0.9% (i.e., NT\$780,394) has been earmarked as compensation for the directors. All compensations are distributed in the form of cash.

Proposed Resolutions

1. To accept 2021 Financial Statements and the Business Report (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The 2021 Financial Statements of the Company were completed according to the Regulations Governing the Preparation of Financial Reports by Securities Issuers. All statements were audited and the Audit Report was completed by independent auditors, Tzu-Shu Lin and Chung-Yu Tien of PricewaterhouseCoopers Taiwan. The Business Report and the Financial Statements have been reviewed by the Audit Committee.
- (2) For the Audit Report and the 2021 Financial Statements and the Business Report, please refer to pages 12-34 (Attachment 3 & 4) and pages 8-10 (Attachment 1) of the Handbook.
- (3) Please proceed to adopt the motion.

Resolution:

2. To approve the proposal for the distribution of the 2021 profit (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The after-tax profit in 2021 was NT\$117,268,447, coupled with other comprehensive income-defined benefit remeasured amount was NT\$726,248. Of that, 10% (i.e., NT\$11,799,469) has been set aside as a legal reserve, coupled with unappropriated retained earnings of NT\$1,555,408,615 (including unappropriated retained earnings of NT\$27,960,645 before (1997) and NT\$1,527,447,970 after (1998)),

retained earnings for this year is NT\$1,661,603,841.

- (2) In terms of the distribution of the 2021 profit, a cash dividend of NT\$1.2 per share is proposed, amounting to NT\$87,120,000 in total. (The distributable cash dividend is calculated in NT\$, and figures are rounded up.) The total fractional amount of distribution under NT\$1 is listed in Shareholders' Equity. After approval at the shareholders' meeting, the Board of Directors is then authorized to set the ex-dividend date and amend distribution matters as required. Please refer to the Profit Distribution Table for details.
- (3) In the event that the proposed profit distribution is affected by: (1) a change in the number of outstanding shares due to the buyback of shares; (2) issuance of new shares for the transfer of treasury shares to employees; (3) nullifying or rights offerings, the Board of Directors is authorized to attend to and amend such related matters.
- (4) Please proceed to adopt the motion.




NAN LIU ENTERPRISE CO., LTD.

2021

Profit Distribution Table

Unit: NT\$

Items	Amount (NT\$)	Remarks
Beginning retained earnings	1, 555, 408, 615	
Other comprehensive income-defined benefit plan	726, 248	
2021 net income	117, 268, 447	
Subtracted: Legal reserve (10%)	(11, 799, 469)	
Subtotal of distributable net profit		1, 661, 603, 841
Distributable items		
Dividend to shareholders-cash dividend (NT\$1.2/share)	87, 120, 000	
Unappropriated retained earnings	1, 574, 483, 841	

Chairman: Mr. Huang  CEO: Mr. Chia Nan Wang  Accounting Manager: Mr. Chang Cheng Hsu 

Note 1: 2021 unappropriated retained earnings are distributable first

Resolution:

Discussion Items

1. To revise Articles of Incorporation(Proposed by the Board of Directors)
Explanatory Notes:
 - (1) For the operation need, the company amend Article 14 number of directors. The number of directors is seven to nine now. Increasing two seats, after amendment is seven to eleven.
 - (2) For following Article 172-2 item 1 of Company Act, a company may explicitly provide for in its Articles of Incorporation that its shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority. To amend Article10 of Articles of Incorporation.
 - (3) Comparison Table for the Articles of Incorporation before and after revision please refer to Attachment 5.
2. To revise Rules and Procedures of the Shareholders' Meeting (Proposed by the Board of Directors)
 - (1) To follow Article 182-1 item 2 of Company Act.
 - (2) For amendment of Article 172-2 item 1 of Company Act, a company shareholders' meeting can be held by means of visual communication network. Financial Supervisory Commission announced to amend related articles of Regulations Governing the Administration of Shareholder Services of Public Companies on March 4, 2022. To increase related rules for shareholders' meeting held by network. For the operation need, amend related articles of Rules and Procedures of the Shareholders' Meeting.
 - (3) Comparison Table for the Articles of Incorporation before and after revision please refer to Attachment 6.
3. To revise Procedures for Acquisition or Disposal of Assets (Proposed by the Board of Directors)
Explanatory Notes:
 - (1) For following Financial Supervisory Commission announced to amend Regulations Governing the Acquisition and Disposal of Assets by Public Companies on January 28, 2022, revise part rules of Procedures for Acquisition or Disposal of Assets.
 - (2) Comparison Table for the Articles of Incorporation before and after revision please refer to Attachment 7.

Election Directors

1. To election six directors and three independent directors(Proposed by the Board of Directors)

Explanatory Notes:

- (1) Upon the expiration of the terms of all Directors on May 8, 2022, the Board of Directors resolved will be elected nine Directors (including three Independent Directors) at this Annual Shareholders' Meeting. To follow Article 14-4 of Securities and Exchange Act, establish Audit Committee.
- (2) The tenure of newly elected Directors shall be 3 years, commencing on May 31, 2022 and expiring on May 30, 2025.
- (3) The Directors shall be elected by adopting candidates' nomination. The Directors and Independent Directors shall be elected from the nominated candidates.
- (4) The list of Directors and Independent Directors nominated candidates reviewed by Board of Directors on April 19, 2022. The related information is as follows.

<1> Directors nominated candidates are as follows.

Name	Main education	Main working experience	Current positions in the Company or other companies	Shares currently held
Bixiu Investments Co., Ltd Representative: Huang Chin-san	National Kaohsiung University of Applied Sciences Honorary Doctor of Engineering	Chairman of NAN LIU ENTERPRISE CO., LTD.	NAN LIU ENTERPRISE CO., LTD.	5,090,929
Chun-Yi Investments Co., Ltd. Representative: Chiang, Su-Lien	Department of International Trade, Ta Hua Institute of technology	Purchasing Manager of NAN LIU ENTERPRISE CO., LTD.	Purchasing Manager of NAN LIU ENTERPRISE CO., LTD.	3,644,000
Wang, Chin-Hung	Ph.D. Philosophy, National Cheng Chi University.	CEO of Nan T san Co., Ltd.	CSO of Quadlink Technology Inc	0
Yang Rui-hua	Zhongzheng Senior High School	Manager of Senlong Chemical Fiber Co., Ltd.	Director of Nan Liu Enterprise Co., Ltd. (Pinghu)	181,033
Su Chao-shan	Executive Master of Business Administration, National Sun Yat-sen University	Professor and Dean of College of Business and Information, Shih Chien University	Supervisor of Laser Tek Taiwan Co., Ltd.	0
Chung Mao-Chih	Department of Accounting, Ling Tung University	Manager of Pan Kuo-Chin CPAs & Co.	Xin Shi Dai Accountancy and Tax Agent	749,451

<2> Independent Directors nominated candidates are as follows.

Name	Main education	Main working experience	Current positions in the Company or other companies	Shares currently held	Nominated reason for renewal of three sessions
Huang Tung-rong	Master's degree, Accounting Department, National Chi Nan University.	Supervisor, Taiwan Industrial Bank	Managing Partner, Universal United CPA (CPA)	0	
Chen,Chao-Lung h	Universidad de San Carlos de Guatemala, Honorary Doctor	Superintendent of Kaohsiung Chang Gung Medical Foundation	Chairman of Microbio (Shanghai) Co., Ltd.	0	
Huang Chun-ping	Ph.D. candidate, Global Business, Institute of China and Asia-Pacific Studies, National Sun Yat-sen University	Deputy Director of Incubation Center, Cheng Shiu University	Vice General Manager of Kuo Fu Management Consulting Co., Ltd.	0	He has management related experience and provide good proposal for the Company. This time continue to nominate him for doing Independent Director's duty, playing his talent, supervising the Board of Directors and providing opinions to the Company.

Other Business and Special Motion

1. To release limit of new directors' non-compete competition prohibition. (Proposed by the Board of Directors)

Explanatory Notes:

- (1) To follow Article 209 of Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2) To release limit of new directors' non-compete competition prohibition.
Supplementary instructions of scope and content will be discussed before.

Meeting Adjourned

Attachment 1

NAN LIU ENTERPRISE CO., LTD.



2021 Business Report

Thank you for your continuous support and care for Nan Liu. We appreciate it and look forward to your steady support in the years to come.

The following is a report of our business results in 2021.

A. 2021 Business Report

(1) Achievements of the 2021 Business Plan

The Company's major businesses before 2021 included the sale of spunlace nonwoven fabrics, Air Through & Thermal Bond Nonwoven Fabrics, Disposable surgical gowns fabrics, hygiene consumables (most of sales on baby wet wipes), and facial mask/skin care products. In 2021, net sales was NT\$6,784,152 thousand, down 27.61% compared with 2020. Taking into cost of goods sold of NT\$5,867,976 thousand, total operating expenses of NT\$652,538 thousand, and other non-operating income and expenses of NT\$13,401 thousand, profit before income tax came in at NT\$250,237 thousand. Estimated income tax expense was NT\$132,969 thousand, and the net income was NT\$117,268 thousand with an EPS of NT\$1.62.

(2) 2020 Consolidated Financial Expenditure and Profitability

Unit: NT\$ thousand

Consolidated Statements of Comprehensive Income	2021	2020	Change %
Net Sales	6,784,152	9,371,410	-27.61%
Cost of goods sold	5,867,976	6,626,279	-11.44%
Gross profit	916,176	2,745,131	-66.63%
Total Operating expenses	652,538	668,477	-2.38%
Net operating profit	263,638	2,076,654	-87.30%
Other non-operating income and expenses	-13,401	84,066	-115.94%
Income before income tax	250,237	1,992,588	-87.44%
Net Income	117,268	1,453,723	-91.93%

(3) Consolidated Profitability Analysis

Unit: %

	2021	2020	
Return on assets	1.32%	14.50%	
Return on equity	3.02%	39.43%	
Capital ratio	Net operating profit	36.31	286.04
	Income before income tax	34.47	274.46
Net profit margin	1.73	15.51	

After-tax earnings per share (NT\$)	1.62	20.02
-------------------------------------	------	-------

The company faced some challenges in 2021. Because COVID-19 active all over the world. Each country block down. Trading isn't working smoothly. Material price and shipment cost grew high. It effected sales and profit directly. Under above challenges, all employees pledged more efforts and consistently develop new products.

In general, net sales down 27% and profit down 92%. With the great teamwork and efforts of all employees, the net income in 2021 reached NT\$117,268 thousands (EPS NT\$1.62). The Taiwan Yanchao plant finished in 2019. The capacity utilization was full in 2020. Net sales and profit grew largely. Effecting by world economy, the profit isn't good as expected.

B. Summary of the 2022 Business Plan

(I) Business Policy and Implementation

- (1) Our new vision is implemented in the Company's daily operations, and our business philosophy is strengthened and fulfilled to achieve the goal of organizational optimization.
- (2) Integration of supply chain management: we aim to have in place competitive and strategic raw materials suppliers, meet our customers' flexible and rapid demands, and reduce inventory costs to increase cash flow.
- (3) Strengthen education and training systems, create a passionate and excellent work environment, improve staff morale, and boost operational efficiency.
- (4) Continue enhancing product development capabilities and production technologies: obtain leading technologies and upgrade production capabilities; become a research and development center for our customers; and cooperate with technology experts at home and abroad, such as technical research and academic institutions.
- (5) Implement green-energy policies and reduce carbon emissions to simultaneously lower costs and protect the environment, exercise social responsibility as a global citizen, and enhance overall image of the Company.
- (6) Persistently implement prudent accounting practices and strengthen financial risk management to improve profitability.

(II) Major Marketing Strategies

- (1) Buildup of capacity: add new production lines and enhance the benefits of economies of scale.
- (2) Leadership in quality and technology: with customer-oriented approaches and the development of new products, promote the Company's international branding.
- (3) Automation: consistently improve enterprise resource planning (ERP) systems, strengthen operational controls, and integrations to improve core competitive power.
- (4) Adopt more aggressive strategies to enhance the position of the production base in Asia.

(III) Future Development Strategy

Uphold the principle of the "cycle of virtues" — that is, to profitably provide customers with outstanding quality, delivery and service, so that they are incentivized to purchase even more products from the Company, and thereby looking after the interests of shareholders and employees. In so doing, all four stakeholders — shareholders, employees, and customers, the community — can achieve win-win outcomes.

(IV) Competition, the Regulatory Environment, and General Business Conditions

While input prices are rising at home and abroad, the Company has strengthened its cost control measures. At the same time, our international platform offers improved conditions for customer orders through competitive advantages, and fluctuations in raw material prices are incorporated into price negotiations.

The Company will continue to strengthen its knowledge of the market environment; integrate regulatory and customer standards; reinforce accounting and legal requirements; promote environmental and labor protection initiatives; and enhance corporate governance and corporate social responsibility.

With increasing demands for the use of green energy and requirements for carbon reduction, we intend to hold ourselves to world-class standards in the pursuit of business growth.

Overall, while adverse external environments and rising production costs pose increasingly rigorous challenges, the Company believes that customers' demands can be satisfied through constant innovation and improving processes to maintain a competitive advantage and maximize profits for its shareholders.

With best wishes, and to good health and success for all,

Chairman

Mr. Huang, Chin-san



General Manager:

Mr. Chia Nan Wang



Accounting Manager:

Mr. Chang Cheng Hsu



Attachment 2

Nan Liu Enterprise Co., Ltd. **Audit Committee's Review Report** (Translation)

The Board of Directors has prepared the Company's 2021 Business Report, consolidated Financial Statements. The financial statements includes Balance Sheets, Statements of Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows. The Financial Statements have been audited by external auditors Tzu-Shu Lin and Chung-Yu Tien of PricewaterhouseCoopers Taiwan and an opinion and report have been issued on the Financial Statements.

Audit Committee is responsible for overseeing the financial reporting process.

When auditing the 2021 financial Statements, the auditing CPA communicated with Supervisors about following:

1. Under planned scope and timing of audit, no significant audit findings are discovered.
2. The auditing CPA also provided statements that the auditing team has complied with relevant ethical requirements regarding independence. So far, there's no findings about matters/relationships that might influence the independence of auditing CPA.
3. From the matters communicated with auditing CPA, we determined that significant audit matters are to be communicated in the audit report.

The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and considered to be complied with relevant rules by the undersigned, the Audit Committee of Nan Liu Enterprise Co., Ltd. According to Article 14-4 of Securities and Exchange Act, Article 219 of Company Act, I hereby submit this report.

Submitted to :

The Company's 2021 Annual Shareholders' Meeting

Nan Liu Enterprise Co., Ltd.

Chairman of the Audit Committee : Huang, Tung-Rung

On the Date of March 15, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Nan Liu Enterprise Co., Ltd.

Opinion

We have audited the accompanying parent company only balance sheets of Nan Liu Enterprise Co., Ltd. (the "Company") as of December 31, 2021 and 2020, 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 financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the year 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 generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits, 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 2021 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 2021 financial statements are stated as follows:

Existence of sales revenue

Description

Refer to Note 4(22) for accounting policies on revenue recognition and Note 6(16) for details of operating revenue. The Company's operating revenues for the year ended December 31, 2021 was NT\$3,215,624 thousand.

The Company's sales revenue mainly arose from sales of air-through nonwoven, spunlace nonwoven, wet napkins, facial mask and skin care products. As the Company has numerous trading counterparties around the world such as Taiwan, Asia and America, voluminous transactions and the verification of sales revenues takes time, the existence of sales revenue has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Understood, evaluated and tested the effectiveness of internal controls over sales revenue.
2. Performed substantive test on selected sales transactions including confirming orders, shipping documents, export declarations and invoices or subsequent cash receipts.

Appropriateness of inventory valuation

Description

Refer to Note 4(8) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimations and assumptions relating to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2021, the carrying amount of inventories and allowance for inventory valuation loss are NT\$370,546 thousand and NT\$26,695 thousand, respectively.

The Company is primarily engaged in the manufacture and sales of air-through nonwoven, spunlace nonwoven, wet napkins, facial mask and skin care products. As the net realisable value of its inventories fluctuate based on market demand and sales strategy, there is a higher risk of incurring inventory valuation loss or having obsolete inventories. The Company's inventories are stated at the lower of cost and net realisable value. The Company also individually identifies the net realisable value of inventories that are over a certain age, obsolete or damaged and recognises related loss if any. As the amount of inventories is significant, the types of inventories are various and the valuation of the net realisable value involves a high degree of estimation uncertainty, the appropriateness of inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of policies and procedures on allowance for inventory valuation loss.
2. Assessed the effectiveness of the management's inventory control, based on our understanding of the operations of the warehouse management, inspected the annual inventory taking plan and performed our observation.

3. Verified the appropriateness of the net realisable value of inventories and the logic in inventory ageing report which was used for valuation and discussed and checked the related supporting documents with the management to assess the adequacy of allowance for inventory valuation loss.

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

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

1. Identify and assess the risks of material misstatement of the 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 parent company only 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 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.

Lin, Tzu-Shu

Independent Auditors

Tien, Chung-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 15, 2022

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.

NAN LIU ENTERPRISE CO., LTD.

Declaration of Consolidated Financial Statements of Affiliated Enterprises

For the year ended December 31, 2021, pursuant to Criteria Governing Preparation of Affiliation Reports, Consolidated Business Reports and Consolidated Financial Statements of Affiliated Enterprises, the entities that are required to be included in the consolidated financial statements of affiliates, are the same as the entities required to be included in the consolidated financial statements under International Financial Reporting Standard No. 10. Also, if relevant information that should be disclosed in the consolidated financial statements of affiliates has all been disclosed in the consolidated financial statements of parent and subsidiary companies, it shall not be required to prepare consolidated financial statements of affiliates.

Hereby declare,

NAN LIU ENTERPRISE CO., LTD.

March 15, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Nan Liu Enterprise Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Nan Liu Enterprise Co., Ltd. and subsidiaries (the "Group") as of December 31, 2021 and 2020, 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 of December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the year 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 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 generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the 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. Based on our audits, 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 2021 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 2021 consolidated financial statements are stated as follows:

Existence of sales revenue

Description

Refer to Note 4(25) for accounting policies on revenue recognition and Note 6(17) for details of operating revenue. The Group's operating revenues for the year ended December 31, 2021 was NT\$6,784,152 thousand.

The Group's sales revenue mainly arose from sales of air-through nonwoven, spunlace nonwoven, wet napkins, facial mask and skin care products. As the Group has numerous trading counterparties around the world such as Taiwan, Asia and America, voluminous transactions and the verification of sales revenues takes time, the existence of sales revenue has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Understood, evaluated and tested the effectiveness of internal controls over sales revenue.
2. Performed substantive test on selected sales transactions including confirming orders, shipping documents, export declarations and invoices or subsequent cash receipts.

Appropriateness of inventory valuation

Description

Refer to Note 4(9) for accounting policies on inventory valuation, Note 5(2) for the uncertainty of accounting estimations and assumptions relating to inventory valuation, and Note 6(4) for details of inventories. As of December 31, 2021, the carrying amount of inventories and allowance for inventory valuation loss are NT\$919,463 thousand and NT\$57,161 thousand, respectively.

The Group is primarily engaged in the manufacture and sales of air-through nonwoven, spunlace nonwoven, wet napkins, facial mask and skin care products. As the net realisable value of its inventories fluctuate based on market demand and sales strategy, there is a higher risk of incurring inventory valuation loss or having obsolete inventories. The Group's inventories are stated at the lower of cost and net realisable value. The Group also individually identifies the net realisable value of inventories that are over a certain age, obsolete or damaged and recognises related loss if any. As the amount of inventories is significant, the types of inventories are various and the valuation of the net realisable value involves a high degree of estimation uncertainty, the appropriateness of inventory valuation has been identified as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in respect of the above key audit matter:

1. Assessed the reasonableness of policies and procedures on allowance for inventory valuation loss.
2. Assessed the effectiveness of the management's inventory control, based on our understanding of the operations of the warehouse management, inspected the annual inventory taking plan and performed our observation.
3. Verified the appropriateness of the net realisable value of inventories and the logic in inventory ageing report which was used for valuation and discussed and checked the related supporting documents with the management to assess the adequacy of allowance for inventory valuation loss.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of Nan Liu Enterprise Co., Ltd. as of and for the years ended December 31, 2021 and 2020.

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 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 generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or

error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

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

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

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

Lin, Tzu-Shu

Independent Auditors

Tien, Chung-Yu

PricewaterhouseCoopers, Taiwan

Republic of China

March 15, 2022

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.

Attachment 4

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 475,106	5	\$ 524,008	5
1136	Financial assets at amortised cost-current	6(1)(2)	-	-	88,830	1
1150	Notes receivable, net	6(3) and 12	44,908	1	62,053	-
1170	Accounts receivable, net	6(3), 7 and 12	435,742	4	696,430	7
1200	Other receivables		4,493	-	4,023	-
130X	Inventories	5 and 6(4)	343,851	3	481,383	5
1410	Prepayments		195,682	2	198,316	2
11XX	Total current assets		<u>1,499,782</u>	<u>15</u>	<u>2,055,043</u>	<u>20</u>
Non-current assets						
1550	Investments accounted for using equity method	6(5)	4,644,724	45	4,456,705	42
1600	Property, plant and equipment	6(6)(8), 7 and 8	3,478,901	34	3,337,535	32
1755	Right-of-use assets	6(7)	401,414	4	418,140	4
1840	Deferred income tax assets	6(23)	55,040	-	28,931	-
1915	Prepayments for equipment	6(6)	82,964	1	90,757	1
1920	Guarantee deposits paid		43,380	-	32,717	-
1990	Other non-current assets	12	62,907	1	79,205	1
15XX	Total non-current assets		<u>8,769,330</u>	<u>85</u>	<u>8,443,990</u>	<u>80</u>
1XXX	Total assets		<u>\$ 10,269,112</u>	<u>100</u>	<u>\$ 10,499,033</u>	<u>100</u>

(Continued)

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(9)	\$ 1,948,900	19	\$ 1,667,000	16
2110	Short-term notes and bills payable	6(10)	89,984	1	-	-
2130	Contract liabilities - current	6(16)	3,506	-	19,039	-
2150	Notes payable		60,422	1	113,728	1
2170	Accounts payable		119,497	1	142,315	1
2180	Accounts payable - related parties	7	112,739	1	153,742	2
2200	Other payables		179,255	2	219,313	2
2220	Other payables - related parties	7	692,730	7	484,456	5
2230	Current income tax liabilities	6(23)	10,670	-	227,722	2
2280	Lease liabilities - current	6(7)	10,129	-	10,627	-
2320	Long-term liabilities, current portion	6(11) and 8	330,620	3	426,840	4
21XX	Total current liabilities		<u>3,558,452</u>	<u>35</u>	<u>3,464,782</u>	<u>33</u>
Non-current liabilities						
2540	Long-term borrowings	6(11) and 8	2,787,601	27	2,303,049	22
2570	Deferred income tax liabilities	6(23)	10,964	-	7,650	-
2580	Lease liabilities - non-current	6(7)	377,596	4	388,042	4
2640	Net defined benefit liabilities, non-current	6(12)	45,515	-	67,259	-
25XX	Total non-current liabilities		<u>3,221,676</u>	<u>31</u>	<u>2,766,000</u>	<u>26</u>
2XXX	Total liabilities		<u>6,780,128</u>	<u>66</u>	<u>6,230,782</u>	<u>59</u>
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(13)	726,000	7	726,000	7
3200	Capital surplus	6(14)	453,467	4	453,467	4
Retained earnings						
3310	Legal reserve		629,412	6	483,750	5
3320	Special reserve		382,531	4	382,531	4
3350	Unappropriated retained earnings		1,673,403	16	2,572,271	24
3400	Other equity interest	6(5)	(375,829)	(3)	(349,768)	(3)
3XXX	Total equity		<u>3,488,984</u>	<u>34</u>	<u>4,268,251</u>	<u>41</u>
Contingent Liabilities and Commitments						
3X2X	Total liabilities and equity		<u>\$ 10,269,112</u>	<u>100</u>	<u>\$ 10,499,033</u>	<u>100</u>

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

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(16) and 7	\$ 3,215,624	100	\$ 5,176,171	100
5000	Operating costs	6(4)(12)(21)(22) and 7	(3,057,791)	(95)	(3,619,756)	(70)
5900	Operating margin		157,833	5	1,556,415	30
5920	Realised profit from sales	6(5)	-	-	3,045	-
5950	Net operating margin		157,833	5	1,559,460	30
	Operating expenses	6(12)(21)(22), 7 and 12				
6100	Selling expenses		(125,277)	(4)	(121,989)	(2)
6200	General and administrative expenses		(136,117)	(4)	(176,304)	(4)
6300	Research and development expenses		(49,881)	(2)	(53,008)	(1)
6450	Expected credit gains (losses)		15,033	1	(20,290)	-
6000	Total operating expenses		(296,242)	(9)	(371,591)	(7)
6900	Operating profit		(138,409)	(4)	1,187,869	23
	Non-operating income and expenses					
7100	Interest income	6(2)(17)	1,381	-	1,168	-
7010	Other income	6(18)	34,920	1	28,984	-
7020	Other gains and losses	6(6)(19) and 12	25,425	1	(12,770)	-
7050	Finance costs	6(6)(7)(20) and 7	(42,594)	(1)	(49,395)	(1)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	204,080	6	515,471	10
7000	Total non-operating income and expenses		223,212	7	483,458	9
7900	Profit before income tax		84,803	3	1,671,327	32
7950	Income tax (benefit) expense	6(23)	32,465	1	(217,604)	(4)
8200	Profit for the year		\$ 117,268	4	\$ 1,453,723	28
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	6(12)	\$ 907	-	\$ 3,625	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(23)	(181)	-	(725)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation	6(5)	(26,061)	(1)	32,763	1
8300	Other comprehensive (loss) income for the year		(\$ 25,335)	(1)	\$ 35,663	1
8500	Total comprehensive income for the year		\$ 91,933	3	\$ 1,489,386	29
	Earnings per share (in dollars)	6(24)				
9750	Basic		\$ 1.62		\$ 20.02	
9850	Diluted		\$ 1.61		\$ 19.99	

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

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

	Notes	Share capital — common stock	Capital surplus	Retained Earnings			Other Equity Interest	Total equity
				Legal reserve	Special reserve	Unappropriated retained earnings	Exchange differences on translation of foreign financial statements	
<u>For the year ended December 31, 2020</u>								
Balance at January 1, 2020		\$ 726,000	\$ 453,467	\$ 431,149	\$ 264,937	\$ 1,612,543	(\$ 382,531)	\$ 3,105,565
Profit for the year		-	-	-	-	1,453,723	-	1,453,723
Other comprehensive income for the year	6(5)(12)	-	-	-	-	2,900	32,763	35,663
Total comprehensive income		-	-	-	-	1,456,623	32,763	1,489,386
Distribution of 2019 net income								
Legal reserve		-	-	52,601	-	(52,601)	-	-
Special reserve		-	-	-	117,594	(117,594)	-	-
Cash dividends	6(15)	-	-	-	-	(326,700)	-	(326,700)
Balance at December 31, 2020		\$ 726,000	\$ 453,467	\$ 483,750	\$ 382,531	\$ 2,572,271	(\$ 349,768)	\$ 4,268,251
<u>For the year ended December 31, 2021</u>								
Balance at January 1, 2021		\$ 726,000	\$ 453,467	\$ 483,750	\$ 382,531	\$ 2,572,271	(\$ 349,768)	\$ 4,268,251
Profit for the year		-	-	-	-	117,268	-	117,268
Other comprehensive income (loss) for the year	6(5)(12)	-	-	-	-	726	(26,061)	(25,335)
Total comprehensive income (loss)		-	-	-	-	117,994	(26,061)	91,933
Distribution of 2020 net income								
Legal reserve		-	-	145,662	-	(145,662)	-	-
Cash dividends	6(15)	-	-	-	-	(871,200)	-	(871,200)
Balance at December 31, 2021		\$ 726,000	\$ 453,467	\$ 629,412	\$ 382,531	\$ 1,673,403	(\$ 375,829)	\$ 3,488,984

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

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 84,803	\$ 1,671,327
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit (gains) losses	12	(15,033)	20,290
(Reversal of allowance) provision for inventory market price decline	6(4)	(5,323)	-
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	6(5)	(204,080)	(515,471)
Realised profit from sales	6(5)	-	(3,045)
Depreciation	6(6)(7)(21)	311,080	237,256
Gain on disposal of property, plant and equipment	6(19)	(80)	(114)
Amortisation of other non-current assets		16,298	9,670
Unrealised exchange gains of long-term borrowings		(16,929)	(9,086)
Interest income	6(17)	(1,381)	(1,168)
Interest expense	6(20)	42,594	49,395
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		18,145	(14,613)
Accounts receivable		274,721	(253,331)
Other receivables		(564)	5,284
Inventories		142,855	(73,883)
Prepayments		2,634	(31,040)
Changes in operating liabilities			
Contract liabilities - current		(15,533)	18,736
Notes payable		(52,649)	59,313
Accounts payable		(22,818)	30,575
Accounts payable - related parties		(41,003)	(29,618)
Other payables		(68,588)	77,809
Net defined benefit liabilities - non-current		(20,837)	(7,040)
Cash inflow generated from operations		428,312	1,241,246
Interest received		1,475	1,242
Income tax paid		(207,563)	(17,978)
Net cash flows from operating activities		<u>222,224</u>	<u>1,224,510</u>

(Continued)

NAN LIU ENTERPRISE CO., LTD.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost - current		(\$ 74,445)	(\$ 142,547)
Repayment of principal at maturity from financial assets at amortised cost - current		163,275	83,981
Acquisition of investments accounted for using equity method - subsidiaries	6(5) and 7	(10,000)	-
Cash paid for acquisition of property, plant and equipment	6(25)	(16,884)	(167,092)
Interest paid for acquisition of property, plant and equipment	6(6)(20)(25)	-	(1,540)
Proceeds from disposal of property, plant and equipment		86	114
Acquisition of right-of-use assets		-	(10,851)
Increase in prepayments for equipment		(383,947)	(487,138)
Increase in guarantee deposits paid		(10,663)	(11,554)
Increase in other non-current assets		-	(14,952)
Net cash flows used in investing activities		(332,578)	(751,579)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Interest paid		(41,823)	(50,811)
Increase in short-term borrowings	6(26)	281,900	297,000
Increase (decrease) in short-term notes and bills payable	6(26)	89,984	(34,999)
Increase in other payables from related parties	6(26)	208,274	183,400
Payments of lease liabilities	6(26)	(10,944)	(8,145)
Increase in long-term borrowings	6(26)	1,625,685	2,548,111
Decrease in long-term borrowings	6(26)	(1,220,424)	(2,708,806)
Payment of cash dividends	6(15)	(871,200)	(326,700)
Net cash flows from (used in) financing activities		61,452	(100,950)
Net (decrease) increase in cash and cash equivalents		(48,902)	371,981
Cash and cash equivalents at beginning of year	6(1)	524,008	152,027
Cash and cash equivalents at end of year	6(1)	\$ 475,106	\$ 524,008

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

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 1,777,362	17	\$ 1,688,968	15
1136	Financial assets at amortised cost - current	6(1)(2)	-	-	88,830	1
1150	Notes receivable, net	6(3) and 12	58,422	1	74,701	1
1170	Accounts receivable, net	6(3) and 12	1,342,758	13	1,461,335	13
1200	Other receivables		5,140	-	4,367	-
130X	Inventories	6(4)	862,302	8	1,264,712	12
1410	Prepayments		264,617	2	288,176	3
11XX	Total current assets		<u>4,310,601</u>	<u>41</u>	<u>4,871,089</u>	<u>45</u>
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non- current	6(5)	84,130	1	84,130	1
1600	Property, plant and equipment	6(6)(8)(9) and 8	4,975,674	47	4,849,793	45
1755	Right-of-use assets	6(7)	543,762	5	565,446	5
1760	Investment property, net	6(6)(8)	30,427	-	16,397	-
1780	Intangible assets		165	-	326	-
1840	Deferred income tax assets	6(24)	55,318	-	29,209	-
1915	Prepayments for equipment	6(6)	376,585	4	293,598	3
1920	Guarantee deposits paid		71,889	1	56,576	-
1990	Other non-current assets	12	101,416	1	112,417	1
15XX	Total non-current assets		<u>6,239,366</u>	<u>59</u>	<u>6,007,892</u>	<u>55</u>
1XXX	Total assets		<u>\$ 10,549,967</u>	<u>100</u>	<u>\$ 10,878,981</u>	<u>100</u>

(Continued)

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity	Notes	December 31, 2021		December 31, 2020		
		AMOUNT	%	AMOUNT	%	
Current liabilities						
2100	Short-term borrowings	6(10) and 7	\$ 1,948,900	19	\$ 1,667,000	15
2110	Short-term notes and bills payable	6(11)	89,984	1	-	-
2130	Contract liabilities - current	6(17)	20,151	-	51,144	-
2150	Notes payable		555,074	5	502,274	5
2170	Accounts payable		556,834	5	477,616	4
2200	Other payables		298,440	3	433,121	4
2230	Current income tax liabilities	6(24)	26,930	-	275,104	3
2280	Lease liabilities - current	6(7)	10,384	-	10,627	-
2320	Long-term liabilities, current portion	6(12), 7 and 8	330,620	3	426,840	4
21XX	Total current liabilities		<u>3,837,317</u>	<u>36</u>	<u>3,843,726</u>	<u>35</u>
Non-current liabilities						
2540	Long-term borrowings	6(12), 7 and 8	2,787,601	26	2,303,049	21
2570	Deferred income tax liabilities	6(24)	10,964	-	7,650	-
2580	Lease liabilities - non-current	6(7)	378,587	4	388,042	4
2640	Net defined benefit liabilities - non-current	6(13)	45,515	1	67,259	1
2645	Guarantee deposits received		999	-	1,004	-
25XX	Total non-current liabilities		<u>3,223,666</u>	<u>31</u>	<u>2,767,004</u>	<u>26</u>
2XXX	Total liabilities		<u>7,060,983</u>	<u>67</u>	<u>6,610,730</u>	<u>61</u>
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(14)	726,000	7	726,000	7
3200	Capital surplus	6(15)	453,467	4	453,467	4
Retained earnings						
3310	Legal reserve	6(16)	629,412	6	483,750	4
3320	Special reserve		382,531	4	382,531	3
3350	Unappropriated retained earnings		1,673,403	16	2,572,271	24
3400	Other equity interest		(375,829)	(4)	(349,768)	(3)
3XXX	Total equity		<u>3,488,984</u>	<u>33</u>	<u>4,268,251</u>	<u>39</u>
Contingent Liabilities and Commitments						
7 and 9						
3X2X	Total liabilities and equity		<u>\$ 10,549,967</u>	<u>100</u>	<u>\$ 10,878,981</u>	<u>100</u>

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

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

	Items	Notes	Year ended December 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(17)	\$ 6,784,152	100	\$ 9,371,410	100
5000	Operating costs	6(4)(13)(22)(23) and 7	(5,867,976)	(86)	(6,626,279)	(70)
5900	Net operating margin		<u>916,176</u>	<u>14</u>	<u>2,745,131</u>	<u>30</u>
	Operating expenses	6(13)(22)(23), 7 and 12				
6100	Selling expenses		(367,393)	(5)	(300,409)	(3)
6200	General and administrative expenses		(251,453)	(4)	(270,217)	(3)
6300	Research and development expenses		(65,609)	(1)	(66,257)	(1)
6450	Expected credit gains (losses)		31,917	-	(31,594)	-
6000	Total operating expenses		(652,538)	(10)	(668,477)	(7)
6900	Operating profit		<u>263,638</u>	<u>4</u>	<u>2,076,654</u>	<u>23</u>
	Non-operating income and expenses					
7100	Interest income	6(2)(18)	10,215	-	21,983	-
7010	Other income	6(19)	42,343	1	48,916	-
7020	Other gains and losses	6(20)(22) and 12	(32,667)	-	(118,834)	(1)
7050	Finance costs	6(6)(7)(21) and 7	(33,292)	(1)	(36,131)	-
7000	Total non-operating income and expenses		(13,401)	-	(84,066)	(1)
7900	Profit before income tax		<u>250,237</u>	<u>4</u>	<u>1,992,588</u>	<u>22</u>
7950	Income tax expense	6(24)	(132,969)	(2)	(538,865)	(6)
8200	Profit for the year		<u>\$ 117,268</u>	<u>2</u>	<u>\$ 1,453,723</u>	<u>16</u>
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Gains on remeasurements of defined benefit plans	6(13)	\$ 907	-	\$ 3,625	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(24)	(181)	-	(725)	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Exchange differences on translation		(26,061)	(1)	32,763	-
8300	Other comprehensive (loss) income for the year		<u>(\$ 25,335)</u>	<u>(1)</u>	<u>\$ 35,663</u>	<u>-</u>
8500	Total comprehensive income for the year		<u>\$ 91,933</u>	<u>1</u>	<u>\$ 1,489,386</u>	<u>16</u>
	Profit attributable to:					
8610	Owners of the parent		<u>\$ 117,268</u>	<u>2</u>	<u>\$ 1,453,723</u>	<u>16</u>
	Comprehensive income attributable to:					
8710	Owners of the parent		<u>\$ 91,933</u>	<u>1</u>	<u>\$ 1,489,386</u>	<u>16</u>
	Earnings per share (in dollars)	6(25)				
9750	Basic		<u>\$ 1.62</u>		<u>\$ 20.02</u>	
9850	Diluted		<u>\$ 1.61</u>		<u>\$ 19.99</u>	

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

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent						Other Equity Interest Exchange differences on translation of foreign financial statements	Total equity
	Share capital — common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Retained Earnings		
<u>For the year ended December 31, 2020</u>								
Balance at January 1, 2020	\$ 726,000	\$ 453,467	\$ 431,149	\$ 264,937	\$ 1,612,543	(\$ 382,531)	\$ 3,105,565	
Profit for the year	-	-	-	-	1,453,723	-	1,453,723	
Other comprehensive income for the year	-	-	-	-	2,900	32,763	35,663	
Total comprehensive income	-	-	-	-	1,456,623	32,763	1,489,386	
Distribution of 2019 net income								
Legal reserve	-	-	52,601	-	(52,601)	-	-	
Special reserve	-	-	-	117,594	(117,594)	-	-	
Cash dividends	-	-	-	-	(326,700)	-	(326,700)	
Balance at December 31, 2020	<u>\$ 726,000</u>	<u>\$ 453,467</u>	<u>\$ 483,750</u>	<u>\$ 382,531</u>	<u>\$ 2,572,271</u>	<u>(\$ 349,768)</u>	<u>\$ 4,268,251</u>	
<u>For the year ended December 31, 2021</u>								
Balance at January 1, 2021	\$ 726,000	\$ 453,467	\$ 483,750	\$ 382,531	\$ 2,572,271	(\$ 349,768)	\$ 4,268,251	
Profit for the year	-	-	-	-	117,268	-	117,268	
Other comprehensive income (loss) for the year	-	-	-	-	726	(26,061)	(25,335)	
Total comprehensive income (loss)	-	-	-	-	117,994	(26,061)	91,933	
Distribution of 2020 net income								
Legal reserve	-	-	145,662	-	(145,662)	-	-	
Cash dividends	-	-	-	-	(871,200)	-	(871,200)	
Balance at December 31, 2021	<u>\$ 726,000</u>	<u>\$ 453,467</u>	<u>\$ 629,412</u>	<u>\$ 382,531</u>	<u>\$ 1,673,403</u>	<u>(\$ 375,829)</u>	<u>\$ 3,488,984</u>	

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

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the year ended December 31,	
		2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 250,237	\$ 1,992,588
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit (gains) losses	12	(31,917)	31,594
(Reversal of allowance) provision for inventory market price decline	6(4)	(5,323)	15,242
Depreciation	6(6)(7)(8)(22)	490,636	410,362
Loss on disposal of property, plant and equipment	6(20)	4	1,262
Amortisation	6(22)	159	516
Amortisation of other non-current assets		31,723	25,747
Unrealised exchange gains of long-term borrowings	6(27)	(16,929)	(9,086)
Interest income	6(18)	(10,215)	(21,983)
Interest expense	6(21)	33,292	36,131
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		17,279	14,598
Accounts receivable		150,199	(240,039)
Other receivables		(894)	1,446
Inventories		407,902	(336,747)
Prepayments		23,559	76,038
Changes in operating liabilities			
Contract liabilities - current		(30,993)	37,907
Notes payable		53,457	(151,051)
Accounts payable		79,218	(75,508)
Other payables		(67,991)	87,104
Net defined benefit liabilities - non-current		(20,837)	(7,040)
Cash inflow generated from operations		1,352,566	1,889,081
Interest received		10,336	26,727
Income tax paid		(404,119)	(334,742)
Net cash flows from operating activities		<u>958,783</u>	<u>1,581,066</u>

(Continued)

NAN LIU ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the year ended December 31,	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of financial assets at amortised cost - current		(\$ 74,445)	(\$ 142,547)
Repayment of principal at maturity from financial assets at amortised cost - current		163,275	214,631
Cash paid for acquisition of financial assets at fair value through other comprehensive income	6(26)	(84,130)	-
Cash paid for acquisition of property, plant and equipment	6(26)	(206,142)	(403,626)
Interest paid for acquisition of property, plant and equipment	6(6)(21)(26)	-	(1,540)
Proceeds from disposal of property, plant and equipment		1,291	636
Acquisition of right-of-use assets		-	(10,851)
Increase in intangible assets		-	(485)
Increase in prepayments for equipment		(496,719)	(589,527)
Increase in guarantee deposits paid		(15,313)	(16,167)
Increase in other non-current assets		(20,904)	(31,477)
Net cash flows used in investing activities		(733,087)	(980,953)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Interest paid		(32,956)	(36,588)
Increase in short-term borrowings	6(27)	281,900	297,000
Increase (decrease) in short-term notes and bills payable	6(27)	89,984	(34,999)
Payments of lease liabilities	6(27)	(11,069)	(8,145)
Increase in long-term borrowings	6(27)	1,625,685	2,548,111
Decrease in long-term borrowings	6(27)	(1,220,424)	(2,708,806)
Payment of cash dividends	6(16)	(871,200)	(326,700)
Net cash flows used in financing activities		(138,080)	(270,127)
Effect of foreign exchange rate changes		778	48,669
Net increase in cash and cash equivalents		88,394	378,655
Cash and cash equivalents at beginning of year	6(1)	1,688,968	1,310,313
Cash and cash equivalents at end of year	6(1)	<u>\$ 1,777,362</u>	<u>\$ 1,688,968</u>

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

Attachment 5

NAN LIU ENTERPRISE CO., LTD. Comparison between the original and amendments to the Articles of Incorporation (Translation)

Amended version	Original version	Reason
<p>Article 10 Shareholders' meetings shall be of two kinds: a regular meeting of shareholders or a special meeting of shareholders. A regular meeting of shareholders is held at least once every year, and shall be convened within 6 months after the close of the fiscal year. A special meeting of shareholders shall be convened as required under the related rules. A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given no later than 15 days prior to the scheduled meeting date. The time, place and proposal(s) of the meeting shall be indicated in the notice and given to shareholders in writing or by electronic transmission. However, for shareholders holding less than 1,000 shares, they shall be informed by public notice. <u>The Company's shareholders' meetings could be held by video conference or others' way announced by Ministry of</u></p>	<p>Article 10 Shareholders' meetings shall be of two kinds: a regular meeting of shareholders or a special meeting of shareholders. A regular meeting of shareholders is held at least once every year, and shall be convened within 6 months after the close of the fiscal year. A special meeting of shareholders shall be convened as required under the related rules. A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given no later than 15 days prior to the scheduled meeting date. The time, place and proposal(s) of the meeting shall be indicated in the notice and given to shareholders in writing or by electronic transmission. However, for shareholders holding less than 1,000 shares, they shall be informed by public notice.</p>	<p>For following Company Act, the company could held shareholders' meetings by video conference.</p>

Amended version	Original version	Reason
<u>Economic Affairs.</u>		
<p>Article 14 The Company has 7 to <u>11</u> directors, who shall be elected by the shareholders' meeting from those with disposing capacity for a term of 3 years. They may be eligible for re-election. The percentage of shareholdings of all the directors selected is subject to the provisions separately prescribed by the competent authority in charge of securities affairs. (The following omitted)</p>	<p>Article 14 The Company has 7 to <u>9</u> directors, who shall be elected by the shareholders' meeting from those with disposing capacity for a term of 3 years. They may be eligible for re-election. The percentage of shareholdings of all the directors selected is subject to the provisions separately prescribed by the competent authority in charge of securities affairs. (The following omitted)</p>	<p>For operation need, increase number of directors.</p>
<p>Article23: The articles were drawn up on November 15, 1978 and were revised on December 30, 1979 for the first time,, amended on April 30, 2013 for the 32nd time, and amended on June 13, 2016 the 33rd time, amended on May 31, 2017 the 34rd time, amended on May 29, 2019 the 35rd time, amended on May 29, 2020 the 36rd time, amended on July 20, 2021 the 37rd time <u>and amended on May 31, 2022 the 38rd.</u></p>	<p>Article23: The articles were drawn up on November 15, 1978 and were revised on December 30, 1979 for the first time,, amended on April 30, 2013 for the 32nd time, and amended on June 13, 2016 the 33rd time, amended on May 31, 2017 the 34rd time, amended on May 29, 2019 the 35rd time, amended on May 29, 2020 the 36rd time, and amended on July 20, 2021 the 37rd time.</p>	<p>Add amendment date</p>

Attachment 6

NAN LIU ENTERPRISE CO., LTD.

Comparison between the original and amendments to the Rules and Procedures of Shareholders' Meeting (Translation)

Amended version	Original version	Reason
<p>Article3 (The first item omitted) <u>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.</u> 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, 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. The Company 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</p>	<p>Article3 (The first item omitted) The Company 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, 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. The Company 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</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p>the date of the special shareholders meeting. <u>If, however, the Company 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.</u> In addition, before 15 days before the date of the shareholders meeting, the Company 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 the Company and the professional shareholder services agent designated thereby.</p> <p><u>The Company 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:</u></p>	<p>the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company 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 the Company and the professional shareholder services agent designated thereby <u>as well as being distributed on-site at the meeting place.</u></p> <p>(The following omitted)</p>	

Amended version	Original version	Reason
<p><u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p><u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>3. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>(The following omitted)</p>		
<p>Article 4: (The first to third item omitted)</p> <p><u>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.</u></p>	<p>Article 4: (The first to third item omitted)</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>
<p>Article 5: (The first item omitted)</p> <p><u>The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders meeting.</u></p>	<p>Article 5: (The first item omitted)</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>
<p>Article 6: (Preparation of documents such as the attendance book)</p>	<p>Article 6: (Preparation of documents such as the attendance book)</p>	<p>To follow amendment of the</p>

Amended version	Original version	Reason
<p>The company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, <u>solicitors and proxies (collectively "shareholders")</u> will be accepted, the place to register for attendance, and other matters for attention.</p> <p>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. <u>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.</u></p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting</p>	<p>The company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders will be accepted, the place to register for attendance, and other matters for attention.</p> <p>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.</p> <p>Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting</p>	<p>Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p>proxy forms shall also bring identification documents for verification.</p> <p><u>The Company 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.</u></p> <p><u>The Company 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.</u></p> <p>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.</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the Company shall upload the meeting agenda book, annual report and other meeting materials to the virtual</u></p>	<p>proxy forms shall also bring identification documents for verification.</p> <p>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.</p>	

Amended version	Original version	Reason
<p><u>meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p>		
<p><u>Article 6-1(Convening virtual shareholders meetings and particulars to be included in shareholders meeting notice)</u> <u>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</u> <u>1. How shareholders attend the virtual meeting and exercise their rights.</u> <u>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:</u> <u>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.</u> <u>B. Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</u> <u>C. In case of a hybrid shareholders meeting, when the virtual meeting</u></p>		<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p><u>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.</u></p> <p><u>D. Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</u></p> <p><u>3. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</u></p>		
<p>Article 8: (Documentation of a shareholders meeting by audio or video) (The first and second item omitted)</p>	<p>Article 8: (Documentation of a shareholders meeting by audio or video) (The first and second item omitted)</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure</p>

Amended version	Original version	Reason
<p><u>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company 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.</u></p> <p><u>In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>		for Shareholders Meetings.
<p>Article9: 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, <u>and the shares checked in on the virtual</u></p>	<p>Article9: 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, plus the number of shares whose voting</p>	To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.

Amended version	Original version	Reason
<p><u>meeting platform</u>, plus the number of shares whose voting rights are exercised by correspondence or electronically.</p> <p>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.</p> <p>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. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>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</p>	<p>rights are exercised by correspondence or electronically.</p> <p>The Chair shall call the meeting to order at the appointed meeting time, and announce no voting rights and attendance rights.</p> <p>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 1 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.</p> <p>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</p>	

Amended version	Original version	Reason
<p>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. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>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.</p>	<p>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 1 month.</p> <p>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.</p>	
<p>Article 11: (The first to sixth item omitted) <u>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.</u></p>	<p>Article 11: (The first to sixth item omitted)</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p><u>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.</u></p>		
<p>Article 13: (The first to third item omitted) After a shareholder has exercised voting rights by correspondence or electronic <u>means, in the event the shareholder</u> intends to attend the shareholders meeting in person <u>or online</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, 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.</p>	<p>Article 13: (The first to third item omitted) After a shareholder has exercised voting rights by correspondence or electronic <u>transmission, and subsequently</u> intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised shall be made known to the Company, by the same means by which the voting rights were exercised, 2 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 transmission shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic transmission and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p>Except as otherwise provided in the Company Act and in the Company'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.</p> <p>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.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all</p>	<p>Except as otherwise provided in the Company Act and in the Company'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.</p> <p>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.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the Chair, provided that all monitoring</p>	

Amended version	Original version	Reason
<p>monitoring personnel shall be shareholders of the Company.</p> <p>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.</p> <p><u>When the Company 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.</u></p> <p><u>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.</u></p> <p><u>When the Company 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</u></p>	<p>personnel shall be shareholders of the Company.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting.</p> <p>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.</p>	

Amended version	Original version	Reason
<p><u>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.</u></p> <p><u>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.</u></p>		
<p>Article15: (The first to third item omitted) <u>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</u></p>	<p>Article15: (The first to third item omitted)</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p><u>or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online</u></p>		
<p>Article16: (Public disclosure) On the day of a shareholders meeting, the Company 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 <u>and the number of shares represented by shareholders attending the meeting by correspondence or electronic means</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>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.</u></p>	<p>Article16: (Public disclosure) On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.</p>	<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p><u>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.</u></p> <p>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.</p>	<p>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 GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.</p>	
<p><u>Article 19:(Disclosure of information at virtual meetings)</u></p> <p><u>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.</u></p>		<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>
<p><u>Article 20(Location of the chair and secretary of virtual-only shareholders meeting)</u></p>		<p>To follow amendment of the Sample Template</p>

Amended version	Original version	Reason
<p><u>When the Company 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.</u></p>		<p>for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>
<p><u>Article 21(Handling of disconnection)</u></p> <p><u>In the event of a virtual shareholders meeting, the Company 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.</u></p> <p><u>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</u></p>		<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>

Amended version	Original version	Reason
<p><u>shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.</u></p> <p><u>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.</u></p> <p><u>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.</u></p> <p><u>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</u></p>		

Amended version	Original version	Reason
<p><u>announced, or list of elected directors and supervisors.</u></p> <p><u>When the Company 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.</u></p> <p><u>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.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance</u></p>		

Amended version	Original version	Reason
<p><u>with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p> <p><u>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, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.</u></p>		
<p><u>Article 22(Handling of digital divide)</u></p> <p><u>When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u></p>		<p>To follow amendment of the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings.</p>
<p><u>Article 23</u></p> <p>These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments</p>	<p>Article19</p> <p>These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto</p>	<p>Change the number of Article.</p>

Amended version	Original version	Reason
thereto shall be effected in the same manner.	shall be effected in the same manner.	

Attachment 7

NAN LIU ENTERPRISE CO., LTD.
Comparison between the original and amendments to the
Procedures for Acquisition or Disposal of Assets
 (Translation)

Amended version	Original version	Reason
<p><u>Article 3-2 (Establishment of Disposition Procedures):</u> <u>After the procedures have been approved by the board of directors, they shall be submitted to each independent director, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to each independent director.</u></p> <p><u>Where the position of independent director has been created in accordance with the provisions of the Act, when the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>When the procedures for the acquisition and disposal of assets are adopted or amended they shall be approved by one-half or more of</u></p>		<p>Added.</p>

Amended version	Original version	Reason
<p><u>all audit committee members and submitted to the board of directors for a resolution.</u></p> <p><u>If approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>The terms "all audit committee members" in paragraph 3 and "all directors" in the preceding paragraph shall be counted as the actual number of persons currently holding those positions.</u></p>		
<p>Article 8: Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1.Acquisition or disposal of real property <u>or right-of-use assets</u> thereof from or to a related party, or acquisition or disposal of assets other than real property <u>or right-of-use assets</u> thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets,</p>	<p>Article 8: Under any of the following circumstances, a public company acquiring or disposing of assets shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event: 1.Acquisition or disposal of real property thereof from or to a related party, or acquisition or disposal of assets other than real property thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more; provided, this shall</p>	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Amended version	Original version	Reason
<p>or NT\$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>4. Where equipment or <u>right-of-use assets</u> thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>A. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>B. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of</p>	<p>not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>2. Merger, demerger, acquisition, or transfer of shares.</p> <p>3. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.</p> <p>4. Where equipment thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:</p> <p>A. For a public company whose paid-in capital is less than NT\$10 billion, the transaction amount reaches NT\$500 million or more.</p> <p>B. For a public company whose paid-in capital is NT\$10 billion or more, the transaction amount reaches NT\$1 billion or more.</p> <p>5. Acquisition or disposal by a public company in the construction business of real property or right-of-use assets thereof for construction use, and furthermore the transaction counterparty is not a related party, and the transaction amount reaches NT\$500 million; among such cases, if the public company has paid-in capital of NT\$10 billion or more, and it is disposing of real property from a</p>	

Amended version	Original version	Reason
<p>NT\$10 billion or more, and it is disposing of real property from a completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. 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, <u>and furthermore the transaction counterparty is not a related party,</u> and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>A. Trading of domestic government bonds <u>or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan.</u></p> <p>B. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign</u></p>	<p>completed construction project that it constructed itself, and furthermore the transaction counterparty is not a related party, then the threshold shall be a transaction amount reaching NT\$1 billion or more.</p> <p>6. 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 amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>A. Trading of domestic government bonds.</p> <p>B. Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>domestic</u> bonds, or of ordinary corporate bonds or general bank</p>	

Amended version	Original version	Reason
<p><u>government bonds</u>, or of ordinary corporate bonds or general bank debentures without equity characteristics (<u>excluding subordinated debt</u>) that are offered <u>and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription</u> or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property <u>or right-of-use assets</u> thereof within the same 	<p>debentures without equity characteristics or redemption of exchange traded notes, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>The amount of transactions above shall be calculated as follows:</p> <ol style="list-style-type: none"> 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year. <p>"Within the preceding year" as</p>	

Amended version	Original version	Reason
<p>development project within the preceding year.</p> <p>4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>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 and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>The company acquiring or disposing of assets shall keep all</p>	<p>used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.</p> <p>The company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of each month.</p> <p>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 and reported in their entirety within two days counting inclusively from the date of knowing of such error or omission.</p> <p>The company acquiring or disposing of assets shall keep all relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p>	

Amended version	Original version	Reason
<p>relevant contracts, meeting minutes, log books, appraisal reports and CPA, attorney, and securities underwriter opinions at the company, where they shall be retained for 5 years except where another act provides otherwise.</p>		
<p>Article 10 In acquiring or disposing of real property, equipment, or <u>right-of-use assets</u> thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a <u>domestic</u> government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or <u>right-of-use assets</u> thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 	<p>Article 10 In acquiring or disposing of real property, equipment thereof where the transaction amount reaches 20 percent of the company's paid-in capital or NT\$300 million or more, the company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <ol style="list-style-type: none"> 1. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the board of directors; the same procedure shall also be followed whenever there is any subsequent change to the terms and conditions of the transaction. 2. Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. 3. Where any one of the 	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies..</p>

Amended version	Original version	Reason
<p>3. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p>Except where a limited price, specified price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal</p>	<p>following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to <u>perform the appraisal in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>A. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>B. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>4. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p>	

Amended version	Original version	Reason
<p>report cannot be obtained in time and there is a legitimate reason for the delay, the appraisal report shall be obtained within 2 weeks counting inclusively from the date of occurrence, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</p>	<p>Except where a limited price, specified price, or special price is employed by a construction enterprise as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the appraisal report shall be obtained within 2 weeks counting inclusively from the date of occurrence, and the certified public accountant's opinion under subparagraph 3 of the preceding paragraph shall be obtained within 2 weeks counting inclusively from the day the appraisal report is obtained.</p>	
<p>Article 11: The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction 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 prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price.</p>	<p>Article 11: The company acquiring or disposing of securities shall, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the dollar amount of the transaction 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 prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Amended version	Original version	Reason
	<p><u>This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</u></p>	
<p>Article 12: Where the company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p>	<p>Article 12: Where the company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p>	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>
<p>Article 14: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions <u>shall meet the following requirements:</u> <u>1. 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</u></p>	<p>Article 14: Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions <u>shall not be related parties.</u></p>	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Amended version	Original version	Reason
<p><u>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 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</u></p> <p><u>2. May not be a related party or de facto related party of any party to the transaction.</u></p> <p><u>3. 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.</u></p> <p><u>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:</u></p> <p><u>1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</u></p> <p><u>2. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and</u></p>		

Amended version	Original version	Reason
<p><u>conclusion shall be fully and accurately specified in the case working papers.</u></p> <p><u>3. They shall undertake an item-by-item evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</u></p> <p><u>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.</u></p>		
<p>Article 16: When a public company intends to acquire or dispose of real property <u>or right-of-use assets</u> thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property <u>or right-of-use assets</u> thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter</p>	<p>Article 16: When a public company intends to acquire or dispose of real property thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the company may not proceed to enter into a transaction contract or make a payment until the following</p>	<p>To follow amendment of Regulations Governing the Acquisition and Disposal of Assets by Public Companies.</p>

Amended version	Original version	Reason
<p>into a transaction contract or make a payment until the following matters have been approved by the board of directors and recognized by the supervisors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property <u>or right-of-use assets</u> thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article. 7. Restrictive covenants and other important stipulations associated with the transaction. <p>With respect to the types of</p>	<p>matters have been approved by the board of directors and recognized by the supervisors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets. 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 16 and Article 17. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article. 7. Restrictive covenants and other important stipulations associated with the transaction. <p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be made in accordance with Article 8,</u></p>	

Amended version	Original version	Reason
<p>transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries <u>in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the company's board of directors</u> may pursuant to Article 7, paragraph 1, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1. <u>Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</u> 2. <u>Acquisition or disposal of real property right-of-use assets held for business use.</u> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, <u>it shall be recorded in the minutes of the board of directors meeting.</u></p> <p><u>Where an audit committee has been established in accordance with the provisions of the Act, the matters for which paragraph 1</u></p>	<p><u>paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the board of directors and recognized by the supervisors need not be counted toward the transaction amount.</u></p> <p>With respect to the types of transactions listed below, when to be conducted between the company and its parent or subsidiaries, or between its subsidiaries may pursuant to Article 6, paragraph 1, subparagraph 3 delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to paragraph 1, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, <u>it shall be recorded in the</u></p>	

Amended version	Original version	Reason
<p><u>requires recognition by the supervisors shall first be approved by one-half or more of all audit committee members and then submitted to the board of directors for a resolution, and shall be subject to mutatis mutandis application of Article 6, paragraphs 4 and 5.</u></p> <p><u>If a public company or a subsidiary thereof that is not a domestic public company will have a transaction set out in paragraph 1 and the transaction amount will reach 10 percent or more of the public company's total assets, the public company shall submit the materials in all the subparagraphs of paragraph 1 to the shareholders meeting for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the public company and its parent company or subsidiaries or between its subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in paragraph 1 and the preceding paragraph shall be made in accordance with Article 31, paragraph 2 herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the shareholders meeting or board of directors and recognized by the supervisors need not be counted toward the</u></p>	<p><u>minutes of the board of directors meeting.</u></p>	

Amended version	Original version	Reason
<u>transaction amount.</u>		
<p>Article 30 (Proceed date) <u>The articles were drawn up on March 21, 2012 and were revised on June 6, 2014 for the first time, amended on May 29, 2019 for the second time, amended on May 31, 2022 for the third time.</u></p>	<p>Article 30 (Proceed date) The company shall establish its procedures for the acquisition or disposal of assets in accordance with the provisions of these Regulations. After the procedures have been approved by the board of directors, they shall be submitted to Audit Committee, and then to a shareholders' meeting for approval; the same applies when the procedures are amended. If any director expresses dissent and it is contained in the minutes or a written statement, the company shall submit the director's dissenting opinion to Audit Committee.</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when the procedures for the acquisition and disposal of assets are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p>	<p>Amend the content.</p>

Appendix 1

NAN LIU ENTERPRISE CO., LTD. **Rules and Procedures of Shareholders' Meeting** (Translation)

June 20, 2021 revised

Article 1 To establish an effective governing system for shareholders' meetings, build solid supervisory functions, and enhance management functions. The Rules and Procedures are made according to Article 5 of Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies.

Article 2 The rules and procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be in accordance with the Rules and Procedures stated below.

Article 3 (Convening shareholders' meetings and shareholders' meeting notices)

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

The Company 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, 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. The Company 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. In addition, before 15 days before the date of the shareholders meeting, the Company 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 the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

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, 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, Article 26-1 and 43-6 of Securities and Exchange Act, Article 56-1 and Article 60-2 of 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 written proposal for discussion at a regular shareholders meeting. The number of items so proposed, however, is limited to one only, and no proposal containing more than one item will be included in the meeting agenda, provided a shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. The procedure shall follow Article 172-1 of the Company Act and be limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date and before a regular shareholders' meeting is convened, the Company shall give a public notice announcing the proposal, application by written or electronic, place and the period for shareholders to submit proposals to be discussed at the meeting; the period for accepting such proposals shall not be less than 10 days.

The number of words of a proposal to be submitted by a shareholder shall be limited to not more than 300 words, and the proposal containing more than 300 words shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting and shall take part in the discussion of such proposal.

The Company shall, prior to preparing and delivering the shareholders' meeting notice, inform, by a notice, all the proposal-submitting shareholders of the proposal screening results, and shall list in the shareholders' meeting notice the proposals conforming to the requirements set out in this Article. With regard to the proposals submitted by shareholders but not included in the agenda of the meeting, the cause of exclusion of such proposals and explanation shall be made by the Board of Directors at the shareholders' meeting.

Article 4 A shareholder may appoint a proxy to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating the scope of power authorized to the proxy.

A shareholder may only execute one power of attorney and appoint one proxy only, and shall serve such written proxy to the Company no later than 5 days prior to the date of the shareholders' meeting. In case two or more written proxies are received from one shareholder, the first one received by the Company shall prevail, unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later. After providing the power of attorney of a proxy to the Company, in case the shareholder issuing the said proxy intends to attend the shareholders' meeting in person or to exercise his/her/its voting power in writing or by electronic transmission, a proxy rescission notice shall be filed in writing with the company 2 days prior to the date of the shareholders' meeting as scheduled in the shareholders' meeting notice so as to rescind the proxy at issue, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 5 (Principles determining time and place of shareholders' meeting)

A shareholders' meeting shall be held at the Company's headquarters and during the business hours of the company, or at a place and time convenient to all directors and suitable for holding such a meeting. The meeting shall begin no earlier than 9:00 a.m. and no later than 3:00 p.m. The place and time of shareholders' meeting should consider directors' opinions.

Article 6 (Preparation of documents such as the attendance book)

The company shall specify in its shareholders meeting notices the time during which attendance registrations for 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.

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Company 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.

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.

Article 7 (The Chair and non-voting participants of a shareholders' meeting)

When a shareholders' meeting is convened by the Board of Directors, the Chair of the Board will chair the meeting. In case the Chair of the Board of Directors is on leave or absent or cannot exercise his/her power and authority for any cause, the vice chairperson shall act on his/her behalf. In case there is no vice chairperson, or the vice chairperson is also on leave or absent or unable to exercise his/her power and authority for any cause, the Chair of the Board of Directors shall designate one of the managing directors, or where there is no managing director, one of the directors to act on his/her behalf. In the absence of such a designation, the managing directors or the directors shall elect from among themselves an acting chairperson of the Board of Directors.

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.

When a shareholders' meeting convened by the Board of Directors, it shall convene by chairman and directors attended by over a half of the directors. The each kind of directors should attend one person at least. And the attendance situation should be written in meeting minutes of shareholders' meeting.

For a shareholders' meeting convened by any other person having the convening right, he/she shall act as the chairperson of that meeting provided, however, that if there were two or more people having the convening right, the chairperson of the meeting shall be elected from among themselves.

The Company may designate its lawyer, certified public accountant or other relevant people to attend the shareholders' meeting.

Article 8 (Documentation of shareholders' meeting by audio or video)

The Company, 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 1 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.

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, 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 announce no voting rights and attendance rights. 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 1 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.

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 1 month.

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 (Discussion of proposals)

If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. All agenda should be voted. 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 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 chairperson according to 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 arrange enough time to vote.

Article 11 (Shareholders' speeches)

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 violations.

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.

Article 12 (Calculation of voting shares and recusal system)

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 the Company, that a 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 entity 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 3% 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 the Company holds a shareholders' meeting, it should allow the shareholders to exercise voting rights by electronic transmission or correspondence. When voting rights are exercised by correspondence or electronic transmission, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic transmission 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. Therefore, the Company shall avoid the extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic transmission under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 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 transmission, and subsequently intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised shall be made known to the Company, by the same means by which the voting rights were exercised, 2 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 transmission shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic transmission 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 the Company'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 the Company.

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.

Article 14 (Election of directors and supervisors)

The election of directors 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, the numbers of votes with which they were elected, the list of who lost the election and the numbers of votes.

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 1 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.

The Company 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 results, and shall be retained for the duration of the existence of the Company.

Article 16 (Public disclosure)

On the day of a shareholders' meeting, the Company shall compile in the prescribed form a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders 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 GreTai Securities Market) regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)

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 venue. When proctors or security personnel help maintain order at the meeting venue, 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 the Company, 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 (Recess and resumption of a shareholders meeting)

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 5 days in accordance with Article 182 of the Company Act.

Article 19 These Rules and Procedures, and any amendments hereto, shall be implemented after adoption at shareholders' meetings.

Appendix 2

NAN LIU ENTERPRISE CO., LTD. Procedure for Election Directors (Translation)

June 20, 2021 revised

Article 1 To ensure a just, fair, and open election of directors, these Procedures are adopted pursuant to Articles 21 and Article 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 Except as otherwise provided by law and regulation or by the Company's articles of incorporation, elections of directors shall be conducted in accordance with these Procedures.

Article 3 The overall composition of the Board of Directors shall be taken into consideration in the selection of the Company's directors. Each board member shall have the necessary knowledge, skill, and experience to perform their duties. The abilities that must be present in the board as a whole are as follows:

1. The ability to make judgments about operations.
2. Accounting and financial analysis ability.
3. Business management ability.
4. Crisis management ability.
5. Knowledge of the industry.
6. An international market perspective.
7. Leadership.
8. Decision making ability.

Article 4 The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.
The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5 Elections of directors at this Corporation shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Act.

When the number of directors falls below five due to the dismissal of a director for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 7 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8 The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 9 Before the start of the election, the Chairperson shall appoint voting supervisors who are shareholders and several qualified tellers to perform related duties. The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10 A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by a person with the right to convene.
2. A blank ballot is placed in the ballot box.

3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot does not conform to the director candidate list.
5. Other words or marks are entered in addition to the number of voting rights allotted.

Article 11 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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 12 The Board of Directors of the Company shall issue notifications to the persons elected as directors.

Article 13 These Procedures, and any amendments thereto, shall be implemented after approval at shareholders' meetings.

Appendix 3

NAN LIU ENTERPRISE CO., LTD. Articles of Incorporation (Translation)

July 20, 2021 revised

Chapter I General Provisions

Article 1: The organization's name is Nan Liu Enterprise Co., Ltd., according to the provisions related to limited companies in the Company Act.

Article 2: The Company's businesses are listed as follows:

1. C303010 non-woven
2. C399990 other textile and apparel manufacturing
3. C0401030 leather, fur finishing
4. CK01010 shoe manufacturing
5. CI01020 carpet
6. F106020 wholesale of articles for daily use
7. H701020 development and rental of industrial plants.
8. H701040 specialized field construction and development.
9. C802100 cosmetic manufacturing.
- 10.F108040 wholesale of cosmetics.
- 11.F208040 retailing of cosmetics.
- 12.C802110 cosmetic pigment manufacturing.
- 13.F401010 international trade.
- 14.C901990 other non-metallic mineral products manufacturing.
- 15.F106010 wholesale of hardware.
- 16.F107990 wholesale of other chemicals.
- 17.F207990 retailing of other chemicals.
- 18.CO01010 cutlery manufacturing.
- 19.C802090 cleaning preparations manufacturing.
- 20.F107030 wholesale of cleaning preparations.
- 21.F207030 retailing of cleaning preparations.
- 22.ZZ99999 the Company may operate any business not prohibited or restricted by laws or regulations, except for those that require special permission.
- 23.CF01011 Medical Materials manufacturing.
- 24.F108031 wholesale of medical materials.
- 25.F208031 retailing of medical materials.
- 26.C103050 Can, frozen prepared foods, dehydrated foods and pickled foods manufacturing.
- 27.C601040 paper processing.
- 28.F102170 Other Food manufacturing.
- 29.C802041 Medicine processing

Article 3: The Company may guarantee other companies.

Article 4: The Company is headquartered in Kaohsiung City, Taiwan. If necessary, the Board of Directors will pass a resolution to set up branch offices in the domestic and international markets.

Article 5: The Company makes announcements in accordance with Article 28 of the Company Act.

Chapter II Shares

Article 6: The total capital of the Company is NT\$1,000,000,000 (consisting of 100,000,000 shares at NT\$10 per share). The shares are issued in installments.

Article 7: Deleted

Article 8: All of the Company's shares are registered. Share certificates shall be affixed with the signatures or personal seals of three or more directors of the Company and stamped with the company seal, and shall be duly certified in accordance with the relevant laws before issuance. For the shares to be issued to the public by the Company, the Company may be exempted from printing share certificates for the shares issued. For the shares to be issued in accordance with the provision of the preceding statement, the Company shall appoint a centralized securities custodian to make recordation or keep custody of the issue of such shares. Furthermore, shares may be converted to share certificates in large denomination as per request of the centralized securities custodian. When the Company proposes to cancel a public offering, the proposal shall obtain the resolution adopted at a shareholders' meeting.

Article 9: The Company's shareholder services are performed according to the Regulations Governing the Administration of Shareholder Services of Public Companies.

Chapter III Shareholders' Meeting

Article 10: Shareholders' meetings shall be of two kinds: a regular meeting of shareholders or a special meeting of shareholders. A regular meeting of shareholders is held at least once every year, and shall be convened within 6 months after the close of the fiscal year. A special meeting of shareholders shall be convened as required under the related rules. A notice to convene a regular meeting of shareholders shall be given to each shareholder no later than 30 days prior to the scheduled meeting date. A notice to convene a special meeting of shareholders shall be given no later than 15 days prior to the scheduled meeting date. The time, place and proposal(s) of the meeting shall be indicated in the notice and given to shareholders in writing or by electronic transmission. However, for shareholders holding less than 1,000 shares, they shall be informed by public notice.

Article 11: When a shareholder cannot attend a shareholders' meeting, he/she/it may appoint a proxy to attend on his/her/its behalf by executing a power of attorney printed by the company stating the scope of power authorized to the proxy. The power of attorney shall be signed and sealed for the proxy to attend the meeting.

Article 12: Except for shareholders who have no voting power under Article 179 of the Company Act, each shareholder shall have one voting right.

Article 13: Resolutions at a shareholders' meeting shall, unless otherwise provided for in the Company Act, be adopted by a majority vote of the shareholders present, who

represent more than one-half of the total number of voting shares.

Voting rights for resolutions adopted at a shareholders' meeting shall be performed in writing or by electronic transmission.

Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairperson of the meeting and shall be distributed to all shareholders of the company within 20 days after the close of the meeting in writing or by electronic transmission. The required distribution of the minutes of a shareholders' meeting may be effected by public notice.

Chapter IV Directors and Supervisors

Article 14: The Company has 7 to 9 directors, who shall be elected by the shareholders' meeting from those with disposing capacity for a term of 3 years. They may be eligible for re-election. The percentage of shareholdings of all the directors selected is subject to the provisions separately prescribed by the competent authority in charge of securities affairs.

In above directors' numbers, the Company shall not appoint independent directors of no less than three in number (including at least one independent director shall have accounting or financial senior expertise) and no less than one-fifth of the total number of directors.

Directors shall be elected by adopting candidate nomination system as specified in Article 192-1 of the ROC Company Law. The nomination of directors and related announcement shall comply with the relevant regulations of the ROC Company Law and Securities and Exchange Law. Regulations governing the professional qualifications, restrictions on shareholdings and concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be prescribed by the Competent Authority.

The election of independent directors and non-independent directors shall be held together; provided, however, the number of independent directors and non-independent directors elected shall be calculated separately.

Article 14-1: The Company that has issued stock in accordance with the Securities and Exchange Act shall establish either an audit committee. The audit committee shall be composed of the entire number of independent directors. The numbers, term, powers, rules and procedures of audit committee follow 'Regulations Governing the Exercise of Powers by Audit Committees of Public Companies'. The Company establish Audit Committee Charter to follow it.

Article 15: The Board of Directors is organized by the directors. The Chair is elected by a majority vote at a meeting attended by over two-thirds of the directors to represent the company externally. In the case where a meeting of the Board of Directors takes place via remote visual communications, such as video conferencing, then the directors taking part in such a meeting is deemed to have attended the meeting in person. According to Article 205 of the Company Act, a

director may appoint another director to attend a meeting of the Board of Directors in his/her behalf. A director may accept the appointment to act as the proxy of one other director only.

Article 15-1: In calling a meeting of the Board of Directors, a notice setting forth the subjects to be discussed at the meeting shall be given to each director no later than 7 days prior to the scheduled meeting date. However, in the case of an emergency, the meeting may be convened at any time. The notice of the Board of Directors meeting may be effected in writing, by email, or fax to inform each director.

Article 16: In case the Chair of the Board of Directors is on leave or absent or cannot exercise his power and authority for any cause, a designate shall be selected according to Article 208 of the Company Act.

Article 17: The Board of Directors is authorized to set compensation of the directors according to their participation in operations and contributions, as well as taking into account the levels of such compensation at other companies.

Chapter V Managers

Article 18: The Company may have one or more managerial personnel. The appointment, discharge and the remuneration of the managerial personnel shall be decided in accordance with Article 29 of the Company Act.

Chapter VI Accounting

Article 19: The fiscal year of the Company starts from January 1 to December 31. The Board of Directors shall prepare the following statements and records prior to the date of a general meeting of shareholders.

1. Business report.
2. Financial statements.
3. The earnings distribution or loss make-up proposals.

Article 20: If the Company makes a profit, over 1% shall be set aside as compensation for employees, and less than 2% as compensation for directors and supervisors. However, the Company's accumulated losses shall first have been covered. If the Company makes a profit, taxes shall be paid and accumulated losses shall be covered first, followed by 10% being set aside as a legal reserve. A special reserve shall be set aside if necessary. Based on business conditions at the time, the Board of Directors may then propose to distribute any remaining profit amount, and such proposal shall be submitted for approval at the shareholders' meeting. Employees may be compensated in shares or in cash. Employees who qualify for compensation may include those of the Company's subsidiaries who meet specific criteria. Compensation of the directors and supervisors shall be paid in cash. The preceding two paragraphs shall be adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors and submitted to the shareholders' meeting.

Article 20-1: The Company's business is still growing, and we will continue to invest to strengthen our market position. To adapt to future funding demands and long-term financial planning, a dividend is distributed based on a residual dividend

policy, mainly in line with future capital budgeting plans.

Chapter VII Supplemental Provisions

Article 21: The Company's total amount of reinvestment shall not be restricted by Article 13 of the Company Act.

Article 22: For matters not specified in the Articles, all must comply with the Company Act.

Article 23: The articles were drawn up on November 15, 1978. They were amended on December 30, 1979 for the first time; amended on April 25, 1981 for the second time; amended on August 5, 1983 for the third time; amended on January 11, 1984 for the fourth time; amended on April 5, 1984 for the fifth time; amended on March 21, 1985 for the sixth time; amended on August 25, 1988 for the seventh time; amended on October 23, 1989 for the eighth time; amended on September 14, 1990 for the ninth time; amended on June 20, 1995 for the 10th time; amended on December 7, 1997 for the 11th time; amended on April 29, 1998 for the 12th time; amended on July 9, 1999 for the 13th time; amended on July 31, 1999 for the 14th time; amended on April 30, 2000 for the 15th time; amended on June 3, 2000 for the 16th time; amended on April 28, 2001 for the 17th time; amended on November 3, 2001 for the 18th time; amended on June 25, 2002 for the 19th time; amended on September 23, 2002 for the 20th time; amended on June 19, 2003 for the 21st time; amended on June 18, 2004 for the 22nd time; amended on December 10, 2004 for the 23rd time; amended on June 17, 2005 for the 24th time; amended on June 27, 2006 for the 25th time; amended on June 7, 2007 for the 26th time; amended on June 16, 2008 for the 27th time; amended on June 22, 2009 for the 28th time; amended on June 24, 2010 for the 29th time; amended on June 13, 2011 for the 30th time; amended on November 16, 2012 for the 31st time; amended on April 30, 2013 for the 32nd time; amended on June 13, 2016 the 33rd time; amended on May 31, 2017 the 34rd time, amended on May 29, 2019 the 35rd time, amended on May 29, 2020 the 36rd time, and amended on July 20, 2021 the 37rd time.

Nan Liu Enterprise Co., Ltd.

Chairman: Huang, Chin-san

Appendix 5

Nan Liu Enterprise Co., Ltd.

Shareholding of Directors

(Translation)

- (1) The paid-up capital of the company stands at NT\$726,000,000 with 72,600,000 shares.
- (2) In compliance with Article 26 of the Securities and Exchange Act:
Total minimum number of shares required to be held by directors:
5,808,000 shares. As of April 2, 2022, the book closure date,
shareholding information of directors and supervisors was as follows:

Job Title	Name	Shares held
Chairman	Bixiu Investments Co., Ltd (Representative: Huang Chin-shan)	5,090,929
Director	Tian Zi Ding Investments Co., Ltd. (Representative: Huang Ho-cun)	8,731,659
Independent Director	Huang, Tung-Rung	0
Independent Director	Hwang, Jin-Feng	0
Independent Director	Huang, Chun-Ping	0
Director	Wang, Chin-Hung	0
Director	Yang, Juei-Hua	181,033
Director	Su, Chao-Shan	0
Director	Chung, Mao-Chih	749,451
Total shares held of directors		14,753,072

Appendix 6

The effect of dividend distributions for the current fiscal year on the Company's operating performance, earnings per share, and return on equity
(I) The effect of dividend distributions proposed by shareholders' meeting for the current fiscal year on the Company's operating performance and earnings per share: Not applicable.