Cathay Consolidated, Inc.
2021 Annual Shareholders' Meeting
Minutes (Translation)

Time ：10:00 AM on May 18 (Tuesday), 2021

Place：NO.15, Gongyuan 2nd Rd., Wuchieh Township, Yi-Lan County 268, Taiwan (R.O.C.) (Shangrila Boutique Hotel)

Total outstanding shares：67,845,363 shares

Total shares represented by shareholders present in person or by proxy：56,209,537 shares

Percentage of shares held by shareholders present in person or by proxy：82.84 %

Directors present：George T.S. Liu, Syu Guang-Huei, Cyue Cing-Sian, Shih Sin-Chuan, Wu Cun-Yi, Pan Sian

Chairman： George T.S. Liu, Chairman of the Board of Directors

Recorder：Vincent H.Lee

The aggregate shareholding of the shareholders present in person or by proxy constituted a quorum. The Chairman called the meeting to order.

Ⅰ、Chairman's Address

Ⅱ、Report Items(omitted)

1、To report the business of 2020 (see Attachment Ⅰ)

2、Audit Committee's Review Report (see Attachment Ⅱ)

3、To report 2020 employees' profit sharing bonus and directors' compensation (see Attachment Ⅲ)

Ⅳ、Proposed Resolutions

1、To accept 2020 Business Report and Financial Statements (Proposed by the Board of Directors)

Description:

(1) Cathay's 2020 Financial Statements has been audited by Ernst & Young CPA firm with unqualified opinion.

(2)2020 Business Report and Financial Statements are attached hereto as Attachments Ⅰ and Ⅳ.

(3) Cathay's 2020 Financial Statements has been audited by Ernst

& Young CPA firm with unqualified opinion.

Voting Results:
Shares represented at the time of voting: 56,209,537

Voting Results*	% of the total represented share present
Approval votes: 56,180,468 (40,152,797)	99.94%
Disapproval votes: 21,026 (21,026)	0.03%
Invalid votes: 0 (0)	0.00%
Abstention votes/No votes: 8,043 (8,043)	0.01%

*: including votes casted electronically (numbers in brackets)

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

2、The Company's 2020 annual dividend distribution, submitted for discussion. (Proposed by the Board of Directors)

Description:

(1) The net income after tax of the Company in 2020 is NT$196,226,637, the distributable surplus is NT$263,845,858.

(2) We propose cash dividend is per share of NT$2.5. Please refer to Annex V for the Company's disposition of net income.

(3) Upon the approval of the annual shareholders meeting for the appropriation of net income, the board of shareholders is hereby requested to authorize the board of directors to determine the schedule of dividend distribution and other relevant matters.

(4) The dividend will be paid in cash with calculation rounded down to the nearest one NTD (any amount below one NTD will be discarded). The remaining fraction will be incorporated into

other revenue of the Company.

(5) In the event of any change in the number of outstanding shares resulting from the buyback of the Company's common stock, transfer, conversion or cancellation of the treasury shares, the exercise of the employee stock options or the conversion of convertible bonds, the dividend ratio must be adjusted. It is proposed to fully authorize the board of directors to adjust the dividend ratio and to proceed on the relevant matters.

Voting Results:
Shares represented at the time of voting: 56,209,537

Voting Results*	% of the total represented share present
Approval votes: 56,170,468 (40,142,797)	99.93%
Disapproval votes: 35,026 (35,026)	0.06%
Invalid votes: 0 (0)	0.00%
Abstention votes/No votes: 4,043 (4,043)	0.00%

*: including votes casted electronically (numbers in brackets)

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

3、Establish the "Standard of Issue Employee Restricted Stock Awards (RSAs)" (Proposed by the Board of Directors)

Description:

(1) In order attract and retain the professional talents needed by the company, and to improve employees' centripetal force and sense of belonging to the company, and jointly create higher company value and shareholders' equity. In accordance with Article 267, paragraph 8 and

paragraph 10 of the "Company Act". and the relevant regulations of"Regulations Governing the Offering and Issuance of Securities by Securities Issuers" issued by the Financial Supervisory Commission, establish the "Standard of Issue Employee Restricted Stock Awards (RSAs)". Please refer to Annex VI.

(2) Issue period: Company may issue one-time or multiple issues within one year approved by the competent authority. The actual issue date is determined by the chairman of the board authorized by the board of directors.

(3) Qualification requirements for employees:

A. Full-time employees on the RSAs granted date.

B. List of eligible employees and granted amount will be determined based on the years of service, job grades, work performance and contribution, honorable achievements, and other necessary factors. This list will be proposed by the chairman and sent to the Board of Directors for approval. However, for employees who are managerial officers or the board members, the award of such shares is subject to approval from the Compensation Committee.

C. Where an issuer issues employee stock warrants under Article 56-1, paragraph 1, the cumulative number of shares subscribed by a single warrant holder of the employee stock warrants, in combination with the cumulative number of new restricted employee shares obtained by the single warrant holder, may not exceed 0.3 percent of the issuer's total issued shares. And the above in combination with the cumulative number of shares subscribed by the single warrant holder of employee stock warrants issued by an issuer under Article 56, paragraph 1, may not exceed 1 percent of the issuer's total issued shares. However, with special approval from the central competent authority of the relevant industry, the total number of employee stock warrants and new restricted employee shares obtained by a single employee may be exempted from the above-mentioned restriction.

(4) Total amounts (shares) of issuance: 7,000,000 shares, with NT$10 per share, total value is NT$70,000,000.

(5) Issuance conditions: According to the implementation rules of each time.

Voting Results:
Shares represented at the time of voting: 56,209,537

Voting Results*	% of the total represented share present
Approval votes: 56,153,468 (40,125,797)	99.90
Disapproval votes: 38,026 (38,026)	0.06%
Invalid votes: 0 (0)	0.00%
Abstention votes/No votes: 18,043 (18,043)	0.03%

*: including votes casted electronically (numbers in brackets)

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

IV、Motion： None

V、Meeting Adjourned： 10:20 AM on May 18 (Tuesday), 2021

George T.S. Liu
Chairman of the Board of Directors

Vincent H.Lee
Recorder

Attachment I

Cathay Consolidated, Inc.

2020 Business Report

I. 2020 Business Performance Report

In 2020, the global economy suffered a serious setback due to the impact of COVID-19. However, thanks to the hard work and hard work of all our colleagues, the revenue successfully exceeded the annual business target, and the company's stocks were successfully listed before the end of the year. The operating income for the year 2020 was NT$1,531,351K, an increase of approximately 6.1% compared to NT$1,442,715 K for the year 2019, which was mainly due to the increase in shipments of medical products; after tax Earnings were NT$196,227K, and earnings per share were NT$3.2.Unit: NT$ Thousands

Items	Year 2020	Year 2019	DIF %
Revenue	1,531,351	1,442,715	6.1%
Operating costs	1,140,848	1,084,461	5.2%
Gross Profits	390,503	358,254	9.0%
Gross Profits Rate	26%	25%	2.7%
Operating expenses	140,735	137,640	2.2%
Selling expenses	34,495	41,777	-17.4%
Administrative expenses	75,844	71,631	5.9%
R&D expenses	30,396	24,232	25.4%
Operating Income	249,768	220,614	13.2%
Nonoperating Income and	-1,422	4,607	-130.9%
Income before income tax	248,346	225,221	10.3%
Net income	196,227	180,523	8.7%

1. Revenue rose 6.1%, and costs rose 5.2%. Due to the impact of the COVID-19, the product portfolios were greatly adjusted. Among them, the medical products was NT$597,986 K, a substantial increase of NT$158,763 K compared with year 2019, increased from 30% to 39%.
2. Non-operating income and expenditure decreased slightly NT$6,029K compared with the previous period, mainly due to the rapid appreciation of the currency against the US dollar in June 2020 from 30 to 28, which affected exchange gains and losses. Compared with the company's revenue NT$1,531,351K, the impact was relatively limited.

II. Business Outlook for 2021

At current, our capacity utilization rate is still on peak until the end of April, and the demands for medical and outdoor products are strong and unabated. The company's management team still dare not relax, and actively contact customers to obtain new orders, hoping that Cathay can continue to meet customer requirements with high-quality products. God rewards hard work. For year 2021, we will continue to work hard to enhance the company's competitiveness, so that the company can continue to grow, strive to achieve business goals, and share with all shareholders.

Good Health and Good Luck

George T.S. Liu, Chairman of the Board

Attachment Ⅱ

Audit Committee' s Review Report

The Board of Directors has prepared the Company' s 2020 Business Report, Financial Statements, and proposal for allocation of quarterly earnings The CPA firm of Ernst & Young was retained to audit Cathay' s Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and quarterly earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of Taiwan Semiconductor Manufacturing Company Limited. According to relevant requirements of the Article 14-4 of Securities and Exchange and the Article219 of Company Law, we hereby submit this report.

Cathay Consolidated, Inc.

Chairman of the Audit Committee:

February 23, 2021

Attachment Ⅲ

Employee remuneration and Director remuneration

1. In accordance with Article 21 of the articles of association of the Company, "the Company shall allocate at least 1% for the employees' remuneration and not more than 5% for the directors' remuneration in the event of profits in the year".
2. We proposed Employee Remuneration and Director Remuneration Distribution in 2020:

(Unit: NT$)

Items	Amount	As a Percentage of Pretax Net Profit
Employee Bonus	13,424,086	5%
Bonus to Directors	6,712,043	2.5%

3. The remuneration for employees and directors is expected to be paid in cash.。

Independent Auditors' Report

To Cathay Consolidated, Inc.

Opinion

We have audited the accompanying individual balance sheets of Cathay Consolidated, Inc. (the "Company") as of December 31, 2020 and 2019, and the related individual statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to individual financial statements, including the summary of significant accounting policies.

In our opinion, based on our audits, the individual financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and their financial performance and cash flows for the years ended December 31, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 individual financial statements. These matters were addressed in the context of our audit of the individual financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition

The Company recognized operating revenue from contracts with customers of NT$1,531,351 thousand in 2020. Operating revenue was mainly generated from sales of functional fabrics and merchandise for medical, life preserving, aviation. It's critical for financial statements audit to justify and analyze the obligation of customers contracts and the timing and completeness of revenue recognition. Therefore, we conducted revenue recognition as a key audit matter.

The audit procedures we performed regarding revenue recognition included but not limited to: understand the transaction process and performed tests of control on effectiveness of control points; inspect the terms of transaction and perform test of details to ensure obligation of customers contract and the appropriate timing and accuracy of revenue recognition; inspect the supporting document of sales transaction for a period before and after the balance sheet date to ensure revenue recognize in proper timing.

We also consider the appropriateness of the revenue disclosure included in note 6 of note to individual financial statements.

Valuation of inventories

The Company mainly dedicated to manufacture and selling of functional fabrics and merchandise of medical, life preserving, aviation. As of December 31, 2020, the inventories amounted to NT$484,212 thousand, representing 25% of total assets, which was significant to individual financial statements. Due to the valuation of allowance for inventory valuation losses involved in the subjective judgement of the management, we listed valuation of inventories as a key audit matter.

The audit procedures we performed regarding valuation of inventories included but not limited to: evaluate and perform tests of control on effectiveness of control points for valuation of inventories; evaluate the appropriateness of the policies of writing-down of slow-moving inventories; test the accuracy of inventories aging and recalculate the losses for slow-moving inventories; perform test of supporting document and recalculate on net realizable value to ensure inventories valuated at lower of cost and net realizable value.

We also consider the appropriateness of the revenue disclosure included in note 5 and 6 of note to individual financial statements.

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

Management is responsible for the preparation and fair presentation of the individual financial statements in accordance with the requirements of 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 individual financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Individual Financial Statements

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

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

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

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

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

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the individual 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 auditor's 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 individual financial statements, including the accompanying notes, and whether the individual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Ernst & Young, Taiwan

February 23, 2021

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

English Translation of Financial Statements Originally Issued in Chinese

CATHAY CONSOLIDATED, INC.
INDIVIDUAL BALANCE SHEETS
December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2020		December 31, 2019				December 31, 2020		December 31, 2019	
ASSETS	Notes	Amount	%	Amount	%	LIABILITIES AND EQUITY	Notes	Amount	%	Amount	%
Current assets						Current liabilities					
Cash and cash equivalents	4 , 6	$447,593	23	$62,269	4	Short-term loans	4 , 6	$-	-	$147,486	9
Notes receivables, net	4，6	3,670	-	13,364	1	Contract liabilities - current	4 , 6	271	-	2,456	-
Accounts receivables, net	4 , 6	189,957	10	196,682	13	Notes payables	4	49,912	3	42,701	3
Accounts receivables from related parties	4 , 6 , 7	9,380	-	2,237	-	Accounts payables	4	104,567	5	108,327	7
Other receivables	4	29	-	12,993	1	Accounts payables to related parties	4，7	1,103	-	-	-
Inventories, net	4 ,5, 6	484,212	25	471,999	31	Other payables	4	81,567	4	87,127	6
Prepayments		32,024	2	25,422	2	Other payables to related parties	7	26	-	3	-
Other current assets	6，8	7,811	-	64,481	4	Current tax liabilities	4，6	32,812	2	32,323	2
Total current assets		1,174,676	60	849,447	56	Provisions - current		2,763	-	2,216	-
						Current lease liabilities	4 , 6	12,524	1	13,667	1
Non current assets						Other current liabilities		11,565	-	10,798	1
Property, plant and equipment	4 , 6 , 8	750,592	38	626,955	41	Total current liabilities		297,110	15	447,104	29
Right-of-use assets	4，6	30,935	2	27,892	2						
Intangible assets		1,093	-	549	-	Non-current Liabilities					
Deferred tax assets	4 , 5 , 6	11,381	-	6,641	-	Long-term loans	4 , 6	200,131	10	119,669	8
Other non-current assets	6	6,585	-	6,689	1	Non - current lease liabilities	4 , 6	19,085	1	15,040	1
Total non-current assets		800,586	40	668,726	44	Total non-current liabilities		219,216	11	134,709	9
						Total liabilities		516,326	26	581,813	38
						Equity					
						Capital stock					
						Common stock	6	678,453	34	594,653	39
						Capital surplus	6	417,366	21	19,904	1
						Retained earnings	6				
						Legal reserve		79,648	4	61,596	4
						Unappropriated earnings		283,469	15	260,207	18
						Total retained earnings		363,117	19	321,803	22
						Total Equity		1,458,936	74	936,360	62
TOTAL ASSETS		$1,975,262	100	$1,518,173	100	TOTAL LIABILITIES AND EQUITY		$1,975,262	100	$1,518,173	100

The accompanying notes are an integral part of the financial statements.

English Translation of Financial Statements Originally Issued in Chinese

CATHAY CONSOLIDATED, INC.

INDIVIDUAL STATEMENTS OF COMPREHENSIVE INCOME

For the Years Ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		2020		2019	
Accounts	Notes	Amount	%	Amount	%
Operating revenues	4,5,6,7	$1,531,351	100	$1,442,715	100
Operating costs	6	(1,140,848)	(75)	(1,084,461)	(75)
Gross profit		390,503	25	358,254	25
Operating expenses					
Selling expenses	6	(33,438)	(2)	(40,517)	(3)
Administrative expenses	6	(75,899)	(5)	(71,617)	(5)
Research and development expenses	6	(30,396)	(2)	(24,232)	(2)
Expected credit loss	6	(1,057)	-	(1,260)	-
Total operating expenses		(140,790)	(9)	(137,626)	(10)
Other income and expenses		55	-	(14)	-
Operating income		249,768	16	220,614	15
Non-operating income and expenses					
Interest income	6	401	-	155	-
Other income	6	21,698	1	18,335	1
Other gains and losses	6	(19,071)	(1)	(7,170)	(1)
Finance Cost	6	(4,450)	-	(6,713)	-
Total non-operating income and expenses		(1,422)	-	4,607	-
Income before income tax		248,346	16	225,221	15
Income tax expense	4,5,6	(52,119)	(3)	(44,698)	(3)
Net income		196,227	13	180,523	12
Other comprehensive income		-	-	-	-
Total comprehensive income		$196,227	13	$180,523	12
Earnings per share (NTD)					
Earnings per share - Basic	6	$3.15		$3.08	
Earnings per share - Diluted	6	$3.14		$3.07	

The accompanying notes are an integral part of the financial statements.

English Translation of Financial Statements Originally Issued in Chinese

CATHAY CONSOLIDATED, INC.

INDIVIDUAL STATEMENTS OF CHANGES IN EQUITY

For the Years Ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

			Retained earnings		
Item	Common stock	Capital surplus	Legal reserve	Unappropriated earnings	Total equity
Balance as of January 1, 2019	$423,200	$2,420	$45,600	$296,591	$767,811
Effects of retrospective application and restatement	-	-	-	(911)	(911)
Restated balance as of January 1, 2019	423,200	2,420	45,600	295,680	766,900
Appropriation and distribution of 2018 earnings:					
Legal reserve	-	-	15,996	(15,996)	-
Cash dividends	-	-	-	(50,000)	(50,000)
Stock dividends	150,000	-	-	(150,000)	-
Net income for the year ended December 31, 2019	-	-	-	180,523	180,523
Other comprehensive income for the year ended December 31, 2019	-	-	-	-	-
Total comprehensive income	-	-	-	180,523	180,523
Employee compensation	21,453	17,484	-	-	38,937
Balance as of December 31, 2019	594,653	19,904	61,596	260,207	936,360
Appropriation and distribution of 2019 earnings:					
Legal reserve	-	-	18,052	(18,052)	-
Cash dividends	-	-	-	(154,913)	(154,913)
Net income for the year ended December 31, 2020	-	-	-	196,227	196,227
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	-
Total comprehensive income	-	-	-	196,227	196,227
Cash capital increase	83,800	397,462	-	-	481,262
Balance as of December 31, 2020	$678,453	$417,366	$79,648	$283,469	$1,458,936

The accompanying notes are an integral part of the financial statements.

English Translation of Financial Statements Originally Issued in Chinese

CATHAY CONSOLIDATED, INC.
INDIVIDUAL STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Item	2020	2019
Cash flows from operating activities		
Income before income tax	$248,346	$225,221
Adjustments to reconcile net income before tax to net cash provided by operating activities:		
Depreciation	75,662	79,360
Amortization	776	833
Expected credit losses	1,057	1,260
Interest expenses	4,450	6,713
Interest income	(401)	(155)
Losses on disposal of property, plant and equipment	8	60
Changes in operating assets and liabilities:		
(Increase) decrease in notes receivables	9,687	(9,623)
(Increase) decrease in accounts receivables	5,675	32,494
(Increase) decrease in accounts receivables from related parties	(7,143)	(1,489)
(Increase) decrease in other receivables	12,964	(12,380)
(Increase) decrease in inventories	(12,213)	48,561
(Increase) decrease in prepayments	(6,762)	(8,853)
(Increase) decrease in other current assets	(1,094)	(161)
(Increase) decrease in other financial assets	57,764	(60,460)
Increase (decrease) in notes payables	7,211	19,318
Increase (decrease) in accounts payables	(3,760)	35,110
Increase (decrease) in accounts payables from related parties	1,103	-
Increase (decrease) in other payables	(5,489)	38,745
Increase (decrease) in other payables from related parties	23	3
Increase (decrease) in provisions	547	779
Increase (decrease) in other current liabilities	(5,471)	4,918
Cash generated from operations	382,940	400,254
Interest received	401	155
Income taxes paid	(56,370)	(41,392)
Net cash provided by operating activities	326,971	359,017
Cash flows from investing activities:		
Acquisition of property, plant and equipment	(183,228)	(170,837)
Proceeds from disposal of property, plant and equipment	-	128
Acquisition of intangible assets	(770)	(260)
Increase in other non-current assets	(286)	(6)
Net cash (used in) investing activities	(184,284)	(170,975)
Cash flows from financing activities:		
Increase in short-term loans	493,174	576,877
Decrease in short-term loans	(640,660)	(635,928)
Proceeds from long-term loans	99,600	114,000
Repayments of long-term loans	(15,085)	(118,121)
Payment for the principal portion of the lease liabilities	(16,991)	(15,753)
Cash dividends paid	(154,913)	(50,000)
Issuance of common stock for cash	481,262	-
Interest paid	(3,750)	(5,825)
Net cash provided by (used in) financing activities	242,637	(134,750)
Net increase (decrease) in cash and cash eqivalents	385,324	53,292
Cash and cash eqivalents at the beginning of the year	62,269	8,977
Cash and cash eqivalents at the end of the year	$447,593	$62,269

The accompanying notes are an integral part of the financial statements.

Attachment V

Cathay Consolidated, Inc.
Profit Distribution Table
2020

Unit：NTD$

Items	Amount
Beginning Unappropriated retained earnings	87,241,885
Add: Net profit after tax of 2020	196,226,637
Less：10% Legal Surplus Reserve	19,622,664
Distributable net profit	263,845,858
Distributable items:	
Cash dividend (NT$ 2.5 per share)	169,613,408
Unappropriated retained earnings after Distribution	94,232,450

CCI	Standard of Issue Employee Restricted Stock Awards (RSAs)	GN003	Page1 Total 6

1. Purpose:

In order attract and retain the professional talents needed by the company, and to improve employees' centripetal force and sense of belonging to the company, and jointly create higher company value and shareholders' equity. In accordance with Article 267, paragraph 8 and paragraph 10 of the "Company Act". and the relevant regulations of" Regulations Governing the Offering and Issuance of Securities by Securities Issuers" issued by the Financial Supervisory Commission, establish the "Standard of Issue Employee Restricted Stock Awards (RSAs)"

2. Issue Period:

The company may issue one-time or multiple issues within one year approved by the competent authority. The actual issue date is determined by the chairman of the board authorized by the Board of Directors.

3. Qualification requirements for employees:

3.1. Full-time employees on the RSAs granted date.

3.2. List of eligible employees and granted amount will be determined based on the years of service, job grades, work performance and contribution, honorable achievements, and other necessary factors. This list will be proposed by the chairman and sent to the Board of Directors for approval. However, for employees who are managerial officers or the board members, the award of such shares is subject to approval from the Compensation Committee.

3.3. Where an issuer issues employee stock warrants under Article 56-1, paragraph 1, the cumulative number of shares subscribed by a single warrant holder of the employee stock warrants, in combination with the cumulative number of new restricted employee shares obtained by the single warrant holder, may not exceed 0.3 percent of the issuer' s total issued shares. And the above in combination with the cumulative number of shares subscribed by the single warrant holder of employee stock warrants issued by an issuer under Article 56, paragraph 1, may not exceed 1 percent of the issuer' s total issued shares. However, with special approval from the central competent authority of the relevant industry, the total number of employee stock warrants and new restricted employee shares obtained by a single employee may be exempted from the above-mentioned restriction.

4. Total amounts(shares) of issuance:

7,000,000 shares, with 10 per share, total value is NT$70,000,000.

5. Conditions:

5.1. Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance:

5.1.1. On the effective date of the company' s voluntary resignation, dismissal or dismissal from the company, retirement, or individual' s self-appointment of the affiliated company, the When employees fail to meet the Employee Performance Criteria at each issuance period, the Company can buy back RSAs of remaining period in accordance with original price from the employees.

5.1.2. After being allocated new shares that restrict the rights of employees, the company has approved the company to apply for leave without pay (including but not limited to childcare, injury, illness, military service, etc.), the employee shall be deemed to have not fulfilled the established conditions during the period of leave without pay. After resuming the original position, the employee may regain his rights and interests within the range of the number of allotments available in the year in which the original position is restored. However, the actual number of shares that the employee can get in the year when he resumes his original job will be reviewed by the chairman of the company after considering relevant factors to re-assess the proportion and time limit for fulfilling the established conditions.

5.1.3. When employees fail to meet the Employee Performance Criteria at each issuance period, the Company can buy back RSAs of remaining period in accordance with original price from the employees.

5.1.4. f required by the company' s operations, if an employee is required to be transferred to the company' s affiliated company upon request and approval by the company, the chairman of the company may refer to 3.2. for the shares that he has not acquired on the effective date of the transfer of the affiliated company. Factors re-assess the proportion and time frame for achieving the established conditions.

5.1.5. If due to job adjustments, such as promotion or transfer to other positions, according to the responsibilities of the new position and future contribution potential (the consideration factors listed in 3.2. of this Code), within the range of the number of unowned shares allocated to the employee, The chairman of the company re-approved the proportion and time limit for fulfilling the established conditions.

5.1.6. The distribution of allotment dividends to employees during the vesting period, and the company agrees to grant them free of charge. It does not differ depending on whether it has reached the established conditions.

5.1.7. Before the vested conditions are fulfilled, the provisions of 6.2. and 6.3. to terminate or cancel the authorization of the company's appointed agent, the company may withdraw all the shares not yet acquired from the employee at the price of each issue.

5.2. In case of physical disability or death due to occupational disasters, or deaths caused by non-occupational disasters (ie general deaths), the new shares that have not yet acquired restricted employee rights shall be handled as follows.

5.2.1. For those who are unable to continue their employment due to physical disability due to occupational disasters, the new shares that have not yet acquired the restricted employee rights shall be deemed to have fulfilled all the acquired conditions from the effective date of the employee' s resignation.

5.2.2. For those who have died or died due to occupational disasters, the new shares of restricted employee rights that have not yet been acquired shall be deemed to have fulfilled all the acquired conditions on the day of the employee' s death. The heir shall complete the statutory necessary procedures and provide relevant supporting documents to apply for receive its inherited shares or disposition of rights and interests.

5.3. The Company has bought back RSAs and then cancel accordingly.

5.4. Restricted rights before employees meet the vesting conditions:

RSAs under the custody shall not be sold, pledged, transferred, and gave as gifts to others or any other means of disposal.

5.4.1. Voting rights: To be conducted by the Trust in accordance with the relevant laws and regulations.

5.4.2. For the RSAs allocated to employees in accordance with this Standard, before the acquired conditions are fulfilled, except for the original shareholders' new share subscription rights without cash capital increase, other rights are the same as those of the company's issued ordinary shares (including but not Limited to: cash dividends, stock dividends, capital reduction, capital reserve cash (stocks), and any rights and interests allocated due to various legal reasons such as mergers, divisions, and share conversions).

5.4.3. From the date when the company's free allotment ceases to be transferred, the date when the transfer of cash dividends is closed, the date when the transfer of cash capital increase subscriptions ceases to be transferred, the period during which the shareholders' meeting specified in Article 165, Item 3 of the Company Law ceases to transfer, or other legal suspensions that occur based on facts From the transfer period to the base date of the right distribution, employees who meet the acquired conditions during this period will have their acquired shares lifted from the time limit and procedures in accordance with the trust custody contract.

5.4.4. The RSAs shall be directly delivered to the trust for safekeeping immediately after issuance. Before the vested conditions are fulfilled, employees shall not request the trustee to return new shares that restrict the rights of employees for any reason or in any way.

5.5. Other important agreed matters: During the period when the rights of employees are restricted and the new shares are delivered to the trust, the employees shall, in accordance with Article 106 of the Civil Code, agree in writing that the company may be the party, the beneficiary and the employee's agent of the trust contract. The company' s sole agency staff and the stock trust agency and the company carry out (including but not limited to) the negotiation, signing, amendment, extension, cancellation, and termination of the trust contract, and instructions on the delivery, use and disposal of the trust property.

6. Sign and keep confidential:

6.1. After the total number of units to issue new shares, subscription prices, allocation principles, and the list of grantees are determined, the organizer shall notify the employees to sign the "Consent to Restrict Employees' Rights to Receive New Shares", "Competition Prohibition and Confidentiality Consent".

6.2. After the granted employee signed the "Consent to Restrict Employees' Rights to Receive New Shares" and "Competition Prohibition and Confidentiality Consent" in accordance with the notice, they will obtain the RSAs. Those who fail to complete the signing in accordance with the regulations shall be deemed to have waived the RSAs.

6.3. After signing the "Consent to Restrict Employees' Rights to Receive New Shares" and "Competition Prohibition and Confidentiality Consent", employees shall abide by the confidentiality regulations and shall not disclose the relevant content and personal rights of this case to others.

6.4. Any holder of RSAs through this Code shall comply with the relevant provisions of this Code, the "Consent to Restrict Employees' Rights to Receive New Shares", "Competition Prohibition and Confidentiality Consent" and relevant trust regulations, such as Violators shall be deemed to have not met the acquired conditions, and the company may withdraw and cancel the shares that are not yet acquired at each issue price.

7. Taxes:

For the RSAs allocated to employees in accordance with this Code, the relevant taxation shall be handled in accordance with the current tax laws of the Republic of China.

8. Implementation Rules:

The relevant procedures and detailed operation time of the staff list, document sign and other matters of this Standard shall be handled by the staff assigned separately by the company's contractor.

9. Enforcement and amendment:

9.1. This standard is submitted to the shareholders meeting for voting after Board of Directors resolution is passed. It is implemented by the shareholders meeting representing more than two-thirds of the total number of issued shares and more than half of the shareholders who have attended the voting rights, and submitted to the competent authority for approval effective, if amendments are required due to the requirements of the competent authority during the review process, the chairman of the board is authorized to amend these guidelines, and then the issue can only be issued after Board of Directors ratifies it.

9.2. If there are any issues that are not covered by this Standard, it is understood to be handled in accordance with relevant laws and regulations.