Stock Code：1532

CHINA METAL PRODUCTS CO., LTD.

2022

Annual Meeting of Shareholders

Meeting Handbook (Translation)

Time：9:30a.m.,June 24,2022(Friday)

Venue：2F.,Meeting Room,No.488,Shangkeng Village,Xinfeng Township,Hsinchu County (CMP Hsinchu Plant)

DISCLAIMER

THIS IS A TRANSLATION OF THE AGENDA FOR THE 2022 ANNUAL MEETING OF SHAREHOLDERS (“THE AGENDA”) OF CHINA METAL PRODUCTS CO., LTD. (“THE COMPANY”). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE. THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

CHINA METAL PRODUCTS CO., LTD.

2022 Annual Meeting of Shareholders
Meeting Agenda

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China Metal Products Co., Ltd. ("CMP")
Agenda of 2022 Annual Meeting of Shareholders

Time: 9:30 a.m., June 24, 2022 (Friday)

Meeting Method: Physical Meeting

Venue: 2F., Meeting Room, No. 488, Shangkeng Village, Xinfeng Township, Hsinchu County (CMP Hsinchu Plant)

Agenda:

I. Meeting Called to Order

II. Chairperson Takes Chair

III. Chairperson Remarks

IV. Announcements:

(I) 2021 Annual Business Report and Financial Reports (please refer to page 5-8, Attachment I)

(II) 2021 Audit Committee's Review Report (please refer to page 9, Attachment II)

(III) The Company's earnings in cash dividends to shareholders for 2021

1. The Company's appropriations of earnings in cash dividends to shareholders for 2021 have been approved by the Board of Directors as stipulated in Article 27 of the Articles of Incorporation. The 2021 appropriation of earnings in cash dividends is NTD 2.11 per share, which amounted to NTD 793,617,656.
2. The case was approved by the Board of Directors, authorizing the Chairperson to set the ex-dividend date and other related matters. If there is a change in the number of common stock causing changes in the ratio of allotments per share, the Chairperson is authorized to process it.

(IV) Report on status of the guarantees and endorsements

Unit: NTD `000

Counterparties	Guarantees and Endorsements Beginning of the Year	Changes During the Year	Guarantees and Endorsements End of the Year
Sunflower Investment Co., Ltd.	110,000	0	110,000
The Splendor Hospitality International Co., Ltd.	1,900,000	0	1,900,000
The Hotel National Co., Ltd.	50,000	0	50,000
Shangrila Tourism Co., Ltd.	652,500	0	652,500
CMAAN Health Co., Ltd.	45,680	0	45,680
Total	2,758,180	0	2,758,180

(V) Report on the distribution of employee compensation and remuneration for Directors for 2021.

1. The Company's audited net profit before tax in 2021 amounted to NTD 1,150,471,127 and totaled to NTD 1,214,858,634 after adding the employee compensation and remuneration for Directors stated in the financial reports. In compliance with Article 27-1 of the Company's Articles of Incorporation, in consideration of shareholders' equity, and reference to the industry norm and the economic environment as a whole, the Company shall allocate 2.8% and 2.49999% of the aggregate amount as employee compensation and remuneration for Directors, amounted to NTD 34,016,042 and NTD 30,371,465, respectively.
2. The employee compensation of NTD 34,016,042 and Directors' remuneration of NTD 30,371,465 are the same as the remuneration expenses recognized in 2021 and will be paid out in cash. The aforementioned employee compensation is allocated to employees of the Company and its subsidiaries.
3. The above mentioned 2021 remuneration for Directors is calculated in compliance with the Company's Remuneration Policy for Directors, Remuneration Committee and Audit Committee Members, and Managers, and has been submitted to the Remuneration Committee for discussion.
4. The proposed amount and payment methods of employee compensation and remuneration for Directors, as well as individual Director's remuneration allocation, have been discussed and approved by the Remuneration Committee, and submitted to the Board of Directors for approval in compliance with the law and regulations.

(VI) Report on the change name of the Company's "Code of Practice for Corporate Social Responsibility" to "Code of Practice for Sustainable Development" and the amendments to its provisions. (please refer to page 10, Attachment III).

(VII) Report on the implementation of the Company's 4th domestic unsecured convertible bonds.

1. In compliance with Article 246 of the Company Act.
2. On January 24, 2022, the Company completed the issuance of the Company's 4th domestic unsecured convertible bonds of NTD 1.5 billion to repay bank loans, and the terms of the bond issuance are as follows:
   (1) Total issuance: NTD 1.5 billion.
   (2) Issuance period: Three-year maturity, from January 24, 2022 to January 24, 2025.
   (3) Face value: NTD 100,000.
   (4) Issue price: Issue at 110.04% of face value.
   (5) Coupon rate: 0%.

(6) Principal and interest repayment date and method: Except for the convertible bonds which are converted into common shares of the Company in compliance with Article 10 of this Regulation or exercised the right of sale in compliance with Article 19 of this Regulation, or redeemed by the Company in advance in compliance with Article 18 of this Regulation, or purchased and cancelled by the Company from the securities brokerage office, the Company shall repay the converted bonds in cash at face value within five business days from the day following the maturity of the bonds. If the aforementioned date falls on a day when the Taipei Stock Exchange is closed, it will be postponed to the next business day.

(7) Use of Capital: The repayment of bank loans is scheduled for the first quarter of 2022, and the capital utilization plan has been implemented.

(8) Number of shares of common shares converted up to date: As of April 26, 2022, 0 shares of common shares have been converted.

V. Acknowledgements:

(I) Subject: To acknowledge the 2021 business report and financial statements. (Proposed by the Board of Directors)

Note:

1. The 2021 Annual Business Report has been compiled.
2. The 2021 Parent Company Only Financial Statements and Consolidated Financial Statements have been compiled.
3. CHIH, Shih Chin and TSENG, Kuo Yang, CPAs of KPMG Taiwan have audited the aforementioned financial statements and issued an unqualified audit opinion thereof.
4. This case has been reviewed by the Audit Committee and submitted to the Board of Directors for approval in compliance with the law and regulations.
5. For the above mentioned statements, please refer to page 5-9, Attachment I and II, and page 20-36, Attachment IV.

Resolution:

(II) Subject: To acknowledge the 2021 earnings distribution. (Proposed by the Board of Directors)

Note:

1. In the Company's 2021 Earnings Appropriation Sheet, legal reserves were appropriated in compliance with the laws, and the earnings in 2021 were proposed to be appropriated as cash dividends. The Sheet has been reviewed by the Audit Committee and submitted to the Board of Directors for resolution according to law. Please refer to page 37 for Attachment V.
2. When calculating the 5% income tax on unappropriated retained earnings based on

Article 66-9 of the Income Tax Law, the earnings in 2021 should be given priority.

Resolution:

VI. Discussion:

(I) Subject: Amendments to the Articles of Incorporation. (Proposed by the Board of Directors)

Note: The Articles of Incorporation are amended according to the amendments of the Company Act and the Letter No. 1110380914 issued by FSC, domestic listed companies may choose to hold Meeting of Shareholders by video (auxiliary). It is proposed to amend the Company's Articles of Incorporation in order to increase the flexibility of the Meeting of Shareholders, to meet the practical needs of the Company's operation and to increase the flexibility of future titles. (please refer to page 38, Attachment VI) for the comparison table.

Resolution:

(II) Amendments to the Procedures of Meeting of Shareholders. (Proposed by the Board of Directors)

Note: The Articles of Incorporation are amended according to the Letter No. 1110380914 issued by FSC, domestic listed companies may choose to hold Meeting of Shareholders by video (auxiliary). To increase the flexibility of the Meeting of Shareholders, the Company has amended the Procedures of Meeting of Shareholders with reference to the Letter No. 11100042501 issued by TWSE, which revised under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders. (please refer to page 39, Attachment VII) for the comparison table.

Resolution:

(III) Amendments to the Procedures for Acquisition or Disposal of Assets. (Proposed by the Board of Directors)

Note: The Procedures for Acquisition or Disposal of Assets are amended according to the Letter No. 1110380465 issued by FSC and the amended Regulations Governing the Acquisition or Disposal of Assets by Public Companies in line with the practical operation and to strengthen the management of related party transactions, as well as the renaming the Company’s internal control system and the streamlining of its provisions. (please refer to page 57, Attachment VIII) for the comparison table.

Resolution:

VII. Extemporary Motions

VIII. Adjournment

[Attachments I]

China Metal Products Co., Ltd. ("CMP")

2021 Annual Business Report

The global industry is facing many challenges in 2021, and the new epidemic is not slowing down as expected. Since May, the domestic outbreak has intensified, and the seven-month-long Level 3 and Level 2 enhanced alert controls have had a greater impact on the domestic industry than last year. Border controls in various countries have caused disruptions in the flow of people and goods, and the international division of labor determined by comparative advantage has been disrupted. Labor, materials, and transportation costs are rising, and global inflation is soaring. Past experience cannot be fully applied to future changes, and the only constant is "change".

In the face of the rapid and drastic changes, CMP Group faces the situation with a positive attitude, "Since the epidemic has come, let's face it properly and turn the good changes into new habits. As former British Prime Minister Winston Churchill said, “Never waste a good crisis!” The three major business divisions have seized this crisis and achieved what they can control in their respective fields to turn the crisis into an opportunity. The Metal Manufacturing Segment has focused more on technology and process optimization, and increased investment in green energy and intelligent machinery. Real Estate Development Segment has strengthened its financial structure, coordinated the control of site progress, and improved the customers’ stickiness. Lifestyle Hospitality Segment has adjusted its business model, increased brand strength and minimized costs.

Thanks to the efforts of all employees, CMP Group's consolidated revenue reached NTD 18.9 billion in 2021, a record high in the face of adversity, and earnings per share (EPS) of NTD 3.22, also a remarkable performance. The Group's financial performance has been very good in spite of the drastic changes in the external environment, and the key decision that has enabled the Group to have operational flexibility today is the Group's management team's commitment to diversified operations and the division of labor among the three major business units.

Since 1972, CMP Group was founded as a manufacturer of casting products and has experienced many changes in the international political and economic environment since its establishment, including the Asian financial crisis in 1997, the September 11 Attacks in 2001, the SARS epidemic in 2003, the global financial tsunami in 2008, the Sino-US trade war in 2018; and the COVID-19 epidemic at the end of 2019. Even so, CMP Group has defied the environmental changes and the total assets of the Group have even grown from NTD 2.3 billion in 1997 to NTD 50 billion in 2021. 2021 marks the 49th anniversary of the founding of CMP Group. At a time when the Group is approaching its 50th anniversary and the impact of the epidemic is severe, the business performance has reached a record high in recent years, which is a great encouragement to CMP Group, which spans across three regions on both sides of the Taiwan Strait, the United States and Japan, and includes three major business segments.

CMP Group generated approximately 80% of its revenue from its metal manufacturing business, which started as a casting business. The metal manufacturing business is located in Taiwan and China, with sales and service subsidiaries in Japan and the United States. Under the trend of Taiwan businessmen moving westward into China, it has been 30 years since the first plant of metal manufacturing business in China. Since the holding subsidiary was listed in Hong Kong in 2004 to raise funds to meet its operating needs, it has been self-sufficient and does not require further capital from Taiwan.

In the past, casting was a traditional 3K (dangerous, hard, and dirty) industry in the minds of the public. It is expected that the established impression of "traditional" industry, rising salary and aging population will definitely affect the company's operation in the future. Therefore, in the past few years, CMP Group has started a planned transformation of its technology and products to enhance environmental protection equipment, automation and intelligent manufacturing. The metal manufacturing business has been upgraded from traditional casting to a system service provider of "high-end precision components", mainly manufacturing high-end precision components such as engine systems, transmission systems, braking systems and hydraulic systems for automobiles, engineering and agricultural machinery, and continuing to refine its technological capabilities in line with the leading international brands. In recent years, we have purchased high-end precision processing equipment from Germany and Japan, and the total number of intelligent digital control machines has exceeded 1,000, with an accumulated investment of billions of NT dollars. The Company will emphasize on the development of investing and integrating high-end, digital controllable, and intelligent manufacturing devices.

In addition to technological transformation, each plant has been improving and strengthening its environmental protection and circular economy, and has been ahead of the government's green targets, winning various government recognitions for sustainability and environmental protection, and achieving outstanding financial results. The newly established Wuhan plant, which was officially put into operation in 2021, will make significant progress in green energy and mechanical automation, and will be a milestone in the fifth generation of green energy smart factory, and it is also an important driving force for CMP's future growth.

While CMP Group is committed to globalization, we have never forgotten our home country - Taiwan. After CMP went listed in 2000, the Board of Directors planned to return overseas capital to Taiwan for investment and enter into multi-faceted operation. From 2002 to 2022, CMP invested in domestic industries such as housing construction, hotel, amusement park industry and shopping mall to create domestic employment opportunities and revitalize the domestic economy.

In 2002, CMP Group established PUJEN Land Development Co., Ltd. (PUJEN), which was founded on October 14, with the meaning of "one person, one tree", as the core concept of the construction, with the heart getting back to the truth, to put effort into the living environment and focusing on finding the harmony between the land and human. As PUJEN is approaching its 20th anniversary, its business philosophy has not changed in response to the rapidly changing market. By developing land with the original intention and continuing to devote ourselves to the urban environment we live in, focusing on finding a harmonious relationship between the land and human, dialogue with nature, coexistence with the environment, co-prosperity with the land, and resonance with aesthetics, PUJEN has taken its place in the competitive construction industry and has created the image and value of a first-class brand.

In the process of diversification, CMP Group has gradually expanded its construction territory and invested in the revitalization of old and deserted buildings in response to the objects released by the second financial reform, and has successively purchased The Hotel National, the Kuang San Sogo, Splendor Hotel in Taichung, and the Shangrila Paradise in Miaoli... etc. In addition to renovating old buildings, the Group has also established a lifestyle and leisure business to continue its operations. Since 2002, when started to residential and lifestyle business, the company has employed more than 1,000 people in Taiwan.

In 2006, the CMP Group obtained the right of The Hotel National management. In addition to the existing hotel operation, in 2008, the Group also entered into a partnership with the Eslite Group to operate the department store "Park Lane by CMP", which was designed by a renowned architect to blend with the greenery of the surrounding Calligraphy Greenway to create an urban 3D garden where plants and architecture coexist. With the investment in aesthetics and humanities by the CMP Pujen Foundation for Arts and Culture, the Group operates the area around Calligraphy Greenway actively. Through years of hard work, Park Lane by CMP has transformed from a broken building that everyone avoided to a famous landmark shopping area and tourist hotspot in Taichung City, with lots of tourism and business opportunities and a quality living environment and atmosphere.

With the intention of giving back to the Taiwanese community, CMP Group has completed the integration of its land holdings in Taichung for more than 10 years, and is developing the first phase of "CMP Midtown" in Taichung, with a base of nearly 4,000 pings, including "InterContinental Taichung Hotel", "CMP Midtown Residence", CMP Museum of Art 2.0 and a church. In addition to the internationally renowned hotel brand "IHG Intercontinental Hotel Group", the project also invited the top international dream team, including the KENGO KUMA team, the world's top hotel designation HANDEL New York, the United Nations cultural ambassador from Hong Kong CCD Cheng Chung, Taipei 101 LEE Chu-Yuan, the chief of Chinese landscape design LU Yin-Han, Continental Engineering Corporation and CECI Engineering Consultants, Inc., Taiwan, hoping to create a quality living circle comparable to Japan's Roppongi, following the life and cultural and creative gathering place formed by Park Lane By CMP, and a higher vision for good living in Taichung

Phase 1 and 2 of the development project are adjacent to each other, and the total area of the development project is nearly 7,000 ping. Phase 3 is the current site of the Group's subsidiary "The

Hotel National", and will continue to develop the area of Calligraphy Greenway and Gongyi Road. By the time Phase 3 is completed and the MRT Blue Line is in operation, it will become a unique living area. Currently, the sales and construction of Phase 1 of the "CMP Midtown Residence" are in satisfactory progress, and the benefits of the upcoming Phases 2 and 3 will gradually be realized.

In addition to the CMP Midtown development project, CMP has obtained the management rights of Taichung Park2 in 2020, with the core values of "integration" and the four management objectives of "green landmark, all-age friendliness, Calligraphy Greenway Living, and co-creation and sharing" through the concept of sustainable management. The 2,000 ping PARK2, which enriches the cultural life of the region, was officially opened in January 2022. The overall concept of the project combines the three main concept of "park", "stores", and "art and cultural life" to recreate a new type of complex facility that combines commercial and public space. After the opening of PARK2, Calligraphy Greenway has become a hot spot again after the renovation of Park Lane by CMP. With ten years of perseverance, the development of the area around Calligraphy Greenway has finally yielded successful results, reflecting the success of the strategy of the founder, HO Ming Shiann, in deciding to invest in Taiwan years ago, not only to enhance its own operational flexibility, but also to improve the local employment and economy.

The Group, with sustainability as its ultimate goal, is forming a holding company and has adopted a strategy of diversification, the three main business units have built up different professional capabilities. The metal manufacturing segment has been upgraded to a "high-end precision parts" manufacturer, partnered with leading international brands, and is committed to improving its environmental protection capabilities. The real estate development segment has invested in the brand image and value of its construction projects, and has achieved excellent sales results beyond expectations. The lifestyle hospitality segment has transformed itself with a distinctive cultural orientation, and the integration of multiple business forms and the accumulation of momentum from long-term regional cultivation have created a synergy.

In spite of the severe epidemic and the global political and economic changes, CMP Group has been able to reduce the risk of business operation by diversifying and consolidating its resources, and has achieved remarkable financial results in 2021. In the future, the Group will keep striving hard to preserve the core spirit of diligence, frugality and integrity to achieve our vision and goal of sustainable business operation.

Chairperson: LIN, Ting Fung   President: LIN, Ting Fung   Accounting Manager: WANG, Pei Chang

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Annual Business Report, Financial Statements and Proposal for Earnings Distribution, among which the Financial Statements have been audited by KPMG, Taiwan, by whom an audit report has been issued accordingly. The above statements and reports have been examined and reviewed by the Audit Committee, and no irregularities were found. According to the Securities and Exchange Act and the Company Act, we hereby submit this report.

Regards,
China Metal Products Co., Ltd. (“CMP”)

Convener of the Audit Committee CHANG, Ming Jye

March 30, 2022

[Attachments III]

China Metal Products Co., Ltd. ("CMP")

Change Name of the Company's "Code of Practice for Corporate Social Responsibility" to "Code of Practice for Sustainable Development" and the Comparison Table for the Amendments

Revised Name	Current Name	Explanations
China Metal Products Co., Ltd. ("CMP") <u>Code of Practice for Sustainable Development</u>	China Metal Products Co., Ltd. ("CMP") Code of Practice for Corporate Social Responsibility	In line with the international development trend, and to achieve the goal of sustainable development, strengthen the Company's implementation of sustainable development, and improve the quality of information disclosure on sustainable development, and highlight the importance of sustainable development and the Company's efforts to implement it, the Company has revised the name of the " Code of Practice for Corporate Social Responsibility " to " Code of Practice for Sustainable Development ".

After Amendment	Before Amendment	Explanations
Article 1 China Metal Products Co., Ltd. (hereinafter referred to as the Company), in order to fulfill its corporate social responsibility and to promote economic, environmental and social progress in order to achieve the goal of sustainable development, the Company has established this Code of Practice with reference to the "<u>Sustainable Development</u> Best Practice Principles for TWSE/TPEx Listed Companies" jointly established by the Taiwan Stock Exchange Corporation	Article 1 China Metal Products Co., Ltd. (hereinafter referred to as the Company), in order to fulfill its corporate social responsibility and to promote economic, environmental and social progress in order to achieve the goal of sustainable development, the Company has established this Code of Practice with reference to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies" jointly established by the Taiwan Stock	The Article was changed in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.

After Amendment	Before Amendment	Explanations
(hereinafter referred to as TWSE) and the Taipei Exchange (hereinafter referred to as TPEx) to manage the Company's economic, environmental and social risks and impacts.	Exchange Corporation (hereinafter referred to as TWSE) and the Taipei Exchange (hereinafter referred to as TPEx) to manage the Company's economic, environmental and social risks and impacts.	
Article 2 These Principles shall apply to the operations of the Company and subsidiaries. For following the international development trends, the Company shall actively fulfill its sustainable development during business operations to contribute to the economic development of the country, to improve the quality of life of employees, the community, and society by acting as responsible corporate citizens for enhancing competitive edges based on sustainable development.	Article 2 These Principles shall apply to the operations of the Company and subsidiaries. For following the international development trends, the Company shall actively fulfill its corporate social responsibility during business operations to contribute to the economic development of the country, to improve the quality of life of employees, the community, and society by acting as responsible corporate citizens for enhancing competitive edges based on corporate social responsibility.	Item 2 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 3 In promoting sustainable development, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.	Article 3 In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.	Paragraph 1 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.

After Amendment	Before Amendment	Explanations
(Omitted)	(Omitted)	
Article 4 To implement sustainable development initiatives, the Company shall follow the following principles: I. Implement corporate governance II. Develop sustainable environment III. Maintain public welfare IV. Strengthen Sustainable Development Information Disclosure	Article 4 To implement corporate social responsibility initiatives, the Company shall follow the following principles: I. Implement corporate governance II. Develop sustainable environment III. Maintain public welfare IV. Strengthen Corporate Social Responsibility Information Disclosure	This article and the sub-paragraph 4 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 5 The Company shall take into consideration the correlation between the development of domestic and international sustainability issues and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for sustainable development programs, which shall be approved by the board of directors and then reported to the Meeting of Shareholders. When a shareholder proposes a motion involving sustainable development, the Company's	Article 5 The Company shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the Meeting of Shareholders. When a shareholder proposes a	Paragraphs 1 and 2 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.

After Amendment	Before Amendment	Explanations
Board of Directors is advised to review and consider including it in the Meeting of Shareholders agenda.	motion involving corporate social responsibility, the Company's Board of Directors is advised to review and consider including it in the Meeting of Shareholders agenda.	
Article 7 The Company shall exercise the due care of good administrators to urge the Company to perform its sustainable development initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its sustainable development policies. The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its sustainable development goal promotion: I. Identifying the Company's sustainable development mission or vision, and declaring its sustainable development policy, systems or relevant management guidelines; II. Making sustainable development the guiding principle of the Company's operations and development,	Article 7 The Company shall exercise the due care of good administrators to urge the Company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies. The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its corporate social responsibility initiatives: I. Identifying the Company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines; II. Making corporate social responsibility the guiding	Paragraphs 1 and 2 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.

After Amendment	Before Amendment	Explanations
and ratifying concrete promotional plans for <u>sustainable development</u> initiatives; and III. Enhancing the timeliness and accuracy of the disclosure of <u>sustainable development</u> information. (Omitted)	principle of the Company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and III. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information. (Omitted)	
Article 8 The Company shall, on a regular basis, organize education and training on the <u>promoting sustainable development</u>, including promotion of the matters prescribed in paragraph 2 of the preceding article.	Article 8 The Company shall, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.	The Article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 9 For the purpose of managing <u>sustainable development</u> initiatives, the Company <u>shall establish a governance structure to promote sustainable development and</u> establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the <u>sustainable development</u> policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of	Article 9 For the purpose of managing corporate social responsibility initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis. The Company shall formulate	I. Paragraph 1 of this Article was amended to improve the management of sustainable development and to strengthen the promotion of sustainable development goals through the establishment of a governance structure. II. Paragraphs 1 and 3 of this article was

After Amendment	Before Amendment	Explanations
directors on a periodic basis. The Company shall formulate reasonable remuneration policy to ensure that remuneration plans can be in line with the organizational strategic goals and stakeholders' interests. The employee performance assessment system shall be integrated with its sustainable development, and the Company shall establish an effective reward and disciplinary system.	reasonable remuneration policy to ensure that remuneration plans can be in line with the organizational strategic goals and stakeholders' interests. The employee performance assessment system shall be integrated with its corporate social responsibility development, and the Company shall establish an effective reward and disciplinary system.	amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 10 Based on respect for the rights and interests of stakeholders, the Company shall identify all the stakeholders of the Company, and establish a designated section for stakeholders on the company website. The Company shall understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important sustainable development issues which they are concerned about.	Article 10 Based on respect for the rights and interests of stakeholders, the Company shall identify all the stakeholders of the Company, and establish a designated section for stakeholders on the company website. The Company shall understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility development issues which they are concerned about.	The Article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 12 The Company shall commit to improving energy efficiency and to the use of renewable materials with low environmental impact to promote the sustainability of natural resources.	Article 12 The Company shall commit to improving resource efficiency and to the use of renewable materials with low environmental impact to promote the sustainability of natural	The Article was amended to focus on the management of energy use by enterprises in order to mitigate greenhouse gas emissions.

After Amendment	Before Amendment	Explanations
	resources.	
Article 17 The Company shall assess the current and future potential risks and opportunities that climate change may present to enterprises and adopt <u>related</u> measures. The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following: I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. II. Indirect greenhouse gas emissions: emissions resulting from the generation of <u>imported</u> electricity, heating, or steam. III. <u>Other indirect greenhouse gas emissions: Emissions from the Company's activities are not indirect emissions from energy sources, but are from sources owned or controlled by other companies.</u> (Omitted)	Article 17 The Company shall assess the current and future potential risks and opportunities that climate change may present to enterprises and adopt climate related measures. The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following: I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company. II. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam. (Omitted)	I. Paragraph 1 of the article was amended to include, but not limited to, climate change related issues as TWSE/TPEx listed companies should assess the risks and opportunities associated with climate change and take measures in response to climate change. II. Sub-paragraph 2, paragraph 2 of the article was amended to cover indirect greenhouse gas emissions related to electricity, including but not limited to purchased electricity. III. Sub-paragraph 3, paragraph 2 of the article was added to achieve the goal of reducing greenhouse gas emissions and encouraging enterprises to disclose other indirect greenhouse gas emissions in Scope 3.

After Amendment	Before Amendment	Explanations
Chapter 5 Strengthen Sustainable Development Information Disclosure	Chapter 5 Strengthen Corporate Social Responsibility Information Disclosure	With the amendment of Sub-paragraph 4, Article 4, the title of Chapter 5 was amended.

After Amendment	Before Amendment	Explanations
Article 28 The Company shall disclose information according to relevant laws and regulations and TWSE/TPEx Corporate Governance Best-Practice Principles, and shall fully disclose relevant and reliable information relating to its sustainable development to improve information transparency. The Company shall disclose the following information related to sustainable development: I. Any sustainable development policy, system or relevant management guidelines, and concrete implementation plans as resolved by the Company. II. Risks and the impacts on the Company's operations and financial performance arising from the implementation of corporate governance, sustainable environment development, public welfare maintenance. III. Promotion goals, measures,	Article 28 The Company shall disclose information according to relevant laws and regulations and TWSE/TPEx Corporate Governance Best-Practice Principles, and shall fully disclose relevant and reliable information relating to its corporate social responsibility to improve information transparency. The Company shall disclose the following information related to corporate social responsibility development: I. Any corporate social responsibility policy, system or relevant management guidelines, and concrete implementation plans as resolved by the Company. II. Risks and the impacts on the Company's operations and financial performance arising from the implementation of corporate governance, sustainable environment development, public welfare maintenance.	Paragraphs 1 and 2 of this article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.

After Amendment	Before Amendment	Explanations
and implementation performance of the sustainable development established by the Company. IV. Major stakeholders and the issues they are concerned about. V. Disclosure on the management approach and performance of key suppliers for major environmental and social issues. VI. Other information relating to sustainable development.	III. Goals, measures, and implementation performance of the corporate social responsibility established by the Company. IV. Major stakeholders and the issues they are concerned about. V. Disclosure on the management approach and performance of key suppliers for major environmental and social issues. VI. Other information relating to corporate social responsibility.	
Article 29 The Company shall adopt widely recognized international standards or guidelines when producing a sustainability report to disclose the status of its implementation of the sustainable development policy to enhance the reliability of the information in the report. The reports shall include: I. Any sustainable development policy, system or relevant management guidelines, and concrete implementation plans. II. Major stakeholders and the issues they are concerned about. III. Results and reports on the implementation of corporate	Article 29 The Company shall adopt widely recognized international standards or guidelines when producing a corporate social responsibility report to disclose the status of its implementation of the corporate social responsibility policy to enhance the reliability of the information in the report. The reports shall include: I. Any corporate social responsibility policy, system or relevant management guidelines, and concrete implementation plans. II. Major stakeholders and the issues they are concerned about. III. Results and reports on the	This article and the Sub-paragraph 1 of this article was amended in line with the specific measures to promote "Corporate Governance 3.0 - A Blueprint for Sustainable Development" by amending the name of the "Corporate Social Responsibility Report" of listed companies to "Sustainability Report", and with the amendment of the name of this Code to expand the concept of corporate social responsibility to corporate sustainable development.

After Amendment	Before Amendment	Explanations
governance, sustainable environment development, public welfare maintenance, and economic development promotion. IV. Future improvements and goals.	implementation of corporate governance, sustainable environment development, public welfare maintenance, and economic development promotion. IV. Future improvements and goals.	
Article 30 The Company shall continuously follow the development of the corporate sustainable development standards in Taiwan and abroad and the changes in the business environment to examine and enhance the sustainable development framework it has established to obtain better results from the implementation of the sustainable development policy.	Article 30 The Company shall continuously follow the development of the corporate social responsibility standards in Taiwan and abroad and the changes in the business environment to examine and enhance the corporate social responsibility framework it has established to obtain better results from the implementation of the corporate social responsibility policy.	The Article was amended in line with the revision of the name of the Code to expand the concept of corporate social responsibility to the importance of sustainable development.
Article 32 This Code was adopted on May 10, 2016. The first amendment of this Code was adopted on March 30, 2020. The second amendment of this Code was adopted on March 30, 2022.	Article 32 This Code was adopted on May 10, 2016. The first amendment of this Code was adopted on March 30, 2020.	In line with this amendment

[Attachments IV]

Independent Auditors' Report

To the Board of Directors of China Metal Products Co., Ltd.:

Opinion

We have audited the financial statements of China Metal Products Co., Ltd.("the Company"), which comprise the balance sheets as of December 31, 2021 and 2020, and the statement of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the balance sheets of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years ended December 31, 2021 and 2020 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 Certification of Financial Statements by Certified Public Accountants and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of financial statements for the year ended December 31, 2021 of the Company. Those matters have been addressed in our audit opinion on the said financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue recognition

   For the revenue recognition account policy, please refer to Note 4(q); for the details of the revenue recognition during the years, please refer to Note 6(v).

   Description of key audit matter:

   China Metal Products Co., Ltd.'s revenue from the sale of the steel products is recognized when the control of the goods has been transferred to the customer and there is no continuing management involvement and effective control with the goods. The revenue is recognized when the control of the goods has been transferred which is deemed by transaction terms in each sales contract stipulated by the customer and China Metal Products Co., Ltd.. The operating revenue from the sale of the steel products is easily affected by the law of supply and demand principal and other factors in the market. Therefore, the revenue recognition is considered as one of the key audit matters.

Corresponding audit procedure:

Our main audit procedures for the above key audit matters include: understanding and evaluating the design, operation and implantation of the effectiveness of internal control on revenue recognition of China Metal Products Co., Ltd.; understanding the major types of revenue, contract terms and transaction terms to determine the appropriateness timing of revenue recognition, also sampling the major customers and reviewing the contracts and sales orders to evaluate the revenue recognition; sampling the transaction records of sales around the balance sheet date and obtaining the transaction documents to evaluate the appropriateness timing of revenue recognition; understanding if there is significant allowance for sales return and discount for the days before and after the reporting date.

2. Impairment assessment of investments accounted for using equity method

   For the accounting policy of investments accounted for using equity method's impairment assessment please refer to the Note 4(h) Investment in associates and Note 4(i) subsidiaries ; for the details of investments accounted for using equity method's impairment assessment, please refer to Note 6(e) Investments accounted for using equity method.

   Description of key audit matter:

   Sunflower Investment Co., Ltd., the subsidiary of the Company, had sought administrative remedies for the administrative penalties arose from enterprise income tax, value-added tax, and undistributed earning tax of the Daguangsan non-performing receivable case, which the total amount of tax and penalties amounted to $564,452 thousand. As of the reporting date, the Company has paid $46,174 thousand and estimated the regarding litigation provision at $236,052 thousand.

   The estimation of litigation contingent liabilities is based on the management's assessment of the result of litigation which is likely to be unfavorable to the Company. However, there are significant uncertainties in the litigation. Therefore, the litigation provision estimation is considered as one of the key audit matters.

   Corresponding audit procedure:

   Our main audit procedures for the above key audit matters include: interviewing the Company's management to understand the method of assessment; obtaining management's major litigation memorandum and its provision assessment documents, and reviewing the latest court verdict documents of the major litigation to assess the reasonableness of their estimates; obtaining auditors' legal confirmation letters from external lawyers to verify the progress of pending litigation; assessing whether the Company' s pending litigation cases and contingent liabilities have been properly disclosed.

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

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

In preparing the financial statements, management is responsible for assessing China Metal Products Co., Ltd.'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 China Metal Products Co., Ltd. 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 China Metal Products Co., Ltd.'s financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within China Metal Products Co., Ltd. to express an opinion on the 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 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.

The engagement partners on the audit resulting in this independent auditors' report are Shih-Chin Chih and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)
March 30, 2022

Notes to Readers

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

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

(English Translation of Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD.

Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Note 6(a))	$ 1,329,592	5	519,514	2
1170	Notes and accounts receivable, net (Notes 6(c) and (v))	352,911	1	256,061	1
1180	Accounts receivable due from related parties, net (Note 7)	30,198	-	18,686	-
1200	Other receivables	25,583	-	22,234	-
1210	Other receivables due from related parties (Note 7)	2,279	-	56,235	-
130X	Inventories (Note 6(d))	104,217	1	93,106	1
1410	Prepayments (Note 7)	42,345	-	32,091	-
1470	Other current assets	60,856	-	18,570	-
1476	Other current financial assets	446,401	2	227,143	1
	Total current assets	2,394,382	9	1,243,640	5
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (Note 6(b))	178,394	1	194,824	1
1550	Investments accounted for using equity method (Notes 6(e), (f), (g) and 8)	14,902,240	59	14,120,768	64
1600	Property, plant and equipment (Notes 6(h), 7, 8 and 9)	736,930	3	740,803	3
1755	Right-of-use assets (Notes 6(i) and 9)	1,775,865	7	1,947,124	9
1760	Investment property, net (Notes 6(j) and 8)	2,644,810	10	2,451,027	11
1780	Intangible assets	14,679	-	9,058	-
1840	Deferred tax assets (Note 6(s))	9,206	-	9,206	-
1900	Other non-current assets (Notes 6(k), 7 and 9)	1,964,843	8	790,747	4
1975	Non-current net defined benefit assets (Note 6(r))	12,651	-	13,053	-
1980	Other non-current financial assets (Notes 6(l), 7 and 9)	677,555	3	677,762	3
	Total non-current assets	22,917,173	91	20,954,372	95
	Total assets	$ 25,311,555	100	22,198,012	100

	Liabilities and equity	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current liabilities:				
2100	Short-term borrowings (Notes 6(m) and 8)	$ 1,349,813	5	809,619	4
2130	Current contract liabilities (Note 6(v))	10,470	-	7,631	-
2170	Notes and accounts payable (Note 7)	321,996	1	272,461	1
2200	Other payables (Note 7)	376,318	1	262,801	1
2230	Current income tax liabilities	6,302	-	16,359	-
2280	Current lease liabilities (Note 6(o))	175,148	1	171,380	1
2300	Other current liabilities	6,105	-	2,488	-
2310	Advance receipts	2,243	-	2,245	-
2322	Long-term borrowings, current portion (Note 6(n))	895,582	4	-	-
	Total current liabilities	3,143,977	12	1,544,984	7
	Non-current liabilities:				
2541	Long-term bank loans (Notes 6(n), 7 and 8)	7,268,661	29	6,366,872	29
2580	Non-current lease liabilities (Note 6(o))	1,645,551	7	1,807,930	8
2570	Deferred tax liabilities (Note 6(s))	331,548	1	411,208	2
2600	Other non-current liabilities (Note 6(p))	147,203	1	40,624	-
	Total non-current liabilities	9,392,963	38	8,626,634	39
	Total liabilities	12,536,940	50	10,171,618	46
	Equity attributable to owners of parent (Note 6(t)):				
3100	Ordinary share	3,761,221	15	3,761,221	17
3200	Capital surplus	1,488,270	6	1,487,802	7
3300	Retained earnings	7,472,339	29	6,651,340	30
3400	Other equity	52,785	-	126,031	-
	Total equity	12,774,615	50	12,026,394	54
	Total liabilities and equity	$ 25,311,555	100	22,198,012	100

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)

		2021		2020	
		Amount	**%**	**Amount**	**%**
4000	**Operating revenues (Notes 6(v) and 7)**	$ 1,526,371	100	1,214,052	100
5000	**Operating costs (Note 6(d) and 7)**	(956,475)	(63)	(714,677)	(59)
	Gross profit from operations	569,896	37	499,375	41
	Operating expenses (Note 7):				
6100	Selling expenses	(42,847)	(3)	(29,417)	(2)
6200	Administrative expenses	(572,051)	(37)	(537,469)	(44)
6300	Research and development expenses	(1,084)	-	(2,145)	-
6450	Expected credit (losses) gains (Note 6(c))	(296)	-	5,952	-
	Total operating expenses	(616,278)	(40)	(563,079)	(46)
	Net operating loss	(46,382)	(3)	(63,704)	(5)
	Non-operating income and expenses:				
7100	Interest income (Notes 6(x) and 7)	15,977	1	20,031	2
7010	Other income (Note 6(x))	71,689	5	77,884	6
7020	Other gains and losses (Note 6(x))	(22,952)	(2)	(34,650)	(3)
7050	Finance costs (Note 6(x))	(109,534)	(7)	(107,137)	(9)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (Note 6(e))	1,241,673	81	669,202	55
	Total non-operating income and expenses	1,196,853	78	625,330	51
7900	**Profit from continuing operations before tax**	1,150,471	75	561,626	46
7950	Add: Tax income (expenses) (Note 6(s))	60,927	4	(4,168)	-
8000	Profit from continuing operations	1,211,398	79	557,458	46
	Profit	1,211,398	79	557,458	46
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss**				
8311	(Losses) gains on remeasurements of defined benefit plans (Notes 6(r))	(2,181)	-	1,966	-
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income (Notes 6(y))	(12,650)	(1)	6,193	1
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	(813)	-	719	-
	Total items that may not be reclassified subsequently to profit or loss	(15,644)	(1)	8,878	1
8360	**Items that may be reclassified subsequently to profit or loss**				
8361	Exchange differences on translation of foreign financial statements	(57,490)	(4)	175,947	14
	Total items that may be reclassified subsequently to profit or loss	(57,490)	(4)	175,947	14
8300	**Other comprehensive income (after tax)**	(73,134)	(5)	184,825	15
8500	**Comprehensive income**	**$ 1,138,264**	**74**	**742,283**	**61**
	Earnings per share (Note 6(u))				
9750	**Basic earnings per share**	**$**	**3.22**		**1.47**
9850	**Diluted earnings per share**	**$**	**3.21**		**1.46**

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Share Capital		Retained Earnings				Other Equity				
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Other Equity Interest	Treasury share	Total Equity
Balance at January 1, 2020	$ 3,852,521	1,523,104	1,756,147	49,081	4,764,453	6,569,681	(143,749)	87,640	(56,109)	-	11,889,197
Profit for the year ended December 31, 2020	-	-	-	-	557,458	557,458	-	-	-	-	557,458
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	2,685	2,685	175,947	6,193	182,140	-	184,825
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	560,143	560,143	175,947	6,193	182,140	-	742,283
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	45,022	-	(45,022)	-	-	-	-	-	-
Special reserve	-	-	-	7,028	(7,028)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(346,727)	(346,727)	-	-	-	-	(346,727)
Other changes in capital surplus:											
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	-	-	-	(1,136)	(1,136)	-	-	-	-	(1,136)
Acquisition of treasury share	-	-	-	-	-	-	-	-	-	(257,223)	(257,223)
Retirement of treasury share	(91,300)	(35,302)	-	-	(130,621)	(130,621)	-	-	-	257,223	-
Balance on December 31, 2020	3,761,221	1,487,802	1,801,169	56,109	4,794,062	6,651,340	32,198	93,833	126,031	-	12,026,394
Profit for the year ended December 31, 2021	-	-	-	-	1,211,398	1,211,398	-	-	-	-	1,211,398
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	(2,994)	(2,994)	(57,490)	(12,650)	(70,140)	-	(73,134)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	1,208,404	1,208,404	(57,490)	(12,650)	(70,140)	-	1,138,264
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	42,839	-	(42,839)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(387,406)	(387,406)	-	-	-	-	(387,406)
Reversal of special reserve	-	-	-	(7,028)	7,028	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	611	-	-	-	-	-	-	-	-	611
Changes in equity of associates and joint ventures accounted for using equity method	-	(143)	-	-	(3,105)	(3,105)	-	-	-	-	(3,248)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	3,106	3,106	-	(3,106)	(3,106)	-	-
Balance on December 31, 2021	**$ 3,761,221**	**1,488,270**	**1,844,008**	**49,081**	**5,579,250**	**7,472,339**	**(25,292)**	**78,077**	**52,785**	**-**	**12,774,615**

See accompanying notes to financial statements.

(English Translation of Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		2021	2020
Cash flows from operating activities:			
Profit before tax	$	1,150,471	561,626
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		271,092	267,494
Amortization expense		4,801	4,812
Interest expense		109,534	107,137
Expected credit losses (gains)		296	(5,952)
Interest income		(15,977)	(20,031)
Dividend income		(13,536)	(28,407)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method		(1,241,673)	(669,202)
Losses (gains) on disposal of property, plant and equipment		1,470	(4,120)
Property, plant and equipment transferred to expenses		465	732
Loss on disposal of investments		3,005	-
Lease modification gains		(11)	(892)
Total adjustments to reconcile profit		(880,534)	(348,429)
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes and accounts receivable, net		(97,146)	(57,565)
Accounts receivable due from related parties, net		(11,512)	5,781
Other receivables		51,019	(54,600)
Inventories		(11,111)	89,274
Prepayments		(9,932)	5,911
Other current assets		(40,718)	827
Other current financial assets		(219,258)	83,079
Net defined benefit assets		(1,779)	(3,444)
Total changes in operating assets		(340,437)	69,263
Changes in operating liabilities:			
Notes and accounts payable (including related parties), net		49,535	31,611
Other payables		230,286	61,990
Contract liabilities		2,839	4,637
Other current liabilities		3,617	(8,741)
Advance receipts		(2)	177
Total changes in operating liabilities		286,275	89,674
Total changes in operating assets and liabilities		(54,162)	158,937
Total adjustments		(934,696)	(189,492)
Cash inflow generated from operations		215,775	372,134
Interest received		2,049	6,626
Dividends received		948,703	335,912
Interest paid		(108,040)	(108,675)
Income taxes paid		(29,201)	(71,220)
Net cash flows generated from operating activities		1,029,286	534,777
Cash flows from investing activities:			
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		833	21,241
Acquisition of investments accounted for using equity method		(536,789)	(41,422)
Proceeds from disposal of the subsidiaries (net effect of cash)		2,772	-
Proceeds from capital reduction of investments accounted for using equity method		-	56,178
Acquisition of property, plant and equipment		(93,845)	(37,256)
Proceeds from disposal of property, plant and equipment		695	4,149
Acquisition of intangible assets		(5,779)	(556)
Acquisition of investment properties		(174,919)	-
Decrease (increase) in other financial assets		207	(227,585)
Increase in other non-current assets		(1,192,960)	(330,556)
Net cash flows used in investing activities		(1,999,785)	(555,807)
Cash flows from financing activities:			
Increase in short-term borrowings		2,210,000	1,720,000
Decrease in short-term borrowings		(1,770,000)	(1,610,000)
Increase in short-term notes and bills payable		100,194	199,726
Proceeds from long-term borrowings		6,842,632	4,622,462
Repayments of long-term borrowings		(5,045,582)	(4,419,000)
Increase in other non-current liabilities		3,391	2,620
Cash dividends paid		(387,406)	(346,727)
Payment of lease liabilities		(172,652)	(171,976)
Payments to acquire treasury shares		-	(257,223)
Net cash flows generated from (used in) financing activities		1,780,577	(260,118)
Net increase (decrease) in cash and cash equivalents		810,078	(281,148)
Cash and cash equivalents at the beginning of the year		519,514	800,662
Cash and cash equivalents at the end of the year	$	**1,329,592**	**519,514**

See accompanying notes to financial statements.

Independent Auditors' Report

To the Board of Directors of China Metal Products Co., Ltd.:

Opinion

We have audited the consolidated financial statements of China Metal Products Co., Ltd. and its subsidiaries ("CMP Group"), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated balance sheets of CMP Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2021 and 2020 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), IFRIC Interpretations ("IFRIC"), and SIC Interpretations ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Other Matter

China Metal Products Co., Ltd. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2021 and 2020, on which we have issued an unqualified opinion.

Key Audit Matters

Based on our professional judgment, key audit matters pertain to the most important matters in the audit of consolidated financial statements for the year ended December 31, 2021 of CMP Group. Those matters have been addressed in our audit opinion on the said consolidated financial statements and during the formation of our audit opinion. However, we do not express an opinion on these matters individually. The key audit matters that, in our professional judgment, should be communicated are as follows:

1. Revenue recognition

   For the revenue recognition account policy, please refer to Note4(q); for the details of the revenue recognition during the years, please refer to Note 6(w).

Description of key audit matter:

The revenue recognition of CMP Group's product selling is the timing of the transfer of control varied by the individual terms of the sales agreement, which is mainly at the time when the goods are loading to the export ship and to the determined shipping point. The recognition of revenue is also varied by the terms of acceptance and return of goods in the sale contracts between CMP Group and the clients who are large vehicle parts suppliers and manufacturers. CMP Group evaluates the terms of the sale contracts individually to determine the timing of revenue recognition.

There is risk of misstatement when the timing of revenue recognition is earlier than the transfers of control. The revenue from cast iron products selling is recognized when customers collect the goods from the shipping warehouse (the transfer of control). CMP Group's revenue recognition is based on the regarding documents or other information provided by custodian of the shipping warehouse. Due to the shipping warehouse is located in Atlanta, USA, the providing schedule and contents of information from the custodian usually involves human factors. It may result in inappropriate revenue recognition or inconsistent inventory record. Therefore, the revenue recognition is considered as one of the key audit matters.

Corresponding audit procedure:

Our main audit procedures for the above key audit matters include: understanding and evaluating the design, operation and implantation of the effectiveness of internal control on revenue recognition; understanding the major types of revenue, contract terms and transaction terms to determine the appropriateness timing of revenue recognition, also sampling the major customers and reviewing the contracts and sales orders to evaluate the revenue recognition; sampling the transaction records of sales around the balance sheet date and obtaining the transaction documents (i.e. delivery order signed by the recipient, bill of lading, documents from the warehouse custodian) to evaluate the appropriateness timing of revenue recognition; comparing the actual sales return and discount after the financial reporting date with the estimated allowance for sales return and discount on the financial reporting date and the previous financial reporting period to evaluate the reasonableness of the estimation; evaluating whether the recognition period of inventory and cost of goods sold is appropriate; performing inventory observation and checking the inventory quantity with the records.

2. Allowance for accounts receivable

For the estimation of allowance for bad debt accounting policy, please refer to Note 4(g); for the significant assumptions and judgments, and major sources of estimation uncertainty of the loss allowance of accounts receivable, please refer to Note 5; for the details of the loss allowance of accounts receivable during the years, please refer to Note 6(c).

Description of key audit matter:

The loss allowance of accounts receivable for CMP Group is based on the management's judgments of the estimation of the expected credit loss which comprised of the credit reliability of the customers, the current market, forward-looking estimation and customer-specific terms. The estimation involves subjective judgment. The balance of accounts receivable is significant and the current economic and environment risk increase the risk of recovering. Therefore, the estimation of accounts receivable loss allowance is considered as one of the key audit matters.

Corresponding audit procedure:

Our main audit procedures for the above key audit matters include: understanding and evaluating the design, operation and implementation of the effectiveness of internal control on management's credit control of customers, recovery of the receivables and the estimations of allowance for receivables; evaluating the appropriateness of the accounting policies regarding the allowance for receivables, sampling sales invoices and comparing them with other transaction documents to check the accuracy of receivable aging; understanding and recalculating the rolling rates of overdue accounts receivable and expected loss rates to evaluate whether the management estimation of the loss allowance is considered the customers' industry status, the receivables overdue status, forward-looking estimation and payment records; sampling the receivables for cash collecting after the balance sheet date.

3. Litigation provision assessment

For the accounting policy of litigation provision assessment, please refer to the Note 4(p) Provisions; for the accounting estimate and uncertain hypothesis, please refer to Note 5; for the details of estimated litigation, please refer to Note 6(q).

Description of key audit matter:

Sunflower Investment Co., Ltd. had sought administrative remedies for the administrative penalties arose from enterprise income tax, value-added tax, and undistributed earning tax of the Daguangsan non-performing receivable case, which the total amount of tax and penalties amounted to $564,452 thousand. As of the reporting date, CMP Group has paid $46,174 thousand and estimated the regarding litigation provision at $236,052 thousand.

The estimation of litigation contingent liabilities is based on the management's assessment of the result of litigation, which is likely to be unfavorable to CMP Group. However, there are significant uncertainties in the litigation. Therefore, the litigation provision estimation is considered as one of the key audit matters.

Corresponding audit procedure:

Our main audit procedures for the above key audit matters include: interviewing CMP Group's management to understand the method of assessment; obtaining management's major litigation memorandum and its provision assessment documents, and reviewing the latest court verdict documents of the major litigation to assess the reasonableness of their estimates; obtaining auditors' legal confirmation letters from external lawyers to verify the progress of pending litigation; assessing whether CMP Group's pending litigation cases and contingent liabilities have been properly disclosed.

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

In preparing the consolidated financial statements, management is responsible for assessing CMP 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 CMP 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 CMP Group's financial reporting process.

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

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CMP 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 CMP 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 auditor's 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 auditor's report. However, future events or conditions may cause CMP Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within CMP 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.

The engagement partners on the audit resulting in this independent auditors' report are Shih-Chin Chih and Kuo-Yang Tseng.

KPMG

Taipei, Taiwan (Republic of China)
March 30, 2022

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Assets	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current assets:				
1100	Cash and cash equivalents (Notes 6(a) and (aa))	$ 5,039,645	10	4,213,805	9
1170	Notes and accounts receivable, net (Notes 6(c), (w) and (aa))	4,071,069	8	3,818,110	9
1180	Accounts receivable due from related parties, net (Notes 6(aa) and 7)	2,721	-	979	-
1200	Other receivables (Note 6(aa))	121,582	-	58,957	-
1210	Other receivables due from related parties (Notes 6(aa) and 7)	25,652	-	35,408	-
130X	Inventories (Notes 6(d), 8 and 9(a))	20,007,434	40	18,216,289	41
1410	Prepayments (Note 9(a))	328,881	1	245,146	-
1476	Other current financial assets (Notes 6(aa), 8 and 9(a))	2,195,250	4	1,562,746	4
1479	Other current assets, others	325,606	1	284,867	1
1480	Incremental costs of obtaining contracts	313,912	1	223,041	-
	Total current assets	32,431,752	65	28,659,348	64
	Non-current assets:				
1517	Non-current financial assets at fair value through other comprehensive income (Notes 6(b) and (aa))	215,295	-	257,587	1
1550	Investments accounted for using equity method (Note 6(e))	751,056	2	748,266	2
1600	Property, plant and equipment (Notes 6(h), 8 and 9(a))	10,590,049	21	10,164,563	23
1755	Right-of-use assets (Note 6(i))	2,033,761	4	2,222,519	5
1760	Investment property, net (Notes 6(j) and 8)	706,674	2	691,156	1
1780	Intangible assets (Note 6(k))	400,544	1	400,762	1
1840	Deferred tax assets (Note 6(t))	34,713	-	38,213	-
1975	Non-current net defined benefit assets (Notes 6(s))	14,172	-	13,053	-
1980	Other non-current financial assets (Notes 6(l), (aa), 7 and 9(a))	687,586	1	684,059	1
1990	Other non-current assets, others (Notes 6(m), 7, 8 and 9(a))	2,106,431	4	907,794	2
	Total non-current assets	17,540,281	35	16,127,972	36
	Total assets	$ 49,972,033	100	44,787,320	100

	Liabilities and equity	December 31, 2021 Amount	%	December 31, 2020 Amount	%
	Current liabilities:				
2100	Short-term borrowings (Notes 6(n) and (aa))	$ 9,071,826	18	7,990,614	18
2130	Current contract liabilities (Notes 6(w), 7 and 9(a))	3,620,534	7	2,492,984	6
2170	Notes and accounts payable (Notes 6(aa) and 7)	3,394,708	7	2,636,629	6
2180	Accounts payable due to related parties (Notes 6(aa) and 7)	26,827	-	26,663	-
2200	Other payables (Note 6(aa))	1,931,916	4	1,441,633	4
2220	Other payables due to related parties (Notes 6(aa) and 7)	30,003	-	11,008	-
2230	Current income tax liabilities	81,833	-	81,350	-
2280	Current lease liabilities (Notes 6(p) and (aa))	179,629	-	184,634	-
2322	Long-term borrowings, current portion (Notes 6(o) and (aa))	1,612,105	4	100,240	-
2399	Other current liabilities (Notes 6(q) and (s))	138,402	-	89,023	-
	Total current liabilities	20,087,783	40	15,054,778	34
	Non-current liabilities:				
2540	Long-term borrowings (Notes 6(o) and (aa))	10,536,188	21	10,939,362	24
2570	Deferred tax liabilities (Notes 6(t))	498,392	1	602,386	1
2580	Non-current lease liabilities (Notes 6(p) and (aa))	1,649,203	4	1,812,222	4
2640	Non-current net defined benefit liabilities (Notes 6(s))	25,347	-	39,792	-
2670	Other non-current liabilities (Notes 6(q), (aa) and7)	427,467	1	336,708	1
	Total non-current liabilities	13,136,597	27	13,730,470	30
	Total liabilities	33,224,380	67	28,785,248	64
	Equity attributable to owners of parent (Note 6(u)):				
3100	Ordinary share	3,761,221	7	3,761,221	8
3200	Capital surplus	1,488,270	3	1,487,802	4
3300	Retained earnings	7,472,339	15	6,651,340	15
3400	Other equity	52,785	-	126,031	-
	Total equity attributable to owners of parent:	12,774,615	25	12,026,394	27
36XX	Non-controlling interests	3,973,038	8	3,975,678	9
	Total equity	16,747,653	33	16,002,072	36
	Total liabilities and equity	$ 49,972,033	100	44,787,320	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share)

		2021		2020	
		Amount	%	Amount	%
4000	**Operating revenues (Notes 6(w) and 7)**	$ 18,938,168	100	13,125,899	100
5000	**Operating costs (Notes 6(d) and 7)**	(14,564,322)	(77)	(9,827,107)	(75)
	Gross profit from operations	4,373,846	23	3,298,792	25
	Operating expenses (Note 7):				
6100	Selling expenses	(715,706)	(4)	(557,711)	(4)
6200	Administrative expenses	(1,777,617)	(10)	(1,461,767)	(11)
6300	Research and development expenses	(11,411)	-	(12,143)	-
6450	Expected credit (losses) gains (Note 6(c))	(665)	-	22,741	-
	Total operating expenses	(2,505,399)	(14)	(2,008,880)	(15)
6500	**Net other income and expenses (Note 6(y) and 7)**	-	-	7,703	-
	Net operating income	1,868,447	9	1,297,615	10
	Non-operating income and expenses:				
7100	Interest income (Notes 6(z) and 7)	63,459	-	45,512	-
7010	Other income (Notes 6(z) and 7)	178,325	1	136,154	1
7020	Other gains and losses (Note 6(g) and (z))	(38,847)	-	(125,912)	(1)
7050	Finance costs (Note 6(z) and 7)	(259,462)	(1)	(274,739)	(2)
7060	Share of profit gains (loss) of associates and joint ventures accounted for using equity method, net (Note 6(e))	1,120	-	(111,066)	(1)
	Total non-operating income and expenses	(55,405)	-	(330,051)	(3)
	Profit from continuing operations before tax	1,813,042	9	967,564	7
7950	**Less: Tax expense (Note 6(t))**	(128,132)	(1)	(176,123)	(1)
8200	**Net profit**	1,684,910	8	791,441	6
8300	**Other comprehensive income:**				
8310	**Items that may not be reclassified subsequently to profit or loss:**				
8311	(Losses) gains on remeasurements of defined benefit plans (Note 6(s))	(3,309)	-	2,683	-
8316	Unrealized (losses) gains from investments in equity instruments measured at fair value through other comprehensive income (Notes 6(u) and (aa))	(12,622)	-	6,256	-
8349	Less:Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Total items that may not be reclassified subsequently to profit or loss	(15,931)	-	8,939	-
8360	**Items that may be reclassified subsequently to profit or loss:**				
8361	Exchange differences on translation of foreign financial statements (Note 6(u))	(82,482)	-	201,578	2
8399	Less:Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Total items that may be reclassified subsequently to profit or loss	(82,482)	-	201,578	2
8300	**Other comprehensive income (after tax)**	(98,413)	-	210,517	2
8500	**Comprehensive income**	**$ 1,586,497**	**8**	**1,001,958**	**8**
	Net profit, attributable to:				
8610	Owners of parent	$ 1,211,398	5	557,458	4
8620	Non-controlling interests	473,512	3	233,983	2
		$ 1,684,910	**8**	**791,441**	**6**
	Comprehensive income attributable to:				
8710	Owners of parent	$ 1,138,264	6	742,283	6
8720	Non-controlling interests	448,233	2	259,675	2
		$ 1,586,497	**8**	**1,001,958**	**8**
	Earnings per share (expressed in dollars) (Note 6(v))				
9750	**Basic earnings per share**	**$**	**3.22**		**1.47**
9850	**Diluted earnings per share**	**$**	**3.21**		**1.46**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent										
	Share Capital		Retained Earnings			Other Equity					
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	Treasury share	Total Equity Attributable to Owners of Parent	Non-Controlling Interests	Total Equity
Balance on January 1, 2020	$ 3,852,521	1,523,104	1,756,147	49,081	4,764,453	(143,749)	87,640	-	11,889,197	3,852,894	15,742,091
Profit for the year ended December 31, 2020	-	-	-	-	557,458	-	-	-	557,458	233,983	791,441
Other comprehensive income for the year ended December 31, 2020	-	-	-	-	2,685	175,947	6,193	-	184,825	25,692	210,517
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	560,143	175,947	6,193	-	742,283	259,675	1,001,958
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	45,022	-	(45,022)	-	-	-	-	-	-
Special reserve	-	-	-	7,028	(7,028)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(346,727)	-	-	-	(346,727)	-	(346,727)
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	-	-	-	(1,136)	-	-	-	(1,136)	1,063	(73)
Acquistion of treasury share	-	-	-	-	-	-	-	(257,223)	(257,223)	-	(257,223)
Retirement of treasury share	(91,300)	(35,302)	-	-	(130,621)	-	-	257,223	-	-	-
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	976	976
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(138,930)	(138,930)
Balance on December 31, 2020	3,761,221	1,487,802	1,801,169	56,109	4,794,062	32,198	93,833	-	12,026,394	3,975,678	16,002,072
Profit for the year ended December 31, 2021	-	-	-	-	1,211,398	-	-	-	1,211,398	473,512	1,684,910
Other comprehensive income for the year ended December 31, 2021	-	-	-	-	(2,994)	(57,490)	(12,650)	-	(73,134)	(25,279)	(98,413)
Total comprehensive income for the year ended December 31, 2021	-	-	-	-	1,208,404	(57,490)	(12,650)	-	1,138,264	448,233	1,586,497
Appropriation and distribution of retained earnings:											
Legal reserve	-	-	42,839	-	(42,839)	-	-	-	-	-	-
Cash dividends	-	-	-	-	(387,406)	-	-	-	(387,406)	-	(387,406)
Reversal of special reserve	-	-	-	(7,028)	7,028	-	-	-	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	611	-	-	-	-	-	-	611	(611)	-
Changes in equity of associates and joint ventures accounted for using equity method	-	(143)	-	-	(3,105)	-	-	-	(3,248)	842	(2,406)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	(196,989)	(196,989)
Cash dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(254,115)	(254,115)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	3,106	-	(3,106)	-	-	-	-
Balance on December 31, 2021	**$ 3,761,221**	**1,488,270**	**1,844,008**	**49,081**	**5,579,250**	**(25,292)**	**78,077**	**-**	**12,774,615**	**3,973,038**	**16,747,653**

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

CHINA METAL PRODUCTS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the Years Ended December 31, 2021 and 2020

(Expressed in Thousands of New Taiwan Dollars)

		2021	2020
Cash flows from operating activities:			
Profit before tax	$	1,813,042	967,564
Adjustments:			
Adjustments to reconcile profit (loss):			
Depreciation expense		965,802	949,584
Amortization expense		5,169	12,918
Expected credit losses (gains)		665	(22,741)
Net losses on financial assets or liabilities at fair value through profit or loss		-	6,000
Interest expense		259,462	274,739
Interest income		(63,459)	(45,512)
Dividend income		(14,625)	(30,167)
Share of (profit) loss of associates and joint ventures accounted for using equity method		(1,120)	111,066
Losses on disposal of property, plant and equipment		5,551	39,594
Property, plant and equipment transferred to expenses		574	1,272
Losses on disposal of investments accounted for using equity method		5,013	1
Lease modification gains		(27)	(1,194)
Other losses		32	25,684
Effect of exchange rate changes on short-term and long-term borrowings		(28,952)	(41,683)
Total adjustments to reconcile profit		1,134,085	1,279,561
Changes in operating assets and liabilities:			
Changes in operating assets:			
Notes and accounts receivable, net		(296,952)	156,526
Accounts receivable due from related parties, net		(201,383)	(44,674)
Other receivables		370,183	(233,198)
Inventories		(1,843,252)	(463,794)
Prepayments		(85,554)	19,095
Other current assets		(56,980)	(38,463)
Other financial assets		(534,997)	(259,213)
Incremental costs of obtaining contracts		(90,871)	(66,937)
Total changes in operating assets		(2,739,806)	(930,658)
Changes in operating liabilities:			
Notes and accounts payable (including related parties), net		808,312	60,627
Other payables		370,719	762,595
Current contract liabilities		1,127,521	1,103,780
Other current liabilities		41,726	(38,411)
Other non-current liabilities		(594)	(1,247)
Total changes in operating liabilities		2,347,684	1,887,344
Total changes in operating assets and liabilities		(392,122)	956,686
Total adjustments		741,963	2,236,247
Cash inflow generated from operations		2,555,005	3,203,811
Interest received		49,531	32,305
Dividends received		14,677	30,216
Interest paid		(307,811)	(332,151)
Income taxes paid		(235,242)	(244,528)
Net cash flows generated from operating activities		2,076,160	2,689,653
Cash flows from investing activities:			
Acquisition of financial assets at fair value through other comprehensive income		(460)	(11,067)
Proceeds from disposal of financial assets at fair value through other comprehensive income		29,297	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income		833	21,241
Proceeds from disposal of the subsidiary (net effect of cash)		3,632	-
Acquisition of property, plant and equipment		(1,221,648)	(1,250,701)
Proceeds from disposal of property, plant and equipment		4,351	9,426
Acquisition of intangible assets		(5,902)	(556)
Acquisition of investment properties		-	(101)
Increase in other financial assets		(102,128)	(227,603)
Increase in other non-current assets		(1,151,628)	(72,399)
Net cash flows used in investing activities		(2,443,653)	(1,531,760)
Cash flows from financing activities:			
Increase in short-term borrowings		10,371,391	8,245,563
Decrease in short-term borrowings		(9,351,759)	(8,633,869)
Increase in short-term notes and bills payable		35,232	219,847
Proceeds from long-term borrowings		7,256,879	5,294,001
Repayments of long-term borrowings		(6,042,329)	(4,875,340)
Payment of lease liabilities		(187,164)	(189,357)
Increase in other non-current liabilities		6,969	2,822
Cash dividends paid		(387,406)	(346,727)
Payment of treasury share		-	(257,223)
Cash dividends paid to non-controlling interests		(254,115)	(138,930)
Change in non-controlling interests		(208,715)	976
Net cash flows generated from (used in) financing activities		1,238,983	(678,237)
Effect of exchange rate changes on cash and cash equivalents		(45,650)	33,602
Net increase in cash and cash equivalents		825,840	513,258
Cash and cash equivalents at the beginning of the period		4,213,805	3,700,547
Cash and cash equivalents at the end of the period	$	**5,039,645**	**4,213,805**

See accompanying notes to consolidated financial statements.

[Attachments V]

China Metal Products Co., Ltd. ("CMP")

Earnings Appropriation Sheet

2021

Unit: NTD

Balance at Beginning of the Year		**4,370,845,777**
Add (Less): adjustment items for current period		
Net profit after tax for the year	1,211,398,115	
Current period changes in remeasurements for defined benefit plan	(2,994,444)	
Disposal of financial assets measured at fair value through other comprehensive income	3,106,007	
Changes in equity of associates and joint ventures accounted for using equity method	(3,105,038)	
Earnings Available for Appropriation		**5,579,250,417**
Less: Legal reserve appropriation	(120,840,464)	
Appropriated items:		
Cash dividend (NTD 2.11 per share)	(793,617,656)	
Unappropriated earnings at the End of the Year		**4,664,792,297**
Note 1: Pre-appropriation share number: 376,122,112 shares Note 2: Cash dividend is rounded to the nearest NTD. Sum of fractional share amounts are recognized as Other Income for the Company.		

Chairperson: LIN, Ting Fung President: LIN, Ting Fung Accounting Manager: WANG, Pei Chang

[Attachments VI]

China Metal Products Co., Ltd. ("CMP")

Comparison Table for Articles of Incorporation

Article	After Amendment	Before Amendment	Explanations
Article 11	There are two types of Meeting of Shareholders: annual general Meeting of Shareholders (hereinafter referred to as "AGM") and extraordinary Meeting of Shareholders. The annual general Meeting of Shareholders is convened once per year within six (6) months after the closing of the fiscal year. Extraordinary Meeting of Shareholders may be convened in compliance with applicable law and regulations when necessary. Meeting of Shareholders can be held by video conference or other methods permitted by relevant government authorities in charge.	There are two types of Meeting of Shareholders: annual general Meeting of Shareholders (hereinafter referred to as "AGM") and extraordinary Meeting of Shareholders. The annual general Meeting of Shareholders is convened once per year within six (6) months after the closing of the fiscal year. Extraordinary Meeting of Shareholders may be convened in compliance with applicable law and regulations when necessary.	The Articles of Incorporation are amended according to the amendments of the Company Act and the Letter No. 1110380914 issued by FSC, domestic listed companies may choose to hold Meeting of Shareholders by video (auxiliary). It is proposed to amend the Company's Articles of Incorporation in order to increase the flexibility of the Meeting of Shareholders.
Article 25	The Company may appoint several Managers, whose appointment, dismissal and remuneration shall comply with Article 29 of the Company Act.	The Company may appoint one ~~President, several senior Vice-Presidents and Assistant Vice-Presidents~~, whose appointment, dismissal and remuneration shall comply with Article 29 of the Company Act.	The article was amended to meet the practical needs of the Company's operation and to increase the flexibility of future titles.
Article 29	The 41st amendment was approved on June 22, 2020, the 42nd amendment was approved on June 24, 2022.	The 41st amendment was approved on June 22, 2020.	In line with this amendment.

[Attachments VII]

China Metal Products Co., Ltd. ("CMP")

Comparison Table for the Rules of Procedure for Meeting of Shareholders

Article	After Amendment	Before Amendment	Explanations
Article 3	The Company's notice of meeting shall clearly state the registration time, venue and other matters that requires attention of the shareholders, proxy solicitors and proxy agents (hereinafter referred to as shareholders). When the Company convenes a virtual Meeting of Shareholders, the method of shareholders' participation and exercise of rights, the manner of handling any impediment to participation on the video conference platform or by video due to force majeure, the date of any adjournment or renewal of the meeting and other matters to be noted shall be recorded; if a virtual Meeting of Shareholders is convened, the appropriate alternative measures for shareholders who have difficulty participating by video shall also be recorded. The registration time of the preceding paragraph shall allow at least thirty (30) minutes before commencing	The Company's notice of meeting shall clearly state the registration time, venue and other matters that requires attention of the shareholders. The registration time of the preceding paragraph shall allow at least thirty (30) minutes before commencing	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (hybrid) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 6, 9, 13 and added Article 6-1 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	the meeting. The venue of registration shall be clearly marked and aided by adequate number of competent personnel. For virtual Meeting of Shareholders, 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 Meeting of Shareholders in person. The Company shall furnish an attendance log for shareholders to sign-in, or an attendance card may be used in lieu of sign-ins. The total attendance of the Meeting of Shareholders shall be calculated based on the number of shares. The calculation of the number of shares present shall be based on the attendance register or sign-in cards and the shares checked in on the virtual meeting platform submitted by the shareholders and those shares whose votes are exercised by mail or electronically via the internet. When the Company	the meeting. The venue of registration shall be clearly marked and aided by adequate number of competent personnel. The Company shall furnish an attendance log for shareholders to sign-in, or an attendance card may be used in lieu of sign-ins. The total attendance of the Meeting of Shareholders shall be calculated based on the number of shares. The calculation of the number of shares present shall be based on the attendance register or sign-in cards submitted by the shareholders and those shares whose votes are exercised by mail or electronically via the internet.	

Article	After Amendment	Before Amendment	Explanations
	convenes a virtual Meeting of Shareholders, a shareholder wishes to attend the Meeting of Shareholders online, shall register with the Company two days before the meeting date. When the Company convenes a hybrid Meeting of Shareholders, if shareholders who have registered to attend the meeting online in accordance with the preceding paragraph decide to attend the physical Meeting of Shareholders in person, they shall revoke their registration two days before the Meeting of Shareholders in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the Meeting of Shareholders online.		
Article 4	(Paragraphs 1 and 2 omitted) When the company convenes a virtual-only Meeting of Shareholders, both the Chairperson and secretary shall be in the same domestic location , and the Chairperson shall declare the address of their location when the meeting is called to	(Paragraphs 1 and 2 omitted) (Addition)	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (auxiliary) means.

Article	After Amendment	Before Amendment	Explanations
	order.		The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which added the Article 20 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.
Article 5	The Chairperson shall call the meeting to order at the scheduled time, and announce information such as the number of shares with no voting right and shares present. Meeting may only be postponed, up to a maximum of two (2) times for an aggregate period of less than an hour, upon the number of shares represented by the shareholders present at the meeting has not constituted the quorum (equivalent to the majority of the total number of issued shares). Meeting shall be adjourned by the chairperson after two (2) postponements and the number of shares represented by the shareholders present at the	The Chairperson shall call the meeting to order at the scheduled time, and announce information such as the number of shares with no voting right and shares present. Meeting may only be postponed, up to a maximum of two (2) times for an aggregate period of less than an hour, upon the number of shares represented by the shareholders present at the meeting has not constituted the quorum (equivalent to the majority of the total number of issued shares). Meeting shall be adjourned by the Chairperson after two (2) postponements and the number of shares represented by the shareholders present	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (auxiliary) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 9 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	meeting has not constituted the quorum (equivalent to one third (1/3) of the total number of issued shares). <u>In the event of a virtual Meeting of Shareholders, the company shall also declare the meeting adjourned at the virtual meeting platform.</u> Where the quorum has not met after two (2) postponements as referred to in the preceding paragraph whilst the attending shareholders represented one third (1/3) 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 a subsequent meeting within one (1) month shall be convened<u>. In the event of a virtual Meeting of Shareholders, shareholders wishing to attend the meeting online shall re-register with the Company in compliance with Article 3.</u> If attending shareholders represented a majority of the total number of issued shares prior to concluding the	at the meeting has not constituted the quorum (equivalent to one third (1/3) of the total number of issued shares) Where the quorum has not met after two (2) postponements as referred to in the preceding paragraph whilst the attending shareholders represented one third (1/3) 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 a subsequent meeting within one (1) month shall be convened. If attending shareholders represented a majority of the	

Article	After Amendment	Before Amendment	Explanations
	subsequent meeting as prescribed in the preceding paragraph, the chairperson shall resubmit the tentative resolution for a vote pursuant to Article 174 of the Company Act.	total number of issued shares prior to concluding the subsequent meeting as prescribed in the preceding paragraph, the Chairperson shall resubmit the tentative resolution for a vote pursuant to Article 174 of the Company Act.	
Article 9	Any attending shareholders who wished to speak shall complete a speaker's slip detailing the a) summary of speech, b) shareholder account number (or attendance card number) and c) account name. The Chairperson shall decide on the sequence of shareholders' speeches. The attending shareholder who submitted a speaker's slip without delivering an actual speech shall be deemed to have not spoken. Where the contents of a shareholder's speech differed from the speaker's slip, the contents of the actual speech shall prevail. Unless otherwise permitted by the Chairperson and speaking shareholder, no shareholder shall interrupt the speaking shareholder and the Chairperson shall refrain	Any attending shareholders who wished to speak shall complete a speaker's slip detailing the a) summary of speech, b) shareholder account number (or attendance card number) and c) account name. The Chairperson shall decide on the sequence of shareholders' speeches. The attending shareholder who submitted a speaker's slip without delivering an actual speech shall be deemed to have not spoken. Where the contents of a shareholder's speech differed from the speaker's slip, the contents of the actual speech shall prevail. Unless otherwise permitted by the Chairperson and speaking shareholder, no shareholder shall interrupt the speaking shareholder and the Chairperson shall refrain	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (auxiliary) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 11 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	such violations. Where a virtual Meeting of Shareholders is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the Chairperson declaring the meeting open until the Chairperson 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, 2, 10 and 11 do not apply. As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.	such violations.	
Article 14	The Chairperson shall designate examiners and counters of the votes, where the vote examiners shall also be shareholders of the Company. The counting of the votes or ballots shall be conducted publicly at the meeting venue. The result of	The Chairperson shall designate examiners and counters of the votes, where the vote examiners shall also be shareholders of the Company. The counting of the votes or ballots shall be conducted publicly at the meeting venue. The result of	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video

Article	After Amendment	Before Amendment	Explanations
	votes or ballots shall be announced at the meeting and documented in detail (including the statistical tallies of the numbers of votes). When the Company convenes a virtual Meeting of Shareholders, after the Chairperson declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the Chairperson announces the voting session ends or will be deemed abstained from voting. In the event of a virtual Meeting of Shareholders, votes shall be counted at once after the Chairperson announces the voting session ends, and results of votes and elections shall be announced immediately. The election of directors at the Meeting of Shareholders, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected	votes or ballots shall be announced at the meeting and documented in detail (including the statistical tallies of the numbers of votes). The election of directors at the Meeting of Shareholders, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected	(auxiliary) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 13 and 16 and added Article 19 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	directors and the numbers of votes they obtained, as well as the list of unelected directors and the number of votes they received. <u>In the event of a virtual Meeting of Shareholders, the company shall disclose 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 5 minutes after the Chairperson has announced the meeting adjourned.</u>	directors and the numbers of votes they obtained, as well as the list of unelected directors and the number of votes they received.	
Article 16	Unless otherwise prescribed by the Company Act, resolutions shall be adopted with a majority of affirmative votes represented by the attending shareholders. At the time of a vote, for each motion, the Chairperson or the personnel designated by the Chairperson shall first announce the total number of voting rights represented by the attending shareholders, and the shareholders shall vote for the motions on a case-by-case basis. After the conclusion of the Meeting of	Unless otherwise prescribed by the Company Act, resolutions shall be adopted with a majority of affirmative votes represented by the attending shareholders. At the time of a vote, for each motion, the Chairperson or the personnel designated by the Chairperson shall first announce the total number of voting rights represented by the attending shareholders, and the shareholders shall vote for the motions on a case-by-case basis. After the conclusion of the Meeting of	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (auxiliary) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 13 under

Article	After Amendment	Before Amendment	Explanations
	Shareholders, on the same day it is held, the results for each motion, based on the numbers of votes for and against and the number of abstentions, shall be uploaded to Market Observation Post System. Where amendments or alternatives are proposed for the original motion, the Chairperson shall decide the sequence of voting for such motion. Once any version of the aforementioned motion is adopted, other versions shall be deemed vetoed and no further voting shall proceed. Shareholders who are exercising their voting rights in the written or electronic format shall be deemed to abstain from the extemporary motions and amendments to the original motions at that Meeting of Shareholders. When shareholders, attended the Meeting of Shareholders online, exercise voting rights by correspondence or electronic means and do not withdrawn the declaration of intent , they shall not exercise voting rights on the original proposals or make	Shareholders, on the same day it is held, the results for each motion, based on the numbers of votes for and against and the number of abstentions, shall be uploaded to Market Observation Post System. Where amendments or alternatives are proposed for the original motion, the Chairperson shall decide the sequence of voting for such motion. Once any version of the aforementioned motion is adopted, other versions shall be deemed vetoed and no further voting shall proceed. Shareholders who are exercising their voting rights in the written or electronic format shall be deemed to abstain from the extemporary motions and amendments to the original motions at that Meeting of Shareholders.	the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	any amendments to the original proposals or exercise voting rights on amendments to the original proposal, except for extraordinary motions.		
Article 17	The Company shall take continuously audio and video record for the entire processes of the shareholders' registration, meeting, voting and counting thereof. The aforementioned audio-visual recorded materials shall be retained for at least one (1) year. However, upon any litigation filed by a shareholder in compliance with Article 189 of the Company Act, the recorded material shall be preserved until the end of the litigation. Where a Meeting of Shareholders 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 take continuously audio and video record, without interruption, for the proceedings of the virtual meeting from beginning to	The Company shall take continuously audio and video record for the entire processes of the shareholders' registration, meeting, voting and counting thereof. The aforementioned ~~audio~~ recorded materials shall be retained for at least one (1) year. However, upon any litigation filed by a shareholder in compliance with Article 189 of the Company Act, the recorded material shall be preserved until the end of the litigation.	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (auxiliary) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the Article 8 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	end. 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. In case of a virtual Meeting of Shareholders, the company is advised to take audio and video record for the back-end operation interface of the virtual meeting platform.		
Article 18	Matters relating to the resolutions of the Meeting of Shareholders shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairperson and distributed to the shareholders after the meeting. The Company may distribute the meeting minutes through publicly announcement by uploading to the Market Observation Post System. The meeting minutes shall accurately record the year,	Matters relating to the resolutions of the Meeting of Shareholders shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairperson and distributed to the shareholders after the meeting. The Company may distribute the meeting minutes through publicly announcement by uploading to the Market Observation Post System. The meeting minutes shall accurately record the year,	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (hybrid) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which revised the

Article	After Amendment	Before Amendment	Explanations
	month, day, and venue of the meeting, the Chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the statistical weights), and shall disclose the number of votes received by each candidate for any Director election. The meeting minutes shall be retained for the duration of the existence of the Company. Where a virtual Meeting of Shareholders 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 Meeting of Shareholders, how the meeting is convened, the full name of Chairperson and secretary, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes, the appropriate	month, day, and venue of the meeting, the Chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the statistical weights), and shall disclose the number of votes received by each candidate for any Director election. The meeting minutes shall be retained for the duration of the existence of the Company.	Article 15 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	alternative measures for shareholders who have difficulty participating in virtual meeting shall also be recorded.		
Article 19	In the event of a virtual Meeting of Shareholders, 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. In the event of a virtual Meeting of Shareholders, when declaring the meeting open, the Chairperson shall also declare that, 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 Chairperson has	(Addition)	In compliance with the Company's Articles of Incorporation, the Company has added the provision that Meeting of Shareholders shall be held by video (hybrid) means. The Article was amended with reference to the Letter No. 11100042501 issued by TWSE, which added Article 21 and 22 under the template of the XXX Co., Ltd. Rules of Procedure for Meeting of Shareholders.

Article	After Amendment	Before Amendment	Explanations
	announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply. For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected Meeting of Shareholders online shall not attend the postponed or resumed session. For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected Meeting of Shareholders and have successfully signed in the meeting, but do not attend the postpone or resumed session at the affected Meeting of Shareholders, shall be counted towards the		

Article	After Amendment	Before Amendment	Explanations
	total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session. During a postponed or resumed session of the Meeting of Shareholders held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors. When the Company convenes a hybrid Meeting of Shareholders, 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 Meeting of Shareholders online, still meets the minimum legal requirement for a shareholder meeting, then the Meeting of Shareholders shall continue, and not postponement or resumption thereof under the second		

Article	After Amendment	Before Amendment	Explanations
	paragraph is required. Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that Meeting of Shareholders. 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 Meeting of Shareholders in compliance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies. For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations		

Article	After Amendment	Before Amendment	Explanations
	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 Meeting of Shareholders that is postponed or resumed under the second paragraph. When convening a virtual-only Meeting of Shareholders, the company shall provide appropriate alternative measures available to shareholders with difficulties in attending the virtual Meeting of Shareholders online.		
Article 20	Any matters not stipulated in the Rules shall conform to the Company Act, the Company's Articles of Incorporation and other law and regulations. The Rules shall be implemented after the approval by the Meeting of Shareholders and the same shall follow for any subsequent amendments.	Any matters not stipulated in the Rules shall conform to the Company Act, the Company's Articles of Incorporation and other law and regulations. The Rules shall be implemented after the approval by the Meeting of Shareholders and the same shall follow for any subsequent amendments.	In accordance with this addition, the article number is amended.

[Attachments VIII]

China Metal Products Co., Ltd. ("CMP")

Comparison Table for Procedures for Acquisition or Disposal of Assets

Article	After Amendment	Before Amendment	Explanations
Article 2	Source of law The Procedures are established pursuant to Article 36-1 of the Securities and Exchange Act, and the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies" issued on January 28, 2022 per Ruling No. 1110380465 by the Financial Supervisory Commission ("FSC").	Source of law The Procedures are established pursuant to Article 36-1 of the Securities and Exchange Act, and the "Regulations Governing the Acquisition or Disposal of Assets by Public Companies" issued on ~~November~~ ~~26~~, ~~2018~~ per Ruling No. ~~1070341072~~ by the Financial Supervisory Commission ("FSC").	The article was amended in compliance with Ruling No. 1110380465 by the Financial Supervisory Commission.
Article 6	For the appraisal reports obtained by the Company or opinions issued by the CPA, attorneys, or securities underwriter, the professional appraisers and their officers, CPA, attorneys, or securities underwriters should comply with the following regulations: I. Have never been in violation of the Securities and Exchange Act, the Company Act, the Insurance Act, the Financial Holding Company Act, and the Business Entity	For the appraisal reports obtained by the Company or opinions issued by the CPA, attorneys, or securities underwriter, the professional appraisers and their officers, CPA, attorneys, or securities underwriters should comply with the following regulations: I. Have never been in violation of the Securities and Exchange Act, the Company Act, the Insurance Act, the Financial Holding Company Act, and the Business Entity	The Article was amended in compliance with the amended Article 5 of the Ruling No. 1110380465 by the Financial Supervisory Commission.

Article	After Amendment	Before Amendment	Explanations
	Accounting Act, or have committed and found guilty of fraud, breach of trust, encroachment, forgery, or any other business crimes, with a confirmed sentence of one (1) year or more. However, exclusion applies to sentence served, probation expired, or pardon issued more than three (3) years ago; II. Shall not be a related party or an affiliated person of any party to a transaction; III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or substantive related parties of each other. When appraisal reports or opinion statements are requested, the following procedure should be followed by the aforementioned persons <u>in compliance to the self-regulatory rules of the industry associations to which</u>	Accounting Act, or have committed and found guilty of fraud, breach of trust, encroachment, forgery, or any other business crimes, with a confirmed sentence of one (1) year or more. However, exclusion applies to sentence served, probation expired, or pardon issued more than three (3) years ago; II. Shall not be a related party or an affiliated person of any party to a transaction; III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or substantive related parties of each other. When appraisal reports or opinion statements are requested, the following procedure should be followed by the aforementioned persons:	

Article	After Amendment	Before Amendment	Explanations
	they belong: I. Before accepting the engagement, the provider's own professional capability, experience, and independence should be thoroughly reviewed; II. When conducting the examination or assessments, a properly planned and executed operating procedure should be followed, this is to ensure the concluding appraisal reports or opinion statements are of a high standard. The operating procedure followed, information gathered, and subsequent conclusion should be recorded in the working papers in detail; III. In relation to the data used, its source, parameter, and information should be properly reviewed to ensure this is appropriate and rational, and serve as a basis for the appraisal report or opinion statements; IV. The representations	I. Before accepting the engagement, the provider's own professional capability, experience, and independence should be thoroughly reviewed; II. When ~~carrying out~~ the examination or assessments, a properly planned and executed operating procedure should be followed, this is to ensure the concluding appraisal reports or opinion statements are of a high standard. The operating procedure followed, information gathered, and subsequent conclusion should be recorded in the working papers in detail; III. In relation to the data used, its source, parameter, and information should be properly reviewed to ensure this is ~~complete, correct,~~ and rational, and serve as a basis for the appraisal report or opinion statements; IV. The representations	

Article	After Amendment	Before Amendment	Explanations
	should include the professionalism and independence of the provider; the information used was reviewed as to be <u>appropriate</u> and rational; and are compliant with all relevant law and regulations.	should include the professionalism and independence of the provider; the information used was reviewed as to be ~~correct~~ and rational; and are compliant with all relevant law and regulations.	
Article 7	Procedures for acquisition or disposal of real property, equipment and right-of-use assets I. Assessment and Operating Procedures (I) The acquisition or disposal of real property, equipment or right-of-use asset of the Company shall only proceed after the feasibility assessment conducted by the executing unit and approved by the Company’s approval authority. (II) The procedures for acquiring or disposing of real property, equipment and right-of-use asset shall comply with the procedures stipulated	Procedures for acquisition or disposal of real property, equipment and right-of-use assets I. Assessment and Operating Procedures (I) The acquisition or disposal of real property, equipment or right-of-use asset of the Company shall only proceed after the feasibility assessment conducted by the executing unit and approved by the Company’s approval authority. (II) The procedures for acquiring or disposing of real property, equipment and right-of-use asset shall comply with the procedures stipulated	The Article was amended in accordance with the renaming of the Company's internal control system and the amended Article 9 of the Ruling No. 1110380465 by the Financial Supervisory Commission.

Article	After Amendment	Before Amendment	Explanations
	in the <u>real property, plant and equipment</u> asset cycle of the Company's internal controls. II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits (omitted) III. Execution Unit (omitted) IV. Appraisal reports for real property, equipment or right-of-use asset Appraisal reports issued by professional appraisers before the date of occurrence is required for any acquisition or disposal of real property, equipment, or right-of-use asset amount which reached twenty percent (20%) and above the Company's paid-in capital or NTD 300 million and above, except for transacting with domestic government agencies, contracted construction using self-owned land, contracted construction on leased land, or the acquisition or disposal of	in the ~~fixed~~ assets cycle of the Company's internal controls. II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits (omitted) III. Execution Unit (omitted) IV. Appraisal reports for real property, equipment or right-of-use asset Appraisal reports issued by professional appraisers before the date of occurrence is required for any acquisition or disposal of real property, equipment, or right-of-use asset amount which reached twenty percent (20%) and above the Company's paid-in capital or NTD 300 million and above, except for transacting with domestic government agencies, contracted construction using self-owned land, contracted construction on leased land, or the acquisition or disposal of	

Article	After Amendment	Before Amendment	Explanations
	equipment or right-of-use asset for business purposes. The following conditions shall also be met: (I) The transaction should be submitted to the BOD for resolution if a limited pricing, specific pricing or special pricing was used as a basis for the decision. Subsequent changes in transaction terms and conditions shall comply with the same procedures (II) Two or more professional appraisers should be used for transaction amount of NTD 1 billion and above. (III) Where any one of the following circumstances applies regarding the professional appraiser's appraisal results, unless all appraisal results for the assets to be acquired are higher than the transaction	equipment or right-of-use asset for business purposes. The following conditions shall also be met: (I) The transaction should be submitted to the BOD for resolution if a limited pricing, specific pricing or special pricing was used as a basis for the decision. Subsequent changes in transaction terms and conditions shall comply with the same procedures (II) Two or more professional appraisers should be used for transaction amount of NTD 1 billion and above. (III) Where any one of the following circumstances applies regarding the professional appraiser's appraisal results, unless all appraisal results for the assets to be acquired are higher than the transaction	

Article	After Amendment	Before Amendment	Explanations
	amount, or that all appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal and express an opinion regarding the reason for the discrepancy and the reasonability of the transaction amount: 1. The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) and above the transaction amount; or 2. The discrepancy	amount, or that all appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal ~~in accordance with the Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (hereinafter referred to as "ARDF")~~ and express an opinion regarding the reason for the discrepancy and the reasonability of the transaction amount: 1. The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) and above the transaction amount; or 2. The discrepancy	

Article	After Amendment	Before Amendment	Explanations
	between the appraisal results of two or more professional appraisers is ten percent (10%) and above the transaction amount. (IV) No more than three (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 six (6) months have elapsed, an opinion may still be issued by the original professional appraiser.	between the appraisal results of two or more professional appraisers is ten percent (10%) and above the transaction amount. (IV) No more than three (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 six (6) months have elapsed, an opinion may still be issued by the original professional appraiser.	
Article 11	Procedures for related party transactions (Paragraph 1 omitted) II. Assessment and Operating Procedures The Audit Committee approval and BOD resolution of the	Procedures for related party transactions (Paragraph 1 omitted) II. Assessment and Operating Procedures The Audit Committee approval and BOD resolution of the	To streamline the content of the Article, the Article was amended in compliance with the amended Article 15 of the Ruling No. 1110380465 by the

Article	After Amendment	Before Amendment	Explanations
	following documents shall be obtained before contract signing and payment on any real property or right-of-use asset acquired or disposed by the Company from a related party, or non-real property or right-of-use assets with transaction amounts reached twenty percent (20%) and above the Company's paid-in capital or ten percent (10%) and above the total assets, or NTD 300 million and above. However, the aforementioned procedures do not apply to the trading of domestic government bonds, bonds under repurchase or resale agreements, subscription or redemption of money market funds issued by domestic securities investment trust enterprises: (I) The purpose, necessity and estimated benefits from acquiring or disposing of assets;	following documents shall be obtained before contract signing and payment on any real property or right-of-use asset acquired or disposed by the Company from a related party, or non-real property or right-of-use assets with transaction amounts reached twenty percent (20%) and above the Company's paid-in capital or ten percent (10%) and above the total assets, or NTD 300 million and above. However, the aforementioned procedures do not apply to the trading of domestic government bonds, bonds under repurchase or resale agreements, subscription or redemption of money market funds issued by domestic securities investment trust enterprises: (I) The purpose, necessity and estimated benefits from acquiring or disposing of assets;	Financial Supervisory Commission.

Article	After Amendment	Before Amendment	Explanations
	(II) Reasons for transacting with a related party; (III) The transaction terms and conditions reasonability assessment in compliance with Article 11 Par. III(i) and III(iv) when acquiring real property or right-of-use asset from a related party; (IV) The date, price, and counterparty of the original acquisition by the related party, and the counterparty's relationships with the Company and the related party; (V) Projected monthly cash flow for the next twelve (12) months commencing from the month of contract signing, and the assessment of the necessity of transaction and the reasonability fund utilization; (VI) Appraisal report from the professional	(II) Reasons for transacting with a related party; (III) The transaction terms and conditions reasonability assessment in compliance with Article 11 Par. III(i) and III(iv) when acquiring real property or right-of-use asset from a related party; (IV) The date, price, and counterparty of the original acquisition by the related party, and the counterparty's relationships with the Company and the related party; (V) Projected monthly cash flow for the next twelve (12) months commencing from the month of contract signing, and the assessment of the necessity of transaction and the reasonability fund utilization; (VI) Appraisal report from the professional	

Article	After Amendment	Before Amendment	Explanations
	appraiser or CPA's opinion stipulated in the preceding paragraph above; and (VII) Any restrictions and significant matters agreed for this transaction. If the Company or a subsidiary thereof that is not a domestic public company have a transaction set out in paragraph 1 and the transaction amount will reach ten percent(10%) or more of the Company's total assets, the Company shall submit the materials in the preceding paragraph to the Meeting of Shareholders for approval before the transaction contract may be entered into and any payment made. However, this restriction does not apply to transactions between the Company and subsidiaries or between its subsidiaries. The calculation of transaction amount in the paragraph 1 and	appraiser or CPA's opinion stipulated in the preceding paragraph above; and (VII) Any restrictions and significant matters agreed for this transaction. (Addition) The calculation of transaction amount in the preceding ~~paragraph~~ shall be performed	

Article	After Amendment	Before Amendment	Explanations
	preceding <u>paragraph</u> shall be performed according to Article 14 Par. I (viii). The term “within twelve (12) months” refers to the period between twelve (12) months prior to the date of occurrence and the date of occurrence. However, the amount approved by the Audit Committee and BOD <u>and the Meeting of Shareholders</u> shall be excluded from the above calculation. The BOD may authorize the Chairperson to approve the following transactions between the Company and its subsidiaries, or between wholly owned subsidiaries (directly or indirectly holds 100% of the issued shares or total capital), within a certain amount in compliance with Article 7 Par. II before submitting it to the forthcoming BOD meeting for subsequent ratification: 1. For transaction involving acquiring	according to Article 14 Par. I (viii). The term “within twelve (12) months” refers to the period between twelve (12) months prior to the date of occurrence and the date of occurrence. However, the amount approved by the Audit Committee and BOD shall be excluded from the above calculation The BOD may authorize the Chairperson to approve the following transactions between the Company and its subsidiaries, or between wholly owned subsidiaries (directly or indirectly holds 100% of the issued shares or total capital), within a certain amount in compliance with Article 7 Par. II before submitting it to the forthcoming BOD meeting for subsequent ratification: 1. For transaction involving acquiring or disposing equipment or right-	

Article	After Amendment	Before Amendment	Explanations
	or disposing equipment or right-of-use assets for business purposes. 2. For transaction involving acquiring or disposing right-of-use real property for business purposes. III. Transaction Cost Reasonability Assessment ((i) to (iv) omitted) (V) If the assessed value for the real property or right-of-use asset acquired from related parties according to Article 11 Par. III(i), III(ii) and III(iv) are all lower than the transaction price, the following procedures shall be conducted: 1. Provide for a special reserve in compliance with Article 41 Par. I of the Securities and Exchange Act with an amount equivalent to the difference between the real property's transaction price and the assessed value	of-use assets for business purposes. 2. For transaction involving acquiring or disposing right-of-use real property for business purposes. III. Transaction Cost Reasonability Assessment ((i) to (iv) omitted) (V) If the assessed value for the real property or right-of-use asset acquired from related parties according to Article 11 Par. III(i), III(ii) and III(iv) are all lower than the transaction price, the following procedures shall be conducted: 1. Provide for a special reserve in compliance with Article 41 Par. I of the Securities and Exchange Act with an amount equivalent to the difference between the real property's transaction price and the assessed value and may not be distributed (in cash	

Article	After Amendment	Before Amendment	Explanations
	and may not be distributed (in cash or by means of stock dividend) or be capitalized. A special reserve shall also be provided by the Company based on the shareholding percentage as prescribed in Article 41 Par. I of the Securities and Exchange Act when the Company invests in a public company that is accounted for using the equity method; 2. The Independent Directors of the Audit Committee shall comply with Article 218 of the Company Act; and 3. Actions taken in two preceding paragraphs shall be reported at the Meeting of Shareholders and detail disclosure in the Company's annual reports and prospectuses. The aforementioned	or by means of stock dividend) or be capitalized. A special reserve shall also be provided by the Company based on the shareholding percentage as prescribed in Article 41 Par. I of the Securities and Exchange Act ~~in addition to the aforementioned special reserve~~ when the Company invests in a public company that is accounted for using the equity method; 2. The Independent Directors of the Audit Committee shall comply with Article 218 of the Company Act; and 3. Actions taken in two preceding paragraphs shall be reported at the Meeting of Shareholders and detail disclosure in the Company's annual reports and prospectuses. The aforementioned	

Article	After Amendment	Before Amendment	Explanations
	special reserve may only be utilized upon FSC approval and that either: all assets purchased or leased at a higher cost than market value (a) have recognized impairment losses, (b) have been disposed or lease terminated, (c) have been appropriately indemnified, or (d) have been restored; or that any evidence indicating the non-existence of any unreasonable circumstances. ((vi) to (vii) omitted)	special reserve may only be utilized upon FSC approval and that either: all assets purchased or leased at a higher cost than market value (a) have recognized impairment losses, (b) have been disposed or lease terminated, (c) have been appropriately indemnified, or (d) have been restored; or that any evidence indicating the non-existence of any unreasonable circumstances. ((vi) to (vii) omitted)	
Article 14	Public disclosure of information I. Disclosable Items and Standards for Public Disclosures: ((i) to (vi) omitted) (VII) In addition to the provisions of the preceding six (6) paragraphs, any asset transactions, disposal of claims of financial institutions or investment in the Mainland China that reached twenty percent (20%) and above the Company's	Public disclosure of information I. Disclosable Items and Standards for Public Disclosures: ((i) to (vi) omitted) (VII) In addition to the provisions of the preceding six (6) paragraphs, any asset transactions, disposal of claims of financial institutions or investment in the Mainland China that reached twenty percent (20%) and above the Company's	The article was amended in compliance with amended Article 31 of Ruling No. 1110380465 by the Financial Supervisory Article Commission.

Article	After Amendment	Before Amendment	Explanations
	paid-in capital or NTD 300 million and above. However, the following circumstances are excluded: 1. Trading of domestic government bonds or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan. 2. Investment-oriented trading of securities at the stock exchange markets or OTC; or subscription of foreign government bonds or ordinary corporate bonds and general financial bonds without equity characteristics (excluding subordinated debt), or subscribe or redeem securities investment trust fund or futures trust fund, in the primary market; subscription or redemption of exchange traded notes; or securities subscribed for the	paid-in capital or NTD 300 million and above. However, the following circumstances are excluded: 1. Domestic government bonds trading; 2. Investment-oriented trading of securities at the stock exchange markets or OTC; or ordinary corporate bonds and general financial bonds without equity characteristics (excluding subordinated debt), or subscribe or redeem securities investment trust fund or futures trust fund, in the primary market; or securities subscribed for the underwriting business in compliance with the provisions of the Taipei Exchange by	

Article	After Amendment	Before Amendment	Explanations
	underwriting business in compliance with the provisions of the Taipei Exchange by security dealers acting as an advisory recommending securities firm for an emerging stock company; and 3. Trading bonds under repurchase and resale agreements or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. ((viii) omitted) II. Filing Timeline for Public Disclosures (omitted) III. Public Disclosure Procedures (omitted)	security dealers acting as an advisory recommending securities firm for an emerging stock company; and 3. Trading bonds under repurchase and resale agreements or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. ((viii) omitted) II. Filing Timeline for Public Disclosures (omitted) III. Public Disclosure Procedures(omitted)	

[Appendix I]

China Metal Products Co., Ltd. ("CMP")

Code of Practice for Corporate Social Responsibility

Chapter 1 General Provisions

Article 1

China Metal Products Co., Ltd. (hereinafter referred to as the Company), in order to fulfill its corporate social responsibility and to promote economic, environmental and social progress in order to achieve the goal of sustainable development, the Company has established this Code of Practice with reference to the "Corporate Social Responsibility Best Practice Principles for TWSE/TPEx Listed Companies" jointly established by the Taiwan Stock Exchange Corporation (hereinafter referred to as TWSE) and the Taipei Exchange (hereinafter referred to as TPEx) to manage the Company's economic, environmental and social risks and impacts.

Article 2

These Principles shall apply to the operations of the Company and subsidiaries.

For following the international development trends, the Company shall actively fulfill its corporate social responsibility during business operations to contribute to the economic development of the country, to improve the quality of life of employees, the community, and society by acting as responsible corporate citizens for enhancing competitive edges based on corporate social responsibility.

Article 3

In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.

The Company shall follow the principle of materiality to conduct risk assessments on environmental, social, and corporate governance issues related to the operation and establish relevant policy or strategies on risk management.

Article 4

To implement corporate social responsibility initiatives, the Company shall follow the following principles:

I. Implement corporate governance

II. Develop sustainable environment

III. Maintain public welfare

IV. Strengthen Corporate Social Responsibility Information Disclosure

Article 5

The Company shall take into consideration the correlation between the development of domestic and international corporate social responsibility principles and corporate core business operations, and the effect of the operation of individual companies and of their respective business groups as a whole on stakeholders, in establishing their policies, systems or relevant management guidelines, and concrete promotion plans for corporate social responsibility programs, which shall be approved by the board of directors and then reported to the Meeting of Shareholders.

When a shareholder proposes a motion involving corporate social responsibility, the Company's Board of Directors is advised to review and consider including it in the Meeting of Shareholders agenda.

Chapter 2 Implement Corporate Governance

Article 6

The Company shall comply with the "Sustainable Development Best Practice Principles for TWSE/TPEx Listed Companies," the "Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies," and the "Code of Ethical Conduct for TWSE/TPEx Listed Companies" to establish effective corporate governance frameworks and relevant ethical standards for enhancing corporate governance.

Article 7

The Company shall exercise the due care of good administrators to urge the Company to perform its corporate social responsibility initiatives, examine the results of the implementation thereof from time to time and continually make adjustments so as to ensure the thorough implementation of its corporate social responsibility policies.

The Board of Directors of the Company is advised to give full consideration to the interests of stakeholders, including the following matters, in the Company's performance of its corporate social responsibility initiatives:

I. Identifying the Company's corporate social responsibility mission or vision, and declaring its corporate social responsibility policy, systems or relevant management guidelines;
II. Making corporate social responsibility the guiding principle of the Company's operations and development, and ratifying concrete promotional plans for corporate social responsibility initiatives; and
III. Enhancing the timeliness and accuracy of the disclosure of corporate social responsibility information.

The Company’s managerial officers with executive-level positions are authorized by the Board of Directors to be responsible for economic, environmental, and social issues resulting from the operating activities of the Company, and report how these issues are handled to the Board of Directors. The handling procedures and who shall be in charge of each relevant issue shall be concrete and clear.

Article 8

The Company shall, on a regular basis, organize education and training on the implementation of corporate social responsibility initiatives, including promotion of the matters prescribed in paragraph 2 of the preceding article.

Article 9

For the purpose of managing corporate social responsibility initiatives, the Company shall establish an exclusively (or concurrently) dedicated unit to be in charge of proposing and enforcing the corporate social responsibility policies, systems, or relevant management guidelines, and concrete promotional plans and to report on the same to the board of directors on a periodic basis.

The Company shall formulate reasonable remuneration policy to ensure that remuneration plans can be in line with the organizational strategic goals and stakeholders' interests.

The employee performance assessment system shall be integrated with its corporate social responsibility development, and the Company shall establish an effective reward and disciplinary system.

Article 10

Based on respect for the rights and interests of stakeholders, the Company shall identify all the stakeholders of the Company, and establish a designated section for stakeholders on the company website. The Company shall understand the reasonable expectations and demands of stakeholders through proper communication with them, and adequately respond to the important corporate social responsibility development issues which they are concerned about.

Chapter 3 Develop Sustainable Environment

Article 11

The Company shall follow relevant environmental laws, regulations, and relevant international standards to properly protect the environment and shall commit to promoting a sustainable environment in business operations and internal management.

Article 12

The Company shall commit to improving resource efficiency and to the use of renewable materials with low environmental impact to promote the sustainability of natural resources.

Article 13

The Company shall establish proper environmental management systems based on the characteristics of the industry. Such systems shall include the following items:

I. To collect sufficient and up-to-date information to evaluate the impact of the Company's business operations on the natural environment.

II. To establish measurable goals for environmental sustainability, and conduct reviews periodically on the continuity and relevance of its development.
III. To adopt enforcement measures such as concrete plans or action and examine the results of their operation on a regular basis.

Article 14

The Company shall set up an environmental management unit or personnel to establish, execute, maintain the environmental management system, and action plans. This unit or personnel will also be responsible for organizing environmental education courses for management and employees.

Article 15

The Company shall consider the impact of its operation on the ecology and promote concepts of sustainable consumption. The Company shall also conduct research and development, procurement, production, operations, services, and other activities based on the following principles to reduce the impact of its operations on the natural environment and humans:

I. To reduce resource and energy consumption of their products and services.
II. To reduce the emissions of pollutants, toxins, and waste, and dispose of waste properly.
III. To improve recyclability and reusability of raw materials or products.
IV. To maximize the sustainability of renewable resources.
V. To enhance the durability of products.
VI. To improve efficiency of products and services.

Article 16

To improve water use efficiency, TWSE/GTSM listed companies shall properly and sustainably use water resources and establish relevant management measures.

The Company shall construct and improve its environmental protection treatment facilities to avoid polluting water, air, and land and exert its best efforts to reduce the adverse impact on human health and the environment by adopting the best practical pollution prevention and control measures.

Article 17

The Company shall assess the current and future potential risks and opportunities that climate change may present to enterprises and adopt climate related measures.

The Company shall adopt standards or guidelines generally used in Taiwan and abroad to enforce corporate greenhouse gas inventory and to make disclosures thereof, the scope of which shall include the following:

I. Direct greenhouse gas emissions: emissions from operations that are owned or controlled by the company.

II. Indirect greenhouse gas emissions: emissions resulting from the generation of externally purchased or acquired electricity, heating, or steam.

The Company shall compile statistics on greenhouse gas emissions, volume of water consumption and total weight of waste and to establish policies for energy conservation, carbon and greenhouse gas reduction, reduction of water consumption or management of other wastes. The companies' carbon reduction strategies should include acquiring carbon credits and be promoted accordingly to minimize the impact of their business operations on climate change.

Chapter 4 Maintain Public Welfare

Article 18

The Company shall comply with relevant laws and regulations, and the International Bill of Human Rights, such as gender equality, the right to work, and prohibition of discrimination.

The Company, to fulfill its responsibility to protect human rights, shall adopt relevant management policies and processes, including:

I. Presenting a corporate policy or statement on human rights.

II. Evaluating the impact of the company's business operations and internal management on human rights, and adopting corresponding handing processes.

III. Reviewing on a regular basis the effectiveness of the corporate policy or statement on human rights.

IV. In the event of any infringement of human rights, the Company shall disclose the processes for handling of the matter with respect to the stakeholders involved.

The Company shall comply with the internationally recognized human rights of labor, including the freedom of association, the right of collective bargaining, caring for vulnerable groups, prohibiting the use of child labor, eliminating all forms of forced labor, eliminating recruitment and employment discrimination, and shall ensure that its human resource policy do not contain differential treatments based on gender, race, socioeconomic status, age, or marital and family status, to achieve equality and fairness in employment, hiring conditions, remuneration, benefits, training, evaluation, and promotion opportunities.

The Company shall provide an effective and appropriate grievance mechanism for matters adversely impacting the rights and interests of the labor force to ensure equality and transparency of the grievance process. The grievance channel shall be clear, accessible, and unobstructed. The Company shall respond to any employee's grievance in an appropriate manner.

Article 19

The Company shall provide employees information, for they can fully understand the labor laws of the Company’s operating country and the rights they are entitled to.

Article 20

The Company shall provide employees with a safe and healthy work environment, including necessary

health and first-aid facilities, and shall endeavor to reduce risk factors that endanger employees' safety and health for occupational hazard prevention.
The Company shall organize training on safety and health for employees on a regular basis.

Article 21

The Company shall create a good environment for employees' career development, and establish effective career development training plans.
The Company shall formulate and implement reasonable employee benefit measures (including remuneration, paid time off, and other benefits) and appropriately distribute operating performance or results as employee's compensation to secure the recruitment, retention, and motivation of employees and achieve the objective of sustainable operations.

Article 22

The Company shall establish a regular channel between the employee and the management so that the employees may receive information and express opinions on the Company's operations, management, and decisions.
The Company shall respect the employee representatives' rights to bargain for the working conditions, and shall provide the employees with the necessary information and physical equipment to improve the negotiation and cooperation among employers, employees, and employee representatives.
The Company shall inform employees of any significant changes in operations that may have material impacts in a reasonable manner.

Article 23

The Company shall take responsibility for their products and services, and take marketing ethics seriously. The Company shall ensure the transparency and safety of information in the course of research and development, procurement, production, operation, and service procedures. The Company shall establish and make public its consumer rights policy, and also implement this policy in the business operations for preventing its products or services from infringing the rights and interests, health and safety of consumers.

Article 24

The Company shall ensure its products and service quality based on government regulations and industry-related specifications.
The Company shall comply with the applicable laws and international standards to protect customers' health, safety, and privacy, and ensure the marketing activities and product or service labels are compliant without any deceiving, misleading, fraudulent representation, or any conduct, which may destroy the consumer's trust, or impair the consumers' rights.

Article 25

The Company shall evaluate and manage all types of risks that may cause interruptions in its operations to reduce the impact on consumers and society.

The Company shall establish a transparent and effective consumer complaint procedure to manage consumer complaints in a fair and timely manner. The Company shall also comply with the Personal Information Protection Act and related laws and regulations for respecting consumers' rights of privacy and protecting personal data provided by consumers.

Article 26

The Company shall assess the environmental and social impact of its procurement practices on the communities from which it supplies, and shall collaborate with its suppliers to achieve corporate social responsibility.

The Company shall formulate supplier management policy that require suppliers to follow relevant regulations on issues such as environmental protection, occupational safety, health, or labor rights. Prior to business dealings, the Company shall assess whether its suppliers have any records of impacting the environment and society and shall avoid transactions with enterprises whose corporate social responsibility policy are in conflict with those of the Company's.

When the Company enters into a contract with its major supplier, the content shall include terms stipulating mutual compliance with the corporate social responsibility policy and specify that the contract may be terminated or rescinded any time if the supplier has violated such policy and has caused significant negative impacts on the environment and society of the community of the supply source.

Article 27

The Company shall evaluate the impact of its business operations on the community, and hire local employees for business operations to enhance local community acceptance.

The Company shall participate in events held by civic organizations, charities, and local government agencies relating to community development and community education to promote community development through commercial activities, in-kind donations, volunteering service or other charitable professional services, etc.

Chapter 5 Strengthen Corporate Social Responsibility Information Disclosure

Article 28

The Company shall disclose information according to relevant laws and regulations and TWSE/TPEx Corporate Governance Best-Practice Principles, and shall fully disclose relevant and reliable information relating to its corporate social responsibility to improve information transparency.

The Company shall disclose the following information related to corporate social responsibility development:

I. Any corporate social responsibility policy, system or relevant management guidelines, and concrete implementation plans as resolved by the Company.
II. Risks and the impacts on the Company's operations and financial performance arising from the implementation of corporate governance, sustainable environment development, public welfare maintenance.
III. Goals, measures, and implementation performance of the corporate social responsibility established by the Company.
IV. Major stakeholders and the issues they are concerned about.
V. Disclosure on the management approach and performance of key suppliers for major environmental and social issues.
VI. Other information relating to corporate social responsibility.

Article 29

The Company shall adopt widely recognized international standards or guidelines when producing a corporate social responsibility report to disclose the status of its implementation of the corporate social responsibility policy to enhance the reliability of the information in the report. The reports shall include:

I. Any corporate social responsibility policy, system or relevant management guidelines, and concrete implementation plans.
II. Major stakeholders and the issues they are concerned about.
III. Results and reports on the implementation of corporate governance, sustainable environment development, public welfare maintenance, and economic development promotion.
IV. Future improvements and goals.

Chapter 6 Supplementary Provisions

Article 30

The Company shall continuously follow the development of the corporate social responsibility standards in Taiwan and abroad and the changes in the business environment to examine and enhance the corporate social responsibility framework it has established to obtain better results from the implementation of the corporate social responsibility policy.

Article 31

The Principles shall be implemented after the approval by the Board of Directors and the same shall follow for any subsequent amendments.

Article 32

This Code was adopted on May 10, 2016.

The first amendment of this Code was adopted on March 30, 2020.

[Appendix II]

China Metal Products Co., Ltd. ("CMP")

Articles of Incorporation

Chapter 1 General Provisions

Article 1 The Company shall be incorporated, as a company limited by shares, under the Company Act of the Republic of China, and its name shall be 勤美股份有限公司 in the Chinese language. And its English name is "China Metal Products Co., Ltd."

Article 2 The Company's scope of business is as follows:

(1) CA01010 Iron and Steel Smelt
(2) CA01030 Iron and Steel Casting
(3) CA01050 Steel Secondary processing
(4) CA01090 Aluminum Casting
(5) CA01100 Aluminum Rolling, Drawing and Extruding
(6) CA01120 Copper Casting
(7) CA01130 Copper Rolling, Drawing and Extruding
(8) CB01990 Other Machinery Manufacturing
(9) F106010 Wholesale of Hardware
(10) F108031 Wholesale of Medical Devices
(11) F110020 Wholesale of Glasses
(12) F111090 Wholesale of Building Materials
(13) F119010 Wholesale of Electronic Materials
(14) F199990 Other Wholesale Trade
(15) F206010 Retail Sale of Hardware
(16) F208031 Retail Sale of Medical Apparatus
(17) F208050 Retail Over-the-counter drugs class B
(18) F210020 Retail Sale of Glasses
(19) F211010 Retail Sale of Building Materials
(20) F219010 Retail Sale of Electronic Materials
(21) F299990 Retail Sale of Other Products
(22) F399040 Retail Sale No Storefront
(23) H701010 Housing and Building Development and Rental
(24) H701020 Industrial Factory Development and Rental
(25) HZ02010 Financial Institution Creditor's Right (Money) Purchase Business
(26) ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company may provide endorsements and guarantees and act as a guarantor.

Article 4 The Company may invest in other companies as a shareholder with limited liabilities and all investment affairs shall subject to the resolution of the Board of Directors (“BOD”). The total amount of the Company’s investment in other companies may exceed forty percent (40%) of the Company’s paid-in capital

Article 5 The Company is headquartered in Taipei City and may establish domestic or overseas branches according to BOD resolutions when necessary

Article 6 Any public announcements of the Company shall be made in compliance with Article 28 of the Company Act.

Chapter 2 Capital and Shares

Article 7 The authorized capital of the Company is NTD 5 billion, divided into 500 million shares with a par value of NTD 10 per share. The shares may be issued in installments. The Company hereby authorizes the BOD to issue the unissued shares as needed upon the BOD’s resolution

Article 8 The Company may issue shares without printing share certificate (s) but shall register with the security depository and clearance institution (Taiwan Depository & Clearing Corporation, “TDCC”). The Company shall comply with the provisions of the Company Act and other related law and regulations when deciding to print share certificates for shares issued

Article 9 Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of the Annual Meeting of Shareholders, and thirty (30) days immediately before the date of any extraordinary Meeting of Shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Article 10 Upon transferring shares, the transferor and the transferee shall jointly sign or seal and submit an application to the Company or its share registrar agent for registration of title transfer. The Company may consider that the rights of the shares still rests with the original shareholder prior to the completion of the aforementioned registration of title transfer. When the share is pledged or unpledged, the pledger and the pledgee shall jointly issue an application, sign and seal it, and send it to our company or our stock affairs agency for registration of pledge or unpledged. The pledgee shall not against the Company before the pledge is made according to the aforesaid procedure.

Chapter 3 Meeting of Shareholders

Article 11 There are two types of Meeting of Shareholders: annual general Meeting of Shareholders (hereinafter referred to as “AGM”) and extraordinary Meeting of Shareholders. The annual general Meeting of Shareholders is convened once per year within six (6) months after the closing of the fiscal year. Extraordinary Meeting of Shareholders may be convened in compliance with applicable law and regulations when necessary.

Article 12 The shareholder may appoint a proxy to attend the Meeting of Shareholders by presenting a proxy form specifying the scope of proxy. The proxy attendance shall be conducted according to Article 177 of the Company Act and other related regulations.

Article 13 Deleted

Article 14 Each shareholder of the Company is entitled to one vote per share. However, the voting right is nullified upon situations stipulated in Article 179 of the Company Act.

Article 15 The Chairperson of BOD shall preside at the Meeting of Shareholders and may delegate to one of the Directors during his/her absence. The Directors may elect one among themselves to preside at if the Chairperson of the BOD fails to delegate. For meetings convened by a convening authority other than the BOD, the convener (or with two or more conveners, one shall be elected among themselves) shall preside at the meeting.

Article 16 Unless otherwise required by other law or regulations of a higher attendance and voting weight or more stringent resolution terms, a resolution of the Meeting of Shareholders shall be adopted by the consent of a majority (over 50%) of votes represented by the attending shareholders, in person or by proxy, by shareholders who constituted a majority (over 50%) of the total issued shares.

Chapter 4 Directors and Functional Committees

Article 17 The Company has established nine (9) Director seats with a three-year term; a nomination system is adopted. The Directors are elected at the Meeting of Shareholders among those with legal capacity and eligible for re-election. The aggregate shareholding percentages of the entire bodies of Directors shall comply with the regulations prescribed by the competent securities authorities. The above Director seats shall be taken by at least three (3) Independent Directors who shall constitute no less than one-fifth (1/5) of the total number of Directors. The Independent Directors shall be selected and appointed from the list of candidates at the Meeting of Shareholders. The professional qualifications, shareholding, part-time restrictions, nomination and selection methods of Independent Directors and other matters shall comply with the relevant provisions prescribed by the competent securities authorities.

Article 17-1 The Company hereby authorizes the BOD to determine the remuneration for the Chairperson and the Directors after taking the extent and value of the services contributed to the management of the Company as well as the standards of the industry into consideration.

Article 17-2 The Company shall establish an Audit Committee in compliance with Article 14-4 of the Securities and Exchange Act that consists of all Independent Directors. The roles and responsibilities of the Audit Committee and its members and related matters shall comply with the decrees of the competent authorities and the provisions of the Company's rules and regulations.

Article 18 The Directors of the Company constitutes the BOD. The Chairperson and the Vice Chairperson of the BOD are elected by a majority of the attending Directors with a quorum of two-thirds (2/3) of all Directors. The Chairperson shall have the authority to represent the Company. The BOD may establish various functional committees whereas the BOD shall define the members' qualifications, roles and responsibilities, and related matters in compliance with the associated law and regulations.

Article 19 The BOD and the Audit Committee shall hold a meeting every quarter. The meeting convening notice and agenda shall be delivered to each Director no later than seven (7) days prior to the scheduled meeting date. However, in cases of emergency, the meeting may be convened at any time. The BOD convening notice may be delivered to each Director in writing, by E-mail or by facsimile.

Article 20 When the Chairperson has taken leave or could not exercise his/her authorities, the delegation of his/her roles and responsibilities shall comply with Article 208 of the Company Act. A Director may, during his/her absence, delegate another Director by a written authorization to attend the BOD meeting on his/her behalf and to vote for all matters presented at such meeting. However, one (1) Director may not act as a proxy for more than one (1) Director at the same meeting. In addition, any Directors attending the BOD meeting via video conference is deemed to participate the meeting in person.

Article 21 A resolution of the BOD meeting shall be adopted by the consent of a majority (over 50%) of votes represented by the attending Directors, in person or by proxy, by Directors who constituted a majority (over 50%) of the BOD. Unless otherwise required by other law or regulations of a higher attendance and voting weight or more stringent resolution terms.

Article 22 The roles and responsibilities of the BOD:

(1) Establishment and dissolution of the branch offices;

(2) Compilation of the organizational regulations and major operating regulations for the Company;

(3) Appointment and dismissal of the certified public accountant;

(4) Proposal of the acquisition and disposal of the Company’s valuable assets;

(5) Endorse, guarantee and accept in the name of the Company;

(6) Appointment and dismissal of the managerial personnel;

(7) Compilation and resolution of any external investments;
(8) Proposal and discussion on the amendments to the Articles of Incorporation;
(9) Review and approve the business report and financial statements, including reviewing the annual business plans;
(10) Proposal to increase or decrease the Company's capital;
(11) Proposal of the earnings distribution or loss offsetting;
(12) Proposal of major contracts with external parties;
(13) Convene the Meeting of Shareholders;
(14) Proposal to capitalize with the Company's dividend, bonus or reserves; and
(15) Any other roles and responsibilities as prescribed by Article 202 of the Company Act.

Article 23 Deleted

Article 24 The Company may purchase liability insurance for Directors during their term of office for the legal liability which they shall bear in respect of the scope of their Directorship.

Chapter 5 Managers

Article 25 The Company may appoint one President, several senior Vice-Presidents and Assistant Vice-Presidents, whose appointment, dismissal and remuneration shall comply with Article 29 of the Company Act.

Chapter 6 Accounting

Article 26 At the end of each fiscal year, the following reports shall be compiled by the BOD and submit to the Meeting of Shareholders for acknowledgement:
(1) Business Reports;
(2) Financial Statements; and
(3) Proposed earnings distribution or loss off-setting.

Article 27 The annual earnings of the Company shall be first appropriated to pay taxes and offset accumulated losses The surplus earnings with the net profit after tax for the period and other profits are allocate ten percent (10%) to the legal reserve (not applicable where accumulated legal reserve has reached the amount required by law and regulations) and a special reserve in accordance with the Company's operating needs and pursuant to the applicable law and regulations. Any retained earnings available for distribution together with the accumulated undistributed retained earnings may be proposed by the BOD to appropriate and be resolve at the Meeting of Shareholders. Proposed earnings distribution either in the form of dividend or bonus, or in the form of cash as with normal practice, the BOD is authorized to determine by a majority (over 50%) of the attending Directors with a quorum of two-thirds (2/3) of all Directors, and report to the Meeting of Shareholders.

The Company is currently at a developing stage with steady profit and stable future cash flow with major investment plans in the future, hence the dividend distribution policy is subject to the Company's future capital needs and long-term financial strategies. Thus, dividends are distributed based on a "residual dividend policy", where both cash dividends and stock dividends are distributed, in which the stock dividend shall be less than seventy percent (70%) of the total dividends.

Article 27-1 For earnings generated during the fiscal year, the Company shall allocate a minimum of 2.5% as employee compensation, and a maximum of 2.5% shall be allocated as the Director's remuneration.

However, current earning shall offset the accumulated losses, if any, before appropriate to the Directors and employees based on the percentages stipulated in the Articles of Incorporation.

Proposal of employee compensation and Directors remuneration appropriation shall be submitted to the BOD for resolution, and report to the Meeting of Shareholders.

Candidates for employee compensation, restricted shares awards, employee shares option certificates, subscription of new shares, and transfer of shares are employees of the CMP Group subject to the criteria set by the BOD.

Chapter 7 Supplementary Provisions

Article 28 Any matters not stipulated in the Articles of Incorporation shall be processed in compliance with the Company Act.

Article 29 The Articles of Incorporation was enacted on September 1, 1972.

The 1st amendment was approved on June 21, 1973.

The 2nd amendment was approved on May 20, 1974.

The 3rd amendment was approved on February 16, 1976.

The 4th amendment was approved on November 15, 1978.

The 5th amendment was approved on May 17, 1979.

The 6th amendment was approved on March 25, 1981.

The 7th amendment was approved on November 14, 1983.

The 8th amendment was approved on July 28, 1985.

The 9th amendment was approved on April 18, 1988.

The 10th amendment was approved on September 1, 1988.

The 11th amendment was approved on October 20, 1988.

The 12th amendment was approved on January 13, 1989.

The 13th amendment was approved on May 25, 1990.

The 14th amendment was approved on July 5, 1990.
The 15th amendment was approved on July 12, 1990.
The 16th amendment was approved on June 2, 1991.
The 17th amendment was approved on May 24, 1992.
The 18th amendment was approved on December 22, 1992.
The 19th amendment was approved on May 30, 1993.
The 20th amendment was approved on June 11, 1994.
The 21st amendment was approved on June 29, 1995.
The 22nd amendment was approved on June 8, 1996.
The 23rd amendment was approved on June 7, 1997.
The 24th amendment was approved on June 11, 1999.
The 25th amendment was approved on May 9, 2000.
The 26th amendment was approved on May 17, 2001.
The 27th amendment was approved on June 21, 2002.
The 28th amendment was approved on June 20, 2003.
The 29th amendment was approved on June 10, 2005.
The 30th amendment was approved on June 9, 2006.
The 31st amendment was approved on June 13, 2007.
The 32nd amendment was approved on June 13, 2007.
The 33rd amendment was approved on June 20, 2009.
The 34th amendment was approved on June 17, 2010.
The 35th amendment was approved on June 10, 2011.
The 36th amendment was approved on June 13, 2012.
The 37th amendment was approved on October 30, 2015.
The 38th amendment was approved on June 20, 2016.
The 39th amendment was approved on June 19, 2017.
The 40th amendment was approved on June 24, 2019.
The 41st amendment was approved on June 22, 2020.

[Appendix III]

China Metal Products Co., Ltd. ("CMP")

Rules of Procedure for Meeting of Shareholders

Article 1 Unless otherwise stipulated in law and regulations or in the Company's Articles of Incorporation, Meeting of Shareholders shall be conducted in accordance with these rules.

Article 2 The Chairperson of the Board of Directors (BOD) shall preside at all Meetings of Shareholders convened by the BOD. The Vice Chairperson shall preside at the meetings when the Chairperson has taken leave or when the Chairperson is unable to exercise his/ her authorities. Upon situations where no Vice Chairperson was elected, or when the Vice Chairperson has also taken leave or is unable to exercise his/her authorities, the Chairperson may delegate to one of the Directors. The Directors may elect one among themselves to preside if the Chairperson of the BOD fails to delegate.

The Chairperson in the preceding paragraph is represented by a director, a director who has served for at least six months and has knowledge of the Company's financial statements and operations shall serve as the Chairperson. The same requirements shall apply if the Chairperson for the meeting is a director representative of a juristic person.

For any Meeting of Shareholders convened by the BOD, attendance by a majority (over 50%) of Directors is preferred.

For meetings convened by a convening authority other than the BOD, the convener shall preside at the meeting (or upon two or more conveners, one shall be elected among themselves).

Article 3 The Company's notice of meeting shall clearly state the registration time, venue and other matters that requires attention of the shareholders.

The registration time of the preceding paragraph shall allow at least thirty (30) minutes before commencing the meeting. The venue of registration shall be clearly marked and aided by adequate number of competent personnel.

The Company shall furnish an attendance log for shareholders to sign-in, or an attendance card may be used in lieu of sign-ins.

The total attendance of the Meeting of Shareholders shall be calculated based on the number of shares. The calculation of the number of shares present shall be based on the attendance register or sign-in cards submitted by the shareholders and those shares whose votes are exercised by mail or electronically via the internet.

Article 4 The Company may appoint designated attorneys, Certified Public Accountant (CPA) or other relevant persons to attend Meeting of Shareholders.

Personnel in charge of the affairs for the Meeting of Shareholders shall wear an identification badge or armbands during the meeting.

Article 5 The Chairperson shall call the meeting to order at the scheduled time, and announce information such as the number of shares with no voting right and shares present. Meeting may only be postponed, up to a maximum of two (2) times for an aggregate period of less than an hour, upon the number of shares represented by the shareholders present at the meeting has not constituted the quorum (equivalent to the majority of the total number of issued shares). Meeting shall be adjourned by the Chairperson after two (2) postponements and the number of shares represented by the shareholders present at the meeting has not constituted the quorum (equivalent to one third (1/3) of the total number of issued shares)

Where the quorum has not met after two (2) postponements as referred to in the preceding paragraph whilst the attending shareholders represented one third (1/3) 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 a subsequent meeting within one (1) month shall be convened.

If attending shareholders represented a majority of the total number of issued shares prior to concluding the subsequent meeting as prescribed in the preceding paragraph, the Chairperson shall resubmit the tentative resolution for a vote pursuant to Article 174 of the Company Act.

Article 6 The relevant motions (including extemporary motions and amendments to the original motions) shall be determined by voting on a case-by-case basis. The meeting shall proceed in the order of scheduled agenda items and may not be altered without a resolution adopted at the Meeting of Shareholders.

The preceding paragraph shall apply to the Meeting of Shareholders convened by a convening authority other than the BOD.

Unless otherwise resolved at the Meeting of Shareholders, the Chairperson may not adjourn the meeting prior to concluding all scheduled agenda items set forth in the preceding paragraphs (including extemporary motions).

Article 7 The shareholders may not elect for a new chairperson and continue the meeting, at the same venue or other, once the meeting has concluded. However, upon where the Chairperson adjourning the meeting was in violation of the Rules, a majority (over 50%) votes from the attending shareholders may elect a new chairperson to continue the meeting as is.

Article 8 The Chairperson may announce a recess during the meeting based on time considerations. Upon force majeure events, the Chairperson may suspend the meeting temporarily and announce the meeting resuming time based on the circumstances.

Article 9 Any attending shareholders who wished to speak shall complete a speaker's slip detailing the a) summary of speech, b) shareholder account number (or attendance card number) and c) account name. The Chairperson shall decide on the sequence of shareholders' speeches. The attending shareholder who submitted a speaker's slip without delivering an actual speech shall be deemed to have not spoken. Where the contents of a shareholder's speech differed from the speaker's slip, the contents of the actual speech shall prevail.

Unless otherwise permitted by the Chairperson and speaking shareholder, no shareholder shall interrupt the speaking shareholder and the Chairperson shall refrain such violations.

Article 10 Unless otherwise permitted by the Chairperson, a shareholder may not speak more than twice on the same motion and each speech shall not exceed five (5) minutes. The Chairperson shall refrain any shareholder who violates this Article or when the contents of the shareholder's speech surpassed the scope of the motion.

Article 11 Any legal entity designated as proxy by shareholder(s), may only appoint one representative to attend the Meeting of Shareholders. When the juristic person shareholder appointed two (2) or more representatives to attend the Meeting of Shareholders, only one (1) representative may speak for one (1) particular motion.

Article 12 Shareholder(s) shall not vote on motions with conflict of interest against the Company nor act as a proxy for other shareholder(s) and vote on that particular motion.

Article 13 The Chairperson may respond or designate others to respond to the speech delivered by the attending shareholder. The Chairperson may, at his/her discretion, close the discussion and call for a vote when he/she is of the opinion that the motion was sufficiently discussed; and the Chairperson shall arrange sufficient time for voting.

Article 14 The Chairperson shall designate examiners and counters of the votes, where the vote examiners shall also be shareholders of the Company. The counting of the votes or ballots shall be conducted publicly at the meeting venue. The result of votes or ballots shall be announced at the meeting and documented in detail (including the statistical tallies of the numbers of votes).

The election of directors at the Meeting of Shareholders, if any, shall be handled according to the relevant regulations on election formulated by the Company, and the voting results shall be announced on the spot, including the list of elected directors and the numbers of votes they obtained, as well as the list of unelected directors and the number of votes they received.

Article 15 The Chairperson may administer proctors or security guards to maintain order at the meeting venue. Proctors and security guards shall wear an identification badge or armband marked with "Proctor."

Article 16 Unless otherwise prescribed by the Company Act, resolutions shall be adopted with a majority of affirmative votes represented by the attending shareholders. At the time of a vote, for each motion, the Chairperson or the personnel designated by the Chairperson shall first announce the total number of voting rights represented by the attending shareholders, and the shareholders shall vote for the motions on a case-by-case basis. After the conclusion of the Meeting of Shareholders, on the same day it is held, the results for each motion, based on the numbers of votes for and against and the number of abstentions, shall be uploaded to Market Observation Post System. Where amendments or alternatives are proposed for the original motion, the Chairperson shall decide the sequence of voting for such motion. Once any version of the aforementioned motion is adopted, other versions shall be deemed vetoed and no further voting shall proceed. Shareholders who are exercising their voting rights in the written or electronic format shall be deemed to abstain from the extemporary motions and amendments to the original motions at that Meeting of Shareholders.

Article 17 The Company shall take continuously audio and video record for the entire processes of the shareholders registration, meeting, voting and counting thereof.

The aforementioned recorded materials shall be retained for at least one (1) year. However, upon any litigation filed by a shareholder in compliance with Article 189 of the Company Act, the recorded material shall be preserved until the end of the litigation.

Article 18 Matters relating to the resolutions of the Meeting of Shareholders shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the Chairperson and distributed to the shareholders after the meeting. The Company may distribute the meeting minutes through publicly announcement by uploading to the Market Observation Post System.

The meeting minutes shall accurately record the year, month, day, and venue of the meeting, the Chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the statistical weights), and shall disclose the number of votes received by each candidate for any Director election. The meeting minutes shall be retained for the duration of the existence of the Company.

Article 19 Any matters not stipulated in the Rules shall comply with the Company Act, the Company's Articles of Incorporation and other law and regulations. The Rules shall be implemented after the approval by the Meeting of Shareholders and the same shall follow for any subsequent amendments.

[Appendix IV]

China Metal Products Co., Ltd. ("CMP")

Procedures for Acquisition or Disposal of Assets

Article 1 Purpose

The Procedures are established to protect the Company’s assets and to enhance the transparency of information.

Article 2 Source of law

The Procedures are established pursuant to Article 36-1 of the Securities and Exchange Act, and the “Regulations Governing the Acquisition or Disposal of Assets by Public Companies” issued on November 26, 2018 per Ruling No. 1070341072 by the Financial Supervisory Commission (“FSC”).

Article 3 Scope of assets

I. Securities refer to long-term and short-term investments including stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depository receipts, call/put warrants, beneficial interest securities, asset-backed securities, etc.;

II. Real property (including land, houses and buildings, investment property, investment property, and construction enterprise inventory) and equipment;

III. Memberships;

IV. Intangible assets refer to patents, copyrights, trademarks, franchise rights and other intangible assets;

V. Right-of-use assets;

VI. Claims of financial institutions (including receivables, loans and bills purchased and discounted, loans, and overdue receivables);

VII. Financial derivatives;

VIII. Assets acquired or disposed of in connection with mergers, demergers, acquisitions or transfer of shares in compliance with the law and regulations; and

IX. Other valuable assets.

Article 4 Definitions

I. Derivative: refers to forward contracts, option contracts, futures contracts, leverage contracts, swap contracts, a combination of the abovementioned contracts, or a contract with derivatives, or structured products whose value is derived from variables such as specific interest rates, financial instrument prices, commodity price, exchange rates, index of prices or rates, credit ratings and other credit index, and other variables. The abovementioned forward contracts excluded the insurance contracts, performance contracts, after-sale services contracts, long-term lease contracts and long-term purchase (sales) contracts.

II. Assets acquired or disposed through mergers, demergers, acquisitions or transfer of shares in accordance with the law and regulations: refers to the assets acquired or disposed through mergers, demergers or acquisitions in compliance with the Business Mergers and Acquisitions Act, Financial Holding Company Act, The Financial Institutions Merger Act or other relevant law, or by acquisitions or transfer of new stocks issued by other companies (hereafter referred to as "Share Transfer") under Article 156 Paragraph 3 of the Company Act.

III. Related parties and subsidiaries: are defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

IV. Professional appraiser: refers to a real property appraiser or other person duly authorized by law to engage in the value appraisal of real property or equipment.

V. Date of occurrence: refers to the contract signing date, payment date, trading consignment date, transfer date, Board of Directors ("BOD") resolution date or any other date that the specific transaction counterparties or transaction amount can be determined, whichever date is the earliest. However, upon any investment that is subject to competent authority approval, the approval date or any of the above dates shall prevail, whichever date is the earliest.

VI. Investments in Mainland China: refers to any investments in Mainland China approved by the Investment Commission of the Ministry of Economic Affairs or conducted in compliance with the "Regulations Governing Permission for Investment or Technical Cooperation in the Mainland Area".

VII. Investment professionals: refers to financial holding company, bank, insurance company, bills finance company, trust industry, securities firms operating proprietary trading or underwriting business , futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consultants, and fund management companies which has been established as required by relevant law and regulations, and under the jurisdiction of domestic financial competent authority.

VIII. Securities exchange: domestic securities exchange refers to Taiwan Stock Exchange (TWSE); foreign securities exchange refers to any organization authorized by the competent securities exchange authority of that particular country to manage and supervise the securities exchange market.

IX. Over-the-Counter market: domestic over-the-counter market refers to specific counters set up to buy and sell securities in compliance with the relevant regulations; foreign over-the-counter market refers to foreign financial institutions authorized by foreign securities exchange authority of that particular country to manage securities related transactions.

X. Latest financial statements: refer to the financial statements reviewed or audited by the Certified Public Accountant ("CPA") that are published in compliance with law and regulations immediately before the Company's acquisition or disposal of assets.

Article 5 Limits on investments in real property and securities not for business purposes

The aggregate limits on investments in real property, right-of-use assets, and securities not for business purposes by the Company and its subsidiaries are as follows:

I. Real property and right-of-use asset not for business purposes: aggregate amounts shall not exceed fifty percent (50%) of the Company's net asset value as stated in the latest financial statements.

II. Total investment in long-term and short-term securities: aggregate amounts shall not exceed 200% of the Company's net asset value as stated in the latest financial statements.

III. Individual securities: amounts shall not exceed fifty percent (50%) of the Company's net asset value as stated in the latest financial statements.

Article 6 For the appraisal reports obtained by the Company or opinions issued by the CPA, attorneys, or securities underwriter, the professional appraisers and their officers, CPA, attorneys, or securities underwriters should comply with the following regulations:

I. Have never been in violation of the Securities and Exchange Act, the Company Act, the Insurance Act, the Financial Holding Company Act, and the Business Entity Accounting Act, or have committed and found guilty of fraud, breach of trust, encroachment, forgery, or any other business crimes, with a confirmed sentence of one (1) year or more. However, exclusion applies to sentence served, probation expired, or pardon issued more than three (3) years ago;

II. Shall not be a related party or an affiliated person of any party to a transaction;

III. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or substantive related parties of each other.

When appraisal reports or opinion statements are requested, the following procedure should be followed by the aforementioned persons:

I. Before accepting the engagement, the provider's professional capability, experience, and independence should be thoroughly reviewed;

II. When carrying out the examination or assessments, a properly planned and executed operating procedure should be followed, this is to ensure the concluding appraisal reports or opinion statements are of a high standard. The operating procedure followed, information gathered, and subsequent conclusion should be recorded in the working papers in detail;

III. In relation to the data used, its source, parameter, and information should be properly reviewed to ensure this is complete, correct, and rational, and serve as a basis for the appraisal report or opinion statements;

IV. The representations should include the professionalism and independence of the provider; the information used was reviewed as to be correct and rational; and are compliant with all relevant law and regulations.

Article 7 Procedures for acquisition or disposal of real property, equipment and right-of-use assets

I. Assessment and Operating Procedures

(I) The acquisition or disposal of real property, equipment or right-of-use asset of the Company shall only proceed after the feasibility assessment conducted by the executing unit and approved by the Company's approval authority.

(II) The procedures for acquiring or disposing of real property, equipment and right-of-use asset shall comply with the procedures stipulated in the fixed assets cycle of the Company's internal controls.

II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits

(I) The pricing of Company's acquisition or disposal of real property or right-of-use asset shall refer to the government assessed current value, appraised value, actual transaction price of nearby real property, and the valuation report by professional appraisal institutions, etc. Any transactions amounted to NTD 70 million (inclusive) and below shall be approved by the Chairperson and be reported at the forthcoming BOD meeting. Transaction amounts exceeded NTD 70 million must be approved by BOD in advance.

(II) The pricing of Company's acquisition or disposal of equipment or right-of-use asset shall be based on quotation, comparison, negotiation or via professional valuation. Any transactions amounted to NTD 70 million (inclusive) and below shall be approved by the Company's various approval authority levels. Transaction amounts exceeded NTD 70 million must be approved by BOD in advance.

III. Execution Unit

The Head Office, user department, and other related business units shall be responsible for executing the acquisition or disposal of the Company's real property, equipment or right-of-use asset.

IV. Appraisal reports for real property, equipment or right-of-use asset

Appraisal reports issued by professional appraisers before the date of occurrence is required for any acquisition or disposal of real property, equipment, or right-of-use asset amount which reached twenty percent (20%) and above the Company’s paid-in capital or NTD 300 million and above, except for transacting with domestic government agencies, contracted construction using self-owned land, contracted construction on leased land, or the acquisition or disposal of equipment or right-of-use asset for business purposes. The following conditions shall also be met:

(I) The transaction should be submitted to the BOD for resolution if a limited pricing, specific pricing or special pricing was used as a basis for the decision. Subsequent changes in transaction terms and conditions shall comply with the same procedures

(II) Two or more professional appraisers should be used for transaction amount of NTD 1 billion and above.

(III) Where any one of the following circumstances applies regarding the professional appraiser's appraisal results, unless all appraisal results for the assets to be acquired are higher than the transaction amount, or that all appraisal results for the assets to be disposed of are lower than the transaction amount, a CPA shall be engaged to perform an appraisal in compliance with the Statement of Auditing Standards No. 20 published by the Accounting Research and Development Foundation in Taiwan (hereinafter referred to as “ARDF”) and express an opinion regarding the reason for the discrepancy and the reasonability of the transaction amount:

1. The discrepancy between the appraisal result and the transaction amount is twenty percent (20%) and above the transaction amount; or
2. The discrepancy between the appraisal results of two or more professional appraisers is ten percent (10%) and above the transaction amount.

(IV) No more than three (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 six (6) months have elapsed, an opinion may still be issued by the original professional appraiser.

Article 8 Procedures for acquisition or disposal of securities

I. Assessment and Operating Procedures

The procedures for acquiring and disposing of securities shall comply with the procedures stipulated in the investment cycle of the Company's internal controls.

II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits

(I) The dedicated units shall determine the purchasing and selling of securities at a stock exchange market or over the counter ("OTC") based on market research and professional judgment. Any transactions amounted to NTD 50 million (inclusive) and below shall be approved by the President, and transaction amounts between NTD 50 million and 100 million shall be approved by the Chairperson. Transaction amounts exceeded NTD 100 million must be approved by BOD in advance.

(II) When the purchasing or selling of securities does not take place at a stock exchange market or OTC, the Company shall obtain the latest independently audited or reviewed financial statements of the underlying company prior to the date of occurrence and serve as a basis for transaction price valuation with the earnings per share, profitability and future potentials taken into consideration. Any transactions amounted to NTD 70 million (inclusive) and below shall be approved by the Chairperson. Transaction amounts above NTD 70 million must be approved by BOD in advance.

III. Execution Unit

The Head Office shall be responsible for executing the acquisition or disposal of the Company's long-term and short-term investment in securities subsequent to the aforementioned approvals.

IV. Obtain Specialist Opinions

Upon one of the following circumstances and the transaction amount reaches twenty percent (20%) of the Company's paid-in capital or NTD 300 million and above, the Company shall engage the CPA to express an opinion of the reasonability of transaction price before the actual date of occurrence:

(I) The acquisition or disposal of securities other than those purchased or sold at stock exchanges or OTC (excluding the acquisition of securities for initiating or fundraising for establishing a company, participating in the subscription of securities issued at face value by companies for capital increase in compliance with relevant law and regulations, or participating in subscribing the securities issued for capital increase of a wholly owned subsidiary).

(II) Acquisition or disposal of private placement securities.

Article 9 Procedure for acquisition or disposal of intangible assets or right-of-use assets or membership

I. Assessment and Operating Procedures

When the Company acquires or disposes of intangible assets or right-of-use assets or membership, the executing unit shall submit (1) purpose for acquisition or disposal, (2) the subject, (3) the transaction counterparties, (4) the transaction price, (5) the terms of payment and receipt, (6) professional appraisal or valuation report, etc. to the approval authority levels.

II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits

(I) When the Company acquires or disposes of memberships, the executing unit shall submit an analytical report, with references to the fair market price and the proposed transaction terms and conditions, and pricing to the President or Chairperson. Any transactions amounted to NTD 3 million (inclusive) and below shall be approved by the President, transactions amounted between NTD 3 million and 10 million (inclusive) shall be approved by the Chairperson and be reported at the forthcoming BOD meeting. Transaction amounts exceeded NTD 10 million must be approved by BOD in advance.

(II) When the Company acquires or disposes of intangible assets or right-of-use assets, the executing team shall submit an analytical report, with references to the specialist's opinion or fair market price and the proposed transaction terms and conditions, and pricing to the President or Chairperson. Any transaction amounted to NTD 10 million (inclusive) and below shall be approved by the President, transactions amounted between NTD 10 million and 20 million (inclusive) and below shall be approved by the Chairperson and be reported at the forthcoming BOD meeting. An amount of transaction above NTD 20 million must be approved by BOD in advance.

III. Execution Unit

The user units and Head Office shall be responsible for executing the acquisition or disposal of the Company's intangible assets or right-of-use assets or membership subsequent to the aforementioned approvals.

IV. Specialist Valuation on Opinions or Reports for the Intangible Assets or Right-of-Use Assets or Membership

(I) A specialist appraisal report is required for any acquisition or disposal of memberships with transaction amount reached NTD 3 million and above.

(II) A specialist appraisal report is required for any acquisition or disposal of intangible assets or right-of-use assets with transaction amount reached NTD 20 million and above.

(III) Except for when transacting with government agencies, a CPA's opinion on the reasonability of transaction price is required before the date of occurrence for any acquisition or disposal of intangible assets or right-of-use assets or membership reached twenty percent (20%) and above the Company's paid-in capital or NTD 300 million and above.

Article 10 Procedure for acquisition or disposal of claims of financial institutions

I. Assessment and Operating Procedures

When the Company acquires or disposes of claims of financial institutions, the executing team shall submit (1) purpose for acquisition or disposal, (2) the subject, (3) the transaction counterparties, (4) the transaction price, (5) the terms of payment and receipt, (6) professional appraisal or valuation report, etc. to the approval authority levels.

II. Decision Procedures for Transaction Terms and Conditions and Authorization Limits

When the Company acquires or disposes of claims of financial institutions, the executing unit shall submit an analytical report, with references to the fair market price and the proposed transaction terms and pricing to the President or Chairperson for approval. For transaction amount NTD 50 million and below shall be approved by the President and be reported at the forthcoming BOD meeting after the transaction. For amount between NTD 50 million and 100 million shall be approved by the Chairperson and be reported at the forthcoming BOD meeting. Transaction amount above NTD 100 million must be approved by BOD in advance.

III. Execution Unit

The user units and Head Office shall be responsible for executing the acquisition and disposal of the Company's claims of financial institutions subsequent to the aforementioned approvals.

IV. Specialist Opinions

(I) A specialist appraisal is required for any acquisition or disposal of claims of financial institutions with transaction amount above NTD 50 million.

(II) A CPA's opinion on the reasonability of transaction price is required before the date of occurrence for any acquisition or disposal of claims of financial institutions above twenty percent (20%) of the paid-in capital or NTD 300 million and above.

Article 10-1 The calculation of transaction amount in Article 7 to 10 shall base on provisions stipulated in Article 14 Par. I(viii). The term "within a twelve (12) months period" refers to the period between twelve (12) months prior to the date of occurrence and the date of occurrence. The part where appraisal reports issued by professional appraisers or opinions issued by the CPA were used shall be excluded from the aforementioned calculation.

Article 10-2 Any certificate issued by the Court may replace the appraisal report or CPA's opinion for acquisition or disposal of assets at court foreclosure auctions.

Article 11 Procedures for related party transactions

I. When the Company acquires or disposes of assets from a related party, in addition to Articles 7 to 10 and the decision procedures and reasonability assessment on transaction terms and conditions listed below, an appraisal report from the professional appraiser or CPA’s opinion is also required for transaction amounts reached ten percent (10%) and above the total assets of the Company as stipulated in Article 7 to 10. The calculation of the transaction amount shall comply with Article 10-1. When determining whether the transactional counterparty is a related party, apart from a legal standing, substantive relationship should also be considered.

II. Assessment and Operating Procedures

The Audit Committee approval and BOD resolution of the following documents shall be obtained before contract signing and payment on any real property or right-of-use asset acquired or disposed by the Company from a related party, or non-real property or right-of-use assets with transaction amounts reached twenty percent (20%) and above the Company’s paid-in capital or ten percent (10%) and above the total assets, or NTD 300 million and above. However, the aforementioned procedures do not apply to the trading of domestic government bonds, bonds under repurchase or resale agreements, subscription or redemption of money market funds issued by domestic securities investment trust enterprises:

(I) The purpose, necessity and estimated benefits from acquiring or disposing of assets;

(II) Reasons for transacting with a related party;

(III) The transaction terms and conditions reasonability assessment in compliance with Article 11 Par. III (i) and III (iv) when acquiring real property or right-of-use asset from a related party;

(IV) The date, price, and counterparty of the original acquisition by the related party, and the counterparty’s relationships with the Company and the related party;

(V) Projected monthly cash flow for the next twelve (12) months commencing from the month of contract signing, and the assessment of the necessity of transaction and the reasonability fund utilization;

(VI) Appraisal report from the professional appraiser or CPA’s opinion stipulated in the preceding paragraph above; and

(VII) Any restrictions and significant matters agreed for this transaction.

The calculation of transaction amount in the preceding paragraph shall be performed according to Article 14 Par. I(viii). The term “within twelve (12) months” refers to the period between twelve (12) months prior to the date of occurrence and the date of occurrence. However, the amount approved by the

Audit Committee and BOD shall be excluded from the above calculation

The BOD may authorize the Chairperson to approve the following transactions between the Company and its subsidiaries, or between wholly owned subsidiaries (directly or indirectly holds 100% of the issued shares or total capital), within a certain amount in compliance with Article 7 Par. II before submitting it to the forthcoming BOD meeting for subsequent ratification:

1. For transaction involving acquiring or disposing equipment or right-of-use assets for business purposes.
2. For transaction involving acquiring or disposing right-of-use real property for business purposes.

III. Transaction Cost Reasonability Assessment

(I) Reasonability of the transaction cost shall be assessed using either of the following methods upon acquiring real properties or right-of-use asset from related parties:

1. The transaction price with the related party plus necessary capital interest and any costs that are duly borne by the buyer. The term “necessary capital interest” is calculated based on the weighted average interest on loans for the year of asset acquisition, provided that the rate used shall not exceed the maximum lending rate of non-financial industry announced by the Ministry of Finance; or
2. The loan-to-value of real property assessed by the financial institution as it previously pledged for mortgages given that the actual accumulated loan granted exceeded seventy percent (70%) of the assessed loan value with a term beyond one (1) year. However, the above shall not be applicable if the financial institution is a related party to one of the transaction counterparties.

(II) Upon purchasing or leasing of land and house of the same underlying property, the Company may opt to adopt either of the methods in Article 11 Par. III (i) for transaction cost assessment on the land and house separately.

(III) Transaction cost assessment shall be performed for any real property or right-of-use asset acquired from a related party in compliance with Article 11 Par. III (i) and III (ii) and independent review opinion from a CPA shall be obtained.

(IV) If the assessed value for the real property or right-of-use asset acquired from related parties according to Article 11 Par. III (i) and III (ii) are both lower than the transaction price, Article 11 Par. III (v) shall be followed. However, the aforementioned procedure shall not be applicable subject to the following circumstances with objective evidence and reasonability opinions obtained from the professional appraiser or the CPA:

1. The related party obtained an undeveloped land or leased the land for construction, provided with evidence on the following:
   (1) The aggregate amount of (i) assessment value of the undeveloped land according to Article 11 Par. III (i), and (ii) house using the related party's construction costs plus reasonable construction profit, exceeds the actual transaction price. The term "reasonable construction profit" refers to the related party's average gross margin of the construction division at the related party over the past three (3) years, or the latest average gross margin of the construction industry announced by the Ministry of Finance, whichever is lower;
   (2) The completed sales or lease transactions between unrelated parties, for other floors of the same underlying property or nearby locations, during the past twelve (12) months for any properties identical in terms of floor areas and under the common real property trading terms and conditions, after price adjustment for different floors or physical locations were applicable; or
2. Evidence provided by the Company on the completed sales or leases for right-of-use asset transactions with related parties in nearby locations, during the past twelve (12) months for any properties identical in terms of floor area. The term "completed sales transactions in nearby locations" refers to those on the same or an adjacent block within a distance less than 500 meters of the underlying property, or with an equivalent government assessed current value. The term "identical in terms of floor area" refers to the properties traded between the unrelated parties with a floor area no less than fifty percent (50%) of the underlying property. The term "within twelve (12) months" refers to the period between twelve (12) months prior to the date of real property acquisition and the date of real property acquisition.

(V) If the assessed value for the real property or right-of-use asset acquired from related parties according to Article 11 Par. III (i), III (ii) and III (iv) are all lower than the transaction price, the following procedures shall be conducted:

1. Provide for a special reserve in compliance with Article 41 Par. I of the Securities and Exchange Act with an amount equivalent to the difference between the real property's transaction price and the assessed value and

may not be distributed (in cash or by means of stock dividend) or be capitalized. A special reserve shall also be provided by the Company based on the shareholding percentage as prescribed in Article 41 Par. I of the Securities and Exchange Act in addition to the aforementioned special reserve when the Company invests in a public company that is accounted for using the equity method;

2. The Independent Directors of the Audit Committee shall comply with Article 218 of the Company Act; and
3. Actions taken in two preceding paragraphs shall be reported at the Meeting of Shareholders and detail disclosure in the Company's annual reports and prospectuses.

The aforementioned special reserve may only be utilized upon FSC approval and that either: all assets purchased or leased at a higher cost than market value (a) have recognized impairment losses, (b) have been disposed or lease terminated, (c) have been appropriately indemnified, or (d) have been restored; or that any evidence indicating the non-existence of any unreasonable circumstances.

(VI) Upon any of the following acquisition of real property or right-of-use asset from related parties shall comply with the assessment and operating procedures outlined in Article 11 Par. II and shall not adhere to Article 11 Par. III (i), III (ii) and III (iii):

1. Real property or right-of-use asset was originally obtained by the related party through inheritance or as a gift;
2. Five (5) years have lapsed between the date of original purchase by the related party and the contractual date with the Company; or
3. The real property was acquired under a joint development contract with the related party, or that the related party is contracted by the Company to construct on the land owned or leased by the Company.
4. The Company and its subsidiary, or between wholly owned subsidiaries (directly or indirectly holds 100% of the issued shares or total capital), acquire right-of-use real property for business purposes.

(VII) Upon any evidence indicating anomalies outside of normal course of business when acquiring real properties or right-of-use asset from the related parties, Article 11 Par. III (v) shall prevail.

Article 12 Procedures for acquisition or disposal of financial derivatives

I. Principles and Guidelines for Transactions

(I) Type of transactions

The Company shall only engage in derivative transactions for hedging purpose such as forward foreign exchanges, foreign exchange swaps, foreign exchange margin trading, interest rate swaps, options and asset exchanges.

(II) Business (hedging) strategies

The purpose of derivative transactions is for hedging only. Financial derivatives that may hedge the risk of interest rate and exchange rate fluctuation arising from the Company's business operation shall outrank others. The Company shall only trade with financial institutions and vendors with outstanding credibility.

(III) Segregation of duties

1. Finance Department

(1) Traders

A. Responsible for the formulation of trading strategies for financial instruments of the Company;

B. For every two (2) weeks, traders should calculate the trading positions, collect market information, conduct trend judgments and risk assessment, and formulate operational strategies, to serve as a basis for transaction execution after been approved by the approval authority;

C. Execute transactions according to authorization limits and established policies; and

D. Upon significant changes in the financial market and the traders concluded that the existing strategy is no longer applicable, an assessment report shall be submitted on a timely basis and revise the strategy to serve as a basis for executing transactions after approval by the Chairperson.

(2) Accounting personnel

A. Confirm transaction execution;

B. Audit transactions to ensure executions were conducted according to the authorized limits and strategies;

C. Perform monthly valuation and submit the report to the Chairperson;

D. Conduct accounting affairs;

E. Submit public disclosure information to the responsible personnel at the Head Office for public disclosures as required by the regulations announced by the FSC.

(3) Settlement personnel: execute settlements.

2. Audit Office ("AO")

   The AO is responsible for ensuring the reasonability of internal controls governing the derivative transactions, review the compliance of Trading Departments against the operating procedures, analyze transaction cycles, and compile audit reports and submit to the Independent Directors of the Audit Committee for review before the end of the following month after the completion of the audits. Upon revealing of material irregularities or that the Company is at risk of significant losses, an audit report and a written notice shall be submitted to the Audit Committee immediately.

(IV) Authorization limits and approval levels

Authorized approval limits for hedging transactions:

Approval Authority	Daily Trading Limit	Net Cumulated Position Trading Authority
President	USD 2 million (inclusive) and below	USD 10 million (inclusive) and below
Chairperson	Above USD 2 million	Above USD10 million

(V) Performance evaluation

Hedging transactions:

1. The performance results with and without hedging, as well as the degree of hedging achieved, are served as a basis of evaluation;
2. Monthly review of profit and loss to fully grasp and represent the evaluation risk on transactions; and
3. The Finance Department shall provide the position evaluation of financial instruments, the market trend, and the market analysis to the Chairperson as management references and instructions.

(VI) Aggregate contractual amount and setting the loss limit

1. Hedging transaction limits

   The Finance Department shall fully grasp the overall positions of the Company, and the aggregate transaction amount shall not exceed the existing positions projected per month;

2. Setting the loss limit

   Upon losses exceeding ten percent (10%) of the contractual amount in aggregate or by individual contracts for two (2) consecutive months, the BOD shall be notified and decide whether to stop-loss.

II. Risk Management Measures

(I) Credit risk management:

As financial derivatives are susceptible to operational risk due to market volatility caused by various factors, credit risk management shall be conducted in accordance with the following principles:

Counterparties: mainly with reputable domestic or international financial institutions;

Underlying instruments: limited to the financial instruments provided by reputable domestic or international financial institutions; and

Transaction amount: outstanding amount rested with the same counterparty shall not exceed ten percent (10%) of the total authorized amount. However, the above limit is waived upon Chairperson's approval.

(II) Market risk management:

The Company primarily focused on the foreign exchange and interest rate market trading offered by various banks, thus trading in futures is not considered for the time being.

(III) Liquidity risk management:

To ensure market liquidity, the financial products selected for trading shall exert high liquidity (i.e. may be cashed-out in the market at any time). Financial institutions entrusted for transactions must have sufficient information and the ability to trade in any market at any time.

(IV) Cash flow risk management:

To ensure the stability of the Company's working capital, source of funding used in derivative transactions is limited to the Company's capital only and shall take into account the projected cash flow and funding requirements of the following three (3) months.

(V) Operational risk management:

1. To minimize operational risks, the Company's authorization limit, operating procedures and other regulations shall be strictly complied with;
2. Segregation of duties between the trading, confirmation and settlement personnel upon processing of financial derivatives;
3. The measuring, monitoring and controlling of risks shall be separately conducted by personnel from departments other than the abovementioned personnel and shall report to the BOD or senior officers who are not responsible for any trading decisions or position strategies; and
4. The derivative positions held shall be assessed at least twice a month and report to senior officers authorized by the BOD.

(VI) Financial instrument risk management:

To minimize the risk of financial instrument misconducts, all traders shall possess complete and adequate professional competence over the financial instruments and shall also request the banks to fully disclose any risks involved.

(VII) Legal risk management:

To minimize legal risks, any contracts with financial institutions shall be reviewed by the foreign exchange and legal professionals or legal advisers prior to execution.

(VIII) Internal audit system:

1. The internal auditors shall regularly assess the reasonability of internal controls over derivative transactions and monthly review the compliance of financial derivative transaction procedures and trading cycles within the Trading Department, and compile audit reports. Any significant irregularities shall be reported to the Audit Committee in writing.
2. The internal auditors shall file the abovementioned audit reports together with the annual internal audit reports with the competent securities authority before the end of February of the following year. The status of improvement of audit findings presented in the aforementioned audit reports shall also be filed with the competent securities authority by the end of May of the following year for future references.

(IX) Regular Assessments:

1. The BOD shall authorize senior officers to regularly monitor and assess the compliance of derivative transactions against the trading procedures established by the Company, and whether the risks taken were within the scope of permissible undertakings. Upon irregularities reported in the market valuation reports (such as when positions exceeded the loss limits), the BOD shall be immediately notified, and appropriate countermeasures shall be exercised.
2. The derivative positions held shall be assessed at least twice a month and report to senior officers authorized by the BOD.

(X) The monitoring principles of the BOD over derivative transactions:

1. The BOD shall designate senior officers to oversee the monitoring and controls over derivative transaction risks at all times. The management principles shall be implemented as follows:
   (1) Regularly assess the appropriateness of the risk management measures currently in use and ensure that such measures are

performed in compliance with provisions of the Procedures.

(2) Monitor over the transactions and profit and loss status, conduct necessary countermeasures upon irregularities and immediately report to the BOD. The Independent Directors shall attend the BOD meetings and express opinions after establishing the independent seats within the BOD.

2. Regularly evaluate the performances of derivative transactions against the established business strategies and whether the risks are acceptable by the Company.
3. When the Company transacts in financial derivatives, the authorized personnel shall report the transaction details to the forthcoming BOD in compliance with provisions of the Procedures.
4. The Company shall establish a memorandum book for derivative transactions which records in detail the type, amount, date of BOD approvals, and the items that should be stringently assessed in compliance with Article 12 Par. II (ix) b. and (x) a.(a) and b.

Article 13 Procedures for merger, division, acquisition or transfer of shares

I. Assessment and Operating Procedures

(I) Upon participating in a merger, demerger, acquisition or transfer of shares, the Company shall engage an attorney, CPA and securities underwriter to jointly discuss and establish an estimated legal procedures implementation timeline and assemble a project team to execute in compliance with the legal procedures. A professional opinion on the reasonability of the exchange ratio, purchase price or cash dividends distributable to shareholders, shall be obtained from the attorney, CPA or the securities underwriter and submit to the BOD for resolution. However, the aforementioned opinion is exempted upon the Company merging with a wholly owned subsidiary, or mergers between the wholly owned subsidiaries of the Company.

(II) The Company shall collate public documentation in relation to a merger, demerger, or acquisition and submit, together with the professional opinion in Article 13 Par. I (i), to the shareholders as a reference to agree or disagree on such motion before the Meeting of Shareholders. However, for a merger, demerger, or acquisition which legally can be determined without the resolution from a Meeting of Shareholders, is excluded. Also, upon the Meeting of Shareholders of any of the companies participating in a merger, demerger, or acquisition fails to convene or pass a resolution due to the lack of a quorum, insufficient votes, or other legal restrictions, or the proposal is rejected by the Meeting of Shareholders, the companies participating in the merger, demerger or acquisition shall immediately publicly explain the reasons, the follow-up actions, and the preliminary date of the next Meeting of Shareholders.

II. Other Matters that Required Attention

(I) Date of the BOD meetings: Unless otherwise provided by other law or upon extraordinary circumstances and a prior consent was obtained from the FSC, the companies participating in a merger, demerger or acquisition shall hold BOD meetings and Meeting of Shareholders on the same day to resolve matters on the merger, demerger or acquisition. Unless otherwise provided by other law or upon extraordinary circumstances and a prior consent was obtained from the FSC, the companies participating in the transfer of shares shall hold BOD meetings on the same day.

(II) Prior confidentiality commitment: All persons involved in the merger, demerger, acquisition or transfer of shares shall undertake a written confidentiality declaration to assure that neither to disclose the transaction content to any third parties before the information was released to the public, nor to trade, in their own name or under the name of another person, in any shares or other equity securities of any company related to the merger, demerger, acquisition, or transfer of shares.

(III) Setting and modification to the share exchange ratio or purchase price: when participating in a merger, demerger, acquisition, or transfer of shares, the Company may not modify the share exchange ratio or acquisition price at its own will except for one of the following circumstances, and shall stipulate the circumstances permitting the modification in the contract for the merger, demerger, acquisition, or transfer of shares:

1. Cash capital increase, issuance of convertible bonds, stock dividends, issuance of bonds with attached warrants, preferred shares with attached warrants, stock purchase warrants and other equity securities;
2. Any action such as disposal of valuable assets which may impact on the financial and business operations of the Company;
3. Any event such as major disaster or major change in technology which may impact on the shareholder’s equity or share price of the Company.
4. Any adjustments due to any of the companies participating in the merger, demerger, acquisition or transfer of shares has legally repurchased treasury stocks;
5. Any changes in the entities or number of entities participating in the

merger, demerger, acquisition or transfer of shares; or

6. Any provisions that the contract stipulates may be altered and that have been publicly disclosed.

(IV) Matters that shall be disclosed in the contracts: when participating in merger, demerger, acquisition, or transfer of shares, the rights and obligations of the Company arising from the merger, demerger, acquisition or transfer of shares shall be disclosed as follows:

1. Actions in the event of breach of contract;
2. Principles for processing the equity securities that the merged/demerged company previously issued or treasury stocks that have been repurchased;
3. The quantity and disposal principles for treasury stocks that may be legally repurchased by the participating companies, subsequent to the benchmark date of share exchange ratio calculation;
4. Processing methods upon changes in the participating entities and the number of entities;
5. A preliminary progress schedule for execution and anticipated completion date; and
6. Procedures for convening a legally mandated Meeting of Shareholders upon failing to complete by the projected timeline.

(V) Changes in the number of the companies participating in the merger, demerger, acquisition or transfer of shares: when any company participating in the merger, demerger, acquisition or transfer of shares plans to merge, demerge, acquire or transfer shares with any other companies after publicly announced the underlying contract, all procedures or legal actions completed or still in progress shall be performed by the new participants. The aforementioned shall not apply where the number of participants has decreased, and the BOD was previously authorized by the Meeting of Shareholders to implement such changes in authorities and exempted from convening a Meeting of Shareholders.

(VI) If any of the companies participating in the merger, demerger, acquisition or transfer of shares is a non-public company, a contract shall be signed with the non-public company whereby the latter is required to abide by the provisions of Article 13 Par. II (i) in relation to the BOD meeting convention date, Par. II (ii) in relation to prior confidentiality commitments, and Par. II(v) in relation to changes in the number of companies participating in the merger, demerger, acquisition or transfer of shares.

(VII) Comprehensive written records shall be retained and filed: when participating in a merger, demerger, acquisition or transfer of shares, the following written records shall be retained by the Company for five (5) years for future references:

1. Basic information of personnel: including position titles, names and ID numbers (passport number for foreigners) of all personnel involved in the planning or implementation of merger, demerger, acquisition or transfer of shares prior to the public disclosure;
2. Dates of material events: including the signing of any letter of intent or memorandum of understanding, the hiring of a financial or legal advisor, the execution of a contract, and the convening of a BOD meeting, etc.; and
3. Important documents and minutes: including the plans for the merger, demerger, acquisition or transfer of shares, letter of intent or memorandum of understanding, important contracts and minutes of BOD meetings, etc.

When participating in the merger, demerger, acquisitions or transfer of shares, the information stipulated in the Par. I and II above shall be filed by the Company in the prescribed format via the internet information system with the competent securities authority for future reference within two (2) days after the BOD resolution.

Article 13-1 When the Company submits the asset acquisition or disposal transactions to the BOD for approval in compliance with Articles 7 to 13 of the Procedures, any objections of the Directors shall be stated in writing and submit to the Audit Committee.

After establishing the independent seats within the BOD, the Independent Director's opinion upon discussing the asset acquisition or disposal transactions submitted in compliance with Articles 7 to 13 of the Procedures shall be adequately considered. Any dissenting or reserved opinions of the Independent Directors shall be stated in the minutes of the BOD meetings.

After establishing the Audit Committee, any valuable assets or derivative transactions shall be approved by the majority of the Audit Committee members and submit to the BOD for further resolution.

Article 14 Public disclosure of information

I. Disclosable Items and Standards for Public Disclosures:

(I) Acquisition or disposal of real property or right-of-use asset from or to related parties, or acquisition or disposal of non-real property or right-of-use asset from or to related parties with transaction amounted reached twenty percent (20%) and above the Company's paid-in capital or ten percent (10%) and above the total assets, or NTD 300 million and above. However, trading of domestic government bonds, bonds with repurchase or resale agreements, purchasing or redeeming domestic money market funds shall be excluded;

(II) Merger, demerger, acquisitions or transfer of shares;

(III) Loss on derivative transactions reached the loss limit stipulated in the Procedures, in aggregate or per individual contract;

(IV) Acquisition or disposal of equipment or right-of-use asset for business purposes with unrelated parties and the transaction amount reached NTD 500 million and above;

(V) Acquisition or disposal of real property or right-of-use asset for construction business with unrelated parties and the transaction amount reached NTD 500 million and above;

(VI) Acquisition of real property with unrelated parties through contracted construction on self-own land/leased land, joint construction with unit allocation, joint construction with profit sharing, and joint construction with separate distribution, with the estimated transaction amount reached NTD 500 million and above;

(VII) In addition to the provisions of the preceding six (6) paragraphs, any asset transactions, disposal of claims of financial institutions or investment in the Mainland China that reached twenty percent (20%) and above the Company's paid-in capital or NTD 300 million and above. However, the following circumstances are excluded:

1. Domestic government bonds trading;
2. Investment-oriented trading of securities at the stock exchange markets or OTC; or ordinary corporate bonds and general financial bonds without equity characteristics (excluding subordinated debt), or subscribe or redeem securities investment trust fund or futures trust fund, in the primary market; or securities subscribed for the underwriting business in compliance with the provisions of the Taipei Exchange by security dealers acting as an advisory recommending securities firm for an emerging stock company; and
3. Trading bonds under repurchase and resale agreements or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

(VIII) The transaction amount for the preceding seven (7) paragraphs are calculated as follows and the term “over the past twelve (12) months” refers to the period between twelve (12) months prior to the date of the occurrence and the date of the occurrence. The part that has been publicly disclosed shall be excluded from the aforementioned calculation:

1. Individual transaction amount;
2. Cumulative transaction amount with the same counterparty over the twelve (12) months for acquisition or disposal of properties of the same nature;
3. Cumulative transactions amount (with acquisitions and disposals separately counted) of real property or right-of-use asset under the same development plan over the past twelve (12) months; or
4. Cumulative transaction amount (with acquisitions and disposals separately counted) of the same security over the past twelve (12) months.

II. Filing Timeline for Public Disclosures

The Company shall file for public disclosure of the acquisition or disposal of disclosable items within two (2) days of the date of occurrence, upon reaching the disclosable value standards stipulated in Par. I of this Article.

III. Public Disclosure Procedures

(I) The Company shall enter the disclosable information onto the information reporting website designated by the FSC.

(II) The Company shall disclose the status of derivative transactions conducted by the Company and its subsidiaries that are not domestic public companies up to the end of the prior month in the prescribed format onto the information reporting website designated by the FSC by the 10th of each month.

(III) Upon errors or omissions on disclosable items that required rectification, the Company shall resubmit the entire information pack within two (2) days of acknowledging such error or omission.

(IV) The Company shall retain all asset acquisition or disposal related contracts, minutes, memorandum books, appraisal reports, opinions from the CPA, attorneys or securities underwriters at the Company for at least five (5) years, unless otherwise provided for by other law and regulations.

(V) Upon occurrence of one (1) of following circumstances subsequent to the Company's public disclosure according to the provisions of the preceding Article, the Company shall disclose the related information onto the information reporting website designated by FSC within two (2) days of the date of occurrence:

1. Any change, termination or rescission of contracts relating to the original transactions;

2. Fail to complete the merger, demerger, acquisition or transfer of shares within the projected timeline; or
3. Any changes to the original public disclosure.

Article 15 Control procedures over the subsidiaries' acquisition or disposal of assets

I. The Company's subsidiaries shall also establish and implement "Procedures for Acquiring or Disposal of Assets" in compliance with the "Standards for Public Company Acquisition or Disposal of Assets". The Procedures shall be approved by the BOD of the subsidiary and submit to all Supervisors and then the Meeting of Shareholders for approval. Any subsequent amendment shall be subject to the same procedures.

II. The Company's subsidiaries shall self-review the Procedures for Acquisition or Disposal of Assets in compliance with the "Standards for Public Company Acquisition or Disposal of Assets" and conduct the procedures accordingly.

III. Where the Company's subsidiary is a non-public company with the asset acquisition or disposal amount reaching the standards of public disclosures stipulated in Article 14, the Company shall disclose on the subsidiary's behalf. The standards on company's paid-in capital or total assets then referred in the public disclosures shall base on the Company's paid-in capital or total assets.

IV. The Company's internal auditors shall regularly review the self-review reports compiled by all subsidiaries.

Article 16 Penalty

Any employee who undertakes responsibilities for acquisition or disposal of assets and violates these procedures shall be punished based on the severity of violation.

Article 17 Implementation and amendments

The Procedures shall be approved by the Audit Committee and submit to the Meeting of Shareholders for final approval after the BOD's resolution. Any subsequent amendment shall be subject to the same procedures. After establishing independent seats within the BOD, opinions of the Independent Directors shall be fully considered upon discussing the Procedures, and both the consenting and dissenting opinions and rationales shall be stated in the minutes of the BOD meetings.

Article 18 Supplementary Provisions

Any affairs that are not stated in the Procedures shall be processed in compliance with related law and regulations.

[Appendix V]

Shareholding by All Directors

The minimum number of shares to be held and the number of shares currently held by Directors

I. The Company's paid-in capital as of April 26, 2022 was NTD 3,761,221,120, and the number of shares issued was 376,122,112.

II. In compliance with Article 26 of the Securities Exchange Law and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, all Directors shall hold a minimum of 5% of registered shares, i.e., a minimum of 18,806,105 shares.

III. The Company has elected 3 Independent Directors, and the share ownership figure calculated at the rates set in the preceding paragraph for all Directors other than Independent Directors shall be decreased to 80%. Therefore, the minimum number of shares to be held by all Directors shall be 15,044,884.

IV. The Company has established an Audit Committee, so rules stipulating the number of shares legally owned by the supervisors do not apply.

V. As of the date of book closure for the Annual Meeting of Shareholders (April 26, 2022), the shareholding by all Directors and each of them is recorded in the shareholder register as follows:

April 26, 2022

Title	Name	Term	Shares	%
Chairperson	Lucent Source., Ltd. Representative: LIN, Ting Fung	2020/06/22~2023/06/21	1,143,000	0.30
Director	Chain-Yuan Investment Co., Ltd. Representative: KING, Fong Tien	2020/06/22~2023/06/21	53,751,965	14.29
Director	TSAO, Ming Hong	2020/06/22~2023/06/21	3,092,879	0.82
Director	WU, Shu Chuan	2020/06/22~2023/06/21	5,702,198	1.52
Director	HO, Pei Fen	2020/06/22~2023/06/21	6,750,833	1.79
Director	HO, Cheng Yu	2020/06/22~2023/06/21	4,056,384	1.08
Independent Director	LIAO, Liou Yi	2020/06/22~2023/06/21	0	0.00
Independent Director	CHANG, Ming Jye	2020/06/22~2023/06/21	0	0.00
Independent Director	LIN, Jung Chuen	2020/06/22~2023/06/21	0	0.00
Shareholding by All Directors (excluding Independent Directors)			74,497,259	19.80

[Appendix VI]

Impact of Stock Dividend Issuance on Business Performance, Earnings per Share and Shareholders' Return on Investment

Unit: NTD

<table>
<tr><td colspan="3">Item
Year</td><td>Estimated in 2022
(Distribution of surplus in 2021)</td></tr>
<tr><td colspan="3">Beginning paid-in capital</td><td>3,761,221,120</td></tr>
<tr><td rowspan="3">Distribution of dividends this year</td><td colspan="2">Cash dividends per share (NTD)</td><td>2.11</td></tr>
<tr><td colspan="2">Capital increase out of surplus allotment per share (NTD)</td><td>0.00</td></tr>
<tr><td colspan="2">Capital increase out of capital reserve allotment per share (NTD)</td><td>0.00</td></tr>
<tr><td rowspan="7">Change in operating performance</td><td colspan="2">Operating Profit</td><td>Note</td></tr>
<tr><td colspan="2">Operating profit increase (decrease) ratio over the same period last year</td><td>Note</td></tr>
<tr><td colspan="2">Net income after tax</td><td>Note</td></tr>
<tr><td colspan="2">Net income after tax increase (decrease) ratio over the same period last year</td><td>Note</td></tr>
<tr><td colspan="2">Earnings Per Share (NTD)</td><td>Note</td></tr>
<tr><td colspan="2">Earnings per share increase (decrease) ratio over the same period last year</td><td>Note</td></tr>
<tr><td colspan="2">Average annual return on investment (annual average PE ratio)</td><td>Note</td></tr>
<tr><td rowspan="6">Pro-forma earnings per share and P/E ratio</td><td rowspan="2">If capital increase by retained earnings is entirely replaced by cash dividend distribution</td><td>Pro-forma earnings per share (NTD)</td><td>Note</td></tr>
<tr><td>Pro-forma average annual return on investment</td><td>Note</td></tr>
<tr><td rowspan="2">If capital reserve is not used for capital increase</td><td>Pro-forma earnings per share (NTD)</td><td>Note</td></tr>
<tr><td>Pro-forma average annual return on investment</td><td>Note</td></tr>
<tr><td rowspan="2">If capital reserve to capital increase has not yet been undertaken and the surplus to capital increase is changed to cash dividend distribution</td><td>Pro-forma earnings per share (NTD)</td><td>Note</td></tr>
<tr><td>Pro-forma average annual return on investment</td><td>Note</td></tr>
</table>

Note: In compliance with the Regulations Governing the Publication of Financial Forecasts of Public Companies, the Company did not disclose its financial forecast information for 2022, so the forecast data for 2022 is not available.


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