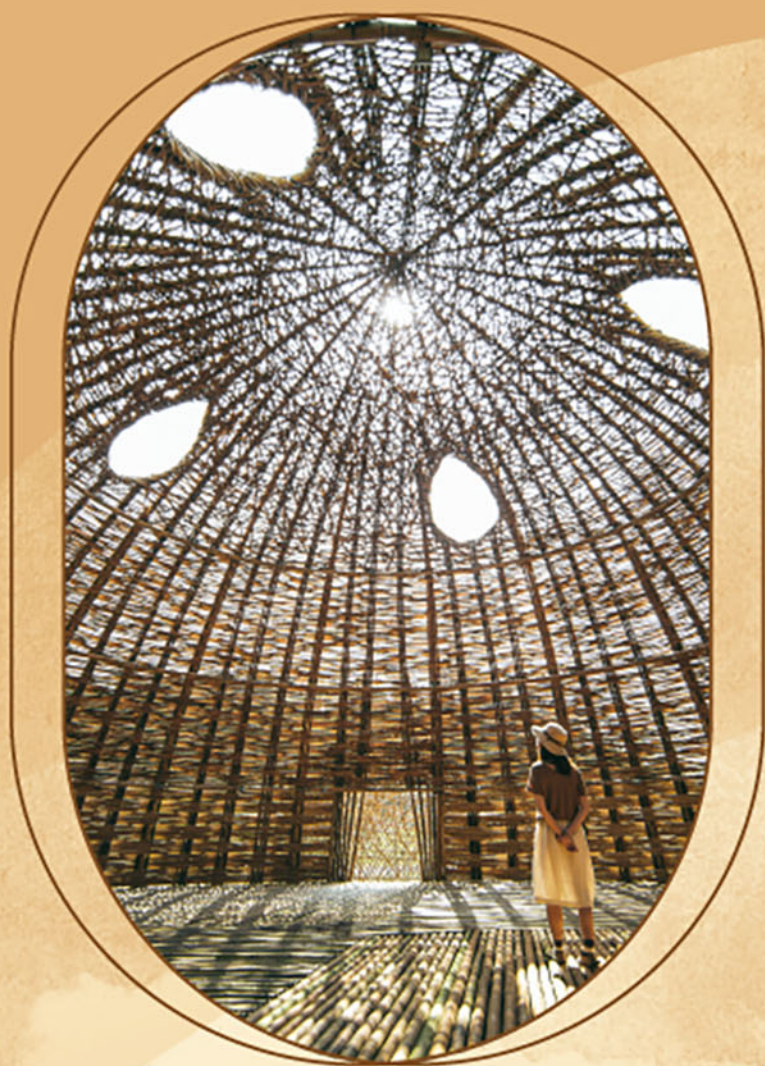


Stock Code:1532



CHINA METAL
PRODUCTS CO., LTD.



2023

Annual General Meeting
Meeting Method: Physical Meeting

**Meeting Handbook
(Translation)**

| Time: 9:30 a.m., June 15, 2023 (Thursday)

| 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 2023 ANNUAL GENERAL MEETING (“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.

2023 Annual General Meeting

Meeting Agenda

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

Agenda of 2023 Annual General Meeting

Meeting Method: Physical Meeting

Time: 9:30 a.m., June 15, 2023 (Thursday)

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

Agenda:

I. Meeting Called to Order

II. Chairperson Remarks

III. Announcements:

(I) 2022 Annual Business Report and Financial Reports (please refer to page 11- 20, Attachment I)

(II) 2022 Audit Committee’s Review Report (please refer to page 21, Attachment II)

(III) The Company’s earnings in cash dividends to shareholders for 2022

1. The Company’s appropriations of earnings in cash dividends to shareholders for 2022 have been approved by the Board of Directors as stipulated in Article 27 of the Articles of Incorporation. The 2022 appropriation of earnings in cash dividends is NTD 1.20 per share, which amounted to NTD 451,346,534.

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	50,000	160,000
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	-23,180	22,500
Total	2,758,180	26,820	2,785,000

- (V) Report on the distribution of employee compensation and remuneration for Directors for 2022
1. The Company's audited net profit before tax in 2022 amounted to NTD 674,825,139 and totaled to NTD 712,592,543 after adding the employee compensation and remuneration for Directors stated in the financial reports. In accordance 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 net profit as employee compensation and remuneration for Directors, amounted to NTD 19,952,591 and NTD 17,814,813, respectively.
 2. The employee compensation of NTD 19,952,591 and Directors' remuneration of NTD 17,814,813 allocated are to be paid out in cash and are the same as the remuneration expenses recognized in 2022. The aforementioned employee compensation is allocated to employees of the Company and its subsidiaries.
 3. The above mentioned 2022 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 amendments to the Rules of Procedure for Board of Directors Meetings (please refer to page 22-25, 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 accordance with Article 10 of this Regulation or exercised the right of sale in accordance with Article 19 of this Regulation, or redeemed by the Company in advance in accordance 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 was scheduled for the first quarter of 2022, and the capital utilization plan has been implemented.
- (8) Number of common shares converted up to the publication date of the annual report: As of the publication date (May 5, 2023), one bond has been deposited for conversion to common stock, and a total of 3,125 shares of common shares have been converted. The remaining 14,999 convertible corporate bonds with a total face value of NTD 1,499,900,000 have not yet been converted.

IV. Acknowledgements:

- (I) Subject: To acknowledge the 2022 business report and financial statements. (Proposed by the Board of Directors)

Note:

- 1. The 2022 Annual Business Report has been compiled.
- 2. The 2022 Parent Company Only Financial Statements and Consolidated Financial Statements have been compiled.
- 3. TSENG, Kuo Yang and CHIH, Shih Chin, 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 accordance with the law and regulations.
- 5. For the above mentioned statements, please refer to page 11- 21, Attachment I and II, and page 26-42, Attachment IV.

Resolution:

- (II) Subject: To acknowledge the 2022 earnings distribution. (Proposed by the Board of Directors)
Note:

- 1、 In the Company's 2022 Earnings Appropriation Sheet, legal reserves were appropriated in compliance with the laws, and the earnings in 2022 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 43 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 2022 should be given priority.

Resolution:

V. Election and Discussion:

- (I) Subject: Re-election of directors (Proposed by the Board of Directors)

Note:

1. The term of the current Board of Directors will end on June 21, 2023. In accordance with regulations, a re-election of the directors is to be held at the 2023 Annual General Meeting.
2. Pursuant to the provisions on the appointment of directors in Article 17 of the Company's Article of Incorporation, nine directors (including 3 independent directors) shall be elected with a three-year term of office and shall be eligible for re-election. The term of office of the new directors shall start on June 15, 2023 and terminate on June 14, 2026. In accordance with Article 192-1 of the Company Act and the provisions of the Company's Articles of Incorporation, the election of directors adopts a candidate nomination system.
3. The election shall be conducted in accordance with the Company's "Procedures for Election of Directors".

4. The list of director candidates is as follows:

Nominated Category	Name of Nominee	Education	Experience	Current positions	Shares
Director	Lucent Source., Ltd. Legal representative: LIN, Ting Fung	● Bachelor of Water Resources Engineering, Chung Yuan Christian University	● President of Sanlien Technology Corp. ● Chairperson of Meteorological Application & Development Foundation ● Supervisor of China Metal Products Co., Ltd.	● Chairperson • Atrans Precision Industries Co., Ltd. • Pujen Land Development Co., Ltd. • The Hotel National Co., Ltd. (and President) • InterContinental Taichung Co., Ltd. • San Lien Educational Foundation • Taichung City Sports Education Development Foundation • Sino-Geotechnics Research and Development Foundation ● Director • Kemitek Industrial Corp. (and President) • Meteorological Application & Development Foundation • Taichung City Sports Education Development Foundation • Sino-Geotechnics Research and Development Foundation	1,430,000

Director	Chain-Yuan Investment Co., Ltd. Legal representative : CHENG, Wu Cheh	● Bachelor of Mechanical Engineering, University of Washington (Seattle) ● Master of Mechanical Engineering, Rensselaer Polytechnic Institute (New York)	● General Manager in Asia Pacific Region of Cutting Tool Business in Kennametal Hardpoint (Taiwan) INC. ● One of the Founders of Boben Environmental Control Technology Co., Ltd. ● General Manager in China of Automotive Seating Business in Johnson Controls International PLC. ● General Manager in Asia Pacific Region of Energy Storage Solutions Business in Johnson Controls International PLC. ● General Manager in China of Building Automation and Controls Business in Johnson Controls International PLC. ● General Manager in Taiwan in Whirlpool	● Chairperson of Yuzeno Co., Ltd.	55,147,965
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			Corporation		
Director	TSAO, Ming Hong	● Department of Newspaper Administration, Shih Hsin Junior College	● Vice President, Director, Vice Chairperson and Consultant of China Metal Products Co., Ltd. ● Director of Pujen Land Development Co., Ltd. (as Legal representative of CMP)	● Director and Consultant of China Metal Products Co., Ltd. ● Supervisor of CMAAN Health Co., Ltd. ● Director of CMJ CO., LTD.	3,092,879
Director	WU, Shu Chuan	● Bachelor of International Trade, Tamkang University	● Director of Pujen Land Development Co., Ltd. (as Legal representative of CMP) ● Chairperson of Chain-Yuan Investment Co., Ltd.	● Director of China Metal Products Co., Ltd. ● Chairperson of China Floral Art Foundation ● Director of Chain-Yuan Investment Co., Ltd.	5,702,198
Director	HO, Pei Fen	● Master of Laws, University of Pennsylvania (U.S.A.)	● Special Assistant to the Chairman and Spokesperson of China Metal Products Co., Ltd. ● Chief Executive Officer of CMP Pujen Foundation for Arts and Culture ● Legal Specialist, McCutchen, Doyle, Brown & Enersen LLP	● Director of China Metal Products Co., Ltd. ● Director of CMP Pujen Foundation for Arts and Culture Chairperson ● Director of InterContinental Taichung Co., Ltd.	6,750,833

Director	HO, Cheng Yu	● Master of Design & Branding Strategy, Brunel University (U.K.)	● Manager, Assistant Vice President, Vice President of Lifestyle Innovation Division in China Metal Products Co., Ltd. ● President of Shangrila Tourism Co., Ltd. ● Chief Executive Officer of CMP Pujen Foundation for Arts and Culture ● Supervisor of InterContinental Taichung Co., Ltd. ● Chairperson of Calligraphy Greenway Plaza Co., Ltd.	● Director of China Metal Products Co., Ltd. (also as a Vice President of Lifestyle Innovation Division) ● President of Shangrila Tourism Co., Ltd. ● Chief Executive Officer of CMP Pujen Foundation for Arts and Culture ● Supervisor of InterContinental Taichung Co., Ltd. ● Chairperson of Calligraphy Greenway Plaza Co., Ltd.	4,056,384
Independent Director	LIN, Jung Chuen	● Doctor of Business Administration, National Chengchi University	● Director of Dehwa Construction Co., Ltd. ● Chief Executive Officer of English Taught Program in International Business and Vice dean of College of Management in Shih Chien University ● Consultant at the Taiwan Academy of Banking and Finance	● Independent Director of China Metal Products Co., Ltd. ● Independent Director of Everlight Electronics Co., Ltd. ● Independent Director of Antec Inc.	0

Independent Director	WU, Yu Hsueh	● Master of Law, National Defense University ● Bachelor of Law, Soochow University	● Lecturer in Law of Ming Chuan University ● Lecturer of Central Police University	● Managing Attorney of JIN-YI Law Firm ● Member of Remuneration Committee in Chang Hwa Commercial Bank, Ltd. ● Member of Gender Equality Committee in Legislative Yuan ● Member of Taipei City Election Commission ● Member of Research Ethic Committee in Taiwan Blood Services Foundation	0
Independent Director	LIN, Chien Yuan	● Doctor of Civil Engineering, University of Washington	● Chairperson of An-Shin Food Service Co., Ltd. (MOS Burger) ● Chairperson of An-Hui Information Technology Co., Ltd. ● Chairperson of An-shin Food Services (Singapore) PTE. LTD. ● Chairperson of Xiamen An Shin Food Management Co., Ltd.	● Chairperson of An-Shin Food Service Co., Ltd. (MOS Burger) ● Chairperson of An-Hui Information Technology Co., Ltd. ● Chairperson of An-shin Food Services (Singapore) PTE. LTD. ● Chairperson of Xiamen An Shin Food Management Co., Ltd.	0

Election results:

(II) Lifting of the non-compete clause against Directors (Proposed by the Board of Directors)

Note:

1. According to Article 209 of the Company Act, “a director who does anything for himself or on behalf of another person that is within the scope of the company’s business, shall explain to the annual general meeting the essential contents of such an act and secure its approval.”

2. Since the newly-appointed directors (if a juristic person shareholder is elected as a director, including the juristic person shareholder and its designated representative) of the Company may, for the benefit of the Company, invest in or operate other companies with the same or similar business scope as the Company and serve as directors or managers, the Company hereby requests the approval by the annual general meeting to release the newly-appointed directors from non-competition restriction under the aforementioned circumstances during their term of office.

Resolution:

VI. Extemporaneous Motions

VII. Adjournment

China Metal Products Co., Ltd. (“CMP”)**2022 Annual Business Report****(I) Results of Operation**

CMP Group’s three major business groups are: Metal Manufacturing, Real Estate Development, and Lifestyle Innovation. In 2022, CMP Group’s operating results were as follows: the consolidated operating revenues was approximately NTD 14.6 billion, the consolidated net operating income was approximately NTD 1.1 billion, the net consolidated profit was approximately NTD 1 billion, and the total consolidated assets were approximately NTD 53 billion.

(II) Status of Budget Implementation: Not Applicable**(III) Financial Revenue and Profitability Analysis**

Unit: NTD `000

Items		2022	2021
Financial Income & Expenditure	Interest Revenue	39,870	63,459
	Interest Expenses	274,775	259,462
	Net Foreign Exchange Gains (Losses)	123,520	-19,841
Profitability	Return on Assets (%)	2.35	3.99
	Return on Equity (ROE) (%)	5.92	10.29
	Ratio of Income to Paid-in Capital (%)	27.93	49.68
	Ratio of Net Profit Before Tax to Paid-in Capital (%)	26.30	48.20
	Net Ratio (%)	6.76	8.90
	Earnings Per Share (NTD)	2.14	3.22

(IV) Status of Primary Operations, Research and Developments**Metal Manufacturing****CMP Metal Manufacturing Division**

In 2022, there was an overall increase in the number of orders for various products of CMP Metal Manufacturing Division. Despite a decrease of 16% in the orders for woodworking machines due to the excessive inventory level of household woodworking machines in the U.S. consumer markets and the raising of interest rates by the U.S. Federal Reserve to combat inflation, there was an annual growth of 28% in agricultural machinery products resulted from the increasing global demand for agricultural and food products. The orders for engines and auto parts also increased by 15% and 9% respectively as our major Japanese

clients continued to maintain steady procurement with Taiwanese suppliers.

Looking forward to 2023, to facilitate the sound development of key industries and support the sales regions across the globe, the factories will focus on the following three major targets:

1. Stabilize the development in the three main industries: electromechanical tools, agricultural parts, and engines industries; acquire and develop customers in the infrastructure industry.
2. Increase the sales ratio in the Japanese markets and mitigate geo-economic risks.
3. Integrate CMP Group's resources of metal production to increase added value and achieve budget goals!

China Metal International Holdings Inc. (CMI)

In the first half of 2022, the global economy and living environment were severely impacted by not only the Shanghai COVID-19 lockdown but also international events such as Russia's war in Ukraine, energy crises, and record global inflation. Although China began lifting COVID-19 restrictions in December, it was hit by yet another COVID-19 outbreak, which immensely affected various industries that CMI worked with. All Group members stood united during this trying time to reinforce various aspects of operations management by ensuring stable supply for customers as well as optimizing internal technologies and production processes and to overcome the obstacles of the COVID-19 pandemic. Moreover, new customers were invited to factory visits for verification, and plans were made for economic recovery after the COVID-19 pandemic. Although the company's annual revenue in 2022 declined compared with that in 2021, as the COVID-19 prevention measures were lifted across the world and the demand in the international markets of automobiles and infrastructure progressively increased, its revenue and net operating profit rate gradually improved from the third quarter of 2022. Looking forward to 2023, as the world speeds up the lifting of pandemic restrictions, and the living standards and economy recover, CMH (a subsidiary of CMI) will continue to expand mass production to prove its resilience and move forward with excellence. CMI factories have also made continuous improvement in terms of

environmental protection and circular economy, leading the government's green indicators. In addition, the factories continuously improved the working environment and made contribution to social environmental protection, winning various government affirmations in sustainability and environmental protection. The key achievements are as follows:

1. In September 2022, CMW, CMS, and CMB were awarded the “China Green Foundry Demonstration Enterprise” by the China Foundry Association, and CMH was awarded the “China Green Foundry Enterprise” by the China Foundry Association, obtaining government recognition and certification for environmental protection and corporate sustainability.
2. In July 2022, CMI and its four foundries in mainland China, namely CMW, CMS, CMB, and CMH, were awarded the “Top 100 in China Foundry Industry and Sub-segment Vanguard Enterprise”.
3. CMI Group has completed and passed the TISAX information security assessment. The TISAX information security certification was issued in December 2022 for recognition of CMI Group's efforts in information security management, and CMI Group will continue to make improvements.

Atrans Precision Industries Co., Ltd. (Atrans Precision)

In 2022, the company benefited from the positive effects of continuous customer orders resulted from the rebound effect in 2021, the mass production of new products, and the increasing exchange rate of the United States dollar. Despite several negative factors throughout the year, including limited supplier production capacity, rising raw material prices, and the sharp increase in the exchange rate of the New Taiwan dollar from the fourth quarter, as the company has been actively and regularly enhancing the efficiency of customer items and product prices since 2020, for the year of 2022, significant improvements were made to on-site production efficiency and adverse impacts of external forces were overcome through channeling mass production resources into orders of high margin products as well as progressively incorporating the Group's industrial upgrade plans. As a result, there was a

considerable increase in the annual revenue, operating gross profit, and operating net profit compared with the previous year.

In 2022, in addition to the successful completion of the two-year “Industrial Upgrading Innovation Platform Guidance Program” on “Intelligent Value Chain Integration and Application” organized by the Industrial Development Bureau of the Ministry of Economic Affairs, the company also continued to implement the second phase of physical optimization and upgrade and to establish automated production lines for key projects by combining existing PLM, MES, BPM, SPC, and other operations management systems. Moreover, the first phase of the IOT project was launched to improve overall software and hardware quality and to achieve the company’s transformation and upgrade.

Looking forward to 2023, under the subsequent impact of post-COVID-19 and Russia’s war in Ukraine on the global economy and industries, Atrans Precision will continue to strengthen its own capabilities, provide customers with complete solutions, work towards the global goal of net-zero emissions by developing new products and customers with high added value, and contribute profits to the Group.

CMJ CO., LTD. (CMJ)

In 2022, although the sales of construction machinery products by the subsidiary Qingdao Sourcing Specialists Trading Co., Ltd. (SST) decreased by 6% compared with the target value, because of the increase in CMJ’s sales in Japan and the United States as well as pricing adjustments, CMJ still achieved 100% of its target value.

In terms of talent retention and employee care, the company continued to promote employee welfare policies through mid-to-long-term plans, and employee performance improved significantly.

Regarding resource improvement, the company was committed to promoting an international and diverse business environment by employing talents from different regions and backgrounds. Nevertheless, amid political turmoil, global economic and financial collapse, and inflation, the Japanese yen continued to slide.

The company's procurement strategy has been developed towards local production, local consumption, risk aversion, and diversified procurement. Therefore, in addition to Taiwan, China, and Southeast Asia, the company has begun planning to seek out Indian suppliers to provide customers with more product and service options.

Looking forward to 2023, efforts will be put together to secure human resources, establish and implement training, develop procurement expertise, and further increase productivity. The continuous development of new business opportunities and new products will be the company's strategy for the future, along with strengthening the collaboration with other companies of the Group.

CMAI CO., LIMITED (CMAI)

In 2022, due to the impact of high ocean freight rates, decline in demand resulted from the global chip shortage, and increasing operating costs resulted from inflation during the second half of the year, the overall revenue did not meet the expected target. However, through organizational optimization and price adjustments, the annual net profit increased compared with 2021.

The revenue in 2023 is estimated to be the same as that in 2022, but the adjustments of sales products and cost structure are expected to create more profit. Still, the company will keep a close eye on the post-pandemic economy, inflation, interest rate hikes, and the impact of the US-China tariff dispute.

Real Estate Development

PUJEN Land Development Co., Ltd. (PUJEN)

In 2022, the ongoing cycles of COVID-19 lockdowns, stalemate between Russia and Ukraine, heated geopolitical conflicts, and inflation led to raising interest rates by central banks of the world, a sharp tumble in global stock markets, capital outflows, reinforced housing policies by the government (such as selective credit control, implementation of the Real Price Registration 2.0 system, and amendments to the Equalization of Land Rights Act), and continuing shortages of construction workers and materials, causing a sharp increase in construction costs. Any one of the aforementioned events alone was a critical impact factor

on real estate, not to mention all of them together, causing serious challenges for the construction industry in 2022!

In response to drastic changes in the environment, PUJEN not only put continuous efforts into strengthening its organizational structure and competitiveness, seeking certainty and stability, preventing errors, and enhancing its expertise and attention to details but also implemented smart buildings, high-performance residences, green building designs, universal designs for all ages, BIM360 cloud services, and cost forecasting platforms. Furthermore, initiatives were taken to enhance the interaction between the customer service team and customers, adjust the sales strategy to control the total price range, and develop inelastic demand products. In terms of development, we reserved funds to be used effectively and flexibly and continued to work on urban renewal and reconstruction projects in key areas. To mitigate the impact of rising costs, shortages of workers and materials, as well as difficulties in letting contracts and controlling construction progress, we established our own Class A construction company in order to directly work with midstream and downstream contractors, shorten procurement and delivery timelines, reduce costs, control construction time limit, and ensure the overall performance of the company.

Looking forward to 2023, there is still uncertainty surrounding the economic outlook. With financial security and a stable workforce, PUJEN will promote various development projects steadily and according to plan as well as follow up on the progress review of urban renewal projects, such as the Xinyi Guangfu project, Renai Rd Project, Roosevelt Road project, Nangang HQ project, Qingcheng I Project, etc. In terms of business operations, the “VISION UTMOST” and “A RARE ONE” projects are to be launched and open for sales. In terms of construction work, there are currently ten projects under construction, and PUJEN is committed to construction site safety and quality and timely construction services. The “PUJEN Yongji” and “Park Mansion” projects are to be completed successively, and the “CMP Midtown” project in Taichung is also expected to close escrow at the end of the year. We look forward to achieving successful results in 2023.

Lifestyle Innovation

CMP Lifestyle Innovation Division

In 2022, the COVID-19 pandemic still had severe impact on the operation in the second quarter. In the other quarters, each operational unit achieved higher-than-expected revenue, and therefore the total annual revenue increased compared with that in 2021. From May to June 2022, the renovation of the light meal area on the B1 floor achieved significant results, and major brands such as “New Balance 1906” and “plain-me” were launched to boost sales volume and customer engagement. PARK2 Caowu Square officially opened in mid-January, and the annual revenue also reached the annual target. The remarkable opening attracted a huge crowd and attention from media outlets. Meanwhile, as PARK2 Caowu Square is a new type of park-based commercial concept, various brands were introduced to Taichung for the first time, such as "TOASTERiA CAFE", "Stand Up PLZ BBQ", and "ROCKLAND", effectively enhancing the overall layout of the group on Calligraphy Greenway. In 2022, the sustainable brand "Green Ripple Life" was launched, and large-scale regional activities were planned and held during the summer and Christmas seasons. In particular, the summer event “Green Ripple Life in mid-July” was the Group’s first time to turn a civic square into a space for public events since the Group’s involvement in the development of Calligraphy Greenway started in 2008, which is of great significance and has attracted a lot of media attention.

Looking forward to 2023, the business department will continue to work towards sustainable development and profitable growth. A series of events will be launched around the Calligraphy Greenway area in relation to the CMP Midtown project, and the Forestry Bureau project will also be launched and expected to open in August 2023. To further develop the Calligraphy Greenway area in Taichung, in addition to continuously increasing the annual revenue and profitability of each business unit, we will also strengthen each unit’s ability to integrate resources and skills. We will organize regional travel and gathering activities, optimize digital marketing, perform membership and large-scale APP updates, update POS

machine and system, and increase the income from the exterior wall advertisements of Park Lane by CMP, so as to fully prepare for the post-COVID-19 environment and the overall development of the Group.

The Hotel National Co., Ltd. (The Hotel National)

In the first half of 2022, the COVID-19 pandemic had a huge impact on the revenue, especially from May to June. However, with the adjustment of COVID-19 restrictions and the crowd of travelers subsidized by government programs, the number of people attending banquets and other catering events increased, and therefore the revenue also progressively grew. Through proper cost control, the net profit turned positive in December 2022, and the annual loss was lower than originally estimated.

With the re-opening of the country's borders in 2023, more and more foreign tourists have traveled to Taiwan in the first quarter. The Hotel National is not only improving its equipment and hardware but also increasing its manpower to provide the best customer experience and achieve the goal of "Calligraphy Greenway is a home-like hotel". In addition to the hotel itself, in the fourth quarter of 2023, the close of escrow of the CMP Midtown project is also expected to increase profit. We will continue to improve business performance, devote efforts into providing domestic and foreign travelers the best experience possible, and achieve annual goals.

Shangrila Tourism Co., Ltd. (Shangrila)

Although the operation in the second and third quarters of 2022 was severely affected by the COVID-19 pandemic, the overall annual revenue still exceeded the target goal because of the outstanding performance in the first and fourth quarters. During the final round of the fourth season of CMP camping experience, in the last 100 days, excellent craftsmen who held more than 2,000 hand-made courses in the past were invited to return to the camping village to make creative craftsmanship proposals. Taking advantage of the National Day holiday in October, CMP held a large-scale forest market for the first time, and more than 4,000 paying participants visited for three consecutive days. The old paradise graduation

circus theme event was launched on the New Year's Eve, and positive monthly net profit after tax was achieved in the fourth quarter, with customer satisfaction rate reaching 96.7%. In 2022, the park promoted the "Zero Waste Project" and collaborated with the sustainable environment consultant team REnato lab. Through material flow analysis and calculation, the recycling rate of industrial recycling waste in the park was as high as 76%, and the recycling rate of biological waste could reach 100%. We visited more than 20 manufacturers that reused sustainable materials and collaborated with the environmental and biological design studio Bionicraft to remove and replace the old bamboos of the Bamboo Woven Sky in the park, recycle and reproduce them into potted plants, as well as open a sustainable flower shop in the park. The toilet paper in the park have been completely certified with the FSC recycled label, and the toilet paper is made of 100% recycled materials without cutting down any trees. Because of the replacement of recycled pulp toilet paper, the carbon footprint has been reduced by 10.8% compared with that before the replacement, and a total of 3,456 trees with a height of 12 meters and a diameter of 20 centimeters have been preserved.

In December 2022, the "CMP 50 - Employee Forest Day" event was held, with the theme of treating brown root rot disease. A total of 120 participants walked directly into the forest towards the hot spots of sick trees in the park and followed the steps on the learning sheet to conduct: environmental observation, biological observation, logging and tree removal, and tree head removal in order for employees to understand and raise awareness of forest ecological restoration. The employees significantly improved their knowledge of forest sustainability, as revealed by the questionnaire survey.

The two major goals for 2023 are as follows:

1. Sustainable forest restoration goals

- (1) Remove the root system of infected forest trees, and restore soil health conditions. A total of 77 trees in the five major districts that were mainly infected with the brown

root rot disease are to be remediated, with an area of 1,925 square meters, and the completion rate is estimated to be 100%.

- (2) Increase the garbage recycling rate in the park to 85% in 2023.
- (3) Maintain biomass waste recycling rate at 100%, and organic matter compost are to be added to improve and balance various values, thereby enhancing the exchange capacity of soil microorganisms and plant fertility to achieve ecological balance. Through 12 detection indicators, such as organic matter and pH, all are expected to reach normal values within half a year.

2. Planning and establishment of new business models

- (1) Create Taiwan's most authoritative and brand-influential international eco-tourism IP within five years.
- (2) Within three years, we will be able to collaborate with high-quality brands in Taiwan and in international markets to launch innovative experiential design services for natural ecology.
- (3) Within one year, we will be able to launch a new type of children's camp courses based on the design of a one-day tour experience at the existing base of CMP Village.

Chairperson:
LIN, Ting Fung

President:
MAI, Sheng Wei; LIN, Ching Yi

Accounting Manager:
WANG, Pei Chang

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 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 16, 2023

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

“Rules of Procedure for Board of Directors Meetings” Amendment Comparison Table

Article	After Amendment	Before Amendment	Explanations
Article 2	The convening of a Board of Directors meeting shall be notified to each director at least seven days in advance, with the time, location, and reasons for calling a meeting clearly indicated. In emergency circumstances, however, a meeting may be called on shorter notice. The aforementioned meeting notice may be effected by means of fax or email instead of written correspondence. All matters set out in Paragraph 1 of Article 15 shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion.	The convening of a Board of Directors meeting shall be notified to each director at least seven days in advance, with the time, location, and reasons for calling a meeting clearly indicated. In emergency circumstances, however, a meeting may be called on shorter notice. The aforementioned meeting notice may be effected by means of fax or email instead of written correspondence. All matters set out in Paragraph 1 of Article 15, ~~except in case of an emergency or a legitimate reason,~~ shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion.	This Article was amended pursuant to the amended Article 3 of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” brought into force in Letter No. 1110015595 issued by the TWSE.
Article 15	The Company shall submit the following items for discussion by the Board of Directors: I. Corporate business plan.	The Company shall submit the following items for discussion by the Board of Directors: I. Corporate business plan.	This Article was amended pursuant to

Article	After Amendment	Before Amendment	Explanations
	II. Annual financial reports and second quarter financial reports. However, second quarter financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant are excluded. III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and an assessment of the effectiveness of the internal control system. IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others. V. The offering, issuance, or private placement of any equity-	II. Annual financial reports and second quarter financial reports. However, second quarter financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant are excluded. III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and an assessment of the effectiveness of the internal control system. IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others. V. The offering, issuance, or private placement of any	the amended Article 7 of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” brought into force in Letter No. 1110015595 issued by the TWSE.

Article	After Amendment	Before Amendment	Explanations
	type securities. <u>VI. The election or discharge of the Chairperson of the Board of Directors.</u> <u>VII.</u> The appointment or discharge of a financial, accounting, or internal audit officer. <u>VIII.</u> A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition. <u>IX.</u> Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at an Annual General Meeting or Board of Directors meeting, or any such significant matter as may be prescribed by the competent authority. The term "related party" in	equity-type securities. ~~VI.~~ The appointment or discharge of a financial, accounting, or internal audit officer. ~~VII.~~ A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition. ~~VIII.~~ Any matter required by Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw to be approved by resolution at an Annual General Meeting or Board of Directors meeting, or any such significant matter as may be prescribed by the competent authority. The term "related party" in Subparagraph 7 of the preceding paragraph refers to a related party as defined in the	

Article	After Amendment	Before Amendment	Explanations
	Subparagraph 8 of the preceding paragraph refers to a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" refers to any individual donation, or cumulative donations within a one-year period to a single recipient, at an amount of NTD 10 million or more. (Omitted)	Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" refers to any individual donation, or cumulative donations within a one-year period to a single recipient, at an amount of NTD 10 million or more. (Omitted)	

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, 2022 and 2021, 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, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2022 and 2021 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 audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. 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, 2022 and 2021, 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, 2022 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(x).

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(r).

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of 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 Kuo-Yang Tseng and Shih-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

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, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
Assets				
Current assets:				
1100 Cash and cash equivalents (Notes 6(a) and (aa))	\$ 6,068,902	11	5,039,645	10
1170 Notes and accounts receivable, net (Notes 6(c), (x) and (aa))	3,814,610	7	4,071,069	8
1180 Accounts receivable due from related parties, net (Notes 6(aa) and 7)	9,163	-	2,721	-
1200 Other receivables (Note 6(aa))	78,170	-	121,582	-
1210 Other receivables due from related parties (Notes 6(aa) and 7)	4,888	-	25,652	-
130X Inventories (Notes 6(d), 8 and 9(a))	22,046,213	42	20,007,434	40
1410 Prepayments (Note 9(a))	194,796	-	328,881	1
1476 Other current financial assets (Notes 6(aa), 8 and 9(a))	1,900,962	4	2,195,250	4
1479 Other current assets, others	360,259	1	325,606	1
1480 Incremental costs of obtaining contracts	429,344	1	313,912	1
Total current assets	34,907,307	66	32,431,752	65
Non-current assets:				
1517 Non-current financial assets at fair value through other comprehensive income (Notes 6(b) and (aa))	179,363	-	215,295	-
1550 Investments accounted for using equity method (Notes 6(e), (f) and (g))	707,979	1	751,056	2
1600 Property, plant and equipment (Notes 6(h), 8 and 9(a))	10,610,646	20	10,590,049	21
1755 Right-of-use assets (Note 6(i))	1,859,349	4	2,033,761	4
1760 Investment property, net (Notes 6(j) and 8)	663,386	1	706,674	2
1780 Intangible assets (Note 6(k))	426,746	1	400,544	1
1840 Deferred tax assets (Note 6(u))	175,561	-	34,713	-
1975 Non-current net defined benefit assets (Note 6(t))	633	-	14,172	-
1980 Other non-current financial assets (Notes 6(l), (aa), 7 and 9(a))	686,862	1	687,586	1
1990 Total other non-current assets, others (Notes 6(m), 7, 8 and 9(a))	2,811,563	6	2,106,431	4
Total non-current assets	18,122,088	34	17,540,281	35
Total assets	\$ 53,029,395	100	\$ 49,972,033	100
Liabilities and equity				
Current liabilities:				
2100 Short-term borrowings (Notes 6(n) and (aa))	\$ 11,582,617	22	9,071,826	18
2130 Current contract liabilities (Notes 6(x), 7 and 9(a))	4,864,716	9	3,620,534	7
2170 Notes and accounts payable (Notes 6(a) and 7)	3,029,941	6	3,394,708	7
2180 Accounts payable due to related parties (Notes 6(aa) and 7)	40,301	-	26,827	-
2200 Other payables (Note 6(aa))	1,383,231	3	1,931,916	4
2220 Other payables due to related parties (Notes 6(aa) and 7)	749	-	30,003	-
2230 Current income tax liabilities	86,957	-	81,833	-
2280 Current lease liabilities (Notes 6(q) and (aa))	188,005	-	179,629	-
2322 Long-term borrowings, current portion (Notes 6(o) and (aa))	2,470,335	5	1,612,105	4
2399 Other current liabilities (Note 6(i))	171,969	-	138,402	-
Total current liabilities	23,818,821	45	20,087,783	40
Non-current liabilities:				
(aa) Non-current financial liabilities at fair value through profit or loss (Notes 6(p) and (aa))	8,253	-	-	-
2530 Bonds payable (Notes 6(p) and (aa))	1,560,633	3	-	-
2540 Long-term borrowings (Notes 6(o) and (aa))	8,456,951	16	10,536,188	21
2570 Deferred tax liabilities (Note 6(u))	512,520	1	498,392	1
2580 Non-current lease liabilities (Notes 6(q) and (aa))	1,479,111	3	1,649,203	4
2640 Non-current net defined benefit liabilities (Note 6(t))	29,643	-	25,347	-
2670 Other non-current liabilities, others (Notes 6(r), (aa) and 7)	478,573	1	427,467	1
Total non-current liabilities	12,525,684	24	13,136,597	27
Total liabilities	36,344,505	69	33,224,380	67
Equity attributable to owners of parent (Note 6(v)):				
3100 Ordinary share	3,761,221	7	3,761,221	7
3200 Capital surplus (Note 6(p))	1,542,440	3	1,488,270	3
3300 Retained earnings	7,492,071	14	7,472,339	15
3400 Other equity	61,209	-	52,785	-
Total equity attributable to owners of parent:	12,856,941	24	12,774,615	25
36XX Non-controlling interests	3,827,949	7	3,973,038	8
Total equity	16,684,890	31	16,747,653	33
Total liabilities and equity	\$ 53,029,395	100	\$ 49,972,033	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, 2022 and 2021

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

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(x) and 7)	\$ 14,630,178	100	18,938,168	100
5000	Operating costs (Notes 6(d) and 7)	(11,337,623)	(78)	(14,564,322)	(77)
	Gross profit from operations	3,292,555	22	4,373,846	23
	Operating expenses (Note 7):				
6100	Selling expenses	(563,390)	(4)	(715,706)	(4)
6200	Administrative expenses (Note 6(y))	(1,654,882)	(11)	(1,777,617)	(10)
6300	Research and development expenses	(22,328)	-	(11,411)	-
6450	Expected credit losses (Note 6(c))	(1,512)	-	(665)	-
	Total operating expenses	(2,242,112)	(15)	(2,505,399)	(14)
	Net operating income	1,050,443	7	1,868,447	9
	Non-operating income and expenses:				
7100	Interest income (Notes 6(z) and 7)	39,870	-	63,459	-
7010	Other income (Notes 6(z) and 7)	119,361	1	178,325	1
7020	Other gains and losses (Notes 6(g), (p) and (z))	111,377	1	(38,847)	-
7050	Finance costs (Notes 6(z) and 7)	(274,775)	(2)	(259,462)	(1)
7060	Share of (losses) gains of associates and joint ventures accounted for using equity method, net (Note 6(e))	(56,976)	-	1,120	-
	Total non-operating income and expenses	(61,143)	-	(55,405)	-
	Profit from continuing operations before tax	989,300	7	1,813,042	9
7950	Less: Tax expense (Note 6(u))	(390)	-	(128,132)	(1)
8200	Net profit	988,910	7	1,684,910	8
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss:				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 6(t))	7,843	-	(3,309)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income (Notes 6(v) and (aa))	(20,742)	-	(12,622)	-
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	(12,899)	-	(15,931)	-
8360	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translation of foreign financial statements (Note 6(v))	58,938	-	(82,482)	-
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	58,938	-	(82,482)	-
8300	Other comprehensive income (after tax)	46,039	-	(98,413)	-
8500	Comprehensive income	\$ 1,034,949	7	1,586,497	8
	Net profit, attributable to:				
8610	Owners of parent	\$ 805,125	6	1,211,398	5
8620	Non-controlling interests	183,785	1	473,512	3
	Comprehensive income attributable to:	\$ 988,910	7	1,684,910	8
8710	Owners of parent	\$ 827,294	6	1,138,264	6
8720	Non-controlling interests	207,655	1	448,233	2
	Earnings per share (expressed in dollars) (Note 6(w))	\$ 1,034,949	7	1,586,497	8
9750	Basic earnings per share	\$ 2.14		3.22	
9850	Diluted earnings per share	\$ 1.85		3.21	

See accompanying notes to consolidated financial statements.

(Expressed in Thousands of New Taiwan Dollars)

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, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 989,300	1,813,042
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	1,057,893	965,802
Amortization expense	5,583	5,169
Expected credit losses	1,512	665
Net losses on financial assets or liabilities at fair value through profit or loss	3,961	-
Interest expense	274,775	259,462
Interest income	(39,870)	(63,459)
Dividend income	(16,423)	(14,625)
Share of profit losses (gains) of associates and joint ventures accounted for using equity method	56,976	(1,120)
Losses on disposal of property, plant and equipment	7,774	5,551
Property, plant and equipment transferred to expenses	10,451	574
Losses on disposal of investments accounted for using equity method	-	5,013
Lease modification gains	(65)	(27)
Other losses	459	32
Effect of exchange rate changes on short-term and long-term borrowings	51,728	(28,952)
Total adjustments to reconcile profit	1,414,754	1,134,085
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable, net	310,994	(296,952)
Accounts receivable due from related parties, net	(6,463)	(201,383)
Other receivables	(229,347)	370,183
Inventories	(1,884,615)	(1,843,252)
Prepayments	137,621	(85,554)
Other current assets	(33,298)	(56,980)
Other financial assets	162,030	(534,997)
Incremental costs of obtaining contracts	(115,431)	(90,871)
Total changes in operating assets	(1,658,509)	(2,739,806)
Changes in operating liabilities:		
Notes and accounts payable (including related parties), net	(408,614)	808,312
Other payables	(42,908)	370,719
Current contract liabilities	1,243,267	1,127,521
Other current liabilities	49,883	41,726
Other non-current liabilities	(26,734)	(594)
Total changes in operating liabilities	814,894	2,347,684
Total changes in operating assets and liabilities	(843,615)	(392,122)
Total adjustments	571,139	741,963
Cash inflow generated from operations	1,560,439	2,555,005
Interest received	26,103	49,531
Dividends received	130,423	14,677
Interest paid	(370,960)	(307,811)
Income taxes paid	(123,769)	(235,242)
Net cash flows generated from operating activities	1,222,236	2,076,160
Cash flows from investing activities:		
Acquisition of financial assets at fair value through other comprehensive income	(30,000)	(460)
Proceeds from disposal of financial assets at fair value through other comprehensive income	37,190	29,297
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	8,000	833
Acquisition of investments accounted for using equity method	(150,015)	-
Proceeds from disposal of the subsidiary (net effect of cash)	-	3,632
Proceeds from capital reduction of investments accounted for using equity method	16,432	-
Acquisition of property, plant and equipment	(654,941)	(1,221,648)
Proceeds from disposal of property, plant and equipment	6,650	4,351
Acquisition of intangible assets	(14,190)	(5,902)
Decrease (increase) in other financial assets	134,766	(102,128)
Increase in other non-current assets	(968,246)	(1,151,628)
Net cash flows used in investing activities	(1,614,354)	(2,443,653)
Cash flows from financing activities:		
Increase in short-term borrowings	10,520,858	10,371,391
Decrease in short-term borrowings	(8,127,786)	(9,351,759)
Increase in short-term notes and bills payable	30,022	35,232
Proceeds from issuing bonds	1,644,717	-
Proceeds from long-term borrowings	7,375,000	7,256,879
Repayments of long-term borrowings	(8,707,827)	(6,042,329)
Payment of lease liabilities	(193,794)	(187,164)
Increase in other non-current liabilities	2,704	6,969
Cash dividends paid	(793,618)	(387,406)
Cash dividends paid to non-controlling interests	(357,577)	(254,115)
Change in non-controlling interests	7,235	(208,715)
Net cash flows generated from financing activities	1,399,934	1,238,983
Effect of exchange rate changes on cash and cash equivalents	21,441	(45,650)
Net increase in cash and cash equivalents	1,029,257	825,840
Cash and cash equivalents at the beginning of the period	5,039,645	4,213,805
Cash and cash equivalents at the end of the period	\$ 6,068,902	5,039,645

See accompanying notes to consolidated financial statements.

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, 2022 and 2021, 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, 2022 and 2021, and its financial performance and its cash flows for the years ended December 31, 2022 and 2021 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. 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, 2022 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(w).

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

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

1. Identify and assess the risks of material misstatement of the 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 Kuo-Yang Tseng and Shih-Chin Chih.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

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, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2022		December 31, 2021				December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets		Liabilities and equity									
Current assets:		Current liabilities:									
11100	Cash and cash equivalents (Notes 6(a) and (z))	\$	2,031,113	8	1,329,592	5	2100	Short-term borrowings (Notes 6(m), (z) and 8)	\$	2,279,820	8
11170	Notes and accounts receivable, net (Notes 6(c), (w) and (z))		248,461	1	352,911	1	2130	Current contract liabilities (Note 6(w))		6,021	-
11180	Accounts receivable due from related parties, net (Notes 6(z) and 7)		33,894	-	30,198	-	2170	Notes and accounts payable (Notes 6(z) and 7)		335,642	1
1200	Other receivables (Note 6(z))		27,364	-	25,583	-	2200	Other payables (Notes 6(z) and 7)		296,384	1
1210	Other receivables due from related parties (Notes 6(z) and 7)		13,146	-	2,279	-	2230	Current income tax liabilities		13,448	-
130X	Inventories (Notes 6(d))		146,390	1	104,217	1	2280	Current lease liabilities (Notes 6(p) and (z))		178,337	1
1410	Prepayments (Note 7)		31,316	-	42,345	-	2300	Other current liabilities		4,604	-
1470	Other current assets		78,460	-	60,856	-	2310	Advance receipts		1,836	-
1476	Other current financial assets (Note 8)		382,144	1	446,401	2	2322	Long-term borrowings, current portion (Note 6(n))		250,000	1
	Total current assets		2,992,288	11	2,394,382	9		Total current liabilities		3,366,092	12
Non-current assets:		Non-current liabilities:									
1517	Non-current financial assets at fair value through other comprehensive income (Notes 6(b) and (z))		149,363	1	178,394	1	2500	Non-current financial liabilities at fair value through profit or loss (Notes 6(o) and (z))		8,253	-
1550	Investments accounted for using equity method (Notes 6(c), (f), (g) and 8)		15,374,107	57	14,902,240	59	2530	Bonds payable (Notes 6(o) and (z))		1,560,633	6
1600	Property, plant and equipment (Notes 6(b), 8 and 9)		741,921	3	736,930	3	2541	Long-term bank loans (Notes 6(n), (z) and 8)		7,354,135	27
1755	Right-of-use assets (Notes 6(i) and 9)		1,594,440	6	1,775,865	7	2580	Non-current lease liabilities (Notes 6(p) and (z))		1,471,026	6
1760	Investment property, net (Notes 6(j) and 8)		2,816,333	10	2,644,810	10	2640	Non-current net defined benefit liabilities (Note 6(s))		5,920	-
1780	Intangible assets		12,180	-	14,679	-	2570	Deferred tax liabilities (Note 6(t))		360,824	1
	Deferred tax assets (Note 6(i))		132,487	-	9,206	-	2600	Other non-current liabilities (Note 6(q))		195,715	1
1900	Other non-current assets (Notes 6(k), 7 and 9)		2,684,302	10	1,964,843	8		Total non-current liabilities		10,956,506	38
1975	Non-current net defined benefit assets (Note 6(s))		-	-	12,651	-		Total liabilities		14,322,598	53
1980	Other non-current financial assets (Notes 6(l), 7 and 9)		682,118	2	677,555	3		Equity attributable to owners of parent (Note 6(u)):			
	Total non-current assets		24,187,251	89	22,917,173	91	3100	Ordinary share		3,761,221	14
							3200	Capital surplus		1,488,270	6
							3300	Retained earnings		7,492,071	27
							3400	Other equity		61,209	-
								Total equity		12,856,941	47
	Total assets	\$	27,179,539	100	25,311,555	100		Total liabilities and equity	\$	27,179,539	100

See accompanying notes to financial statements.

CHINA METAL PRODUCTS CO., LTD.**Statements of Comprehensive Income****For the years ended December 31, 2022 and 2021****(Expressed in Thousands of New Taiwan Dollars , Except for Earnings Per Common Share)**

		2022		2021	
		Amount	%	Amount	%
4000	Operating revenues (Notes 6(w) and 7)	\$ 1,450,791	100	1,526,371	100
5000	Operating costs (Notes 6(d) and 7)	<u>(870,389)</u>	<u>(60)</u>	<u>(956,475)</u>	<u>(63)</u>
	Gross profit from operations	<u>580,402</u>	<u>40</u>	<u>569,896</u>	<u>37</u>
	Operating expenses (Note 7):				
6100	Selling expenses	(35,394)	(3)	(42,847)	(3)
6200	Administrative expenses	(629,627)	(43)	(572,051)	(37)
6300	Research and development expenses	-	-	(1,084)	-
6450	Expected credit gains (losses) (Note 6(c))	<u>338</u>	<u>-</u>	<u>(296)</u>	<u>-</u>
	Total operating expenses	<u>(664,683)</u>	<u>(46)</u>	<u>(616,278)</u>	<u>(40)</u>
	Net operating loss	<u>(84,281)</u>	<u>(6)</u>	<u>(46,382)</u>	<u>(3)</u>
	Non-operating income and expenses:				
7100	Interest income (Notes 6(y) and 7)	16,568	1	15,977	1
7010	Other income (Note 6(y))	89,125	6	71,689	5
7020	Other gains and losses (Note 6(y))	37,717	3	(22,952)	(2)
7050	Finance costs (Note 6(y))	(91,459)	(6)	(109,534)	(7)
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method (Note 6(e))	<u>707,155</u>	<u>48</u>	<u>1,241,673</u>	<u>81</u>
	Total non-operating income and expenses	<u>759,106</u>	<u>52</u>	<u>1,196,853</u>	<u>78</u>
7900	Profit from continuing operations before tax	674,825	46	1,150,471	75
7950	Add: Tax income (Note 6(t))	<u>130,300</u>	<u>9</u>	<u>60,927</u>	<u>4</u>
8000	Profit from continuing operations	<u>805,125</u>	<u>55</u>	<u>1,211,398</u>	<u>79</u>
	Profit	<u>805,125</u>	<u>55</u>	<u>1,211,398</u>	<u>79</u>
8300	Other comprehensive income:				
8310	Items that may not be reclassified subsequently to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans (Note 6(s))	4,048	-	(2,181)	-
8316	Unrealized losses from investments in equity instruments measured at fair value through other comprehensive income (Note 6(z))	(20,744)	(1)	(12,650)	(1)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method	<u>3,377</u>	<u>-</u>	<u>(813)</u>	<u>-</u>
	Total items that may not be reclassified subsequently to profit or loss	<u>(13,319)</u>	<u>(1)</u>	<u>(15,644)</u>	<u>(1)</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange differences on translation of foreign financial statements	<u>35,488</u>	<u>3</u>	<u>(57,490)</u>	<u>(4)</u>
	Total items that may be reclassified subsequently to profit or loss	<u>35,488</u>	<u>3</u>	<u>(57,490)</u>	<u>(4)</u>
8300	Other comprehensive income (after tax)	<u>22,169</u>	<u>2</u>	<u>(73,134)</u>	<u>(5)</u>
8500	Comprehensive income	<u>\$ 827,294</u>	<u>57</u>	<u>1,138,264</u>	<u>74</u>
	Earnings per share (Note 6(v))				
9750	Basic earnings per share	<u>\$ 2.14</u>		<u>3.22</u>	
9850	Diluted earnings per share	<u>\$ 1.85</u>		<u>3.21</u>	

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, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Share Capital	Retained Earnings					Other Equity			
							Exchange Differences on Translation of Financial Statements	Unrealized Gains (Losses) from Financial Assets Measured at Fair Value Through Other Comprehensive Income	Total Other Equity Interest	Total Equity
	Ordinary Share	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total Retained Earnings				
Balance on January 1, 2021	\$ 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
Profit for the year ended December 31, 2022	-	-	-	-	805,125	805,125	-	-	-	805,125
Other comprehensive income for the year ended December 31, 2022	-	-	-	-	7,425	7,425	35,488	(20,744)	14,744	22,169
Total comprehensive income for the year ended December 31, 2022	-	-	-	-	812,550	812,550	35,488	(20,744)	14,744	827,294
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	120,840	-	(120,840)	-	-	-	-	-
Cash dividends	-	-	-	-	(793,618)	(793,618)	-	-	-	(793,618)
Difference between consideration and carrying amount of subsidiaries acquired or disposed of	-	5,608	-	-	-	-	-	-	-	5,608
Changes in equity of associates and joint ventures accounted for using equity method	-	-	-	-	(5,520)	(5,520)	-	-	-	(5,520)
Recognition of equity component items from convertible bonds	-	48,562	-	-	-	-	-	-	-	48,562
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	6,320	6,320	-	(6,320)	(6,320)	-
Balance on December 31, 2022	\$ 3,761,221	1,542,440	1,964,848	49,081	5,478,142	7,492,071	10,196	51,013	61,209	12,856,941

See accompanying notes to financial statements.

CHINA METAL PRODUCTS CO., LTD.

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Profit before tax	\$ 674,825	1,150,471
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	281,112	271,092
Amortization expense	5,136	4,801
Net losses on financial assets or liabilities at fair value through profit or loss	3,961	-
Interest expense	91,459	109,534
Expected credit (gains) losses	(338)	296
Interest income	(16,568)	(15,977)
Dividend income	(16,423)	(13,536)
Share of profit of subsidiaries, associates and joint ventures accounted for using equity method	(707,155)	(1,241,673)
(Gains) losses on disposal of property, plant and equipment	(85)	1,470
Property, plant and equipment transferred to expenses	1,014	465
Loss on disposal of investments	-	3,005
Lease modification gains	(59)	(11)
Total adjustments to reconcile profit	(357,946)	(880,534)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes and accounts receivable, net	104,789	(97,146)
Accounts receivable due from related parties, net	(3,696)	(11,512)
Other receivables	(13,061)	51,019
Inventories	(42,174)	(11,111)
Prepayments	11,503	(9,932)
Other current assets	(19,114)	(40,718)
Other current financial assets	-	(219,258)
Net defined benefit assets	22,620	(1,779)
Total changes in operating assets	60,867	(340,437)
Changes in operating liabilities:		
Notes and accounts payable (including related parties), net	13,646	49,535
Other payables	(24,984)	230,286
Contract liabilities	(4,449)	2,839
Other current liabilities	(1,501)	3,617
Advance receipts	(407)	(2)
Total changes in operating liabilities	(17,695)	286,275
Total changes in operating assets and liabilities	43,172	(54,162)
Total adjustments	(314,774)	(934,696)
Cash inflow generated from operations	360,051	215,775
Interest received	2,483	2,049
Dividends received	697,787	948,703
Interest paid	(118,489)	(108,040)
Income taxes refund (paid)	43,853	(29,201)
Net cash flows generated from operating activities	985,685	1,029,286
Cash flows from investing activities:		
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	8,000	833
Acquisition of investments accounted for using equity method	(404,930)	(536,789)
Proceeds from disposal of the subsidiaries (net effect of cash)	-	2,772
Acquisition of property, plant and equipment	(100,748)	(93,845)
Proceeds from disposal of property, plant and equipment	220	695
Acquisition of intangible assets	(1,890)	(5,779)
Acquisition of investment properties	(171,523)	(174,919)
Decrease in other financial assets	59,695	207
Increase in other non-current assets	(719,459)	(1,192,960)
Net cash flows used in investing activities	(1,330,635)	(1,999,785)
Cash flows from financing activities:		
Increase in short-term borrowings	5,080,000	2,210,000
Decrease in short-term borrowings	(4,200,000)	(1,770,000)
Increase in short-term notes and bills payable	50,006	100,194
Proceeds from issuing bonds	1,644,717	-
Proceeds from long-term borrowings	7,375,000	6,842,632
Repayments of long-term borrowings	(7,935,582)	(5,045,582)
Increase in other non-current liabilities	1,726	3,391
Cash dividends paid	(793,618)	(387,406)
Payment of lease liabilities	(175,778)	(172,652)
Net cash flows generated from financing activities	1,046,471	1,780,577
Net increase in cash and cash equivalents	701,521	810,078
Cash and cash equivalents at the beginning of the year	1,329,592	519,514
Cash and cash equivalents at the end of the year	\$ 2,031,113	1,329,592

See accompanying notes to financial statements.

China Metal Products Co., Ltd. (“CMP”)
Earnings Appropriation Sheet
2022

Unit: NTD

Balance as at Beginning of the Year		4,664,792,297
Add (Less): adjustment items for current period		
Net profit after tax for the year	805,125,106	
Current period changes in remeasurements for defined benefit plan	7,425,570	
Disposal of financial assets measured at fair value through other comprehensive income	6,319,583	
Changes in share of associates and joint ventures accounted for using equity method	(5,519,761)	
Earnings Available for Appropriation		5,478,142,795
Less: legal reserve appropriation	(81,335,050)	
Appropriated items:		
Cash dividend (NTD 1.20 per share)	(451,346,534)	
Unappropriated earnings at the End of the Year		4,945,461,211
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:
MAI, Sheng Wei; LIN, Ching Yi

Accounting Manager:
WANG, Pei Chang

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

Rules of Procedure for Board of Directors Meetings

- Article 1: For the purpose of establishing a sound governance system for the Company’s Board of Directors, optimizing its supervision function, and strengthening management, these Rules were adopted pursuant to Item 8 of Article 26-3 of the Securities and Exchange Act as well as the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” issued by the Financial Supervisory Commission.
- Article 2: The convening of a Board of Directors meeting shall be notified to each director at least seven days in advance, with the time, location, and reasons for calling a meeting clearly indicated. In emergency circumstances, however, a meeting may be called on shorter notice. The aforementioned meeting notice may be effected by means of fax or email instead of written correspondence. All matters set out in Paragraph 1 of Article 15, except in case of an emergency or a legitimate reason, shall be specified in the notice of the reasons for calling a Board of Directors meeting; none of them may be raised by an extraordinary motion.
- Article 3: A Board of Directors shall meet every three months. Where a meeting of the Board of Directors is called by the chairperson of the Board, the meeting shall be chaired by the chairperson. However, where the first meeting of each newly elected Board of Directors is called by the director who received votes representing the largest portion of voting rights at the Annual General Meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting. Where a meeting of the Board of Directors is called by a majority of directors on their own initiative in accordance with the Company Act, the directors shall choose one person by and from among themselves to chair the meeting. When the chairperson of the Board is on leave or for any reason is unable to exercise the powers of the chairperson, the vice chairperson shall do so in place of the chairperson; if the vice chairperson also is on leave or for any reason is unable to act, a director designated by the chairperson shall act as the chairperson; if the chairperson does not make such a designation, a director elected by and from among the directors shall act as the chairperson.
- Article 3-1: A Board of Directors meeting shall be held at the location and during the business hours of the Company, or at a place and time convenient to all directors and suitable for holding such a meeting.
- Article 4: When a meeting of the Board of Directors is held, an attendance book shall be made ready

for signature by directors attending the meeting. All board directors shall attend board meetings in person; if attendance in person is not possible, they may authorize another director to attend as their proxy in writing, stating the scope of authorization with respect to the reasons for meeting. A proxy may accept a proxy from one director only. The attendance book forms a part of the minutes for each Board of Directors meeting and shall be well preserved during the existence of the Company.

Article 5: When a meeting of the Board of Directors is held, attendance via tele- or video-conference is deemed as attendance in person. Where a Board of Directors meeting is held via tele- or video-conferencing, the audio and visual documentation of the meeting form a part of the meeting minutes and shall be well preserved during the existence of the Company.

Article 6: When holding a meeting of the Board of Directors, the Company may, as necessary for the agenda items of the meeting, notify personnel of relevant departments or subsidiaries to attend the meeting as nonvoting participants. When necessary, the Company may also invite certificated public accountants, attorneys, or other professionals to attend as nonvoting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

Article 7: If there is any dispute over a proposal by the Board of Directors, a thorough discussion among the directors shall be conducted before the chairperson can put it to a vote.

Article 8: When a proposal comes to a vote at a Board of Directors meeting, the reasons for opinions expressing objections shall be stated in writing and recorded in the board meeting minutes.

Article 9: When the chair at a Board of Directors meeting is of the opinion that a matter has been sufficiently discussed to a degree of putting to a vote, the chair may announce the discussion closed and bring the matter to vote.

When a proposal comes to a vote at a Board of Directors meeting, if the chair puts the matter before all directors present at the meeting and none voices an objection, the matter is deemed approved. If any director expresses an objection, the chair shall bring the matter to vote.

The chair shall decide to adopt which one of the following methods of voting on matters at Board of Directors meetings. In case of any objection by an attendee, the method of voting shall be decided by a majority of the directors present at the meeting:

- I. By a show of hands.
- II. By voicing votes.
- III. By casting ballots.
- IV. By a method selected at the Company's discretion.

"All directors present at the meeting" in Paragraph 2 does not include directors prohibited from exercising voting rights pursuant to Article 10.

Article 9-1: Except as otherwise stated in the Securities and Exchange Act or in the Company Act, a resolution on a matter at a Board of Directors meeting requires the approval of a majority of the directors present at the meeting that shall be attended by a majority of all directors. The voting results shall be announced on site at the meeting, and a record made of the vote.

Where amendments or alternatives are proposed for the original motion, the chair 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.

Article 10: Company directors shall exercise a high degree of self-discipline. If a director or a juristic person represented by the director is an interested party with respect to any proposal for a board meeting, the director shall state the important aspects of the interested party relationship at the meeting. When the relationship is likely to prejudice the interests of the Company, the director may not participate in discussion or voting on that proposal and shall enter recusal during the discussion and voting. The director also may not act as another director's proxy to exercise voting rights on that matter. Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item, such director shall be deemed to be an interested party with respect to that agenda item. The directors shall also instill self-discipline among themselves and shall not support each other in any wrongdoing. If a director participates in voting in violation of the recusal requirement, any vote cast by the director shall be deemed invalid.

Article 11: When a proposal comes to a vote at a Board of Directors meeting, vote counting personnel shall be appointed by the chair, and all directors present at the meeting shall perform vote monitoring.

Article 12: The Secretariat shall prepare agenda items for Board of Directors meetings and provide comprehensive pre-meeting materials, to be sent together with the notice of the meeting. A director of the opinion that the pre-meeting materials provided are insufficiently comprehensive may request the Secretariat to supplement the materials. If a director is of the opinion that materials concerning any proposal are insufficient in content, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 13: The Company shall record on audio or video tape the entire proceedings of a Board of Directors meeting, and preserve the recordings for at least five years, in electronic form or otherwise. If before the end of the preservation period referred to in the preceding paragraph any litigation arises in connection with a resolution of a Board of Directors meeting, the relevant audio or video recordings shall continue to be preserved until the

litigation is concluded, in which case the preceding paragraph does not apply. Board of Directors meetings shall be recorded in the board meeting minutes. The minutes shall bear the signature or seal of both the meeting chair and the minutes taker; a copy of the minutes shall be distributed to each director and nonvoting participant within 20 days after the meeting and well preserved as important company records during the existence of the Company. The production and distribution of the meeting minutes referred to in the preceding paragraph may be done in electronic form.

Article 14: Agenda items for regular Board of Directors meetings shall include at least the following:

- I. Announcements:
 - (I) Minutes of the last meeting and actions arising.
 - (II) Reporting on important financial and business matters.
 - (III) Reporting on internal audit activities.
 - (IV) Other important matters to be reported.
- II. Discussion:
 - (I) Items discussed and continued from the last meeting.
 - (II) Items for discussion at this meeting.
- III. Extraordinary motions.

Article 15: The Company shall submit the following items for discussion by the Board of Directors:

- I. Corporate business plan.
- II. Annual financial reports and second quarter financial reports. However, second quarter financial reports which, under relevant laws and regulations, need not be audited and attested by a certified public accountant are excluded.
- III. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act, and an assessment of the effectiveness of the internal control system.
- IV. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, and endorsements or guarantees for others.
- V. The offering, issuance, or private placement of any equity-type securities.
- VI. The appointment or discharge of a financial, accounting, or internal audit officer.
- VII. A donation to a related party or a major donation to a non-related party. However, a public-interest donation of disaster relief for a major natural disaster may be submitted to the following board of directors meeting for retroactive recognition.
- VIII. Any matter required by Article 14-3 of the Securities and Exchange Act or any other

law, regulation, or bylaw to be approved by resolution at an Annual General Meeting or Board of Directors meeting, or any such significant matter as may be prescribed by the competent authority.

The term "related party" in Subparagraph 7 of the preceding paragraph refers to a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" refers to any individual donation, or cumulative donations within a one-year period to a single recipient, at an amount of NTD 10 million or more.

The term "within a one-year period" in the preceding paragraph means a period of one year calculated retroactively from the date on which the current Board of Directors meeting is convened. Amounts already submitted to and passed by a resolution of the Board are exempted from inclusion in the calculation.

At least one independent director shall attend each meeting in person. In the case of a meeting concerning any matter required to be submitted for a resolution by the board of directors under Paragraph 1, each independent director shall attend in person. If an independent director is unable to attend in person, the independent director shall appoint another independent director to attend as a proxy. If an independent director expresses any objection or reservation about a matter, it shall be recorded in the board meeting minutes. An independent director intending to express an objection or reservation but unable to attend the meeting in person shall, unless there is some legitimate reason to do otherwise, issue a written opinion in advance, which shall be recorded in the meeting minutes.

Article 16: Apart from the matters referred to in Paragraph 1 of Article 15, which are required to be submitted for discussion by the Board of Directors, when the Board of Directors delegates any exercise of its powers pursuant to laws, regulations, or the Company's Articles of Incorporation, matters such as the level and substance of the delegation shall be concretely and specifically set out. General authorization is not permitted.

Article 17: When the time of a meeting has arrived and one-half of all board directors are not present, the meeting chair may announce postponement of the meeting time, provided that only two postponements may be made. If the quorum is still not met after two such delays, the chair shall re-call the meeting following the procedures provided in Article 2. The term "all board directors" as used above shall be calculated as the number of directors then in office.

Article 18: A Board of Directors meeting shall be conducted in accordance with the order of business on the agenda as specified in the meeting notice. However, the order may be changed with the approval of a majority of directors present at the meeting.

The meeting chair may not declare the meeting adjourned without the approval of a majority of directors present at the meeting.

If at any time during the proceeding of a Board of Directors meeting, the directors sitting at the meeting are not more than half of the directors present at the meeting, then upon motion by the directors sitting at the meeting, the chair shall declare a suspension of meeting, in which case Paragraph 1 of the preceding article shall apply *mutatis mutandis*.

Article 19: Minutes shall be prepared of the discussions at Board of Directors meetings. The meeting minutes shall record the following:

- I. Session (or year), time, and place of meeting.
- II. Name of the meeting chair.
- III. Attendance of directors at the meeting, specifying the names and number of members present, excused, and absent.
- IV. Names and titles of those attending the meeting as nonvoting participants.
- V. Name of the minute taker.
- VI. Matters reported on.
- VII. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in Article 10, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director under Paragraph 4 of Article 15.
- VIII. Extraordinary motions: the name of the mover; the method of resolution and the result for each motion; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in Article 10, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
- IX. Other matters required to be recorded.

Any of the matters in relation to a resolution passed at a meeting of the Board of Directors, such as any matter about which an independent director expresses an objection or reservation that has been included in records or stated in writing, or any matter that has not been passed by the audit committee, shall be stated in the meeting minutes and within two days of the meeting be published on an information reporting website designated by

the competent authority.

Article 20: Any matters not covered in these Rules shall conform to the Company Act, the Company's Articles of Incorporation, and other relevant laws and regulations.

Article 21: These Rules shall be implemented upon approval by the Board of Directors and reported to the Annual General Meeting. The same shall apply to any subsequent amendments thereto.

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 for those that are subject to special approvals.

- 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, consisting of 500 million shares with a par value of NTD 10 per share. The shares may be issued in separate allotments. 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 General Meeting, and thirty (30) days immediately before the date of any extraordinary Annual General Meeting, 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. Annual General Meeting

- Article 11: There are two types of Annual General Meeting: Annual General Meeting (hereinafter referred to as “AGM”) and extraordinary Annual General Meeting. The Annual General

Meeting is convened once per year 84 within six (6) months after the closing of the fiscal year. Extraordinary Annual General Meeting may be convened in compliance with applicable law and regulations when necessary. Annual General Meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 12: The shareholder may appoint a proxy to attend the Annual General Meeting 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 Annual General Meeting 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 Annual General Meeting 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 Annual General Meeting 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 Annual General Meeting. 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 Annual General Meeting;
- (14) Proposal to capitalize 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 several Managers, 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 Annual General Meeting 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 allocated 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 resolved at the Annual General Meeting. 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 87 attending Directors with a quorum of

two-thirds (2/3) of all Directors, and report to the Annual General Meeting. 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 Annual General Meeting. 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 accordance 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, 2010.
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.
The 42nd amendment was approved on June 24, 2022.

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

Rules of Procedure for Annual General Meeting

Article 1: Unless otherwise stipulated in law and regulations or in the Company’s Articles of Incorporation, Annual General Meeting 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 Annual General Meeting 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, proxy solicitors and proxy agents (hereinafter referred to as shareholders). When the Company convenes a virtual Annual General Meeting, 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 Annual General Meeting 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 meeting. The venue of registration shall be clearly marked and aided by adequate number of competent personnel. For virtual Annual General Meeting, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attending the Annual General Meeting 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 Annual General Meeting 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 convenes a virtual Annual General Meeting, a shareholder wishes to attend the Annual General Meeting online, shall register with the Company two days before the meeting date.

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

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

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

When the Company convenes a virtual Annual General Meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 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). In the event of a virtual Annual General Meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

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. In the event of a virtual Annual General Meeting, shareholders wishing to attend the meeting online shall re-register with the Company in accordance with Article 3.

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 Annual General Meeting.

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

Unless otherwise resolved at the Annual General Meeting, 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 91 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. Where a virtual Annual General Meeting 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 to 2 of this Article, Article 10, and Article 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 on the virtual meeting platform.

- 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 Annual General Meeting. When the juristic person shareholder appointed two (2) or more representatives to attend the Annual General Meeting, 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).
- When the Company convenes a virtual Annual General Meeting, 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 Annual General Meeting, 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 Annual General Meeting, 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 92 the numbers of votes they obtained, as well as the list of unelected directors and the number of votes they received.
- In the event of a virtual Annual General Meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 5 minutes after the Chairperson has announced the meeting adjourned.
- 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 Annual General Meeting, 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 Annual General Meeting. When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the Annual General Meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.
- Article 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 an Annual General Meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end. 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 Annual General Meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.
- Article 18: Matters relating to the resolutions of the Annual General Meeting 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.

Where a virtual Annual General Meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the Annual General Meeting, how the meeting is convened, the Chairperson's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes, the appropriate alternative measures for shareholders who have difficulty participating in virtual meeting shall also be recorded.

Article 19: In the event of a virtual Annual General Meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual Annual General Meeting, 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 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 Annual General Meeting online shall not attend the postponed or resumed session.

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

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

When the Company convenes a hybrid Annual General Meeting, and the virtual meeting

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

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that Annual General Meeting.

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 Annual General Meeting 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 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 Annual General Meeting that is postponed or resumed under the second paragraph.

When convening a virtual-only Annual General Meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties to attend a virtual Annual General Meeting online.

Article 20: 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 Annual General Meeting and the same shall follow for any subsequent amendments.

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

Procedures for Election of Directors

- Article 1: The Company’s election of directors shall be conducted in accordance with these Procedures.
- Article 2: The Company’s directors are elected using cumulative voting. The attendance card number printed on the ballot may be used in place of the name of a voter when registering to vote. Each share shall be entitled to the number of votes equivalent to the number of directors to be elected, and the votes may be cumulated or distributed among one or more candidates.
- Article 3: The number of directors will be as specified in the Company’s Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the Chairperson drawing lots on behalf of any person not in attendance. Independent and non-independent directors shall be elected at the same time with votes calculated separately.
- A candidate simultaneously elected as an independent and non-independent director in accordance with the preceding paragraph shall, at the candidate’s own discretion, decide to serve as either an independent or non-independent director. The position left vacant by such decision shall be filled by the candidate with the next highest number of votes.
- Article 4: When the election begins, the Chairperson shall appoint two persons with shareholder status as vote monitoring personnel and other persons as ballot counting personnel to perform their respective duties.
- Article 5: Ballots shall be prepared and issued by the Board of Directors according to the shareholder attendance card number, with the number of voting rights specified on the ballots.
- Article 6: The ballot boxes shall be prepared by the Board of Directors and publicly checked by the vote monitoring personnel before voting commences.
- Article 7: A voter must fill in the candidate account name and shareholder account number in the “Candidate” column of the ballot. When the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or juristic-person shareholder shall be entered in the column for the candidate account name in the ballot paper, or both the name of the governmental organization or juristic-person shareholder and the name of its representative may be entered. When there are multiple representatives, the names of all representatives shall be filled in.
- Article 8: A ballot is invalid under any of the following circumstances:

- (I) The ballot was not prepared in accordance with these Procedures.
- (II) A blank ballot is placed in the ballot box.
- (III) The writing is unclear and indecipherable.
- (IV) The candidate's name does not conform with the name given in the shareholder register.
- (V) Other words or marks are entered in addition to the candidate's name or shareholder account number.
- (VI) The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number is provided in the ballot to identify such individual.

Article 9: The ballots shall be calculated on site immediately at the end of the poll, and the results of the calculation shall be announced by the Chairperson on the spot.

Article 10: The Board of Directors of the Company shall issue notifications to the persons elected as directors.

Article 11: Any matters not stipulated in these Procedures shall conform to the Company Act, the Company's Articles of Incorporation, and other relevant laws and regulations.

Article 12: These Procedures, and any amendments hereto, shall be implemented after approval by an Annual General Meeting. These Procedures were adopted on June 19, 2017.

China Metal Products Co., Ltd. (“CMP”)**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 17, 2023 was NTD 3,761,252,370, and the number of shares issued was 376,125,237.
- 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 18,806,261 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 15,045,008.
- 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 General Meeting(April 17, 2023), the shareholding by all Directors and each of them is recorded in the shareholder register as follows:

April 17, 2023

Title	Name	Term	Shares	%
Chairperson	Lucent Source., Ltd. Representative: LIN, Ting Fung	2020/06/22~2023/06/21	1,430,000	0.38
Director	Chain-Yuan Investment Co., Ltd. Representative: KING, Fong Tien	2020/06/22~2023/06/21	55,147,965	14.66
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)			76,180,259	20.25

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

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

Unit: NTD

Item/Year			Estimated in 2023 (Distribution of surplus in 2022)
Beginning paid-in capital			3,761,221,120
Distribution of dividends this year	Cash dividends per share (NTD)		1.20
	Capital increase out of surplus allotment per share (NTD)		0.00
	Capital increase out of capital reserve allotment per share (NTD)		0.00
Change in operating performance	Operating Profit		Note
	Operating profit increase (decrease) ratio over the same period last year		Note
	Net income after tax		Note
	Net income after tax increase (decrease) ratio over the same period last year		Note
	Earnings Per Share (NTD)		Note
	Earnings per share increase (decrease) ratio over the same period last year		Note
	Average annual return on investment (annual average PE ratio)		Note
Pro-forma earnings per share and P/E ratio	If capital increase by retained earnings is entirely replaced by cash dividend distribution	Pro-forma earnings per share (NTD)	Note
		Pro-forma average annual return on investment	Note
	If capital reserve is not used for capital increase	Pro-forma earnings per share (NTD)	Note
		Pro-forma average annual return on investment	Note
	If capital reserve to capital increase has not yet been undertaken and the surplus to capital increase is changed to cash dividend distribution	Pro-forma earnings per share (NTD)	Note
		Pro-forma average annual return on investment	Note

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 2023, so the forecast data for 2023 is not available.



CHINA METAL
PRODUCTS CO., LTD.