

ANNUAL SHAREHOLDERS' MEETING MEETING AGENDA

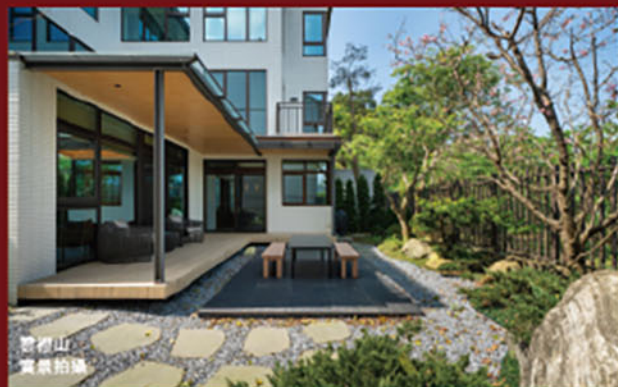
2023

2023 Annual Shareholders Meeting
Meeting Handbook

Stock Code: 1805



寶徠建設
Better Life



Meeting Time: 9 A.M. Wednesday, June 21, 2023

Meeting Venue: 1F., No. 218, Xinhua 1st Rd., Neihu Dist., Taipei City
(the exhibition hall on 1F of the house for beginner's mind)

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Better Life Group Co., Ltd.

Procedure for the 2023 Annual Shareholders' Meeting

One 、 Call the Meeting to Order

Two 、 Chairperson Remarks

Three 、 Report Items

Four 、 Ratification

Five 、 Discussion

Six 、 Election

Seven 、 Others

Eight 、 Extraordinary Motions

Nine 、 Adjournment

Better Life Group Co., Ltd.

Meeting Agenda for the 2023 Annual Shareholders Meeting

Time: 09:00 a.m. on Wednesday, June 21, 2023

Venue: 1F., No. 218, Xinhua 1st Rd., Neihu Dist., Taipei City(the exhibition hall on 1F of the house for beginner's mind)

Meeting Type: Physical Shareholders Meeting

I. Call the Meeting to Order

II. Chairperson Remarks

III. Report Items

1. 2022Business Report

2. 2022 Audit Committee's Review Report

3. Report on accumulated losses reaching half of the paid-in capital.

4. Proposal to have the follow-up measurement of investment real estate adopt the fair value model for evaluation.

5. 2022 Report of Private Placement of Common Shares Status

6. Report on Insurance of Convertible Corporate Bonds and Implementation of Sound Operation Plan

IV. Ratification

1. 2022Business Report and Financial Statement

2. 2022Deficit Compensation

V. Discussion

1. For the issuance of common shares by private placement in 2022, the outstanding amount by the date of the shareholders' meeting in 2023 will not be executed.

2. Proposal to issue common shares for cash by private placement.

3. Proposal of capital reduction to make up for losses.

4. Proposal for authorizing the signing of construction project contracts with related parties.

VI. Election

Election of the 18th session of board of directors

VII. Others

Proposal of lifting the non-competition clauses of newly-elected directors and representatives.

VIII. Extraordinary Motions

IX. Adjournment

【Report Items】

I. 2022 Business Report

Explanation: The 2022 Business Report is attached as p.20-22, attachment I.

II. 2022 Audit Committee's Review Report .

Explanation: The 2022 Audit Committee's Review Report is attached as p.23, attachment II.

III. Report on accumulated losses reaching half of the paid-in capital.

Explanation:

- (1) According to Article 211 of the Company Act, when the Company's losses reach one-half of the paid-in capital, it shall be reported to the shareholders' meeting.
- (2) As of December 31, 2022, the Company's paid-in capital reached NT\$1,002,654,000, and the accumulated losses reached NT\$513,768,663, which has reached half of the paid-in capital.

IV. Proposal to have the follow-up measurement of investment real estate adopt the fair value model for evaluation.

Explanation:

- (1) The investment real estate listed in the accounts of the company is located in 64 parcels of land including No. 138, Dongxing Section, Toufen Township, Miaoli County. In order to fully reflect its current

use status and value, it is planned to change the accounting policy for the follow-up measurement of this investment real estate from the cost method model to the fair value model starting from January 1, 2023.

- (2) We have appointed Cushman & Wakefield to issue the valuation report on the fair value of the aforementioned investment real estate; and CPA Pan, Chun-Ming from KPMG Taiwan has issued the review opinions. The CPA complies with Article 6 of "Regulations Governing the Preparation of Financial Reports by Securities Issuers" for the review, and it was found that the Company's follow-up measurement of the above-mentioned investment real estate changed from the cost method to the fair value model was rather reasonable.

V. 2022 Report of Private Placement of Common Shares Status.

Explanation:

- (I) The Company approved the issuance of common shares by private placement within the limit of 30 million shares at the Annual Shareholders Meeting of 2022, which will exceed one year on June 29, 2023.
- (II) Report on performance up to the date of this shareholders meeting.

VI. Report on Insurance of Convertible Corporate Bonds and Implementation of Sound Operation Plan

Explanation: For the information on the Company's insurance of the first domestic secured convertible corporate bonds and implementation of sound operation plan, please refer to attachments III on p.24-25 of this handbook.

【Ratification】

Proposal 1: proposed by the board of directors

Cause: 2022 Business Report and Financial Statements

Explanation:

- (I) The Company's 2022 parent company only financial statements and consolidated financial statements have been audited by CPA Chang, Shu-Ying and CPA Tseng, Kuo-Yang of KPMG Taiwan.
- (II) For the business report, the independent auditors' audit reports and the aforesaid financial statements, please refer to attachment I on pp. 20-22 and attachment IV on pp.26-45 of this handbook.

Resolution:

Proposal 2: proposed by the board of directors

Cause: 2022 Deficit Compensation

Explanation: Please refer to the Company's 2022 deficit compensation statement as follows:

Better Life Group Co., Ltd.
2022 Deficit Compensation Statement

Unit: NTD

Item	Amount
Undistributed earnings at the beginning of the period	(416,217,407)
Add: Net loss for the period	(94,628,435)
Add: Disposal of equity instrument at fair value through other comprehensive income	(2,922,821)
Undistributed earnings at the end of the period	(513,768,663)

Board Chairperson: Chung, Hsi-Chi
Comptroller: Huang, Wen-Cheng

Manager: Lin, Jui-Shan

Resolution:

【Discussion】

Proposal 1: proposed by the board of directors

Cause: For the issuance of common shares by private placement in 2022, the outstanding amount by the date of the shareholders meeting in 2023 will not be executed.

Explanation:

- (I) The Company approved the issuance of common shares by private placement within the limit of 30 million shares at the Annual Shareholders Meeting of 2022, which will exceed one year on June 29, 2023, and the Company has not completed process of such matter to date.
- (II) In consideration of the expiration of the processing period, the private placement will not be processed for the unexecuted amounts by the date of the shareholders' meeting in 2023.

Resolution:

Proposal 2: proposed by the board of directors

Cause: proposal to issue common shares for cash by private placement.

Explanation:

- (I) In order to conduct the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans) for the Company, in the shareholders meeting, the board of directors is proposed to be authorized to conduct a private placement of common shares, within the limit of 30,000,000 shares, with a par

value of NT\$10 per share, in accordance with the Company's articles of incorporation or relevant laws and regulations at an appropriate time, and in light of market conditions and the Company's actual capital requirements. Pursuant to Article 43-6 of the Securities and Exchange Act, the private placement will be carried out once or twice within one year of the date of the resolution of the shareholders meeting.

(II) Types of marketable securities to be issued:

The total number of common shares to be issued in the private placement shall not exceed 30,000,000 shares, and the par value of each share is NT\$10.

(III) Basis and reasonableness of the private placement pricing:

1. The actual issue price of the private placement of common share shall not be lower than 80 percent of the theoretical price. The board of directors is proposed to be authorized in the shareholders meeting for deciding the actual date of determination of the price
2. For the theoretical price of the common share in the private placement, it shall be the higher of the following two calculations:
 - (1) The simple average closing price of the common shares of for either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.
 - (2) The simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends, or capital reduction.
3. Reasonableness of the pricing:

In addition to the three-year restriction on the transfer of private placement securities and the strict regulations on the qualifications of the offerees stipulated by the Securities and Exchange Act, the criteria for the issuance of private placement securities are set in accordance with the relevant provisions of the “Directions for Public Companies Conducting Private Placements of Securities”, and therefore, there is no circumstance that would

materially impair the shareholders' rights and interests, and the price setting principle is reasonable.

4. Taking into account the impact of market fluctuations, the price of the private placement of common shares may be lower than the par value of the shares in the future, which is a result of the current regulations and the fact that the shares issued in the private placement are not freely transferable for three years. If the price of the private placement is lower than the par value, it is reasonable as it is affected by market price fluctuations.

5. Effect of private placement on shareholders' equity:

(1) Since the Company still has accumulated losses on its statements, the net value per share is lower than the par value. In addition, taking into account the impact of market fluctuations, there is a possibility that the price of the private placement of common shares may be lower than the par value of the shares in the future, and the difference between the price of the private placement and the par value of the shares will result in an increase in accumulated losses. In the future, the Company will gradually offset the losses by capital reduction, earnings, capital surplus or other statutory means, or handle the matter in other statutory manners depending on the Company's operation and market conditions.

(2) In addition to the aforesaid pricing method which causes the issue price per share of the private placement to be lower than the par value. Based on the Company's expectation, the successful introduction of insiders, related parties or non-related parties in compliance with Article 43-6 of the Securities and Exchange Act, and the selection of specific persons as stipulated in the order of Securities and Futures Commission, Ministry of Finance (91) Tai-Tsai-Cheng-Yii-Tzu No. 0910003455 dated June 13, 2002— will bring direct or indirect resources and obtain new profit opportunities for the Company, which will enable the Company to operate in a sustainable manner and further ensure the interests of all shareholders. Hence, there should be no material adverse impact on the shareholders' equity.

(IV) Method of selecting the offerees:

1. The offerees for the proposed private placement shall be those who meet the requirements (including, but not limited to, insiders, related parties or strategic investors who can directly or indirectly contribute to the Company's future operations and have a certain level of knowledge about the Company) of relevant letters and regulation such as Article 43-6 of the Securities and Exchange Act, the letter of Securities and Futures Commission, Ministry of Finance—(91) Tai Tsai Cheng (1) Tzu no. 0910003455 dated June 13, 2002— and the “Directions for Public Companies Conducting Private Placements of Securities”.
2. Method and objectives of selecting the offerees
Currently, no specific persons have been decided. The Board chairman is proposed to be authorized by the board of directors to select specific persons from among those who can directly or indirectly benefit the Company's future operations and who meet the requirements of the competent authorities.
3. If the offerees are insiders or related parties of the company
 - (1) Method and objectives of selecting the offerees: the Company shall select those who can directly or indirectly contribute to the future operation of the Company and have a certain understanding of the Company's operation, thereby, facilitating the future development of the Company's operation
 - (2) Necessity: In order to improve the Company's profitability, strengthen the financial structure, maintain the Company's sustainable operation, enhance the stability of the operating level and avoid disruption of the Company's normal operation, the Company intends to raise capital from specific persons by way of private placement so as to improve the Company's overall operating quality.
 - (3) Anticipated benefits: The Company may be able to obtain stable long-term capital through the capital provided by the offerees, reduce its dependence on bank financing to cut interest expenses and make its capital utilization more flexible.

- (4) Name list of offerees: Regarding that the offeree is an insider or a related party, please refer to Attachments V on pages 46-49 of this handbook for the name list of current potential offerees.

4. If any offeree is a strategic investor:

- (1) Method and objectives of selecting the offerees: the Company shall select those who can directly or indirectly contribute to the future operation of the Company and have a certain understanding of the Company's operation, thereby, facilitating the future development of the Company's operation
- (2) Necessity: In order to enhance the Company's profitability, strengthen its financial structure and maintain sustainable operations, the Company intends to seek strategic investors who can improve the overall operating quality of the Company through their experience, technology, knowledge or channels. Therefore, it is necessary and reasonable to consider strategic investors who will be beneficial to the Company's future business development as the offerees for this private placement; however, no strategic investors have been decided yet.
- (3) Anticipated benefits: By introducing strategic investors through the private placement, they can help the Company to obtain low-cost, long-term, and stable capital. In addition, their experience, technology, knowledge or channels can improve the overall operation of the Company, thereby increasing the Company's overall shareholders' equity.

(V) Reasons for the necessity of conducting the private placement

1. Reasons for not using a public offering: In consideration of the timeliness, feasibility and uncertainty of the capital market and in order to effectively reduce the cost of capital, the Company intends to raise capital from specific parties through private placement.
2. Private placement limit: The private placement of common shares shall be conducted with a par value of NT\$10 per share, and within the limit of not more than 30,000,000 shares in total.
3. Use of private placement funds and anticipated benefits:

The private placement will be carried out once or twice within one year of the date of the resolution of the shareholders meeting.

Number of closings	Use of the funds	Anticipated benefits
First closing - Second closing	To conduct the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans)	To obtain stable long-term capital through the capital provided by the offerees, to reduce its dependence on bank financing in order to cut interest expenses, and to make the capital utilization more flexible.

(VI) The Company has requested Taichung Bank Securities Co., Ltd. to issue an assessment opinion on the necessity and reasonableness of the private placement, which is detailed in attachment VI on pp. 50–62 of this handbook.

(VII) Rights and obligations of the private placement of common share:
The same as the common shares issued by the Company. However, in accordance with the Securities and Exchange Act, the common shares in this private placement may not be re-sold within three years from the delivery date, provided that the circumstances specified in Article 43-8 of the Securities and Exchange Act. Upon three years from the delivery date of the common shares in this private placement and any subsequent allotment, depending on the prevailing conditions, after obtaining the consent letter from the TWSE for meeting the listing criteria, the board of directors will be authorized to decide whether to apply to the competent authorities for public listing and TWSE trading in accordance with relevant regulations.

(VIII) Regarding the terms of the private placement, the planned projects, the progress of capital utilization, the anticipated benefits to be achieved and other unfinished matters, if any modification is required in the future by the competent authorities or due to changes in objective circumstances, the Board of Directors will be proposed to be authorized in the shareholders' meeting to handle such matters in accordance with the provisions of relevant laws and regulations.

Resolution:

Proposal 3: proposed by the board of directors

Cause: Proposal of capital reduction to make up for losses.

Explanation:

- (1) In order to improve the financial structure, the Company intends to reduce capital to make up for losses.
- (2) The current paid-in capital of the company is NT\$1,002,654,000, and the issued shares are 100,265,400 shares (including 20,000,000 private placement shares), with a par value of NT\$10 per share. As of December 31, 2022, the cumulative loss to be made up was NT\$513,768,663.
- (3) It is proposed to reduce the capital amount by NT\$300,796,200, cancel 30,079,620 shares (including 6,000,000 private placement shares), and reduce the capital by 30%. After the capital reduction, the paid-in capital amount is NT\$701,857,800, which is divided into 70,185,780 shares (including 14,000,000 private placement shares), with a par value of NT\$10 per share.
- (4) The Company will cancel the shares according to the shareholder shareholding ratio recorded in the shareholder list on the base date of capital reduction and exchange, and reduce 300 shares for every 1,000 shares (i.e., exchange 700 shares for every 1,000 shares). For fractional shares of less than one share after the capital reduction,

the shareholder may register with the stock affairs agency of the Company from five days before the closing date of the account transfer for the capital reduction exchange to the day before the closing of the account transfer. If there is still less than one share, the closing price of the stock on the last trading day of the public centralized trading market before the base date of the capital reduction and share exchange will be converted into cash (offset to pay the transfer fee of the TDCC designated account), calculated up to NT\$1, rounded up below NT\$1, and the chairman is authorized to negotiate with a specific person to subscribe for shares at the closing price.

- (5) After this proposal is approved by the shareholders' meeting and submitted to the competent authority for approval, it is planned to submit to the shareholders' meeting to authorize the chairman to set the capital reduction base date, the stock exchange operation plan, and the capital reduction and share exchange base date and other matters related to the capital reduction operation.
- (6) If there is a subsequent change in the company's share capital that affects the number of shares in circulation, and the shareholder's capital reduction ratio needs to be adjusted due to changes, or when it is required by the competent authority or due to changes in laws and regulations (i.e. changes in objective circumstances), it is proposed to the shareholders' meeting to authorize the chairman to handle the matter in accordance with relevant laws and regulations.
- (7) The new shares issued after the capital reduction are non-substantial, and their rights and obligations are the same as those of the original shares.
- (8) The sound operation strategy is described as follows:
 - 1. Increase the amount of projectsDue to the characteristics of the construction industry with a long

operating cycle, the amount of project cost invested in the construction process is huge, and the financial pressure is relatively high before the completion of projects. Therefore, the Company used to consider the business size, economic factors, market supply and demand, capital turnover and new construction projects, and adopted a business model of prudent project promotion. In 2014 and 2015, our major construction projects included "Qingpu Better Life Garden" and "Kang ChiaoAsahi Villa". In recent years, we are actively investing in the development of new projects. The projects currently under construction include "Song Yong" and "Pauian Pau-Garden" on Songyong Road, Xinyi District, and the "Hwa Ya Project" that is currently applying for a construction permit, whose construction is about to commence, as well as the "Yongjing", "Neihu Shitan" projects whose contracts for construction have been signed. Among them, the "Hwa Ya Project" is the our first project of the engaging in the market of factory administrative buildings.

According to the press release of 2022 Q4 Cathay Real Estate Index by Cathay Construction Co., Ltd., the domestic housing market is facing problems including inflation, construction financing tightening, financial market shocks, and the promulgation of the amended Equalization of Land Rights Act. In the fourth quarter of 2022, according to the Cathay Pacific National Real Estate Index compared with the previous quarter, the price has stabilized but the volume has shrunk, and compared with the same quarter last year, the price has increased but the volume has also shrunk. In this quarter, the transaction price, bargaining rate, number of households of projects and price amount of projects remained stable, while the sales and number of transactions decreased significantly. Due to the continuous downward of the economic trend, the effect of interest rate hikes, the amendment of the laws, and the interference of the presidential election are all expected to make the supply of the housing market gradually shrink in the future.

However, in view of the rigid demand in the real estate market in

the future, the company will not only strive to sell the existing remaining houses and build projects under construction in order to maintain the revenue scale, and we will actively develop other new projects and seek promotion and growth opportunities for the Company's performance in the future through product diversification.

2. Financial Improvement Strategies

(1) Capital reduction to make up for losses

The Company considers factors such as business size, economic trends, market supply and demand, capital turnover, and the development cycle of new projects, and adopts a business model that promotes projects steadily. At present, in addition to continuing to promote the sale of "Qingpu Better Life Garden" and "Kang ChiaoAsahi Villa", the projects "Song Yong " and "Pauian Pau-Garden " which are still under construction will be completed by 2024 and 2025, and the income will be recognized through transfer, and working capital will be available by that time. However, in view of the fact that the government has continued to promote the "plan for improvement of the real estate market" in recent years, in addition to the Central Bank's fourth time in a row to adjustment of selective credit control measures since December 2020, and to curb short-term speculation on real estate, the Ministry of Finance has implemented house and land tax 2.0 since July 2021 and the Legislative Yuan passed the amendment to the "Equalization of Land Rights Act" on January 10, 2023, etc. In addition, under the pressure of global inflation and interest rate hikes, the Central Bank has raised interest rates for 4 consecutive times since 2021, and as a result the construction financing and mortgage interest rates have risen significantly, and the impact on the future construction market remains uncertain. Therefore, for the Company's long-term stable development and sound financial system, it is necessary first to reduce capital to make up for accumulated losses, improve the Company's overall competitiveness and other benefits, realize the Company's business plan, and maximize shareholders' equity.

(2) Fundraising plan

- ① Private placement of securities: Proposal to 2023 general meeting of shareholders to handle private placement of common shares within the total number of shares not exceeding 30,000,000 shares. The par value of each share is NT\$10, and the board of directors is authorized to handle it once or twice within one year from the date of resolution by the shareholders' meeting.
- ② Cooperate with the construction projects and the Company's operation demands to handle bank financing.
- ③ Based on the market conditions to raise funds from the capital market at an appropriate time to obtain long-term stable funds and diversify the channels for raising funds.

Resolution:

Proposal 4: proposed by the board of directors

Cause: Proposal for authorizing the signing of construction project contracts with related parties.

Explanation:

- (1) According to Article 15 of the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" amended based on the Financial Supervisory Commission' official letter on Jin Guan Zheng Fa Zi No. 1110380465 issued on January 28, 2022 and Article 7 of the Company's "Regulations Governing the Acquisition and Disposal of Assets", it is proposed to the shareholders' meeting to authorize the Company to sign construction project contracts with the Company's related parties within the next year for the construction projects and transaction amounts listed in Explanation (2).
- (2) The Company's estimated transaction counterparties, construction projects and estimated transaction amount are as follows. For relevant evaluation information, please refer to Attachment VII on pages 63-65 of this handbook:

Estimated Transaction Counterparties	Construction Projects	Estimated transaction amount (tax included)
Pucheng Construction Co., Ltd.	Hwa Ya Project	NT\$1,321,465,000

- (3) After the proposal is passed by the resolution of the shareholders' meeting, it shall be handled within one year from the date of the resolution.

Resolution:

[Election]

Proposed by the board of directors

Cause: Election of the 18th session of board of directors

Explanation:

- (1) The term of office of the 17th session of the board of directors of the Company will expire on June 17, 2023. According to Article 195 of the Company Act, when the term of office expires and is not available for re-election, the term of office shall be extended until the re-elected directors take office.
- (2) The current session of the Company will elect nine directors (including three independent directors), and adopt a candidate nomination system in accordance with Article 17 of the Company's Articles of Incorporation, and the shareholders' meeting will select them from the list of candidates
- (3) The term of office of the nine directors (including three independent directors) newly elected for the 18th session of the board of director is three years, from June 21, 2023 to June 20, 2026. The term of office of the current director shall expire when the current shareholders' meeting is adjourned.
- (4) For the list of candidates for directors (including independent directors) and relevant information, please refer to attachment VIII on page 66-67 of this handbook, and for the Company's "Regulations Governing the Election of Directors and Independent Directors", please refer to appendix II on page 77-78 of this handbook.
- (5) Please elect.

Results:

[Others]

Proposed by the board of directors

Cause: Proposal of lifting the non-competition clauses of newly-elected directors and representatives.

Explanation:

- (1) Based on Article 209 of the Company Act, directors who act for themselves or others within the Company's business scope shall explain the major content of their actions to the shareholders' meeting and obtain the approval.
- (2) Considering that the directors newly elected by the current shareholders' meeting may invest in and operate other companies with the same or similar business scope as the Company, which may cause competition. It is proposed that the shareholders' meeting approve to lift the non-compete clause in accordance with Article 209 of the Company Act. Please refer to attachment IX on pages 68-69 of this handbook for the non-compete clause against newly-elected directors and their representatives.

Resolution:

【Extraordinary Motions】

【Adjournment】

Better Life Group Co., Ltd.

2022 Business Report

I. 2022 Operating Result

(I) 2022 Operating Result

The 2022 consolidated operating revenue of the Company is NT\$348,843 thousand, a increase of NT\$163,369 thousand from the last year's consolidated operating revenue of NT\$185,474 thousand. The 2022 parent-only operating revenue is NT\$317,970 thousand, a increase of NT\$181,592 thousand from the last year's parent-only uprating revenue of NT\$136,378 thousand.

The 2022 consolidated comprehensive income (loss) for the year is at a loss of NT\$92,001 thousand, and the consolidated net loss for the period is NT\$94,628 thousand, and the loss per share is NT\$0.94.

(II) Budget Implementation Status: Not applicable.

(III) Financial Revenue/Expenditure and Profitability Analysis

The consolidated financial revenue/expenditure and profitability analysis of the Company in the last two years are as follows:

Unit: In Thousand New Taiwan Dollars, %

Item \ Year		2022	2021
Financial revenue/expenditure	Net operating income	348,843	185,474
	Gross profit	1,949	31,983
	Net loss for the period	(94,628)	(33,677)
Profitability	Return on assets (ROA) (%)	(5.70)	(1.47)
	Return on shareholders' equity (%)	(17.19)	(5.61)
	Operating income to paid-in capital ratio (%)	(7.27)	(3.38)
	Net income before tax to paid-in capital ratio (%)	(8.89)	(3.25)
	Net profit margin (%)	(27.13)	(18.16)
	Earnings per share (EPS) (NT\$)	(0.94)	(0.34)

(IV) Research and Development

To thoroughly understand the real estate market, the Company has actively collected various land and real estate market information, in order to plan and design the most quality product and to satisfy consumer demands. In addition, the Company also implements rigorous control on the construction quality, project progress and cost, in order to achieve both profit and quality at the same time.

II. 2023 Business Plan Overview

(I) Operational Directives

The Company will continue to uphold the philosophy of “Commitment, Style, Perfection” and establish professional team with extensive construction experience, in order to achieve the corporation mission of sustainable operation.

(II) Important Production and Sales Policies

”Qingpu-Better Life Garden” store units will continue to be sold in 2023.

” Mountain in the Cloud” located at Huacheng area of Xindian District, New Taipei City, will continue to be sold in 2023.

“Song Yong” project, located in Xinyi District, Taipei City, is currently under construction, and will continue its pre-sale in 2023.

“Pauian Pau-Garden” project, located in Songshan District, Taipei City, is currently under construction, and will continue its pre-sale in 2023.

”Yong Jing Park” urban renewal project, located at Zhongshan District, Taipei City, is currently under the review of urban renewal business plan.

“Huaya science park” project, located in Guishan District, Taoyuan City, after completing land category change related operations, it is expected to obtain the construction license and push the project in 2023.

“Shitan Section” urban renewal project, located at Neihu District, Taipei City, Will enter the urban renewal delivery program in the first half of 2023.

III. Impacts of External Competitive Environment, Legal Environment and Overall Operating Environment on Company’s Future Development Strategy:

(I) Future Development Strategy:

(1)Through in-depth study of individual project characteristics, the Company will focus on the construction quality and after-sale service, in order to improve product differentiation and elaboration, thereby achieving irreplaceability of products.

(2)Strengthen the Company's brand value and competitiveness, in order to increase profit margin and to achieve maximum profit for the Company.

(3)Cooperate with the asset revitalization policy of the Company along with the consideration of the industrial development trend, the Company will continue to evaluate the feasibility for investing in green energy industry and tourism business.

(II) Analysis of Impacts of External Competitive Environment, Legal Environment and Overall Operating Environment:

- (1) In response to the government's promotion in urban renewal policy, the Company will continue to actively launch urban renewal projects.
- (2) Pay attention to industrial latest news, any changes to regulations and overall political and economic environment, and formulate the most appropriate course of action.
- (3) Focus on construction quality, enhance customer service, in order to improve customer satisfaction. In addition, the Company expects to establish quality brand image and provide high quality products in order to achieve win-win situation for both customers and the Company.

Chairman: Chung, Hsi-Chi

Managerial Officer: Lin, Jui-Shan

Accounting Officer: Huang, Wen-Cheng

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2022 Parent Only and Consolidated Financial Statements (including Balance Sheets, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows), which have been audited by KPMG Taiwan CPA Shu-Ying Chang and CPA Kuo-Yang Tseng, and the review report is hereby issued. The aforementioned Financial Statements, Business Report and Business Report, Financial Statements and Loss Make-up Proposal have been reviewed and considered to be complied with relevant rules by the undersigned, the Audit Committee of the Company. Pursuant to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report for review.

To:

Better Life Group Co., Ltd. 2023 Annual General Shareholders' Meeting

Audit Committee

Convener: Huang, Kuo-Shih _____

March 16, 2023

Issuance of Corporate Bonds

Corporate bond type		2021 first issuance of domestic secured convertible corporate bonds
Issuance (processing) date		September 24, 2021
Par value		Par value of NT\$100 thousand
Issuance and transaction place (Note)		Note applicable
Issuance price		Issue in full at par value
Total		Total par value of NT\$300 million
Interest rate		Face interest rate 0%
Period		Three years, Maturity date: September 24, 2024
Guaranteed institution		Taichung Commercial Bank Co., Ltd.
Trustor		Land Bank of Taiwan Co., Ltd.
Underwriting Institution		Taichung Bank Securities Co., Ltd.
Certified Attorney		Attorney-at-law Yang-Wen Chiu
Certified Public Accountant		CPA Shu-Ying Chang and CPA Kuo-Yang Tseng
Repayment method		In addition to the conversion into the Company's common shares applied by the secures holder according to the conversion method of the Company, or early redemption by the Company according to the conversion method, or retirement after the Company's buy back from the over-the-counter market, within ten business days after the maturity of the convertible bonds, the Company may redeem all at once according to the face value of the bond at that time.
Outstanding Principle		NT\$300 million
Redemption or early repayment clause		For the period from the next day (December 25, 2021) of three months after the issuance of convertible bond to the date of forty days (August 15, 2024) before the maturity of the issuance period, if the common stock closing price of the Company continues to reach 30% (inclusive) of the conversion price for thirty business days ; or the balance of the outstanding convertible bond is lower than 10% of the total original issuance amount, the Company may redeem the bond.
Restrictive clause		None
Name of credit rating agency, rating date, rating result of corporate bonds		Note applicable
Other rights attached	Converted amount of (exchanged or subscribed) ordinary shares, GDRs or other securities	Up to the date of April 30, 2023, the aggregate converted ordinary shares is 0 shares.
	Issuance and conversion (exchange or subscription) method	Please refer to the Prospectus.
Issuance and conversion, exchange or subscription method, issuing condition dilution on equity and impact on existing shareholders' equity		Please refer to the Prospectus.
Name of transfer agent for the transfer subject matter		Note applicable

Note: It is for information of overseas corporate bonds.

Better Life Group Co., Ltd.
Description of the Implementation of Sound Operation Plan in 2023

Unit: In Thousand New Taiwan Dollars

Accounting Item	Actual number	Estimated number	Difference	%	Analysis of Cause
Operating revenue	348,843	306,422	42,421	13.84%	It is mainly due to the sale of Mountain in the Cloud (Kang Chiao Asahi Villa) is one house unit increase than expected.
Operating costs	346,894	266,118	80,776	30.35%	Mainly due to Kang ChiaoAsahi Villa recognized one more household sales cost than expected and the loss of price reduction of unsold houses.
Gross profit	1,949	40,304	(38,355)	-95.16%	Mainly due to the Kang ChiaoAsahi Villa's recognition of operating revenue and household gross profit in the current period is lower than expected and the loss of unsold households.
Profit margin	0.56%	13.15%	-12.59%	-95.75%	Same as above
Operating expenses	74,872	63,856	11,016	17.25%	Mainly due to the higher-than-expected increase in the sales commission and house transaction gifts of Kang ChiaoAsahi Villa in the current period.
Expense ratio	21.46%	20.84%	0.62%	2.99%	No significant difference.
Net operating profit (loss)	(72,923)	(23,552)	(49,371)	209.63%	Due to the influence of the above factors.
Operating profit ratio	-20.90%	-7.69%	-13.22%	171.97%	Due to the influence of the above factors.
Non-operating income	9,053	6,897	2,156	31.26%	Mainly due to the recognition of differences in other income from sales of services, interest and dividends.
Non-operating expenses	25,227	14,559	10,668	73.27%	Mainly due to differences in CB interest expenses and recognized financial asset depreciation losses
Net profit (loss) before income tax	(89,097)	(31,214)	(57,883)	185.44%	Due to impact of all of the aforementioned reasons
Income tax expense	5,531	0	5,531	#DIV/0!	Land value increment tax for sale of Mountain in the Cloud (Kang ChiaoAsahi Villa)
Net income after tax	(94,628)	(31,214)	(63,414)	203.16%	Due to impact of all of the aforementioned reasons
Net interest rate	-27.13%	-10.19%	-16.94%	166.29%	Due to impact of all of the aforementioned reasons

Independent Auditors' Report

To Better Life Group Co., Ltd.,

Audit opinion

We have audited the accompanying balance sheets of Better Life Group Co., Ltd., (the “Company”) for the years ended December 31, 2022 and 2021 and the relevant statements of comprehensive income, changes in equity and cash flows for the years then ended, and relevant notes, including a summary of significant accounting policies (collectively referred to as the “parent company only financial statements”).

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

Basis for the audit opinion

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards of the Republic of China. Our responsibility under those standards are further described in the paragraph “Auditor's responsibilities for the audit of the parent company only financial statements”. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

Key audit matters

Key audit matters refer to the most vital matters in our audit of the parent company only financial statements of the Company for the year ended December 31, 2022, based on our professional judgment. These matters were addressed in our audit of the parent company only financial statements as a whole, and in forming our audit opinion. We do not express a separate opinion on these matters. Key audit matters of the parent company only financial statements of the Company are stated as follows:

I. Revenue recognition

Please refer to Note 4 (15) “income recognition” to the parent company only financial statements for the accounting policy for the recognition of revenue; please refer to Note 6 (18) “income from costumer contracts” to the parent company only financial statements for the details of income.

Description:

The main source of revenue from the Company’s operations in 2022 was revenue from the sale of property, and the risk of material misstatement lies in the authenticity of revenue recognition. Because the operating income is related to the Company’s operational performance, the management may recognize the revenue early or in a deferred manner in violation of the regulations to achieve the expected net income, resulting in a material misstatement of the operating income. Therefore, the test of income recognition is one of our key audit matters during the audit of the Company’s financial statements.

Audit procedures

The audit procedures we have implemented for the specific aspects described in the above-mentioned key audit matters include:

- Performed a control test on sales and payment collection cycles to evaluate how the control prevents and detects errors and fraud in income recognition;
- Performed a cut-off test on income from the sale of property to assess whether the income in the preceding paragraph is recognized in an appropriate period.
- Performed a verification test on income recognition, randomly verified the relevant documents, such as property sales contracts and property transfer registration, and checked the sales system data with the general ledger entries to evaluate whether the Company's income recognition policy was handled in accordance with the relevant bulletins of norms.

II. Inventory values

Please refer to Note 4 (7) "inventories" to parent company only financial statements for the accounting policy of the inventory values; please refer to Note 5 to the parent company only financial statements for the uncertainty of accounting estimates and assumptions for the inventory values; please refer to Note 6(5) to parent company only financial statements for details of inventories.

Description:

The Company's inventories are an important asset for operations, accounting for about 45% of its total assets; inventory values are handled in accordance with the International Accounting Standards (IAS) 2. As the net realizable value of the Company's inventory based on Management's estimates of future sales prices and construction costs are susceptible to political and economic circumstances, if the net realizable value is not properly appraised, the financial statements will be misstated. Therefore, the test of inventory values is one of our key audit matters during the audit of the Company's financial statements.

Audit procedures

The audit procedures we have implemented for the specific aspects described in the above-mentioned key audit matters include: Obtained the assessment data of the net realizable value of the Company's inventories and randomly examined the contracts related to property sold, referred to the latest property prices registered with the Ministry of the Interior or obtained the information on transactions of nearby property to evaluate the net realizable value of the property held for sale. In addition, for the net realizable value of the property under construction, obtained and randomly examined the Company's return of investment analysis, compared it with the market conditions, and obtained appraisal reports, if necessary, to evaluate whether the net realizable value of inventories was appropriate.

Responsibilities of the management and the governing bodies for the parent company only financial statements

The responsibilities of the management are to prepare the parent company only financial statements with fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and to maintain necessary internal control associated with the preparation in order to ensure that the financial statements are free from material misstatement arising from fraud or error.

In preparing the parent company only financial statements, the management is responsible for assessing the ability of the Company in continuing as a going concern, disclosing relevant matters, and adopting the going concern basis of accounting unless the management intends to liquidate the Company or cease the operations without other viable alternatives.

The Company's governing bodies (including the Audit Committee) are responsible for supervising the financial reporting process.

Auditor's responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance on whether the parent company only financial statements as a whole are free from material misstatement arising from fraud or error and to issue an independent auditors' report. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Untruthful expressions might have been caused by frauds or errors. If the amounts of misstatements, either separately or in aggregate, could reasonably be expected to influence the economic decisions of the users of the parent company only financial statements, they are considered material.

We have utilized our professional judgment and professional doubt when performing the audit work in accordance with the auditing standards of the Republic of China. We also performed the following tasks:

1. Identified and assessed the risks of material misstatement arising from fraud or error within the parent company only financial statements; designed and executed countermeasures in response to said risks, and obtained sufficient and appropriate audit evidence to provide a basis for our opinion. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Understood the internal control related to the audit in order to design appropriate audit procedures under the circumstances, while not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluated the adequacy of accounting policies adopted by the management and the legitimacy of accounting estimates and related disclosures made.
4. Concluded on the appropriateness of the management's adoption of the going concern basis of accounting based on the audit evidence obtained and whether a material uncertainty exists for events or conditions that may cast significant doubt over the Company's ability to continue as a going concern. If we are of the opinion that a material uncertainty exists, we shall remind users of the parent company only financial statements to pay attention to relevant disclosures in said statements within our audit report. If such disclosures are inadequate, we need to modify our opinion. Conclusions made by the CPAs are based on the audit findings obtained as of the date of audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluated the overall presentation, structure, and content of the parent company only financial statements (including relevant notes), and whether the parent company only financial statements adequately present the relevant transactions and events.
6. Obtained sufficient and appropriate audit evidence concerning the financial information of investees using the equity method, to express an opinion on the parent company only financial statements. We were responsible for guiding, supervising, and performing the audit and forming an audit opinion about the Company.

The matters communicated between us and the governing bodies included the planned scope and times of the audit and material audit findings (including any material defects in internal control identified during the audit).

We also provided the governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence and communicated with them all relations and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

From the matters communicated with the governing bodies, we determined the key audit matters for the audit of the Company's parent company only financial statements for the year ended December 31, 2022. We have clearly indicated such matters in the auditors' report. Unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG Taiwan

CHANG SHU YING

CPA:

TZENG GUO YANG

Competent Security Authority	Jin-Guan-Zheng-VI No. 0940100754
Approval Document No.	: Jin-Guan-Zheng-VI No. 0940129108
March 16, 2023	

Notes to Readers

The accompanying parent company only 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 parent company only financial statements are those generally accepted and applied in the Republic of China.

The independent auditors' audit report and the accompanying parent company only 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 parent company only financial statements, the Chinese version shall prevail.

(English Translation of Balance Sheets Originally Issued in Chinese)
Better Life Group Co., Ltd.
Balance Sheets

For the Year Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

Assets		2022.12.31		2021.12.31	
		Amount	%	Amount	%
Current assets:					
1100	Cash and cash equivalents (Note 6(1))	\$ 53,148	4	34,481	2
1150	Notes receivable, net (Notes 6(4) and (18))	5,490	-	394	-
1170	Accounts receivable, net (Notes 6(4) and (18))	171	-	43,050	3
1320	Inventories (for construction industry) (Notes 6(5), 7, 8, and 9)	599,528	45	836,516	58
1410	Prepayments (Notes 6(6) and 7)	67,141	5	61,716	4
1424	Excess business tax paid	17,595	1	20,996	2
1476	Other financial assets - current (Note 8)	55,424	4	29,063	2
1478	Construction deposits paid (Notes 7 and 9)	223,305	17	219,817	15
1480	Incremental cost of obtaining contracts - current (Note 7)	39,244	4	15,472	1
		<u>1,061,046</u>	<u>80</u>	<u>1,261,505</u>	<u>87</u>
Non-current assets:					
1510	Financial assets at fair value through profit or loss - non-current (Notes 6(2) and 8)	87,780	7	-	-
1517	Financial assets at fair value through other comprehensive income - non-current (Note 6(3))	19,718	2	17,944	2
1550	Investments using the equity method (Note 6(7))	57,200	4	53,686	4
1600	Property, plant and equipment (Notes 6(8) and 7)	4,056	-	196	-
1755	Right-of-use assets (Note 6(10))	10,590	1	13,549	1
1760	Net investment property (Notes 6(9), 8, and 9)	84,464	6	83,047	6
1780	Intangible assets	107	-	163	-
1980	Other financial assets - non-current (Note 7)	1,617	-	1,154	-
		<u>265,532</u>	<u>20</u>	<u>169,739</u>	<u>13</u>
Total assets		\$ 1,326,578	100	1,431,244	100

(English Translation of Balance Sheets Originally Issued in Chinese)

Better Life Group Co., Ltd.

Balance Sheets (Continued)

For the Year Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

Liabilities and equity		2022.12.31		2021.12.31	
		Amount	%	Amount	%
Current liabilities:					
2100	Short-term borrowings (Note 6(11))	\$ 315,782	25	423,053	30
2130	Contract liabilities - current (Notes (18) and 9)	90,290	7	48,776	3
2150	Notes payable (Note 7)	6,561	-	6,100	-
2170	Accounts payable (Note 7)	43,217	3	32,142	2
2200	Other payables	9,746	1	7,870	1
2280	Lease liabilities - current (Notes 6 (14) and 7)	3,094	-	2,919	-
2305	Other financial liabilities - current	3	-	3	-
2322	Long-term borrowings due within one year or one operating cycle (Note 6(12))	2,000	-	-	-
2399	Other current liabilities - other (Note 9)	13,941	1	26,925	2
		484,634	37	547,788	38
Non-current liabilities:					
2530	Corporate bonds payable (Note 6 (13))	284,786	21	276,030	19
2540	Long-term borrowings (Note 6(12))	45,000	3	-	-
2580	Lease liabilities - non-current (Notes 6 (14) and 7)	7,674	1	11,100	1
	Total liabilities	822,094	62	834,918	58
Equity (Note 6(16)):					
3110	Common stock	1,002,654	76	1,002,654	70
3200	Capital surplus	22,097	2	21,938	2
3310	Legal reserve	4,320	-	4,320	-
3350	Undistributed earnings (or deficit to be compensated)	(513,769)	(39)	(416,218)	(29)
3400	Other equity interests	(10,818)	(1)	(16,368)	(1)
	Total equity	504,484	38	596,326	42
	Total liabilities and equity	\$ 1,326,578	100	1,431,244	100

(Please refer to the notes to parent company only financial statements)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

(English Translation of Statements of Comprehensive Income Originally Issued in Chinese)

Better Life Group Co., Ltd.

Statements of Comprehensive Income

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

		2022		2021	
		Amount	%	Amount	%
4000	Operating income (Note (18))	\$ 317,970	100	136,378	100
5000	Operating costs (Note 6(5))	327,783	103	130,332	96
	Gross profit	(9,813)	(3)	6,046	4
6000	Operating expenses (Notes 6 (14) and 7):				
6100	Selling expenses	26,585	8	16,112	12
6200	General and administrative expenses	40,663	13	36,976	27
		67,248	21	53,088	39
	Net operating loss	(77,061)	(24)	(47,042)	(35)
	Non-operating income and expenses (Notes 6(14), (20), and 7):				
7100	Interest income	3,667	1	3,197	2
7010	Other income	5,051	2	4,301	3
7020	Other gains and losses	(6,930)	(2)	9,611	7
7050	Financial costs	(17,221)	(5)	(14,776)	(11)
7070	Share of profit or loss of subsidiaries, associates, and joint ventures recognized using equity method (Note 13)	3,397	1	12,154	9
	Total non-operating income and expenses	(12,036)	(3)	14,487	10
7900	Net loss before tax	(89,097)	(27)	(32,555)	(25)
7950	Less: Income tax expenses (Note 6(15))	5,531	2	1,122	1
8200	Net loss for the period	(94,628)	(29)	(33,677)	(26)
8300	Other comprehensive income (Note 6(16))				
8310	Items that will not be reclassified subsequently to profit or loss				
8316	Unrealized gains or losses on equity instrument investments at fair value through other comprehensive income	2,510	1	3,414	3
8349	Less: Income tax related to items not reclassified	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	2,510	1	3,414	3
8360	Items that may subsequently be reclassified to profit or loss				
8380	Share of other comprehensive income of subsidiaries, associates, and joint ventures recognized using equity method - items that may be reclassified to profit or loss	117	-	(76)	-
8399	Less: Income tax related to items that may be reclassified to profit or loss	-	-	-	-
	Total items that may subsequently be reclassified to profit or loss	117	-	(76)	-
8300	Other comprehensive income for the current period	2,627	1	3,338	3
	Total comprehensive income for the current period	<u>\$ (92,001)</u>	<u>(28)</u>	<u>(30,339)</u>	<u>(23)</u>
	Loss per share (Note 6(17))				
9750	Basic loss per share (NTD)	<u>\$ (0.94)</u>		<u>(0.34)</u>	
9850	Diluted loss per share (NTD)	<u>\$ (0.94)</u>		<u>(0.34)</u>	

(Please refer to the notes to parent company only financial statements)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

(English Translation of Statements of Changes in Equity Originally Issued in Chinese)

Better Life Group Co., Ltd.

Statements of Changes in Equity

For the Years Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

	Retained earnings			Other equity items		
	Share capital	Capital surplus	Legal reserve	Undistributed earnings	Exchange difference on translation of financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income
Common stock	Common stock	Capital surplus	Legal reserve	Undistributed earnings	Exchange difference on translation of financial statements of foreign operations	Unrealized gain (loss) on financial assets at fair value through other comprehensive income
Balance on January 1, 2021	\$ 1,002,654	110	4,320	(382,541)	90	(19,796)
Net loss for the period	-	-	-	(33,677)	-	-
Other comprehensive income for the current period	-	-	-	-	(76)	3,414
Total comprehensive income for the current period	-	-	-	(33,677)	(76)	3,414
Due to recognition of equity component- (warrants)	-	21,828	-	-	-	-
of convertible bonds (preference shares) issued						
Balance on December 31, 2021	1,002,654	21,938	4,320	(416,218)	14	(16,382)
Net loss for the period	-	-	-	(94,628)	-	-
Other comprehensive income for the current period	-	-	-	-	117	2,510
Total comprehensive income for the current period	-	-	-	(94,628)	117	2,510
Changes in other capital surplus	-	159	-	-	-	-
Disposal of equity instrument at fair value through other comprehensive income	-	-	-	(2,923)	-	2,923
Balance on December 31, 2022	\$ 1,002,654	22,097	4,320	(513,769)	131	(10,949)
						504,484

(Please refer to the notes to parent company only financial statements)

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

Chairman: Chung, Hsi-Chi

(English Translation of Statements of Cash Flows Originally Issued in Chinese)

Better Life Group Co., Ltd.

Statements of Cash Flows

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

	<u>2022</u>	<u>2021</u>
Cash flow from operating activities:		
Net loss before tax for the current period	\$ (89,097)	(32,555)
Adjustments:		
Income and expenses		
Depreciation expense	4,263	3,610
Amortization expense	140	179
Net loss on financial assets and liabilities at fair value through profit or loss	6,930	-
Interest expense	17,221	14,776
Interest income	(3,667)	(3,197)
Dividend income	(294)	-
Share of profit of subsidiaries, associates, and joint ventures recognized using equity method	(3,397)	(12,154)
Loss on disposal and scrapping of property, plant and equipment	-	205
Gain on reversal of property, plant and equipment	-	(11,787)
Gain on lease modifications	-	(400)
Total income and expenses	<u>21,196</u>	<u>(8,768)</u>
Changes in assets/liabilities related to operating activities:		
Net change in assets related to operating activities:		
Financial assets at fair value through profit or loss	(94,710)	-
Notes receivable	(5,096)	875
Accounts receivable	42,879	(43,050)
Inventories	240,022	55,329
Prepayments	(2,024)	13,184
Other financial assets	(29,845)	(20,531)
Construction deposits paid	(3,488)	(27,647)
Incremental cost of obtaining contracts	(23,772)	(12,116)
Total net change in assets related to operating activities	<u>123,966</u>	<u>(33,956)</u>
Net change in liabilities related to operating activities:		
Contract liabilities	41,514	26,842
Notes payable	461	(4,037)
Accounts payable	11,075	(8,218)
Other payables	1,979	765
Non-current liabilities	(12,984)	6,342
Other financial liabilities - current	-	3
Total net change in liabilities related to operating activities	<u>42,045</u>	<u>21,697</u>
Total net change in assets and liabilities related to operating activities	<u>166,011</u>	<u>(12,259)</u>
Total adjustments	<u>187,207</u>	<u>(21,027)</u>
Cash generated (used) in operating activities	98,110	(53,582)
Interest received	3,667	3,197
Dividend received	294	-
Interest paid	(11,602)	(13,087)
Income tax paid	(5,531)	(1,122)
Net cash generated (used) in operating activities	<u>84,938</u>	<u>(64,594)</u>

(English Translation of Statements of Cash Flows Originally Issued in Chinese)

Better Life Group Co., Ltd.

Statements of Cash Flows (Continued)

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

	2022	2021
Cash flow from investing activities:		
Financial assets (payment returned due to capital reduction) at fair value through other comprehensive income - non-current	736	4,098
Acquisition of property, plant and equipment	(4,910)	(205)
Guarantee deposits paid	(463)	570
Acquisition of intangible assets	(84)	-
Acquisition of investment property	(1,417)	-
Other financial assets	3,484	3,147
Net cash generated (used) in investing activities	(2,654)	7,610
Cash flow from financing activities:		
Decrease in short-term borrowings	(107,271)	(183,631)
Increase (decrease) in short-term notes payable	-	(27,304)
Corporate bonds issued	-	295,000
New long-term borrowings	47,000	-
Lease principal repaid	(3,505)	(3,032)
Other financing activities	159	-
Net cash generated (used) in financing activities	(63,617)	81,033
Increase in cash and cash equivalents in the current period	18,667	24,049
Balance of cash and cash equivalents at the beginning of the period	34,481	10,432
Balance of cash and cash equivalents at the end of the period	\$ 53,148	34,481

(Please refer to the notes to parent company only financial statements)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

Independent Auditors' Report

To Better Life Group Co., Ltd.,

Audit opinion

We have audited the accompanying financial statements of Better Life Group Co., LTD. and the subsidiaries (Better Life Group), which comprise the consolidated balance sheet as of December 31, 2022 and 2021, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows for the years then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

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

Basis for the audit opinion

We conducted our audits in accordance with the Regulations Governing the Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards of the Republic of China. We explain further our responsibility under the standards in the section concerning the auditor's responsibility in the audit of consolidated financial statements. The personnel in our firm, subject to independence requirements, maintains independence from Better Life Group and fulfills other responsibilities in accordance with the Norm of Professional Ethics for Certified Public Accountant and under the norms. We are convinced that we have acquired enough and appropriate audit evidence to serve as the basis of audit opinion.

Key audit matters

Key audit matters are the matters of most significance based on our professional judgement and audits of Better Life Group's consolidated financial statements for 2022. These matters have been dealt with in the audit of the consolidated financial statements as a whole and during the process of forming the audit opinion. Hence, we do not issue opinions separately on such matters. Key audit matters of the parent company only financial statements of the Company are stated as follows:

I. Revenue recognition

Please refer to Note 4 (15) to the consolidated financial statements regarding the accounting policy of income recognition. Please refer to Note 6 (17) for the detailed breakdown of contract income.

Description:

The primary operating Income for Better Life Group in 2022 were from the sale of real estate. The risk of material misstatement lies in the truthfulness of income recognition. As operating Income are concerned with the operating performance of management, it is possible that management seeks to achieve expected net profits with early or deferred operating income recognition and causes material misstatement of operating Income. Hence, the testing of income recognition was one of the significant assessments for our audits of Better Life Group's financial statements.

Audit procedures

The audit procedures we have implemented for the specific aspects described in the above-mentioned key audit matters include:

- Performed a control test on sales and payment collection cycles to evaluate how the control prevents and detects errors and fraud in income recognition;
- Performed a cut-off test on income from the sale of property to assess whether the income in the preceding paragraph is recognized in an appropriate period.
- Substantive tests on income recognition by sampling and cross referencing the documents in relation to real estate sale contracts and property ownership registrations and by inspecting the sale system data and general ledger entries, in order to assess whether Better Life Group recognized Income according to relevant standards and regulations.

II. Inventory values

Please refer to Note 4 (8) to the consolidated financial statements for the accounting policy of inventory valuation. Please refer to Note 5 to the consolidated financial statements for the uncertainties in relation to the accounting estimates and assumptions of inventory valuation and to Note 6 (5) to the consolidated financial statements for inventory details.

Description:

Inventory is an important operating asset for Better Life Group. It accounted for approximately 44% of the total assets. Inventory valuation is based on International Financial Reporting Standards No. 2. The net realizable value of Better Life Group's inventory is based on future selling prices and construction costs estimated by management and subject to the influence of the political and economic environments. Inappropriate estimates of the net realizable value will result in a misstatement of financial reports. Hence, the testing of inventory valuation was one of the significant assessments for our audits of Better Life Group's financial statements.

Audit procedures

Our main inspection procedures on the above key audit matter include the acquisition of Better Life Group's data for estimates of the net realizable value of inventory, sampling of such data to check against the contracts sold, reference to the Ministry of Interior's most recently published actual transaction prices of real estate or the transaction prices in the same proximity so as to evaluate the next realizable value of properties available for sale. To assess whether the net realizable value of buildings under construction is reasonable, we sampled and inspected the return-on-investment analysis by the company, compared the return-on-investment data and market prices and, where necessary, obtained the appraisal reports.

Other matters

Better Life Group Co., LTD. has produced its consolidated financial statements for 2022 and 2021 and for which we have issued an audit report and an unqualified opinion.

Responsibility of management and those charged with governance for consolidated financial statements

Management is responsible for the preparation of consolidated financial statements for fair presentation in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission. Management is also responsible for the maintenance of necessary internal control in relation to the preparation of consolidated financial statements, to ensure no material misstatement in consolidated financial statements due to frauds or errors.

When preparing the consolidated financial statements, management is also responsible for the assessment of Better Life Group's ability to continue as a going concern, disclosure of relevant matters and the adoption of the going concern basis of accounting unless management either intends to liquidate Better Life Group or cease operations or has no realistic alternative but to do so.

Those charged with governance (including the Audit Committee) in Better Life Group are responsible for overseeing the financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Untruthful expressions might have been caused by frauds or errors. Misstatements are considered material if used individually or in aggregate. They could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We have utilized our professional judgment and professional doubt when performing the audit work in accordance with the auditing standards of the Republic of China. We also performed the following tasks:

1. Identify and assess the risks of material misstatement of the consolidated financial statements 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. Fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Therefore, the risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error.
2. Obtain a necessary understanding of internal control relevant to the audit in order to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Better Life Group's internal control.
3. Evaluated the adequacy of accounting policies adopted by the management and the legitimacy of accounting estimates and related disclosures made.
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 Better Life Group's ability to continue as a going concern. If we conclude that a material uncertainty exists with such events or conditions, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inappropriate, to modify our opinion. Conclusions made by the CPAs are based on the audit findings obtained as of the date of audit report. However, future events or conditions may render Better Life Group unable to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, and whether the consolidated financial statements fairly represent the underlying transactions and events.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit and for the forming of our audit opinion.

The matters communicated between us and the governing bodies included the planned scope and times of the audit and material audit findings (including any material defects in internal control identified during the audit).

We also provided the governing bodies with a declaration that we have complied with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China regarding independence and communicated with them all relations and other matters that may possibly be regarded as detrimental to our independence (including relevant protective measures).

We determined the key audit matters for Better Life Group's 2022 consolidated financial statements based on our communication with those charged with governance. We have clearly indicated such matters in the auditors' report. Unless legal regulations prohibit the public disclosure of specific matters, or in extremely rare cases, where we decided not to communicate over specific items in the auditors' report for it could be reasonably anticipated that the negative effects of such disclosure would be greater than the public interest it brings forth.

KPMG Taiwan

CHANG SHU YING

CPA:

TZENG GUO YANG

Competent Security Authority	Jin-Guan-Zheng-VI No. 0940100754
Approval Document No.	: Jin-Guan-Zheng-VI No. 0940129108
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 auditor's 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 Balance Sheets Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated Balance Sheet

For the Year Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

Assets		2022.12.31		2021.12.31	
		Amount	%	Amount	%
Current assets:					
1100	Cash and cash equivalents (Note 6(1))	\$ 94,705	7	58,289	4
1150	Notes receivable, net (Notes 6(4) and (17))	6,038	-	5,760	-
1170	Accounts receivable, net (Notes 6(4) and (17))	656	-	58,156	4
1320	Inventories (for construction industry) (Notes 6(5), 7, 8, and 9)	599,528	44	836,516	58
1410	Prepayments (Notes 6(6), 7, and 9)	67,141	5	61,716	4
1424	Excess business tax paid	21,445	2	25,470	2
1476	Other financial assets - current (Note 8)	56,798	4	29,281	2
1478	Construction deposits paid (Notes 7 and 9)	223,305	17	219,817	15
1480	Incremental cost of obtaining contracts - current (Note 7)	33,850	3	12,069	1
1482	Costs to fulfill contracts, current	8,787	1	2,957	-
		1,112,253	83	1,310,031	90
Non-current assets:					
1510	Financial assets measured at fair value through profit or loss – non-current (Notes 6 (2) and (20) and 8)	87,780	7	-	-
1517	Financial assets measured at fair value through other comprehensive income – non-current (Notes 6 (3) and (20))	19,718	1	17,944	1
1600	Property, plant and equipment (Notes 6(7) and 7)	13,417	1	11,266	1
1755	Right-of-use assets (Note 6(9))	28,625	2	34,877	2
1760	Investment property (Notes 6 (8), 8 and 9)	84,464	6	83,047	6
1780	Intangible assets	107	-	163	-
1980	Other financial assets - non-current (Note 7)	2,244	-	1,775	-
		236,355	17	149,072	10
Total assets		\$ 1,348,608	100	1,459,103	100

(English Translation of Consolidated Balance Sheets Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated balance sheet (continued)

For the Year Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

Liabilities and equity		2022.12.31		2021.12.31	
		Amount	%	Amount	%
Current liabilities:					
2100	Short-term borrowings (Note 6(10))	\$ 315,782	24	423,053	29
2130	Contract liabilities – current (Notes 6 (17) and 9)	97,290	7	52,776	4
2150	Notes payable (Note 7)	6,561	-	6,100	-
2170	Accounts payable (Note 7)	35,433	3	25,801	2
2200	Other payables	10,250	1	13,923	1
2280	Lease liabilities - current (Notes 6(13) and 7)	6,728	-	5,957	-
2305	Other financial liabilities - current	711	-	829	-
2322	Long-term borrowings due within one year or one operating cycle (Note 6(11))	2,000	-	-	-
2399	Other current liabilities - other (Note 9)	15,451	1	27,408	2
		490,206	36	555,847	38
Non-current liabilities:					
2530	Corporate bonds payable (Note 6 (12))	284,786	22	276,030	19
2540	Long-term borrowings (Note 6(11))	45,000	3	-	-
2580	Lease liabilities - non-current (Notes 6(13) and 7)	24,132	2	30,900	2
		353,918	27	306,930	21
	Total liabilities	844,124	63	862,777	59
Equity attributable to owners of the parent (Note 6 (15))					
3110	Common stock	1,002,654	74	1,002,654	69
3200	Capital surplus	22,097	2	21,938	2
3310	Legal reserve	4,320	-	4,320	-
3350	Undistributed earnings (or deficit to be compensated)	(513,769)	(38)	(416,218)	(29)
3400	Other equity interests	(10,818)	(1)	(16,368)	(1)
	Total equity	504,484	37	596,326	41
	Total liabilities and equity	\$ 1,348,608	100	1,459,103	100

(Please refer to the notes to the consolidated financial statements.)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

English Translation of Consolidated Statements of Comprehensive Income Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated Statements of Comprehensive Income

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

		2022		2021	
		Amount	%	Amount	%
4000	Operating income (Note 6 (17))	\$ 348,843	100	185,474	100
5000	Operating costs (Notes 6 (5) and 7)	346,894	99	153,491	83
	Gross profit	1,949	1	31,983	17
6000	Operating expenses (Notes 6 (13) and 7):				
6100	Selling expenses	31,633	9	23,051	12
6200	General and administrative expenses	43,648	13	42,834	23
6450	Expected credit impairment gain (Note 6 (4))	(409)	-	-	-
		74,872	22	65,885	35
6900	Operating losses	(72,923)	(21)	(33,902)	
	Non-operating Income and expenses (Notes 6 (13), (19) and 7):				
7100	Interest income	3,707	1	3,202	2
7010	Other income	5,346	2	4,616	2
7020	Other gains and losses	(6,930)	(2)	9,520	5
7050	Financial costs	(18,297)	(5)	(15,991)	(9)
	Total non-operating income and expenses	(16,174)	(4)	1,347	-
7900	Net loss before tax	(89,097)	(25)	(32,555)	(18)
7950	Less: income taxes (Note 6 (14))	5,531	2	1,122	1
8200	Net loss for the period	(94,628)	(27)	(33,677)	(19)
8300	Other comprehensive income (Note 6 (15))				
8310	Items that will not be reclassified subsequently to profit or loss				
8316	Unrealized gains or losses on equity instrument investments at fair value through other comprehensive income	2,510	1	3,414	2
8349	Less: Income tax related to items not reclassified	-	-	-	-
	Total items that will not be reclassified subsequently to profit or loss	2,510	1	3,414	2
8360	Items that may subsequently be reclassified to profit or loss				
8361	Exchange difference on translation of financial statements of foreign operations	117	-	(76)	-
8399	Less: Income tax related to items that may be reclassified to profit or loss	-	-	-	-
	Total items that may subsequently be reclassified to profit or loss	117	-	(76)	-
8300	Other comprehensive income for the current period	2,627	1	3,338	2
	Total comprehensive income for the current period	<u>\$ (92,001)</u>	<u>(26)</u>	<u>(30,339)</u>	<u>(17)</u>
	Net income attributable to				
8610	Owners of the parent	<u>\$ (94,628)</u>	<u>(27)</u>	<u>(33,677)</u>	<u>(19)</u>
	Other comprehensive income attributable to:				
8710	Owners of the parent	<u>\$ (92,001)</u>	<u>(26)</u>	<u>(30,339)</u>	<u>(17)</u>
	Loss per share (Note 6 (16))				
9750	Basic loss per share (NTD)	<u>\$ (0.94)</u>		<u>(0.34)</u>	
9850	Diluted loss per share (NTD)	<u>\$ (0.94)</u>		<u>(0.34)</u>	

(Please refer to the notes to the consolidated financial statements.)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

(English Translation of Consolidated Statements of Changes in Equity Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated Statement of Changes in Equity

For the Years Ended December 31, 2022 and 2021

Unit: In Thousand New Taiwan Dollars

	Equity attributable to owners of the parent						
	Retained earnings			Other equity items			
Share capital				Exchange differences in translation of foreign financial statements	Unrealized gain (loss) on financial assets at fair value through other comprehensive income	Equity attributable to owners of the parent	Total equity
Common stock	Capital surplus	Legal reserve	Undistributed earnings				
\$ 1,002,654	110	4,320	(382,541)	90	(19,796)	604,837	604,837
-	-	-	(33,677)	-	-	(33,677)	(33,677)
-	-	-	-	(76)	3,414	3,338	3,338
-	-	-	(33,677)	(76)	3,414	(30,339)	(30,339)
-	21,828	-	-	-	-	21,828	21,828
1,002,654	21,938	4,320	(416,218)	14	(16,382)	596,326	596,326
-	-	-	(94,628)	-	-	(94,628)	(94,628)
-	-	-	-	117	2,510	2,627	2,627
-	-	-	(94,628)	117	2,510	(92,001)	(92,001)
-	159	-	-	-	-	159	159
-	-	-	(2,923)	-	2,923	-	-
\$ 1,002,654	22,097	4,320	(513,769)	131	(10,949)	504,484	504,484

(Please refer to the notes to the consolidated financial statements.)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

(English Translation of Consolidated Statement of Cash Flows Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated Statement of Cash Flows

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

	<u>2022</u>	<u>2021</u>
Cash flow from operating activities:		
Net loss before tax for the current period	\$ (89,097)	(32,555)
Adjustments:		
Income and expenses		
Depreciation expense	9,703	9,030
Amortization expense	140	179
Expected credit impairment gain	(409)	-
Net loss on financial assets and liabilities at fair value through profit or loss	6,930	-
Interest expense	18,297	15,991
Interest income	(3,707)	(3,202)
Dividend income	(294)	-
Loss on disposal and scrapping of property, plant and equipment	-	205
Gain on reversal of property, plant and equipment	-	(11,787)
Gain on lease modifications	-	(400)
Total income and expenses	<u>30,660</u>	<u>10,016</u>
Changes in assets/liabilities related to operating activities:		
Net change in assets related to operating activities:		
Financial assets at fair value through profit or loss	(94,710)	-
Notes receivable	(278)	(4,491)
Accounts receivable	57,910	(57,458)
Inventories	240,022	55,329
Prepayments	(1,400)	14,133
Other financial assets	(30,998)	(20,597)
Construction deposits paid	(3,488)	(27,647)
Incremental cost of obtaining contracts	(21,781)	(10,671)
Costs to fulfill contracts	<u>(5,830)</u>	<u>304</u>
Total net change in assets related to operating activities	<u>139,447</u>	<u>(51,098)</u>
Net change in liabilities related to operating activities:		
Contract liabilities	44,514	30,342
Notes payable	461	(4,037)
Accounts payable	9,622	(11,091)
Other payables	(3,573)	2,887
Non-current liabilities	(11,960)	6,344
Other financial liabilities - current	<u>(129)</u>	<u>262</u>
Total net change in liabilities related to operating activities	<u>38,935</u>	<u>24,707</u>
Total net change in assets and liabilities related to operating activities	<u>178,382</u>	<u>(26,391)</u>
Total adjustments	<u>209,042</u>	<u>(16,375)</u>
Cash generated (used) in operating activities	119,945	(48,930)
Interest received	3,707	3,202
Dividend received	294	-
Interest paid	(12,678)	(14,302)
Income tax paid	<u>(5,531)</u>	<u>(1,122)</u>
Net cash generated (used) in operating activities	<u>105,737</u>	<u>(61,152)</u>

(English Translation of Consolidated Statement of Cash Flows Originally Issued in Chinese)

Better Life Group Co., LTD. and the Subsidiaries

Consolidated statement of cash flows (continued)

For the Years Ended December 31, 2022 and 2021

Unit: NTD thousands

	2022	2021
Cash flow from investing activities:		
Financial assets (payment returned due to capital reduction) at fair value through other comprehensive income - non-current	736	4,098
Acquisition of property, plant and equipment	(4,910)	(205)
Guarantee deposits paid	(464)	1,671
Acquisition of intangible assets	(84)	-
Acquisition of investment property	(1,417)	-
Other financial assets	3,484	3,147
Net cash generated (used) in investing activities	(2,655)	8,711
Cash flow from financing activities:		
Decrease in short-term borrowings	(107,271)	(183,631)
Increase (decrease) in short-term notes payable	-	(27,304)
Corporate bonds issued	-	295,000
New long-term borrowings	47,000	-
Lease principal repaid	(6,565)	(6,292)
Other financing activities	159	-
Net cash generated (used) in financing activities	(66,677)	77,773
Effect of exchange rate changes on cash and cash equivalents	11	(16)
Increase in cash and cash equivalents in the current period	36,416	25,316
Balance of cash and cash equivalents at the beginning of the period	58,289	32,973
Balance of cash and cash equivalents at the end of the period	<u>\$ 94,705</u>	<u>58,289</u>

(Please refer to the notes to the consolidated financial statements.)

Chairman: Chung, Hsi-Chi

Manager: Lin, Jui-Shan

Accounting Manager: Huang, Wen-Cheng

Name list of potential offerees (privately placed common shares of 2023)

Offerees		Relations with the Company	Top 10 juristic person shareholders		
			Name	Shareholding %	Relationship with the Company
1	Pucheng Construction Co., Ltd.	Related party	Puquan Advertising Co., Ltd.	100.00%	Related party
2	Puquan Advertising Co., Ltd.	Insider	Pu Meng Investment Co., Ltd.	19.96%	Related party
			Chun Fu Investment Co., Ltd.	12.39%	None
			Pu Jui Investment Co., Ltd.	11.09%	Related party
			Yang Che Investment Co., Ltd.	8.42%	None
			Pu Kuan Investment Co., Ltd.	11.38%	Related party
			Ho Chung Investment Co., Ltd.	6.12%	None
			Pu Ying Investment Co., Ltd.	10.45%	Related party
			Pu Kuan Investment Co., Ltd.	3.71%	None
			Ching Hsiang Investment Co., Ltd.	4.61%	None
3	Puxu Advertising Co., Ltd.	Related party	Pu Ching Investment Co., Ltd.	2.88%	None
			Puquan Advertising Co., Ltd.	100.00%	Related party

Offerees		Relations with the Company	Top 10 juristic person shareholders		
		Insider/related party	Name	Shareholdin g %	Relationship with the Company
4	Puyuan Advertising Co., Ltd.	Related party	Puquan Advertising Co., Ltd.	100.00%	Related party
5	Puyuan Construction Co., Ltd.	Related party	Puquan Advertising Co., Ltd.	30.40%	Related party
			Pu Meng Investment Co., Ltd.	15.20%	Related party
			Pu Kuan Investment Co., Ltd.	15.20%	Related party
			Pu Chia Investment Co., Ltd.	18.00%	Related party
			Pu Jui Investment Co., Ltd.	18.00%	Related party
6	Pu Chang Construction Co., Ltd.	Related party	Pu Ying Investment Co., Ltd.	3.20%	Related party
			Pu Meng Investment Co., Ltd.	18.00%	Related party
			Pu Kuan Investment Co., Ltd.	19.00%	Related party
			Pu Ying Investment Co., Ltd.	18.00%	Related party
			Yang Che Investment Co., Ltd.	17.00%	None
			Pu An Investment Co., Ltd.	18.00%	Related party
			Li, Yun-Yun	10.00%	Related party

Offerees		Relations with the Company		Top 10 juristic person shareholders		
		Insider/related party	Name	Shareholdin g %	Relationship with the Company	
7	Yung Hsin Construction Co., Ltd.	Related party	Pu Ying Investment Co., Ltd.	19.00%	Related party	
			Pu Meng Investment Co., Ltd.	19.00%	Related party	
			Yang Che Investment Co., Ltd.	19.00%	None	
			Pu Jui Investment Co., Ltd.	19.00%	Related party	
			Pu Chia Investment Co., Ltd.	19.00%	Related party	
8	Pu Meng Investment Co., Ltd.	Related party	Pu Kuan Investment Co., Ltd.	5.00%	Related party	
9	Pu Kuan Investment Co., Ltd.	Related party	Li, Chung-Shu Lin, Wan-Lin	80.00%	Related party	
				20.00%	Related party	
			Pu Meng Investment Co., Ltd.	15.00%	Related party	
10	Pu Ying Investment Co., Ltd.	Related party	Li, Chung-Shu Pu Ying Investment Co., Ltd.	80.00%	Related party	
11	Pu An Investment Co., Ltd.	Related party	Li, Chung-Shu	5.00%	Related party	
			Yuan, Mei-Hui	90.00%	Related party	
12	Sant Law International Co., Ltd	Related party	Li, Chung-Shu	10.00%	None	
			Li, Chung-Shu	60.00%	Related party	
			Li, Yun-Yun	40.00%	Related party	
			Yung Hsin Construction Co., Ltd.	100.00%	Related party	

Offerees		Relations with the Company	Top 10 juristic person shareholders		
			Name	Shareholdin g %	Relationship with the Company
13	Pu Jui Investment Co., Ltd.	Related party	Lin, Jui-Shan	100.00%	Insider
14	Pu Chia Investment Co., Ltd.	Related party	Huang, Tzu-Min	100.00%	Insider
15	Pu Cheng Investment Co., Ltd.	Related party	Chen, Chun-Liang	100.00%	Insider
16	Li, Chung-Shu	Related party			
17	Lin, Jui-Shan	Insider/related party			
18	Chen, Chun-Liang	Insider			

Better Life Group Co., Ltd.

Securities Underwriter's Assessment Opinion Report on Necessity and Reasonableness for Conducting Private Placement

Principal of the opinion report: Better Life Group Co., LTD.

Receiver of the opinion report: Better Life Group Co., LTD.

Purpose of the opinion report: It is only used for conducting the 2023 private placements of marketable securities of Better Life Group Co., Ltd.

Report type: Securities underwriter's assessment opinion report on the necessity and reasonableness for the private placement

Assessment agency: Taichung Bank Securities Co., Ltd.

May 8, 2023

It is expected that on May 11, 2023, the board of directors of Better Life Group Co., Ltd.(hereinafter referred to as Better Life Group or the Company) will resolve to conduct a private placement of common shares within the limit of 30,000,000 shares. The private placement shall not be processed until it is approved in the shareholders' meeting on June 21, 2023, and the board of directors is authorized to conduct the private placement once or twice within one year from the date of the shareholders' meeting.

According to the Company's 2022 audited financial statements audited by CPAs, its loss to be compensated was \$513,769 thousand, and its net loss after tax was \$94,628 thousand. Therefore, it has met the requirements of the third point of “Directions for Public Companies Conducting Private Placements of Securities”

“A public company with a net profit and no accumulated loss for the most recent fiscal year shall use the public offering method to issue securities, except in any of the following circumstances in which a private placement may be conducted: (hereafter omitted)”

In addition, according to point 4 of “Directions for Public Companies Conducting Private Placements of Securities” and referring to the proposal of the Board of Directors' Meeting on May 11, 2023, the Company issued 100,265,400 shares, and the resolution is for a private placement of common shares within the total number of shares not exceeding 30,000,000 shares. It is estimated that if all the shares are issued, they will represent 23.03% of the Company's share capital after the private placement; since the possibility of a change in managerial control cannot be excluded in the future, it is necessary to request the securities underwriter to provide an assessment opinion on the necessity and reasonableness of the private placement.

The content of this opinion shall be used exclusively as a reference basis for Better Life Group's shareholders meeting to resolve its private placement on 21 June, 2023, and shall not be intended for other purposes. The contents of this opinion are based on the proposal of the Board of Directors of the Company dated May 11, 2023 and the financial information provided by the Company. Hence, we hereby disclaim any liability for any future changes to the contents of this opinion due to changes in the private placement plan or other circumstances.

I. Company Profile

Better Life Group was established on June 30, 1978 and its shares were listed and traded on October 20, 1989. its principal business is to contract construction companies to build public housing projects and commercial buildings for lease out and sales. Its paid-in capital was NT\$1,002,654 thousand up to December 31, 2022. The Company's condensed financial information for the last three years is as follows:

Balance Sheets

Unit: In Thousand New Taiwan Dollars

Year/Item	2020	2021	2022
Current assets	1,235,140	1,310,031	1,112,253
Non-current assets:	142,631	149,072	236,355
Total assets	1,377,771	1,459,103	1,348,608
Current liabilities	742,110	555,847	490,206
Non-current liabilities	30,824	306,930	353,918
Total liabilities	772,934	862,777	844,124
Capital	1,002,654	1,002,654	1,002,654
Capital surplus	110	21,938	22,097
Retained earnings	(378,221)	(411,898)	(509,449)
Other equity interests	(19,706)	(16,368)	(10,818)
Total equity	604,837	596,326	504,484
Net value per share(dollar)	6.03	5.95	5.03

Data source: The consolidated financial statements audited by CPAs in each year.

Statements of Comprehensive Income

Unit: In Thousand New Taiwan Dollars

Year/Item	2020	2021	2022
Operating revenue	219,762	185,474	348,843
Gross profit	20,774	31,983	1,949
Gross profit	9.45%	17.24%	0.56%
Operating profit(loss)	(53,074)	(33,902)	(72,923)
Operating profit ratio	(24.15)%	(18.28)%	(20.90)%
Non-operating income and expenses	(8,701)	1,347	(16,174)
Net profit (loss) attributable to owners of the parent	(61,775)	(33,677)	(94,628)
Earnings(loss) per share(\$)	(0.62)	(0.34)	(0.94)

Data source: The consolidated financial statements audited by CPAs in each year.

II. Underwriter's assessment opinion

Better Life Group proposed to hold a board meeting on May 11, 2023 and expects to conduct a private placement of common shares within 30,000,000 shares in total, the proceeds of which will be used to carry out the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans). In accordance with the proposal of the board of directors' meeting on May 11, 2023, the offerees for the private placement are insiders, related parties or specific persons who meet the conditions set by the competent authorities. However, up to the date of this opinion report, the Company has not selected any investors for the private placement.

The underwriter's assessment of the necessity and reasonableness of the Company's private placement of securities is as follows.

(I) Assessment of lawfulness

1. Article 3 of the “Directions for Public Companies Conducting Private Placements of Securities”

The Company's 2022 financial statements audited by CPAs indicate a loss to be compensated of \$513,769 thousand and a net loss after tax of \$94,628 thousand. Therefore, the Company is not subject to the restriction of Article 3 of the “Directions for Public Companies Conducting Private Placements of Securities” that " A public company with a net profit and no accumulated deficit for the most recent fiscal year shall not use private placement to issue securities,".

2. The provisions of price of private placement and theoretical price stipulated in subparagraphs 1 and 2, paragraph 1, article 4 of the “Directions for Public Companies Conducting Private Placements of Securities”

Pursuant to subparagraph 1, paragraph 1, article 4 of “Directions for Public Companies Conducting Private Placements of Securities,” “Where the company is a TWSE listed or TPEX listed company or an emerging stock company, if the price per share of the privately placed common shares is lower than 80 percent of the reference price, or if the issuance price of the preferred shares, convertible corporate bonds, preferred shares with warrants, corporate bonds with warrants, or employee stock warrants is lower than 80 percent of the theoretical price, state the independent expert's opinion on the basis and reasonableness of the pricing on the meeting notice, to serve as a reference for the shareholders to decide whether to agree.” In addition, according to subparagraph 2, paragraph 1 of the article 4, “If the offeree is an insider or a related party of the Company, the price per share of the private placement shall not be less than 80% of the reference price.” According to the proposal of the board of directors' meeting held on May 11, 2023, the issue price of this private placement is intended to be no less than 80% of the reference price or theoretical price, and has been submitted to the board of directors' meeting for discussion. Hence it should comply with the relevant laws and regulations.

3. The provisions of offerees stipulated in subparagraphs 2, paragraph 1, article 4 of the “Directions for Public Companies Conducting Private Placements of Securities”

According to subparagraph 2, paragraph 1, article 4 of “Directions for Public Companies Conducting Private Placements of Securities,” If the offerees are insiders or related parties of the company, the list of offerees, method and objectives of selecting the offerees, and the relationship between the offerees and the company shall be fully discussed at a meeting of the board of directors and stated in the notice to convene the

shareholders' meeting, failing which no such person may subscribe afterwards. If any offeree is a strategic investor, the method and objectives of selecting the offeree, the necessity for that selection, and the anticipated benefits shall be fully discussed at a meeting of the board of directors and stated in the notice to convene the shareholders' meeting. This private placement will be fully discussed in the board of directors' meeting and will be stated in the causes of the annual shareholders meeting on June 21, 2023 so that Therefore, there are no apprehension of violating the relevant laws and regulations.

(II) Current status of Better Life Group

1. profit status

Better Life Group's main products and services are real estate construction and trading. In recent years, the company has been conservative and has launched few projects, and consequently has operated at a loss in the last three years.

Unit: In Thousand New Taiwan Dollars

Year/Item	2020	2021	2022
Operating revenue	219,762	185,474	348,843
Gross profit	20,774	31,983	1,949
Gross profit	9.45%	17.24%	0.56%
Operating profit(loss)	(53,074)	(33,902)	(72,923)
Operating profit ratio	(24.15)%	(18.28)%	(20.90)%
Non-operating income and expenses	(8,701)	1,347	(16,174)
Net profit (loss) attributable to owners of the parent	(61,775)	(33,677)	(94,628)
Earnings(loss) per share(\$)	(0.62)	(0.34)	(0.94)

Data source: The consolidated financial statements audited by CPAs in each year.

2. Major financial ratios

Year	Item	2020	2021	2022
	Debt ratio(%)	56.10	59.13	62.59
	Current ratio(%)	166.44	235.68	226.90
	Quick ratio(%)	32.83	69.50	86.52
	Cash flow ratio(%)	(3.11)	(11.00)	21.57
	Cash Flow Adequacy Ratio	(130.08)	(255.25)	(262.35)
	Cash re-investment ratio	(3.53)	(6.71)	12.17

Data source: Market Observation Post System

According to the Company's financial statements of 2022, the Company's main liabilities were bank loans of \$362,782 thousand and corporate bonds payable of \$300,000 thousand (Balance of outstanding corporate bonds) with interest rates ranging from 2.03% to 2.94%. In recent years, cash flow from operating activities has been negative, and therefore the related ratios such as cash flows have also been negative.

The funds raised from the private placement that the Company expects to conduct in 2023 will be used to carry out the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans). Therefore, the private placement is expected to enhance the Company's profitability, improve its financial structure and strengthen its competitiveness, and it's reasonable to believe that a positive benefit to shareholders' equity will be generated.

(III) Assessment of the necessity and reasonableness of the private placement of common shares

1. Necessity assessment

Due to the impact of the relatively few projects, Better Life Group continued to have operational losses from 2020 to 2022. In order to actively improve the operational quality, the fund raised in this private placement is intended to be used to carry out the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans) After assessing the Company's operations, debt ratio and cash flows for the past three years, there is still room for improvement. Therefore, the Company's private placement of common share is expected to be effective in improving the Company's corporate structure and shareholders' equity, and thus this private placement of securities is necessary.

2. Reasonableness assessment

(1) Reasonableness of the type of securities to be privately placed

Better Life Group is intending to conduct a private placement of common shares within the limit of 30,000,000 shares, which is a common type of marketable securities issuance and thus is considered reasonable.

This private placement is proposed to be submitted by the Board of Directors on May 11, 2023 for approval by the Shareholders' Meeting on June 21, 2023, and the Board of Directors may be authorized by the shareholders' meeting to carry out the private placement once or twice within one year. If the maximum dilution ratio after the issuance of all 30,000,000 common shares in the private placement is 23.03%, the issue price shall be at least 80% of the reference price. After the assessment, the

pricing is considered to be in line with market practice. Therefore, there is still no material adverse impact on shareholders' equity.

(2) Reasonableness of the anticipated benefits of private placement

Better Life Group's proposed private placement is limited to a total of 30,000,000 shares of common stock, which will be used to carry out the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans), thereby, having positive impacts on shareholders' equity. The anticipated benefits are described below:

If all securities are issued in the future, the Company may be able to obtain stable long-term capital, reduce its dependence on bank financing to cut interest expenses and make its capital utilization more flexible.

After reviewing the terms of the private placement, the use of funds and the benefits of the private placement as reported by the board of directors in its proposal on May 11, 2023, no material irregularities were found. Therefore, the private placement is expected to have a positive effect on the Company's finance and shareholders' equity. Consequently, it is reasonable to expect that the private placement can save interest costs, increase the Company's profitability and enhance shareholders' equity.

3. Selection of offerees and assessment of possibilities

The Offerees of this private placement are selected based on the specific persons in compliance with Article 43-6 of the Securities and Exchange Act and the Financial Supervisory Commission's Order—(91) Tai Tsai Cheng Yi i Tzu No. 0910003455. Currently, no specific person has been selected.

(1) If the offerees are insiders or related parties

If the offeree is an insider or a related party, the tentative list, selection method and purpose, and its feasibility and necessity are described as follows.

A. Selection method and purpose of the Offerees

If the offerees are insiders or related parties, they will be selected based on their ability to contribute directly or indirectly to the Company's future operations and their understanding of the Company. The tentative list includes the following parties.

Potential offerees	Relations with the company
Pucheng Construction Co., Ltd.	Related party
Puquan Advertising Co., Ltd.	Insider
Puxu Advertising Co., Ltd.	Related party
Puyuan Advertising Co., Ltd.	Related party
Puyuan Construction Co., Ltd.	Related party
Pu Chang Construction Co., Ltd.	Related party
Yung Hsin Construction Co., Ltd.	Related party
Pu Meng Investment Co., Ltd.	Related party
Pu Kuan Investment Co., Ltd.	Related party
Pu Ying Investment Co., Ltd.	Related party
Pu An Investment Co., Ltd.	Related party
Sant Law International Co., Ltd	Related party
Pu Jui Investment Co., Ltd.	Related party
Pu Chia Investment Co., Ltd.	Related party
Pu Cheng Investment Co., Ltd.	Related party
Li, Chung-Shu	Related party
Lin, Jui-Shan	Insider/related party
Chen,Chun-Liang	Insider

Data source: provided by the company

- B. If the offeree is a juristic person, names of the top ten shareholders, their shareholding ratio, and the relationship with the company are as follows:

Potential offerees	Top 10 shareholders' names	Shareholding	Relations with the company
Pucheng Construction Co., Ltd.	Puquan Advertising Co., Ltd.	100%	Related party
Puquan Advertising Co., Ltd.	Pu Meng Investment Co., Ltd.	19.96%	Related party
	Chun Fu Investment Co., Ltd.	12.39%	None
	Pu Jui Investment Co., Ltd.	11.09%	Related party
	Yang Che Investment Co., Ltd.	8.42%	None
	Pu Kuan Investment Co., Ltd.	11.38%	Related party
	Ho Chung Investment Co., Ltd.	6.12%	None
	Pu Ying Investment Co., Ltd.	10.45%	Related party
	Pu Guan Investment Co., Ltd.	3.71%	None
	Ching Hsiang Investment Co., Ltd.	4.61%	None
	Pu Ching Investment Co., Ltd.	2.88%	None
Puxu Advertising Co., Ltd.	Puquan Advertising Co., Ltd.	100%	Related party
Puyuan Advertising Co., Ltd.	Puquan Advertising Co., Ltd.	100%	Related party
Puyuan Construction Co., Ltd.	Puquan Advertising Co., Ltd.	30.40%	Related party
	Pu Meng Investment Co., Ltd.	15.20%	Related party

Potential offerees	Top 10 shareholders' names	Shareholding	Relations with the company
	Pu Kuan Investment Co., Ltd.	15.20%	Related party
	Pu Chia Investment Co., Ltd.	18.00%	Related party
	Pu Jui Investment Co., Ltd.	18.00%	Related party
	Pu Ying Investment Co., Ltd.	3.20%	Related party
Pu Chang Construction Co., Ltd.	Pu Meng Investment Co., Ltd.	18%	Related party
	Pu Kuan Investment Co., Ltd.	19%	Related party
	Pu Ying Investment Co., Ltd.	18%	Related party
	Yang Che Investment Co., Ltd.	17%	None
	Pu An Investment Co., Ltd.	18%	Related party
	Li, Yun-Yun	10%	Related party
Yung Hsin Construction Co., Ltd.	Pu Ying Investment Co., Ltd.	19.00%	Related party
	Pu Meng Investment Co., Ltd.	19.00%	Related party
	Yang Che Investment Co., Ltd.	19.00%	None
	Pu Jui Investment Co., Ltd.	19.00%	Related party
	Pu Chia Investment Co., Ltd.	19.00%	Related party
	Pu Kuan Investment Co., Ltd.	5.00%	Related party
Pu Meng Investment Co., Ltd.	Li, Chung-Shu	80.00%	Related party
	Lin, Wan-Lin	20.00%	Related party
Pu Kuan Investment Co., Ltd.	Pu Meng Investment Co., Ltd.	15.00%	Related party
	Li, Chung-Shu	80.00%	Related party
	Pu Ying Investment Co., Ltd.	5.00%	Related party
Pu Ying Investment Co., Ltd.	Li, Chung-Shu	90.00%	Related party
	Yuan, Mei-Hui	10.00%	None
Pu An Investment Co., Ltd.	Li, Chung-Shu	60.00%	Related party
	Li, Yun-Yun	40.00%	Related party
Sant Law International Co., Ltd	Yung Hsin Construction Co., Ltd.	100%	Related party
Pu Jui Investment Co., Ltd.	Lin, Jui-Shan	100%	Insider
Pu Chia Investment Co., Ltd.	Huang, Tzu-Min	100%	Insider
Pu Cheng Investment Co., Ltd.	Chen, Chun-Liang	100%	Insider

Data source: provided by the company

C. Feasibility and necessity of offerees

After reviewing the above-mentioned list of insiders or related parties who may participate in the offering of the Company, we found out that they are the Company's corporate directors or their related parties, or the Company's management. Since these offerees are familiar with the Company's business, when the Company is improving its operation, the participation of the above-mentioned insiders or related parties in the private placement of securities can stabilize the managerial control by increasing the shareholding ratio of the Company's insiders/related parties or the management and provide the necessary capital for the Company's operation, thereby reducing the financial of the Company. Hence, it would be feasible and necessary for the Company to select the above-mentioned insiders or related parties who may participate in the offering.

(2) If any offeree is a strategic investor:

A. Selection method and purpose of the Offerees

The Company's resolution may introduce strategic investors through the private placement, which may help the Company obtain long-term stable capital on the one hand, and assist the Company in expanding its operations and diversifying its business on the other hand, thus effectively enhancing the shareholders' equity. Therefore, the strategic investors to be introduced will be selected based on their ability to help the Company strengthen its competitive advantage or create shareholders' equity; however, the Company has not yet selected the strategic investors for this private placement.

B. Feasibility and necessity of offerees

In order to enhance the profitability, strengthen the financial structure and maintain the sustainable operations, the Company intends to seek proactively strategic investors who can improve the overall operating quality of the Company through their experience, technology, knowledge or channels. Therefore, it is necessary and reasonable to consider strategic investors who will be beneficial to the Company's future business development to be the offerees for this private placement; however, no strategic investors have been selected yet.

4. Influence on business, finance and shareholders' equity after the transfer of managerial control

Currently, Better Life Group has already issued 100,265 thousand shares; after the issuance of all 30,000,000 common shares in the private placement, it is estimated to represent 23.03% of the total issued and converted share capital. In the event of future changes in the number of directors or managerial control of the Company, the information will be disclosed in accordance with relevant regulations in order to protect the shareholders' equity.

The influence on Better Life Group 's business, finance and shareholders' equity in the event that the change in the number of directors results in a transfer of the managerial control of Better Life Group is described as follows:

(1) Influence on the Company's business

The Company's private placement is planned to be participated by the Company's insiders/relatives or specific persons who meet the requirements set by the competent authorities to directly and positively contribute to the Company's operations, and the funds are mainly used to carry out the construction projects (including but not limited to land purchase and payment for the construction), engage in acquisitions in related

industries (including but not limited to investment in other enterprises), increase the working capital (including but not limited to the capital requirement for the agency business) and improve the financial structure (including but not limited to the repayment of bank loans). It is expected to help the Company improve its operations and further enhance shareholders' equity, and therefore has a positive effect on the Company's business operations.

(2) Influence on the Company's finances

The Company's private placement of securities is limited to a total of 30,000,000 common shares with a par value of \$10 per share. The private placement will not only help the Company to obtain long-term stable capital, but also reduce the debt ratio and effectively strengthen the financial structure; consequently, there is no material adverse influence on the Company's financial condition.

(3) Influence on shareholders' equity

The private placement will not only help the Company to obtain long-term stable capital, but also bring in insiders and related parties to enhance the Company's profitability and shareholders' equity. According to the pricing principle of the private placement of common shares, the issue price shall be set at no less than 80% of the reference price (theoretical price). Therefore, the price of the private placement is in compliance with “Directions for Public Companies Conducting Private Placements of Securities ” and is not likely to have a material adverse effect on shareholders' equity.

Since the Company still has accumulated losses on its statements, the net value per share is lower than the par value. In addition, taking into account the impact of market fluctuations, there is a possibility that the price of the private placement of common shares may be lower than the par value of the shares in the future, and the difference between the price of the private placement and the par value of the shares will result in an increase in accumulated losses. In the future, the Company will gradually offset the losses by capital reduction, earnings, capital surplus or other statutory means, or handle the matter in other statutory manners depending on the Company's operation and market conditions. Therefore, the private placement has no material adverse effect on the shareholders' equity of the Company yet.

After comprehensively considering various factors such as the Company's future long-term development and compliance with legal restrictions on fund raising, the private placement of Better Life Group's common shares is assessed to be beneficial to shareholders' equity, as it can obtain long-term stable capital and improve the financial structure for the Company. In addition, considering the profitability of the Company and the uncertainty and timeliness of raising capital by

public offering, it is necessary and reasonable for the Company to conduct a private placement of marketable securities.

On the other hand, reviewing the information of the board of directors' meeting prepared by the Company, the issuance procedures, the content of discussion of the proposal, the basis for setting the price of the private placement, and the selection method of the specific persons are all in compliance with the Securities and Exchange Act and relevant laws and regulations. Hence there are no significant abnormalities yet.

Independence Statement

- I. We were entrusted by Better Life Group to provide a securities underwriter's opinion report on the necessity and reasonableness of the private placement of securities in 2022, and we prepared such opinion report with independent spirit.
- II. For the purpose to provide the said opinion, we hereby declare that we are not engaged in any of the following matters .
- (I) Where either party and its parent company, and all of the subsidiaries of its parent company, aggregately hold 10 percent or more of the total shares of the other party.
 - (II) Where either party and its subsidiaries appoint more than half of the directors of the other party.
 - (III) Where the board chairperson or president of either party is the spouse or a relative within the second degree or closer of the board chairperson or president of the other party.
 - (IV) Where 20 percent or more of the total number of shares of either party is held by the same shareholder.
 - (V) Where half or more of the directors or supervisors of either party are the same as the directors or supervisors of the other party; the spouses, children, and relatives within the second degree or closer of the said persons count as "the same".
 - (VI) Where either party and related parties hold a total of 50 percent or more of the total issued shares of the other party.
 - (VII) Where the two parties, according to the relevant laws or regulations, must apply for combination, or have filed with the Fair Trade Commission for combination and have not had the combination prohibited thereby.
 - (VIII) Where, under the regulations of other laws or in actuality, either party directly or indirectly controls the personnel, financial, or business affairs of the other party.
- III. In order to present the necessity and reasonableness of the private placement of securities, I prepared the expert assessment opinion with a spirit of independence.

Declarant: Taichung Bank Securities Co., Ltd.

Delegate: She, Hsiu-Hui

Date: May 8, 2023

Evaluation matrix of construction project contracts to be issued to related parties in next year

According to paragraph 1 of Article 15 of the Standards for the Regulations Governing the Acquisition and Disposal of Assets by Public Companies, the items to be evaluated are as follows:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets:
 1. The purpose and necessity of the acquisition or disposal of assets:

To meet the construction needs of each construction project, it is proposed to issue the construction contracts.
 2. Expected benefits:

Effectively control the progress of the project and complete it on schedule, and make sales and obtain profits.
2. The reason for choosing the related party as a transaction counterparty.

Pucheng Construction Co., Ltd., the counterparty of this planned transaction, is a construction company affiliated to Puyuan Construction Group. It has rich experience in contracted construction projects and excellent construction quality and construction schedule control. Previously, it also handled the construction projects of Song Yong and Pauian Pau-Garden of the Company.

The Hwa Ya project of the Company is contracted out individually, and it is planned to invite Pucheng Construction Co., Ltd. to participate in bidding or quotation. After carrying out the Company's internal control procedures related to the construction project contract award, if the its conditions are the most preferable, the Company will sign a construction project contract with it.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Articles 16 and 17.

N/A
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counter party's relationship to the company and the related party.

The project is a construction project contract, so it is not applicable.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization.
 1. The Company's cash income and expenditure forecast matrix for the next fiscal year, as attached
 2. The necessity of the transaction and the rationality assessment of the use of

funds:

It is necessary to issue a contract for the construction project of the Company. The payment for the contracted works will be made according to the project progress and budget, and the use of funds shall be reasonable.

6. An appraisal report from a professional appraiser or a CPA's opinion obtained in accordance with preceding Article.

N/A.

7. Restrictive covenants and other important stipulations associated with the transaction.

N/A.

Unit: In Thousand New Taiwan Dollar

Item/Month	May 2023	June 2023	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024
Cash balance of the previous period												
Add: Revenue	152,879	114,179	131,758	128,054	123,041	149,212	202,510	258,295	283,296	277,344	283,155	276,110
Less: Expense	21,340	25,300	5,323	15,778	34,351	65,317	64,342	31,389	2,671	15,334	2,384	2,622
	60,040	7,721	9,027	20,791	8,180	12,019	8,557	6,388	8,623	9,523	9,429	8,773
Cash balance of the current period	114,179	131,758	128,054	123,041	149,212	202,510	258,295	283,296	277,344	283,155	276,110	269,959

Better Life Group Co., Ltd.

List of Candidates of Directors and Independent Directors

Title Type	Name	Education	Experience	Current Positions	Number of shares held
Director	Nien Mei Investment Co., Ltd. Representative: Chung, Hsi-Chi	Chinese Culture University Department of Labor Relations	China Airlines Director of Section Ground Handling Chief Representative in mainland China	Chairman at the Company The Person in-charge of the subsidiaries—Better Life Green Energy Technology, Better Life Real Estate, and Better Life Group Travel Service. Person in-charge of Tsui Chih Investment Co. Ltd.	4,122,000
Director	NOON GLORY MANAGEMENT & TRADING CO., LTD. Representative: Chang Chun-Kuei	East–West University-MBA	CB-CERATIZIT General Manager INHOUSE GROUP General Manager	Chairman of CHUN RONG ASSET MANAGEMENT LTD. General Manager of CB-CERATIZIT INHOUSE GROUP-General Manager	1,241,000
Director	NOON GLORY MANAGEMENT & TRADING CO., LTD. Representative: Liao, Yu-Hsin	University of Warwick B.A., Department of Economy University of Oxford M.A. of Business Studies	CB-CERATIZIT Executive Director Founder of Yingwang Real Estate of Manchester, UK	Director at the Company CEO of Yingwang Real Estate of Manchester, UK BAO MA ASSET DEVELOPMENT & MANAGEMENT CO., LTD-Chairman CB-CERATIZIT-Executive Director	1,241,000
Director	Puquan Advertising Co., Ltd. Representative: Lin, Jui-Shan	China University of Technology	General Manager of Puyuan Construction Co., Ltd.	General Manager/Director of the Company Chairman of Yung Hsin Construction Co., Ltd. and Puyuan Construction Co., Ltd.	9,067,200
Director	Puquan Advertising Co., Ltd. Representative: Chen, Chun-Liang	National Chengchi University MBA	Head of Operating Unit of United Daily News Taipei Times-General Manager General Manager of Liberty Times	Director at the Company Person in charge of Pu Cheng Co., Ltd. and Pu Cheng Investment Co., Ltd.	9,067,200

Director	Puquan Advertising Co., Ltd. Representative: Su, Li-Yu	National Taipei University Department of Public Finance	Assistant general manager of Pauian Development, Pu Shih Construction, and Pu Yuan Construction's finance division	Director at the Company Assistant general manager of Pauian Development, Pu Shih Construction, and Pu Yuan Construction's finance division	9,067,200
Independent Director	Huang, Kuo-Shih	National Taiwan University M.A. of Accounting	Baker Tilly Clock & CO-Partner	Independent director of the Company Independent director of Shuttle Inc., G-TECH Optoelectronics Corporation, and TRUST-SEARCH CORP., LTD. Kang Chu Accounting Firm Partner	0
Independent Director	Li, Pei-Chang	National Taipei University M.A. of Law	Director of Taiwan Trust Association	Independent director of the Company New Hope Law Firm-Partner	0
Independent Director	Kuo, Yu-Hsin	University of Southern California Master of Electrical Engineering	Dayi Solar Co., Ltd.-Executive Director MINIWIZ CO., LTD.-Executive Director	Independent director of the Company Chairman of Chi Yu Co., Ltd. Chairman of VIEWEC CO., LTD. Chairman of Qingyu Marketing Co., Ltd.	0

Details of newly-elected directors and representatives whose non-competition clauses are intended to be lifted

Title	Name	Positions held concurrently
Director	Nien Mei Investment Co., Ltd. Representative: Chung, Hsi-Chi	Person in-charge of Better Life Green Energy Technology Co., Ltd.
		Person in-charge of Bao Lai Real Estate Co., Ltd.
		Person in-charge of Better Life Group Travel Service Co., Ltd.
		Person in-charge of Tsui Chih Investment Co. Ltd.
Director	Puquan Advertising Co., Ltd. Representative: Lin, Jui-Shan	Go to next page
Director	Puquan Advertising Co., Ltd. Representative: Chen, Chun-Liang	
Director	Puquan Advertising Co., Ltd. Representative: Su, Li-Yu	
Independent director	Huang, Kuo-Shih	Independent Director of G-TECH OPTOELECTRONICS CORPORATION
		Independent Director of Shuttle Inc.
		Independent Director of TRUST-SEARCH CORP., LTD.
		Chairman of COME TREE INTERNATIONAL CO., LTD.
Independent director	Kuo, Yu-Hsin	Chairman of Chi Yu Co., Ltd.
		Chairman of VIEWEC CO., LTD.
		Chairman of Qingyu Marketing Co., Ltd.

Details of newly-elected directors and representatives whose non-competition clauses are intended to be lifted

Companies in which positions are held concurrently		Positions held concurrently					
		Director			Supervisor		
		Lin, Jui-Shan	Chen, Chun-Liang	Su, Li-Yu	Lin, Jui-Shan	Chen, Chun-Liang	Su, Li-Yu
1	Puquan Advertising Co., Ltd.	V					V
2	Puqun Advertising Co., Ltd.	V					V
3	Puho Advertising Co., Ltd.	V					V
4	Paian Development Co., Ltd.				V		
5	Pushih Construction Co., Ltd.	V					
6	Puyuan Construction Co., Ltd.	★					
7	Yung Hsin Construction Co., Ltd.	★					
8	Puyuan Advertising Co., Ltd.	★					
9	Pu Meng Investment Co., Ltd.				V		
10	Pu Kuan Investment Co., Ltd.				V		
11	Puyi Advertising Co., Ltd.	V				V	
12	Puyi Construction Co., Ltd.	V					
13	Puyun Advertising Co., Ltd.	★					
14	Puyi Indoor Decoration Co., Ltd.	★					
15	Chuguan Construction Co., Ltd.				V		
16	Pu Jui Investment Co., Ltd.	★					
17	Pu Cheng Investment Co., Ltd.		★				
18	Pu Cheng Real Estate Development Co., Ltd.		★				
19	Puxin Advertising Co., Ltd.	V					V
20	Puji Advertising Co., Ltd.						V
21	Puyi Advertising Co., Ltd.	V					V

★: Chairman / V: Director or supervisor

Better Life Group Co., Ltd. Article of Incorporation

Chapter I General Rules

Article 1: The Company shall be incorporated according to regulations related to company limited by shares specified in the Company Act and its name shall be Better Life Group Co., Ltd.

Article 2: The scope of business the Company is as follows:

1. Processing, manufacturing and trading of electronic parts and glass fiber and glass products.
2. Processing, manufacturing and trading of ceramic products and building materials.
3. Processing, manufacturing and trading of plastic casing of television and radio, etc.
4. Import/export and distribution of relevant productions and equipment raw materials of preceding paragraphs.
5. Rental business of relevant machinery and equipment of preceding paragraphs.
6. Entrust construction contractors to construct public housing and commercial buildings as well as lease and sale business
7. Garden greening planning design and forest playground business operation. (excluding business of architect)
8. H703010 Factory Rental.
9. H703020 Warehouse Rental.
10. H703030 Office building rental.
11. H703050 Conference Room Rental
12. H701020 Industrial Factory Development and Rental.
13. J101040 Waste Treatment.
14. J101030 Waste Disposal.
15. IZ99990 Other Industrial and Commercial Services (Food, Drug Research and Development).
16. A102040 Recreational Agriculture.
17. CC01080 Electronics Components Manufacturing.
18. F119010 Wholesale of Electronic Materials.
19. F219010 Retail Sale of Electronic Materials.
20. CC01090 Manufacture of Batteries and Accumulators.
21. F113110 Wholesale of Batteries.
22. F213110 Retail Sale of Batteries.
23. F113030 Wholesale of Precision Instruments.
24. F113070 Wholesale of Telecommunication Apparatus.
25. F213060 Retail Sale of Telecommunication Apparatus.
26. F401021 Import of Controlled Telecommunications Radio-Frequency Devices and Materials
27. I103030 Hospital Management Consulting Services.
28. EZ01010 Well Drilling Services.
29. EZ07010 Drilling Engineering.
30. B201010 Mining of Metal Ores.
31. B301010 Mining of Non-metallic.
32. C901020 Glass and Glass Products Manufacturing.
33. CG01010 Jewelry and Precious Metals Products Manufacturing.
34. F115020 Wholesale of Ores.

35. F215020 Retail Sale of Ores.
36. CE01030 Optical Instruments Manufacturing.
37. H701010 Housing and Building Development and Rental.
38. H701040 Specific Area Development.
39. H701050 Investment, Development and Construction in Public Construction.
40. H701060 New Towns, New Community Development.
41. H701070 Process Zone Expropriation and Urban Land Readjustment Agency.
42. H701080 Urban Renewal Reconstruction.
43. ZZ999999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.
The operation of the aforementioned businesses shall comply with relevant laws and regulations.

Article 3: For relevant businesses described in the preceding article, external guarantees may be provided to business operators in the same industry. The external re-investment made by the Company may exceed more than 40% of the paid-in capital of the Company, and the board of directors is authorized to execute such investment.

Article 4: The Company shall have its head office in Taipei City, and when it is determined to be necessary, upon the resolution of the board of directors, branch offices and factories may be established domestically or overseas.

Chapter II Shares

Article 5: The total capital of the Company shall be NT\$ 6,750,000,000, divided into 675,000,000 shares, at a par value of NT\$ 10, and the board of directors is authorized to perform share issuance at discrete times. Special shares may be issued within the aforementioned total amount.

For the total capital amount described in the preceding paragraph, an amount of NT\$40,000,000 shall be reserved for the issuance of employee share subscription warrants, for a total of 4,000,000 shares at a par value of NT\$ 10 per share, which may be issued at discrete times in accordance with the resolution of the board of directors.

Article 6: After the share certificates of the Company share approved for registration, the shares shall be signed or sealed by the director representing the Company and shall be certified for issuance of the share certificates according to the laws.

During the issuance of new shares, the Company may consolidate the total number of current issuance for printing of share certificates, and may also adopt the method of exemption of printing of share certificates for the issuance of shares, and the Company shall appoint a centralized securities custody enterprise/institution for registration of the shares.

Article 7: The shares of the Company shall be in registered form. Shareholders shall use their real names. For those using the corporate name or alias, the names and addresses of the shareholders or their representatives shall be recorded in the shareholders' roster of the Company.

Article 8: Shareholders of the Company performing shareholder services of share transfer, creation of rights and pledges, reporting of loss, inheritance, gift and chop loss, change or address change, etc., unless the laws and securities regulations specify otherwise, shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies".

Article 9: Any transfer registration of shares shall be prohibited within sixty days prior

to the ordinary shareholders' meeting, thirty days prior to the extraordinary shareholders' meeting, or five days prior to the record date for the distribution of dividends and bonuses or other interests by the Company.

Chapter III Shareholders' Meeting

Article 10: The shareholders' meeting shall be classified into two types of the ordinary shareholders' meeting and extraordinary shareholders' meeting:

- I. An ordinary shareholders' meeting shall be convened within six months after the end of each fiscal year.
- II. An extraordinary shareholders' meeting shall be convened whenever necessary according to the laws.

Unless otherwise specified in the Company Act, the shareholders' meeting shall be convened by the board of directors.

During the convention of the shareholders' meeting, video conference or other methods announced by the central competent authority may be adopted.

Article 11: All shareholders shall be informed of the date, location and reasons of convention thirty days before the convention of an ordinary shareholders' meeting, and fifteen days before the convention of an extraordinary shareholders' meeting.

Shareholders holding less than 1,000 shares may be informed with the announcement according to the aforementioned time limit.

Article 12: Each shareholder of the Company shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

Article 13: A shareholders' meeting, unless otherwise specified in the Company Act, shall be attended by a majority of the shareholders presented representing more than half of the total number of the outstanding shares in order to convene the shareholders' meeting, and resolutions thereof shall be executed based on the majority of the voting rights of the attending shareholders.

Article 14: Where a shareholder for any reasons cannot attend the shareholders' meeting in person, he or she may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the Company, and the power of attorney shall be delivered to the Company five days before the convention of the shareholders' meeting.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

In case of any duplicates of power of attorneys described in the preceding paragraph, the one served to the Company first shall prevail; however, where a declaration is made to cancel the previous power of attorney, such restriction shall not be applied.

Article 15: During the convention of a shareholders' meeting, the chairman shall act as the chair. In case where the chairman is absent due to reasons, the vice chairman shall act as the deputy chair. Where the vice chairman is also absent due to reasons, the chairman shall designate a director to act as the deputy chair. In case where no director is designated by the chairman, the directors shall elect one person among themselves to act as the deputy chair.

Article 16: Resolutions made in a shareholders' meeting shall be recorded in meeting minutes and shall be handled according to Article 183 of the Company Act.

Chapter IV Directors

Article 17: The Company shall have seven to nine director, and the candidates nomination system is adopted. The directors shall be elected by the shareholders' meeting from the candidate roster. The nomination method shall be handled according to Article 192-1 of the Company Act. The term of office of directors shall be three years, and the directors may be eligible for re-elections. In case where no election of new directors is effected after the expiration of the term of office of existing directors, the term of office of out-going directors shall be extended until the time new directors have been elected and assumed their office.

In the roster of directors described in the preceding paragraph, the number of Independent Directors shall not be less than three and shall not be less than one fifth of the total number of Directors. Relevant matters of the professional qualification, shareholding, concurrent job position limitation, nomination and election methods of the independent directors and other necessary requirements shall be handled according to relevant laws and regulations.

Article 18: The board of directors shall be formed by the directors, and one of the directors shall be elected as the chairman, and another director shall be elected as the vice chairman.

The chairman shall internally execute the authorities of the board of directors and shall also represent the Company externally.

Article 19: The board of directors' meetings shall be convened at least once quarterly. During the convention of the board of directors' meeting, notices indicating the reasons of convention shall be delivered to all directors seven days in advance; provided that in case of emergencies, such meeting may be convened at any time. The notice for the convention of the board of directors' meeting may be made in writing or in the form of electronic transmission, after obtaining prior consent from the recipients thereof.

When the number of vacancies of directors reaches one third of the total number of directors, or when all of the independent directors are discharged, the board of directors shall convene an extraordinary shareholders' meeting within sixty days to fill the vacancies.

Article 20: Where a director cannot attend the board of directors' meeting due to reasons, he or she may issue a written power of attorney to appoint another director to attend the meeting as a proxy on his or her behalf.

In case a meeting of the board of directors is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 21: The chairman shall the chair of the board of directors' meeting. In case where the chairman is on leave or cannot exercise his power and authority for any cause the vice chairman may act as a proxy thereof. If the vice chairman is also on leave or cannot exercise his power due to reasons, the chairman may appoint a director to act as a proxy thereof. In case where the chairman fails to appoint a proxy, the directors shall elect one person from among the directors to act as the proxy.

Article 22: Unless otherwise specified in the Company Act, a board of directors' meeting shall be attended by a majority of the directors in order to convene the meeting, and resolutions thereof shall be executed based on the consents of a majority of the attending directors.

Article 23: The authorities of the board of directors are as follows:

- (I) Determination of business plan and business execution supervision.
- (II) Review of important rules and contracts.

- (III) Appointment and dismissal of president.
- (IV) Review of budget and final accounts.
- (V) Determine distribution of earnings.
- (VI) Proposal and resolution for capital increase/decrease.
- (VII) Review and execution of external investment cooperation.
- (VIII) Approval of the purchase and disposition of important properties.
- (IX) Convention of shareholders' meeting.
- (X) Other authorities according to the laws and granted by the shareholders' meeting.

Article 24: When directors of the Company are performing duties of the Company, regardless whether the Company is operating at a loss or profit, the Company may pay remuneration to directors, and the board of directors is authorized to handle the remuneration according to the common standard adopted in the same industry and relevant laws.

Chapter V Audit Committee

Article 25: The Company establishes the audit committee according to Article 14-4 of the Securities and Exchange Act, and the audit committee shall be formed by all of the independent directors, responsible for executing the authorities of supervisors according to the Company Act, Securities and Exchange Act and other laws and regulations.

Article 26: The members, exercise of authorities and other required compliance matters of the audit committee shall be handled according to relevant laws and regulations, and the charter of the audit committee shall be further established by the board of directors.

Chapter VI Managerial Officers and Employees

Article 27: The Company shall have one president to follow instructions of the chairman and to execute resolutions of the board of directors, and to manage all matters of the Company. The Company has several vice presidents to assist the president to handle affairs.

Article 28: The Company installs managerial officers according to the provisions of the Company Act, and the appointment, dismissal and the remuneration of the managerial officers shall be handled in accordance with Article 29 of the Company Act and relevant laws and regulations. For the rest of the employees, the president determines the employment or dismissal of the employees based on the negotiation with the chairman.

Chapter VII Final Accounts and Dividend Policy

Article 29: The fiscal year of the Company adopts the annual system, and at the end of each fiscal year, the board of directors shall prepare the following reports and statements for submission to the shareholder's meeting for ratification.

- (I) Business Report.
- (II) Financial Statements.
- (III) Proposal for Distribution of Surplus Earnings or Covering Losses

Article 30: Regarding the determination on the proposal of earnings distribution, the board of directors of the Company shall consider the future capital expense budget and demand of fund of the Company and shall also evaluate the necessity to fulfill the demand of fund with the surplus earnings in order to determine the amount of earnings to be reserved or distributed as well as the amount of distribution of dividends or bonuses in cash or stock to shareholders.

For the net profit before tax of the current period before deduction of the remuneration of employees and remuneration of directors of the Company, not less than 4% of such profit shall be appropriated as the remuneration of employees, and no higher than 4% of such profit shall be appropriated as the remuneration of directors and supervisors. However, if the Company still has accumulated losses (including adjustment of undistributed earnings amount), an amount shall be reserved for making up the accumulated loss first. The subjects for the issuance of remunerations may include employees of a holding or subordinate company satisfy certain criteria, and the board of directors is authorized to specify such criteria.

Where the Company has a net profit after tax in the final accounts of the current year, amount shall be appropriated to compensate accumulated losses (including adjustment of undistributed earnings amount) first, followed by appropriating 10% of such profit as the legal reserve; provided that the aggregate of the legal reserve has reached the paid-in capital of the Company, such requirement shall not be applied. In addition, special reserve may be set aside or reversed depending upon the business needs or according to the regulations of the competent authority. For the remaining earnings together with the initial undistributed earnings (including adjustment of undistributed earnings amount), the board of directors may establish the proposal for distribution of earnings, and when it is performed via the method of issuance of new shares, it shall be reported to the shareholders' meeting for resolution before the distribution thereof.

The distribution of earnings described in the preceding paragraph may be made in the form of stock or cash; provided that the issuance of cash bonus shall not be lower than 10% of the total dividend distribution amount for the current year.

When all or a portion of the dividends and bonuses or legal reserve and capital reserve distributed by the Company are made in the form of cash, the board of directors may be authorized to execute the distribution in accordance with the resolution of the board of directors' meeting attended by more than two thirds of the directors and the consents of a majority of the attending directors. In addition, report to the shareholders' meeting shall also be made.

Regarding the employees for the stocks repurchased by the Company according to the law, employees for the issuance of employee stock option certificates, employees for subscription of shares during the issuance of new shares or for the issuance of restricted stock for employees, the aforementioned employees may include employees of parent or subsidiaries of the Company meeting certain specific requirements. The board of directors is authorized to determine the criteria and subscription method thereof.

Article 31: The organizational charters and operational rules of the Company shall be further established.

Article 32: For any matters not specified in these Articles of Incorporation, such matters shall be handled in accordance with the provisions of the Company Act and other relevant laws.

Article 33: These Articles of Incorporation were duly enacted on May 2, 1978, the 1st amendment was made by the extraordinary shareholders' meeting on October 26, 1978, the 2nd amendment was made on June 18, 1980, the 3rd amendment was made on February 18, 1981, the 4th amendment was made on May 30, 1981, the 5th amendment was made on September 26, 1980, the 6th amendment was made on January 10, 1984, the 7th amendment was made on May 2, 1986, the 8th amendment was made on January 15, 1988, the 9th amendment was made on June 30, 1988, the 10th amendment was made on April 8, 1989, the 11th amendment was made on May 10, 1990, the 12th amendment was made on April 17, 1991, the 13th amendment was made on June 9, 1992, the 14th amendment was made on June 14, 1993, the 15th amendment was made on June 6, 1994, the 16th amendment was made on October 18, 1994, the 17th amendment was made on April 17, 1995, the 18th amendment was made on March 25, 1996, the 19th amendment was made on October 14, 1997, the 20th amendment was made on June 24, 1999, the 21st amendment was made on September 28, 2000, the 22nd amendment was made on June 28, 2001, the 23rd amendment was made on June 28, 2002, the 24th amendment was made on June 30, 2003, the 25th amendment was made on September 6, 2004, the 26th amendment was made on June 30, 2005, the 27th amendment was made on October 14, 2005, the 28th amendment was made on June 28, 2007, the 29th amendment was made on June 26, 2009, the 30th amendment was made on May 27, 2010, the 31st amendment was made on June 17, 2011, the 32nd amendment was made on June 28, 2012, the 33rd amendment was made on June 26, 2013, the 34th amendment was made on June 16, 2015, the 35th amendment was made on June 21, 2016, the 36th amendment was made on June 27, 2017, the 37th amendment was made on June 28, 2019, the 38th amendment was made on June 18, 2020, and the 39th amendment was made on June 30, 2022. These Articles of Incorporation shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.

Better Life Group Co., Ltd.

Regulations Governing the Election of Directors and Independent Directors

1. The election of directors of the Company shall be conducted in accordance with the provisions of these Regulations, unless otherwise stipulated by laws or Articles of Incorporation.
2. The cumulative voting method shall be used for election of the directors at the Company. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates. Independent directors and non-independent directors shall be elected together, and the number of elected persons shall be calculated separately.

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

The method of accepting the nomination of director candidates, announcements and other matters to be complied with shall be handled in accordance with the Company Act, the Securities and Exchange Act and other relevant laws and regulations.

3. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
4. Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The vote monitoring and counting personnel shall have shareholder status.
5. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
6. A ballot is invalid under any of the following circumstances:
 - (1) The ballot was not prepared by a person with the right to convene.
 - (2) A blank ballot is placed in the ballot box.
 - (3) The writing is unclear and indecipherable or has been altered.
 - (4) The candidate whose name is entered in the ballot does not conform to the director candidate list.
 - (5) Other words or marks are entered in addition to the number of voting rights allotted.

7. The directors of the Company shall be elected by the shareholders' meeting from those with full capacity to make judicial acts based on the Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes.
8. If two or more persons elected as directors according to the preceding paragraph have the same number of votes and the prescribed number of elected directors is exceeded, those who have the same number of votes will draw lots to decide who shall hold the position, and the chairman will draw lots for those who are not present.
9. The voting rights shall be calculated on site immediately after the end of the poll.
10. These Regulations shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be effected in the same manner.
 - 1st amendment approved on June 26, 1997.
 - 2nd amendment approved on June 28, 2002.
 - 3rd amendment approved on October 14, 2005.
 - 4th amendment approved on June 21, 2016.
 - 5th amendment approved on June 18, 2020.
 - 6th amendment approved on August 4, 2021.

Better Life Group Co., Ltd.

Rules of Procedure for Shareholders' Meeting

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the "Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies" jointly established by Taiwan Stock Exchange Corporation and Taipei Exchange.

Article 2: The rules of procedures for shareholders' meeting of the Company, except as otherwise provided by law, regulation or the articles of incorporation, shall be as provided in these Rules.

Article 3: Unless otherwise provided by law or regulation, the shareholders' meetings of the Company shall be convened by the board of directors.

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

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

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

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

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

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

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

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a proposal for discussion at a regular shareholders meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any Subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

A shareholder may propose a recommendation for urging the Company to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.

Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and for a proposal containing more than 300 words, such proposal is not be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this Article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

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

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a

written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

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

Article 5: The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

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

Article 6: The Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively referred to as "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

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

Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

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

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

Article 6-1: To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:

I. How shareholders attend the virtual meeting and exercise their rights. How shareholders attend the virtual meeting and exercise their rights.

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

Article 7: If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairman of the board. When the chairman of the board is on leave or for any reason unable to exercise the powers of the chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman also is on leave or for any reason unable to exercise the powers of the vice chairman, the chairman shall appoint one of the directors to act as chair. Where the chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

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

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

Article 8: The Company shall record on audio or video tape the entire proceedings of a shareholders' meeting and preserve the recordings for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Where a shareholders meeting is held online, 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 shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 9: Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.

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

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

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

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

Article 10: If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders' meeting convened by a party with the power to convene that is not the board of directors.

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

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

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

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

Article 12: Voting at a shareholders meeting shall be calculated based the number of shares.

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

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

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

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2 of Article 179 of the Company Act.

When the Company holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method

of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

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

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

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

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

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

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

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

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

When the Company convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend

the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

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

Article 14: The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 15: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System (MOPS).

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

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 16: On the day of a shareholders meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic

means, and shall make an express disclosure of the same at the place of the shareholders meeting. In the event a virtual shareholders meeting, the Company shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

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

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

Article 17: Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

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

Article 18: When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 19: In the event of a virtual shareholders meeting, 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 15 minutes after the chair has announced the meeting adjourned.

Article 20: When the Company convenes a virtual-only shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is called to order.

Article 21: In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues. In the event of a virtual shareholders meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to

natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

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

For a meeting to be postponed or resumed under Paragraph 2, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under Paragraph 2, 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.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in Paragraph 2, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under Paragraph 2 is required.

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

When postponing or resuming a meeting according to Paragraph 2, the Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

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

Article 22: When convening a virtual-only shareholders meeting, the Company shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.

Article 23: These Rules shall take effect after having been submitted to and approved by a shareholders meeting. Subsequent amendments thereto shall be effected in the same manner.

Better Life Group Co., Ltd.

Shareholding of Directors

- (I) The Company's total paid-in capital is \$1,002,654,000, and the total number of issued shares is 100,265,400.
- (II) In accordance with Article 26 of the Securities and Exchange Act, all directors of the Company shall hold a minimum of 8,000,000 shares.
- (III) Up to the book closure date(April 23, 2023) of the Annual Shareholders Meeting, numbers of the directors' shareholdings recorded in the shareholders' register are as follow:

Position	Name	Number of shareholdings recorded in the shareholders' register on the book closure date(May 2, 2022)	Shareholding
Director	Nien Mei Investment Co., Ltd. Delegate: Chung, Hsi-Chi Delegate: Shih, Hao-Chi Delegate: Liao, Yu-Hsin	4,122,000	4.11%
Director	Puquan Advertising Co., Ltd. Delegate: Lin, Jui-Shan Delegate: Chen, Chun-Liang Delegate: Su, Li-Yu	9,067,200	9.04%
Independent director	Huang, Kuo-Shih	0	0%
Independent director	Li, Pei-Chang	0	0%
Independent director	Kuo, Yu-Hsin	0	0%
Total shareholding of all directors		13,189,200	13.15%



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BETTER LIFE GROUP