

YIEH PHUI ENTERPRISE CO., LTD.

2021 Shareholders' Meeting

Time: 9:30 AM, August 25, 2021

Location: Zihe Community Center , No. 38, Dazhai St., Zihe Vil., Ziguan Dist., Kaohsiung City

Attendants : The shares present with shareholders showing in person are 1,319,257,228 shares and those without voting rights are zero, equivalent to 69.78% of the total shares issued 1,890,569,518 shares. The quorum for holding the meeting has been met.

Director attendance :

Director	Mr. Wu, Lin-Maw
Independent Director	Mr. Sun, Chin-Su
Independent Director	Mr. Yang Der-Yuan
Independent Director	Mr. Chang, Wen-Yi
Audit Committee	Mr. Sun, Chin-Su
Audit Committee	Mr. Yang Der-Yuan
Audit Committee	Mr. Chang, Wen-Yi
Remuneration Committee	Mr. Sun, Chin-Su
Remuneration Committee	Mr. Yang Der-Yuan
Remuneration Committee	Mr. Chang, Wen-Yi
Executive Vice President	Mr. Chen, Yung-Hsien
Vice President-Marketing & Sales	Mr. Yang, Shih-Chi
Attorney	Mr. Lin, Ching-Yun
CPA	Mr. Hsieh Yen-Yao

Chairperson : Mr. Wu, Lin-Maw

Minute taker : Huang, Shu-Hui

I. Meeting called to order : at 9:30AM, the shares present of the stockholders and their delegates have reach the quorum.

II. Chairperson Remark : The chairman could not be present and had asked the general manager to preside the stockholders' meeting instead.

III. Company Report

1. The report of the operation of 2020 (See p.4 of the Program)
2. The Auditing Committee Audits the Final Financial Statement of 2020 (See p. 34 of the Program)
3. The Remuneration of the employees and directors for 2020 (See p. 35 of the Program)

IV. Matters for Approval

Proposal 1 : Proposed by the board of directors

Brief : Approve the final financial statement for 2020

Explain : 1. The 2020 operating report, the individual entity report and consolidated financial statement. Please refer to the program of the meeting. See p. 4~33 of the Program

2. The individual entity report and the consolidated financial statement have been done and audited by accounts Huang, Ling-Wen and Tsai, Shu-Man of Crowe Horwath (TW)

CPAs.

3. The above financial statements and operating report has been audited by the Auditing Committee.
4. To be approved.

Resolution: approve.

The shares present are 1,319,257,228, for 1,307,232,381 against 213,601 and abstain 11,811,246.

Proposal 2 : Proposed by the board of directors

Brief : Approve the distribution of retained earnings for 2020

Explain : Yieh Phui plans to distribute earnings of 2020 as the table below:

Yieh Phui Enterprise Co., Ltd		
Earnings Distribution Table		
2020		Unit:NT\$
Item		Amount
Deficit to be offset beginning of year		(614,437,690)
Add :	Remeasurement on defined benefit plans recognized in retained earnings	53,636,691
Less :	Changes in associates and joint ventures accounted for using equity method	(1,338,826)
Less :	Changes in subsidiaries' ownership	(10,119,739)
Add :	instruments at fair value through other comprehensive income	756,000
Add :	Net income	735,237,746
Less :	Legal reserve	(16,373,418)
Less :	special reserve	(147,360,764)
Distributable earnings		0
Less :	Shareholders' dividend	0
Unallocated earnings, end of year		0

Resolution: approve.

The shares present 1,319,257,228 for 1,308,375,612, against 235,514 and abstain 10,646,102.

V. Matters for Discussion

Proposal 1 : Proposed by the Board of Directors.

Brief : Proposal on modifying the "Rules of Procedure for Shareholders Meetings"

Explain : 1. Based on 3 June 2020 Public Announcement No. Taiwan-Stock-Governance10900094681 and 28 January 2021 Public Announcement No. Taiwan-Stock-Governance1100001446 of the Taiwan Stock Exchange Corporation; the company proposes to modify the "Rules of Procedure for Shareholders Meetings".

2. The modified and comparison table of the " Rules of Procedure for Shareholders Meetings " See p. 37~38 and p.39~46 of the Program.

Resolution: approve.

The shares present are 1,319,257,228, for 1,308,400,467, against 214,334, and abstain 10,642,427.

Proposal 2 : Proposed by the Board of Directors

Brief : Proposal on modifying “Regulations Governing the Election of Directors” .

Explain : 1. Based on 3 June 2020 Public Announcement No. Taiwan-Stock-Governance

10900094681 of the Taiwan Stock Exchange Corporation; the company proposes to modify the “Regulations Governing the Election of Directors” ..

2. The modified and comparison table of the “Regulations Governing the Election of Directors” See p. 47~49 and p.50~51 of the Program.

Resolution: approve.

The shares present are 1,319,257,228, for 1,308,368,773, against 224,446 and abstain 10,664,009.

VI. Extempore Motions : None

VII. Adjournment

II Company Report

1. The Operation of 2020

Due to the impact of the pandemic, the revenue of Yieh Phui decreases by NT\$4.035 billion or 16.16% and the sales by 7.55% from 2020 to 2019. In contrast, Yieh Phui (China) increases by NT\$3.537 billion or 15.69% because of higher volume and price. In addition, the sales of Yieh Hsing decreases by 24.99% and the revenue by NT\$945 million or -14.47%. Overall, the consolidated revenue NT\$ 55.422 billion is lower by 7.15% than NT\$59.688 billion last year. In comparison with 2019, the consolidated net profit is NT\$518 million NT\$2.218 billion better than last year's NT\$1.7 billion. Among that, NT\$735 million is due to the parent company NT\$2.136 billion better than a loss of NT\$1.401 billion last year in comparison with 2019.

1. The Performance of Business Plan :

Consolidated Information of Financial Statements

Unit NT\$ in (000)

Item \ Year	2020	2019	Changes	Changes%
Operaiton Revenue	55,421,795	59,687,597	-4,265,802	-7.15%
Operaiton Costs	51,270,778	57,138,479	-5,867,701	-10.27%
Operaiton Gross Profit(Loss)	4,151,017	2,549,118	1,601,899	62.84%
Operaiton Expenses	3,017,931	3,444,311	-426,380	-12.38%
Operaiton Net Profit(Loss)	1,133,086	-895,193	2,028,279	226.57%
Non-operation Revenue and Expenses	-550,296	-1,090,273	539,977	49.53%
Net Profit (Loss) before Tax	582,790	-1,985,466	2,568,256	129.35%
Income Tax Expenses	65,202	-285,181	350,383	122.86%
Net Profit (Loss) after Tax	517,588	-1,700,285	2,217,873	130.44%
Other Comprehensive Income (net)	61,475	-329,270	390,745	118.67%
Total Amount of Comprehensive Income in this Term	579,063	-2,029,555	2,608,618	128.53%
Net Profit that Belongs to the Owner of the Parent Company	735,238	-1,401,081	2,136,319	152.48%
Net Profit that Belongs to the Non-controlling equity	-217,650	-299,204	81,554	27.26%
Total Amount of Comprehensive Income that Belongs to the Owner of the Parent Company	813,293	-1,745,191	2,558,484	146.60%
Total Amount of Comprehensive Income that Belongs to the Non-controlling equity	-234,230	-284,364	50,134	17.63%

Financial Information of Company

Item \ Year	2020	2019	Changes	Changes%
Operaiton Revenue	20, 936, 210	24, 971, 014	-4, 034, 804	-16. 16%
Operaiton Costs	19, 419, 910	24, 305, 157	-4, 885, 247	-20. 10%
Operaiton Gross Profit(Loss)	1, 516, 300	665, 857	850, 443	127. 72%
Operaiton Expenses	1, 147, 932	1, 238, 112	-90, 180	-7. 28%
Operaiton Net Profit(Loss)	368, 368	-572, 255	940, 623	164. 37%
Non-operation Revenue and Expenses	468, 997	-1, 168, 073	1, 637, 070	140. 15%
Net Profit (Loss) before Tax	837, 365	-1, 740, 328	2, 577, 693	148. 12%
Income Tax Expenses	-102, 127	339, 247	-441, 374	-130. 10%
Net Profit (Loss) after Tax	735, 238	-1, 401, 081	2, 136, 319	152. 48%

2. Execution of the Budget: Yieh-Phui has not disclosed financial guidance and is not applicable to the rules on disclosing the execution of the budget for 2020.

3. Analysis of the Revenue/Expenditure and Profitability :

Consolidated Financial Report Information

Item	2020	2019
Net cash inflow of operation activities (thousand dollars)	1, 846, 136	2, 821, 675
Equity/Assets (%)	33. 12	32. 77
Liabilities/Assets (%)	66. 88	67. 23
Long-term Funds accounting for the ratio of real estates, plants and equipments (%)	123. 22	130. 12
Current ratio (%)	76. 15	75. 73
Quick ratio (%)	31. 62	40. 66
Return on assets (%)	1. 51	-0. 76
Return on equity (%)	1. 87	-5. 96
Net profit margin (%)	0. 93	-2. 85
Earnings per share (dollar)	0. 39	-0. 73
Number of shares by the end of the year (share)	1, 890, 569, 518	1, 913, 327, 518

Financial Information of Company

Item	2020	2019
Net cash inflow of operation activities (thousand dollars)	633,888	421,321
Equity/Assets (%)	57.84	54.22
Liabilities/Assets (%)	42.16	45.78
Long-term Funds accounting for the ratio of real estates, plants and equipments (%)	469.85	472.25
Current ratio (%)	50.75	53.14
Quick ratio (%)	21.78	25.87
Return on assets (%)	2.23	-2.15
Return on equity (%)	2.81	-5.22
Net profit margin (%)	3.51	-5.61
Earnings per share (dollar)	0.39	-0.73
Number of shares by the end of the year (share)	1,890,569,518	1,913,327,518

Research and Development

To cope with the global trend of green energy, major international enterprises join RE100 (Renewable Energy) as advocated by the Climate Group and Carbon Disclosure Project (CDP), promising to achieve 100% renewable energy from 2020 to 2050. This will great influence the downstream supply chains and their demand for renewable energy. Promoting power generation via renewable means and reducing the demand of fossil fuel has been an international trend. The government of Taiwan has also put that as a national goal, aiming to have 20% power generation to be green (only 4.6% in 2018). Among these, the solar power will be over 70% from 2.5GW in 2018 to 20GW in 2025. Up to December of 2020, the installment is only 5.82GW. For the next five years, the demand of steel for solar panel brackets will be 1.4 million tons (280,000 tons per year) in the case of ground type solar power generation, the kind that needs steel material most.

The Legislative Yuan passed the modification of the “Act of Developing Renewable Energy” on April 12, 2019 and implemented on May 1 the same year, stipulating that big power users have to establish or purchase a certain amount of green power. On January 1, 2021, the government implemented a measure that designates big power users (5000 KW or above) have to install renewable power generation facilities. Users of power over 5000KW have to use 10% renewable energy. That is, 10% or 500KW of the power has to come from owned/bought green power with five years grace period. Also, there is early bird discount program. If done before 2023, it has to be only 8% and 9% before 2024. There are four options to satisfy the rule,

self-built power generation, purchase of voucher or power, set up energy storage, or payment of NT\$4.06 per unit. No doubt, the demand for green energy will soar to conform to the new regulation. Since the quality of solar panel bracket varies widely. Yieh Phui is determined to be an SSRSS (Solar Steel Racket Solution Supplier) based in Taiwan and deploys suitable materials to deal with the drastic environment of Taiwan. It formally produces hot-dip 5%Al-Mg-Zn coated (PhuizerMax®) & prepainted 5%Al-Zn coated steel coils (SolarKing™) for forming of solar panel brackets, supplying major solar power generation in Taiwan with local materials, timely services, and suitable materials selection of high-strength, high-corrosion-resistant steel. The sale for the coated steel for solar panel brackets has been over 100,000 tons, winning the recognition of domestic and foreign businesses, reducing carbon emissions and working hard for the development of renewable energy.

On product differentiation, Yieh Phui has successfully developed anti-microbial metallic coated steel sheets – regular spangle, used for the pipes for air-conditioning, and gained recognition by the public construction projects of Hong Kong, such as MRT and hospitals, and those of Macao. Yieh Phui continues to develop other high-end prepainted steel sheets and Al-Zn coated steel sheets for inner panels of ovens. The sales have steadily increased in 2016 and expected to expand in the projects of other appliances. In addition, Yieh Phui has finalized the production of Printed Prepainted Steel Sheets (wood & hairline patterns) for special applications in the industry and will deliver those products in 2017, enhancing the market prospect and the diversity of our offers. In 2018, Yieh Phui plans to develop coated steel with anti-microbial plus and anti-fingerprint treatment to be used in ducting and green construction materials in hospitals and luxurious residences, enhancing market expansion and product diversification. Yieh Phui introduced PVF liquid painted and laminated products in 2019, highly anti-corrosion, anti-climate and easy to process in high end construction market, with a quality much better than PVDF. In 2020, to comply with the trend of green energy by the governments around the world, Yieh Phui developed high-strength, high-corrosion-resistant Al-Mg-Zn coated steel and has won the recognition worldwide with accumulated sale of 70,000 tons.

The trend of globalization has triggered the EU to issue the regulation of RoHS and WEEE, which focus on the recycling of electronic appliances, environment friendly production and their re-use. This policy has won the recognition of the whole world and Yieh Phui has developed products compliant with those regulations and earned big and long-term orders of major appliance producers. Later on in 2007 the EU issued REACH, controlling 16 ingredients in the materials, mixtures and products exporting to EU that may cause cancers, deformation and toxicity to the human reproductive system. Up to the end of 2020, there have been 224 such items and they have been put into Yieh Phui's quality control and auditing system to protect the environment and the health of consumers. Recently, EU asks again to set a deadline on the use of steel products that contain hexavalent chromium and other new environmental instructions on construction materials like metallic and color coated steel sheets. The company has been aggressively and speedily developing multi-combination and multi-purpose products with suppliers of surface treatment and paints, becoming the first among Taiwan's competitors to produce outdoor environmentally protective coated steel products. Yieh Phui will cooperate

with the sales channels of the supply chain of dealers and roll formers, making sure that our products will reach the world market seamlessly; In 2019 to deal with the safeguard measures, Yieh Phui developed an environmental protection process that can replace oil treatment. The sale has reached 140,000 tons by the end of 2020 successfully breaking the obstacles of the global crunch and making another achievement of product development and sales.

Corporate Strategies for Future Development

To maintain stable growth, Yieh Phui has finished the fourth expansion done in Changshu Economic Development Zone, Jiangsu, of Yieh Phui (China). The total production of hot-dip galvanizing in Taiwan and China has reached 26 million tons per year, and has become one of the best independent producers for hot-dip galvanized steel sheets in the world. The fourth expansion of Yieh Phui (China) includes a one-million ton pickling and tandem cold mill (PLTCM), 500,000 tons of continuous annealing line (CAL), a 400,000 tons of hot-dip galvanizing line that can produce galvannealed steel sheets and a 220,000 tons of coil coating line. In addition, under the third hot-dip galvanizing line, an aluminum coated equipment is added. The products of the expansion will supply the massive cars and appliances markets in China.

Yieh Phui and Yieh Phui (China) both can produce hot-dip galvanized, hot-dip 5% Al-Zn coated, and hot-dip 55% Al-Zn coated steel coils. In addition Yieh Phui (China) can produce hot-dip Al-Zi coated steel coils and prepainted hot-dip galvanized steel coils using the above materials as a base with all sorts of variety and sizes to satisfy the needs of one-stop shopping for customers worldwide. The competitiveness and profitability is second to none.

In recent years, under the dual-production base model formed by Yieh Phui and Yieh Phui (China), the Company has begun to reinforce dual-axis operations through developing export markets outside of China and the niche markets. In response to the environmental trends, we have also been actively developing green steel products, aiming to exceed the competitors in the industry through the blue ocean strategy. In addition to the domestic market of China, Yieh Phui (China) pays attention to the ASEAN market after RCEP to deal with the tariff differences via Taiwan and China, adjusting production accordingly. This will enhance our market share and competitiveness in ASEAN and other world markets. This will strengthen Yieh Phui's position as a global steel enterprise.

Yieh Phui offers safe and healthy living environment, Yieh Phui has pioneered the supply of "Anti-Microbial Coated Steel Sheets". In 2018, to deal with rigorous concerns on hygiene of living, Yieh Phui developed "PhuizerGreen AMC Plus and ColorGreen AMC Plus". The products of "PhuizerGreen AMC Plus", "ColorGreen AMC Plus", and "ColorGreen AS & AMC Plus" all conform to the environmental regulation of RoHS and REACH of EU and are leading the trend of the time.

The product of hot-dip 5% Al-Zn coated and Al-Mg-Zn coated steel sheets are easy to

process and highly anti-corrosion, suitable for use in solar power installation, satisfying the needs for green power worldwide.

Thus, Yieh Phui's sale strategy is to focus on the high end markets and strengthen alliance with local agents to enhance timely service and develop suitable high-end & high quality products.

Impact from competition, legal environment, and overall economy

I. The impact of external environment to domestic market :

Cheap imports of steel products poured into Taiwan, filling the market with low-price, low-quality materials that pose potential risks to people's lives and the quality of public infrastructure. As a countermeasure, the government joined the domestic coated steel manufacturers to put forward anti-dumping complaints against China and South Korea in 2016. The anti-dumping tax had been levied since August 22, 2016. Since the five year term is imminent, proposal has been made on February 19, 2021 to the government for ending the tax. In addition to the case above, there are still lower priced steel materials importing to Taiwan and the impact is closely monitored.

Besides, the US started the implementation of section 232 on March 23, 2018 and has imposed 25% duty on imported steel products, arousing protectionism worldwide. Since the implementation of a three-year ultimate defensive measure on imported steel by EU on February 2, 2019, Taiwan's export to EU has been limited. The new US administration was inaugurated on January 20, 2021, and has yet not to announce its policy on Section 232.

For the domestic market, the investment has slowed down and the clampdown on farmhouses, building on farmland and tearing down on new violations have contributed to the lower the demand for galvanized steel products, hurting the domestic market. In contrast, to deal with the energy policy of the government, the rise of green energy industry, the increase in solar power and wind power, all will contribute to related industries and the sale of coated steel.

In addition, President Biden's trade policy toward China and the pandemic situation are still blocking the prospect of China's economy and the steel market. To avoid any adverse impact, Taiwanese businessmen based in China have massively moved back to Taiwan, benefiting the domestic market.

II. The impact of external environment to the market of China :

Between 2008 and 2015, China has rapidly expanded its steel production and exports. Many countries around the world have retaliated, forcing China to implement supply side reform. In 2016, China strongly cuts steel capacity; in 2017 China further enforced cuts on dirty steel and allows no production during winter. China limited steel production to protect the environment in 2018 and introduced capacity duo control in 2021. With more rigorous environment protection policies, global protectionism and the trade war between the US

and China, the steel industry reform will be on-going and more infrastructure will be done in China. The export of steel from China will decline as it did since 2016, rendering good prospect for the steel business of the world.

III. The impact of external environment to the export market :

In the global market, due to anti-dumping of numerous countries and defensive measures against China's dumping, Taiwan has been adversely affected, particularly the accusation on anti-dumping and anti-subsidy by the US. The most severe impact is the section 232 imposition of 25% tariff on steel and aluminum, causing the dramatic increase of the price of steel. This prompted EU to adopt ultimate defensive measure on imported steel in February 2019. When there is over-supply of steel in EU and the US, the demand for imported products will drastically dwindle.

In November 2020, the "Regional Comprehensive Economic Partnership Agreement" (RCEP) was signed in the free trade negotiations between the 10 ASEAN countries plus China and 5 foreign countries (excluding India). Compared to major competitors: China, Japan and South Korea, Taiwan will be less competitive due to the lack of preferential tariff in Southeast markets. Also, Vietnam has increased steel capacity and utilization, becoming a competitor to Taiwan and massively hindering Taiwan's steel export.

Under comprehensive vaccination, the world will be able to get over the impact of the pandemic gradually, bringing good prospect of the economy. In addition, Worldsteel released the demand for global steel in October 2020, predicting the demand to go down by 2.4% in 2020, but increase by 4.1% in 2021. After a difficult 2020, 2021 will be a drastic turn for the steel industry. Though there may still be challenges or fluctuations, Yieh Phui surely will cope with them in a timely fashion.

Independent Auditors' Report

To the Board of Directors and Shareholders
Yieh Phui Enterprise Co., Ltd.

Opinion

We have audited the consolidated financial statements of Yieh Phui Enterprise Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, the consolidated statements of comprehensive income, changes in equity, and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of the other independent accountants, as described in the other matters section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 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 of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's consolidated financial statements for the year ended December 31, 2020 are stated as follows:

Revenue recognition

Please refer to Note 4.23 to the consolidated financial statements for the accounting policy on revenue recognition; Note 5.1.(1) for major accounting estimates and assumptions of revenue recognition; and Note 6.31 for the details of revenue recognition.

Description of key audit matter

Due to fierce competition in the industry, the Group may be affected by the growth of its performance and competition in the same industry, which increases the risk of recognition of operating income. Therefore, we determined the revenue recognition for those product lines and customers with significant sales increase in 2020 as a key audit matter.

How the matter was addressed in our audit

Our key audit procedures included analyzing the industry trends, income types, product lines, and customers' two-year operating income status to confirm whether there are abnormal circumstances or centralized transactions and identify possible risks; understanding and testing the internal control procedure to assess the effectiveness of the relevant internal control for revenue recognition; conducting a sample test on the sales transactions of the top ten new customers to confirm the sales transaction actually occurred and performing sales cutoff test.

Valuation of inventory

Please refer to Note 4.8 to the consolidated financial statements for the accounting policy on inventories; Note 5.2.(6) for major accounting estimates and assumptions of inventories; and Note 6.6 for inventory valuation.

Description of key audit matter

The Group's inventory amounted to \$8,532,107 thousand (net of \$8,777,453 thousand of total inventory less \$245,346 thousand of allowance for inventory valuation loss) as of December 31, 2020, which accounted for 10.15% of total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Given that the valuation of net realizable value of inventory has a significant impact on critical judgments and estimates and since inventory valuation is dependent on the influence of drastic fluctuations of international metal price, we have thus included this item in the key audit matters.

How the matter was addressed in our audit

Our key audit procedures included obtaining management's assessment data which determines the lower of inventory cost and net realizable value; sampling estimated selling prices to the most recent sales records; and assessing the appropriateness of management's basis for estimating the net realizable value.

Other Matters

We did not audit the financial statements of certain associates accounted for using equity method. Those financial statements were audited by the other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the consolidated financial statements was based solely on the reports of the other independent accountants. Investments in these associates amounted to \$4,608,127 thousand and \$4,796,695 thousand, representing 5.48% and 5.73% of total consolidated assets as of December 31, 2020 and 2019, and the share of profit of these associates accounted for using equity method amounted to (\$178,629) thousand and 17,752 thousand, representing (30.65%) and (0.89%) of total consolidated income before income tax for the years then ended, respectively. In addition, the share of other comprehensive income of these associates accounted for using equity method amounted to (\$9,939) thousand and (\$578) thousand, representing (16.17%) and 0.18% of total consolidated comprehensive income for the years then ended, respectively.

We have also audited the standalone financial statements of Yieh Phui Enterprise Co., Ltd. as of and for the years ended December 31, 2020 and 2019 on which we have issued an unmodified opinion with emphasis of matter.

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

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

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure

about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ling Wen Huang and Shu Man Tsai.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China
March 24, 2021

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

YIEH PHUI ENTERPRISE CO., LTD
CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	\$ 3,730,782	4	\$ 5,023,717	6
Financial assets at fair value through profit or loss - current	6(2)	697,978	1	428,279	1
Contract assets - current	6(31)	334,945	-	822,605	1
Notes receivable, net	6(3)	572,750	1	845,312	1
Accounts receivable, net	6(4)	1,860,885	2	1,682,946	2
Accounts receivable - related parties, net	7	185,803	-	789,857	1
Other receivables	6(5)	132,208	-	190,469	-
Other receivables - related parties	7	74,919	-	2,940	-
Current tax assets		4,834	-	10,559	-
Inventories	6(6)	8,532,107	11	7,749,584	9
Prepayments	6(7)	3,524,160	4	1,935,447	2
Noncurrent assets held for sale	6(8)	160,114	-	23,342	-
Other financial assets - current	6(9)	807,846	1	1,405,930	2
Total Current Assets		20,619,331	24	20,910,987	25
NONCURRENT ASSETS					
Financial assets at fair value through profit or loss - noncurrent	6(2)	-	-	289,289	-
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(10)	725,334	1	709,886	1
Investments accounted for using equity method	6(11)	13,864,013	17	14,661,318	18
Property, plant and equipment	6(12)	46,222,080	55	43,146,104	50
Right-of-use assets	6(13)	495,998	1	526,096	1
Investment properties	6(14)	101,583	-	622,562	1
Intangible assets	6(15)	374,347	-	432,499	1
Deferred tax assets	6(37)	960,802	1	983,851	1
Other noncurrent assets	6(16)	20,769	-	11,590	-
Refundable deposits	6(17)	222,895	-	925,853	1
Net defined benefit assets - noncurrent	6(24)	10,777	-	-	-
Other financial assets - noncurrent	8	414,441	1	532,827	1
Total Noncurrent Assets		63,413,039	76	62,841,875	75
TOTAL ASSETS		\$ 84,032,370	100	\$ 83,752,862	100

Liabilities and Equity	Note	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
CURRENT LIABILITIES					
Short-term loans	6(18)	\$ 14,925,307	17	\$ 15,597,746	19
Short-term notes and bills payable	6(19)	1,289,365	2	931,272	1
Financial liabilities at fair value through profit or loss - current	6(2)	14,495	-	-	-
Contract liabilities - current	6(31)	2,119,604	3	972,787	1
Notes payable		469,760	1	799,965	1
Accounts payable		995,914	1	1,188,827	1
Other payables	6(20)	1,753,874	2	1,651,603	2
Current tax liabilities		14,393	-	3,486	-
Provisions - current	6(21)	93,802	-	90,806	-
Liabilities directly associated with noncurrent assets held for sale	6(8)	70,070	-	7,630	-
Lease liabilities - current	6(13)	8,419	-	7,813	-
Advance receipts		-	-	72	-
Current portion of long-term loans	6(22)	5,322,794	6	6,359,286	8
Total Current Liabilities		27,077,797	32	27,611,293	33
NONCURRENT LIABILITIES					
Long-term loans	6(22)	28,561,294	34	28,009,760	33
Deferred tax liabilities	6(37)	2,205	-	2,533	-
Lease liabilities - noncurrent	6(13)	73,501	-	81,469	-
Long-term deferred revenue	6(23)	28,038	-	29,577	-
Net defined benefit liability - noncurrent	6(24)	439,736	1	550,777	1
Guarantee deposits		18,685	-	17,533	-
Total Noncurrent Liabilities		29,123,459	35	28,691,649	34
TOTAL LIABILITIES		56,201,256	67	56,302,942	67
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					
Share capital	6(25)				
Common stock		18,905,695	22	19,133,275	23
Capital surplus	6(26)	4,929,007	6	4,884,281	6
Retained earnings	6(27)				
Legal reserve		2,866,052	3	2,866,052	3
Special reserve		559,232	1	559,232	1
Unappropriated earnings		163,734	-	(614,438)	(1)
Other equity	6(28)	(954,509)	(1)	(978,171)	(1)
Total equity attributable to owners of the parent		26,469,211	31	25,850,231	31
NON-CONTROLLING INTERESTS	6(30)	1,361,903	2	1,599,689	2
Total Equity		27,831,114	33	27,449,920	33
TOTAL LIABILITIES AND EQUITY		\$ 84,032,370	100	\$ 83,752,862	100

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Item	Note	Year Ended December 31			
		2020		2019	
		Amount	%	Amount	%
OPERATING REVENUE	6(31)	\$55,421,795	100	\$59,687,597	100
OPERATING COST	6(6)	(51,270,778)	(93)	(57,138,479)	(95)
GROSS PROFIT		4,151,017	7	2,549,118	5
OPERATING EXPENSES					
Selling and marketing expenses		(2,015,222)	(3)	(2,380,383)	(4)
General and administrative expenses		(909,885)	(2)	(954,670)	(2)
Research and development expenses		(92,748)	-	(91,803)	-
Expected credit loss		(76)	-	(17,455)	-
Total operating expenses		(3,017,931)	(5)	(3,444,311)	(6)
INCOME (LOSS) FROM OPERATIONS		1,133,086	2	(895,193)	(1)
NON-OPERATING INCOME AND EXPENSES					
Interest income	6(33)	105,057	-	124,964	-
Other income	6(34)	546,409	1	535,892	1
Other gains and losses	6(35)	824,336	1	632,134	1
Finance costs	6(36)	(1,146,553)	(1)	(1,315,673)	(2)
Share of profit (loss) of associates and joint ventures		(879,545)	(2)	(1,067,590)	(2)
Total non-operating income and expenses		(550,296)	(1)	(1,090,273)	(2)
INCOME (LOSS) BEFORE INCOME TAX		582,790	1	(1,985,466)	(3)
INCOME TAX (EXPENSE) BENEFIT	6(37)	(65,202)	-	285,181	-
NET INCOME (LOSS)		517,588	1	(1,700,285)	(3)
OTHER COMPREHENSIVE INCOME (LOSS)	6(38)				
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of defined benefit plans		43,250	-	84,399	-
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income		(11,208)	-	(15,997)	-
Share of other comprehensive income (loss) of associates and joint ventures		155,183	-	(19,582)	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(8,650)	-	(16,880)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations		62,132	-	(317,854)	(1)
Share of other comprehensive income (loss) of associates and joint ventures		(155,248)	-	(116,231)	-
Income tax benefit (expense) related to items that may be reclassified subsequently to profit or loss		(23,984)	-	72,875	-
Total other comprehensive income (loss), net of income tax		61,475	-	(329,270)	(1)
TOTAL COMPREHENSIVE INCOME (LOSS)		\$579,063	1	\$ (2,029,555)	(4)
NET INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		\$735,238	1	\$ (1,401,081)	(2)
Non-controlling interests		(217,650)	-	(299,204)	(1)
Total		\$517,588	1	\$ (1,700,285)	(3)
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Shareholders of the parent		\$813,293	1	\$ (1,745,191)	(4)
Non-controlling interests		(234,230)	-	(284,364)	-
Total		\$579,063	1	\$ (2,029,555)	(4)
EARNINGS (LOSS) PER SHARE					
Basic earnings (loss) per share	6(39)	\$0.39		\$ (0.73)	
Diluted earnings (loss) per share	6(39)	\$0.39		\$ (0.73)	

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

	Retained Earnings					Other Equity Item						
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated	Exchange	Unrealized Gain (Loss)	Gain (Loss) on	Treasury Stock	Shareholders of	Non-controlling	Total Equity
					Earnings (Accumulated Deficits)	Differences on Translating Foreign Operations	On Financial Assets at Fair Value Through Other Comprehensive Income	Hedging Instruments				
BALANCE AT JANUARY 1, 2019	\$18,758,113	\$ 4,883,218	\$2,835,202	\$636,655	\$ 1,233,913	\$(723,803)	\$157,892	\$6,679	\$ -	\$27,787,869	\$1,853,763	\$29,641,632
Appropriations of prior year's earnings:												
Legal reserve	-	-	30,850	-	(30,850)	-	-	-	-	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	(187,581)	-	-	-	-	(187,581)	-	(187,581)
Capital increase out of retained earning	375,162	-	-	-	(375,162)	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	(77,423)	77,423	-	-	-	-	-	-	-
Changes in equity of associates and joint ventures	-	(73)	-	-	3,744	-	-	-	-	3,671	1,689	5,360
Net income (loss) in 2019	-	-	-	-	(1,401,081)	-	-	-	-	(1,401,081)	(299,204)	(1,700,285)
Other comprehensive income (loss) in 2019,	-	-	-	-	74,829	(366,243)	(52,355)	(341)	-	(344,110)	14,840	(329,270)
Net of income tax												
Total comprehensive income (loss) in 2019	-	-	-	-	(1,326,252)	(366,243)	(52,355)	(341)	-	(1,745,191)	(284,364)	(2,029,555)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,136	-	-	-	-	-	-	-	1,136	(1,136)	-
Changes in ownership interests in subsidiaries	-	-	-	-	(9,673)	-	-	-	-	(9,673)	9,673	-
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,064	20,064
BALANCE AT DECEMBER 31, 2019	19,133,275	4,884,281	2,866,052	559,232	(614,438)	(1,090,046)	105,537	6,338	-	25,850,231	1,599,689	27,449,920
Changes in equity of associates and joint ventures	-	(21)	-	-	(1,339)	-	-	-	-	(1,360)	-	(1,360)
Net income (loss) for 2020	-	-	-	-	735,238	-	-	-	-	735,238	(217,650)	517,588
Other comprehensive income (loss) in 2020,	-	-	-	-	53,637	(97,490)	121,862	46	-	78,055	(16,580)	61,475
Net of income tax												
Total comprehensive income (loss) in 2020	-	-	-	-	788,875	(97,490)	121,862	46	-	813,293	(234,230)	579,063
Buy-back of treasury shares	-	-	-	-	-	-	-	-	(185,207)	(185,207)	-	(185,207)
Cancellation of treasury shares	(227,580)	42,373	-	-	-	-	-	-	185,207	-	-	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	2,374	-	-	-	-	-	-	-	2,374	(2,374)	-
Changes in ownership interests in subsidiaries	-	-	-	-	(10,120)	-	-	-	-	(10,120)	10,120	-
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	(11,302)	(11,302)
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	756	-	(756)	-	-	-	-	-
BALANCE AT DECEMBER 31, 2020	\$18,905,695	\$4,929,007	\$2,866,052	\$559,232	\$163,734	\$(1,187, 536)	\$226,643	\$6,384	\$ -	\$26,469,211	\$1,361,903	\$27,831,114

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

YIEH PHUI ENTERPRISE CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2020	2019
1.CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$582,790	\$ (1,985,466)
Adjustments to reconcile profit and loss :		
Depreciation	1,652,369	1,728,926
Amortization	40,493	42,353
Expected credit loss	76	17,455
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	12,267	(2,958)
Interest expense	1,146,553	1,315,673
Interest income	(105,057)	(124,964)
Dividend income	(43,344)	(106,632)
Share of (gain) loss of associates and joint ventures	879,545	1,067,590
Loss on disposal and retirement of property, plant and equipment	14,764	26,700
Transfer of property, plant and equipment to expenses	16,699	16,394
Gain on disposal of investment properties	(750,473)	(341,434)
Gain on disposal of noncurrent assets held for sale	(49,270)	(401,121)
Gain on disposal of investments	-	(20)
Other income recognized from rent concessions	(413)	-
Others	(580)	(217)
Total adjustments to reconcile profit and loss	2,813,629	3,237,745
Changes in operating assets and liabilities		
Net changes in operating assets:		
Decrease (increase) in financial assets as at fair value through profit or loss	27,701	23,615
Decrease (increase) in contract assets	488,914	(290,493)
Decrease (increase) in notes receivable	272,469	805,737
Decrease (increase) in accounts receivables	(179,085)	289,776
Decrease (increase) in accounts receivables - related parties	603,990	377,419
Decrease (increase) in other receivables	(73,797)	130,600
Decrease (increase) in inventories	(782,523)	2,597,867
Decrease (increase) in prepayments	(1,573,613)	(49,671)
Decrease (increase) in other financial assets	(3,714)	576
Decrease (increase) in other operating assets	(10,777)	-
Total net changes in operating assets	(1,230,435)	3,885,426

Item	Year Ended December 31	
	2020	2019
Net changes in operating liabilities:		
Increase (decrease) in contract liabilities	1,146,817	(437,711)
Increase (decrease) in notes payable	(330,205)	(356,484)
Increase (decrease) in accounts payable	(192,913)	(56,921)
Increase (decrease) in other payables	180,797	(35,189)
Increase (decrease) in provisions	2,996	(20,286)
Increase (decrease) in advance receipts	(72)	3
Increase (decrease) in net defined benefit liability	(67,791)	(98,138)
Total net changes in operating liabilities	739,629	(1,004,726)
Total net changes in operating assets and liabilities	(490,806)	2,880,700
Total adjustments	2,322,823	6,118,445
Cash generated from (used in) operations	2,905,613	4,132,979
Interest received	110,396	125,400
Dividends received	43,344	106,632
Interest paid	(1,156,347)	(1,325,093)
Income tax paid	(56,870)	(218,243)
Net cash generated from (used in) operating activities	1,846,136	2,821,675
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(58,620)	(15,000)
Proceeds from disposal of financial assets at fair value through other comprehensive income	15,876	-
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	16,087	4,234
Proceeds from disposal of financial assets at fair value through profit or loss	-	550,145
Acquisition of investments accounted for using equity method	(84,537)	(372,387)
Proceeds from disposal of investments accounted for using equity method	-	203
Proceeds from capital reduction of investments accounted for using equity method	140	679
Acquisition of noncurrent assets held for sale	(190)	(1,652)
Proceeds from disposal of noncurrent assets held for sale	137,531	566,075
Acquisition of property, plant and equipment	(4,599,380)	(4,251,566)
Proceeds from disposal of property, plant and equipment	620	329
Decrease (increase) in refundable deposits	702,958	424,764

Item	Year Ended December 31	
	2020	2019
Acquisition of intangible assets	(12,637)	(4,768)
Acquisition of right-of-use assets	(7,943)	(1,187)
Acquisition of investment properties	(20,065)	(13,930)
Proceeds from disposal of investment properties	1,177,685	434,619
Decrease (increase) in other financial assets	720,184	(715,757)
Decrease (increase) in other noncurrent assets	(197)	(4,056)
Net cash generated from (used in) investing activities	(2,012,488)	(3,399,255)
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	(672,439)	(403,890)
Increase (decrease) in short-term notes and bills payable	358,000	94,000
Increase in long-term loans	6,114,376	8,669,625
Repayment of long-term loans	(6,612,879)	(8,378,067)
Increase (decrease) in guarantee deposits received	1,152	2,784
Repayments of principal of lease liabilities	(8,400)	(9,325)
Increase (decrease) in other noncurrent liabilities	(1,539)	(3,277)
Cash dividends paid	-	(187,581)
Payments for buy-back of treasury shares	(185,207)	-
Increase (decrease) in non-controlling interests	(11,302)	20,064
Net cash generated from (used in) financing activities	(1,018,238)	(195,667)
4.EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(108,345)	274,038
5.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,292,935)	(499,209)
6.CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,023,717	5,522,926
7.CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$3,730,782</u>	<u>\$5,023,717</u>

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

Independent Auditors' Report

To the Board of Directors and Shareholders
Yieh Phui Enterprise Co., Ltd.

Opinion

We have audited the accompanying standalone balance sheets of Yieh Phui Enterprise Co., Ltd. (the "Company") as of December 31, 2020 and 2019, and the standalone statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the standalone financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the report of the other independent accountants, as described in the other matters section of our report, the accompanying standalone financial statements present fairly, in all material respects, the standalone financial position of the Company as of December 31, 2020 and 2019, and its standalone financial performance and its standalone cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the standalone financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's standalone financial statements for the year ended December 31, 2020 are stated as follows:

Revenue recognition

Please refer to Note 4.18 to the standalone financial statements for the accounting policy on revenue recognition; Note 5.1.(1) for major accounting estimates and assumptions of revenue recognition; and Note 6.26 for the details of revenue recognition.

Description of key audit matter

Due to fierce competition in the industry, the Company may be affected by the growth of its performance and competition in the same industry, which increases the risk of recognition of operating income. Therefore, we determined the revenue recognition for those product lines and customers with significant sales increase in 2020 as a key audit matter.

How the matter was addressed in our audit

Our key audit procedures included analyzing the industry trends, income types, product lines, and customers' two-year operating income status to confirm whether there are abnormal circumstances or centralized transactions and identify possible risks; understanding and testing the internal control procedure to assess the effectiveness of the relevant internal control for revenue recognition; conducting a sample test on the sales transactions of the top ten new customers to confirm the sales transaction actually occurred and performing sales cutoff test.

Valuation of inventory

Please refer to Note 4.7 to the standalone financial statements for the accounting policy on inventories; Note 5.2.(6) for major accounting estimates and assumptions of inventories; and Note 6.6 for inventory valuation.

Description of key audit matter

The Company's inventory amounted to \$3,351,119 thousand (net of \$3,352,306 thousand of total inventory less \$1,187 thousand of allowance for inventory valuation loss) as of December 31, 2020, which accounted for 7.32% of total assets. The inventory valuation is measured at the lower of inventory cost and net realizable value. Given that the valuation of net realizable value of inventory has a significant impact on critical judgments and estimates and since inventory valuation is dependent on the influence of drastic fluctuations of international metal price, we have thus included this item in the key audit matters.

How the matter was addressed in our audit

Our key audit procedures included obtaining management's assessment data which determines the lower of inventory cost and net realizable value; sampling estimated selling prices to the most recent sales records; and assessing the appropriateness of management's basis for estimating the net realizable value.

Other Matters

We did not audit the financial statements of certain associates accounted for using equity method. Those financial statements were audited by the other independent accountants, whose reports thereon have been furnished to us, and our opinion expressed herein, insofar as it relates to the amounts included in the standalone financial statements was based solely on the reports of the other independent accountants. Investments in these associates amounted to \$4,518,839 thousand and \$4,704,770 thousand, representing 9.87% and 9.87% of total standalone assets as of December 31, 2020 and 2019, and the share of profit of these

associates accounted for using equity method amounted to \$(175,775) thousand and \$17,477 thousand, representing (20.99%) and (1.00%) of total standalone income before income tax for the years then ended, respectively. In addition, the share of other comprehensive income of these associates accounted for using equity method amounted to \$(10,372) thousand and \$(857) thousand, representing (13.29%) and 0.25% of total standalone comprehensive income for the years then ended, respectively.

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

Management is responsible for the preparation and fair presentation of the standalone financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of the standalone financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance (including the Audit Committee) are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the standalone financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the year ended December 31, 2020 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Ling Wen Huang and Shu Man Tsai.

Crowe (TW) CPAs
Kaohsiung, Taiwan
Republic of China
March 24, 2021

Notice 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 accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

YIEH PHUI ENTERPRISE CO., LTD
STANDALONE BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

Assets	Note	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
CURRENT ASSETS					
Cash and cash equivalents	6(1)	\$ 338,824	1	\$ 665,530	1
Financial assets at fair value through profit or loss - current	6(2)	234,138	1	307,571	1
Contract assets - current	6(26)	322,636	1	740,413	2
Notes receivable, net	6(3)	27,788	-	4,936	-
Accounts receivable, net	6(4)	1,101,844	2	1,099,058	2
Accounts receivable - related parties, net	7	234,163	1	250,730	1
Other receivables	6(5)	110,574	-	162,291	-
Current tax assets		99	-	48	-
Inventories	6(6)	3,351,119	7	3,314,013	7
Prepayments	6(7)	231,594	1	175,341	-
Noncurrent assets held for sale	6(8)	159,832	-	23,342	-
Other financial assets - current	8	164,162	-	55,236	-
Total Current Assets		6,276,773	14	6,798,509	14
NONCURRENT ASSETS					
Financial assets at fair value through profit or loss - noncurrent	6(2)	-	-	220,577	-
Financial assets at fair value through other comprehensive income or loss - noncurrent	6(9)	690,916	2	704,405	1
Investments accounted for using equity method	6(10)	29,773,995	65	29,201,599	62
Property, plant and equipment	6(11)	7,108,161	14	7,386,910	15
Right-of-use assets	6(12)	298,214	1	303,393	1
Investment properties	6(13)	443,349	1	964,339	2
Deferred tax assets	6(32)	705,423	2	799,215	2
Refundable deposits	6(14)	422,407	1	1,139,390	3
Other financial assets - noncurrent	8	46,238	-	160,138	-
Total Noncurrent Assets		39,488,703	86	40,879,966	86
TOTAL ASSETS		\$ 45,765,476	100	\$ 47,678,475	100

Liabilities and Equity	Note	December 31, 2020		December 31, 2019	
		Amount	%	Amount	%
CURRENT LIABILITIES					
Short-term loans	6(15)	\$ 7,911,299	18	\$ 8,136,122	18
Short-term notes and bills payable	6(16)	599,115	1	598,840	1
Contract liabilities - current	6(26)	515,069	1	500,945	1
Notes payable		345,662	1	615,689	1
Accounts payable		405,811	1	496,418	1
Accounts payable - related parties	7	6,031	-	339,516	1
Other payables	6(17)	463,749	1	401,777	1
Provisions - current	6(18)	52,176	-	50,819	-
Liabilities directly associated with noncurrent assets held for sale	6(8)	70,000	-	7,630	-
Lease liabilities - current	6(12)	10,307	-	9,639	-
Current portion of long-term loans	6(19)	1,988,415	4	1,636,335	3
Total Current Liabilities		12,367,634	27	12,793,730	27
NONCURRENT LIABILITIES					
Long-term loans	6(19)	6,324,384	14	8,319,270	18
Lease liabilities - noncurrent	6(12)	199,663	-	209,141	-
Net defined benefit liability - noncurrent	6(20)	402,584	1	504,003	1
Guarantee deposits		2,000	-	2,100	-
Total Noncurrent Liabilities		6,928,631	15	9,034,514	19
Total Liabilities		19,296,265	42	21,828,244	46
Share capital					
Share capital	6(21)				
Common stock		18,905,695	41	19,133,275	40
Capital surplus	6(22)	4,929,007	11	4,884,281	10
Retained earnings	6(23)				
Legal reserve		2,866,052	7	2,866,052	6
Special reserve		559,232	1	559,232	1
Unappropriated earnings		163,734	-	(614,438)	(1)
Other equity	6(24)	(954,509)	(2)	(978,171)	(2)
Total Equity		26,469,211	58	25,850,231	54
TOTAL LIABILITIES AND EQUITY		\$ 45,765,476	100	\$ 47,678,475	100

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

YIEH PHUI ENTERPRISE CO., LTD.
STANDALONE STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	Note	Year Ended December 31			
		2020		2019	
		Amount	%	Amount	%
OPERATING REVENUE	6(26)	\$20,936,210	100	\$24,971,014	100
OPERATING COST	6(6)	(19,419,910)	(93)	(24,305,157)	(97)
GROSS PROFIT		1,516,300	7	665,857	3
OPERATING EXPENSES					
Selling and marketing expenses		(824,390)	(3)	(905,328)	(4)
General and administrative expenses		(323,542)	(2)	(332,784)	(1)
Total operating expenses		(1,147,932)	(5)	(1,238,112)	(5)
INCOME (LOSS) FROM OPERATIONS		368,368	2	(572,255)	(2)
NON-OPERATING INCOME AND EXPENSES					
Interest income	6(28)	73,103	-	10,799	-
Other income	6(29)	429,017	2	526,172	2
Other gains and losses	6(30)	649,638	3	671,353	3
Finance costs	6(31)	(382,190)	(2)	(430,122)	(2)
Share of profit (loss) of subsidiaries, associates and joint ventures		(300,571)	(1)	(1,946,275)	(8)
Total non-operating income and expenses		468,997	2	(1,168,073)	(5)
INCOME (LOSS) BEFORE INCOME TAX		837,365	4	(1,740,328)	(7)
INCOME TAX BENEFIT(EXPENSES)	6(32)	(102,127)	-	339,247	1
NET INCOME (LOSS)		735,238	4	(1,401,081)	(6)
OTHER COMPREHENSIVE INCOME (LOSS)	6(33)				
Items that will not be reclassified subsequently to profit or loss:					
Remeasurement of defined benefit plans		37,591	-	55,074	-
Unrealized gain (loss) on investments in equity instruments designated as at fair value through other comprehensive Income		(12,402)	-	(16,454)	-
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		157,828	-	(5,131)	-
Income tax benefit (expense) related to items that will not be reclassified subsequently to profit or loss		(7,518)	-	(11,015)	-
Items that may be reclassified subsequently to profit or loss:					
Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures		(73,460)	-	(439,459)	(2)
Income tax benefit (expense) related to items that may be reclassified subsequently to profit or loss		(23,984)	-	72,875	(1)
Total other comprehensive income (loss), net of income tax		78,055	-	(344,110)	(1)
TOTAL COMPREHENSIVE INCOME (LOSS)		\$813,293	4	\$ (1,745,191)	(7)
EARNINGS PER SHARE					
Basic earnings (loss) per share	6(34)	\$0.39		\$ (0.73)	
Diluted earnings (loss) per share	6(34)	\$0.39		\$ (0.73)	

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

YIEH PHUI ENTERPRISE CO., LTD.
STANDALONE STATEMENTS OF CHANGES IN EQUITY
(In Thousands of New Taiwan Dollars)

Item	Retained Earnings					Other Equity Item				Total Equity
	Common Stock	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings (Accumulated Deficits)	Exchange Differences on Translating Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (loss) on Hedging instruments	Treasury Stock	
BALANCE AT JANUARY 1, 2019	\$18,758,113	\$4,883,218	\$2,835,202	\$636,655	\$1,233,913	\$(723,803)	\$157,892	\$6,679	\$ -	\$27,787,869
Appropriations of prior year's earnings:										
Legal reserve	-	-	30,850	-	(30,850)	-	-	-	-	-
Cash dividends to ordinary shareholders	-	-	-	-	(187,581)	-	-	-	-	(187,581)
Capital increase out of retained earning	375,162	-	-	-	(375,162)	-	-	-	-	-
Reversal of special reserve	-	-	-	(77,423)	77,423	-	-	-	-	-
Changes in associates and joint ventures using the equity method	-	(73)	-	-	3,744	-	-	-	-	3,671
Net income (loss) for 2019	-	-	-	-	(1,401,081)	-	-	-	-	(1,401,081)
Other comprehensive income (loss) for 2019, net of income tax	-	-	-	-	74,829	(366,243)	(52,355)	(341)	-	(344,110)
Total comprehensive income (loss) for 2019	-	-	-	-	(1,326,252)	(366,243)	(52,355)	(341)	-	(1,745,191)
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	1,136	-	-	-	-	-	-	-	1,136
Changes in ownership interests in subsidiaries	-	-	-	-	(9,673)	-	-	-	-	(9,673)
BALANCE AT DECEMBER 31, 2019	19,133,275	4,884,281	2,866,052	559,232	(614,438)	(1,090,046)	105,537	6,338	-	25,850,231
Changes in associates and joint ventures using the equity method	-	(21)	-	-	(1,339)	-	-	-	-	(1,360)
Net income (loss) for 2020	-	-	-	-	735,238	-	-	-	-	735,238
Other comprehensive income (loss) for 2020, net of income tax	-	-	-	-	53,637	(97,490)	121,862	46	-	78,055
Total comprehensive income (loss) for 2020	-	-	-	-	788,875	(97,490)	121,862	46	-	813,293
Buy-back of treasury shares	-	-	-	-	-	-	-	-	(185,207)	(185,207)
Cancellation of treasury shares	(227,580)	42,373	-	-	-	-	-	-	185,207	-
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	2,374	-	-	-	-	-	-	-	2,374
Changes in ownership interests in subsidiaries	-	-	-	-	(10,120)	-	-	-	-	(10,120)
Disposal of financial instruments designated at fair value through other comprehensive income	-	-	-	-	756	-	(756)	-	-	-
BALANCE AT DECEMBER 31, 2020	\$18,905,695	\$4,929,007	\$2,866,052	\$559,232	\$163,734	\$(1,187,536)	\$226,643	\$6,384	\$ -	\$26,469,211

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

YIEH PHUI ENTERPRISE CO., LTD.
STANDALONE STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

Item	Year Ended December 31	
	2020	2019
1. CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	\$ 837,365	\$ (1,740,328)
Adjustments to reconcile profit and loss:		
Depreciation	509,644	543,985
Net loss (gain) on financial assets and liabilities at fair value through profit or loss	(3,673)	8,656
Interest expense	382,190	430,122
Interest income	(73,103)	(10,799)
Dividend income	(42,969)	(105,987)
Share of loss (gain) of associates, subsidiaries and joint ventures	300,571	1,946,275
Loss on disposal and retirement of property, plant and equipment	10,968	19,102
Gain on disposal of investment properties	(750,788)	(341,433)
Gain on disposal of non-current assets held for sale	(49,270)	(401,121)
Gain on disposal of investments	-	(20)
Other income recognized from rent concessions	(413)	-
Others	3,252	29,986
Total adjustments to reconcile profit and loss	286,409	2,118,766
Changes in operating assets and liabilities		
Net changes in operating assets:		
Decrease (increase) in financial assets as at fair value through profit or loss	16,335	26,837
Decrease (increase) in contract assets	419,031	(205,844)
Decrease (increase) in notes receivable	(22,943)	24,052
Decrease (increase) in accounts receivables	(3,886)	(204,497)
Decrease (increase) in accounts receivables - related parties	16,504	460,991
Decrease (increase) in other receivables	(332)	97,835
Decrease (increase) in inventories	(37,106)	469,891
Decrease (increase) in prepayments	(41,153)	98,840
Total net changes in operating assets	346,450	768,105
Net changes in operating liabilities:		
Increase (decrease) contract liabilities	14,124	(325,886)
Increase (decrease) in notes payable	(270,027)	(10,826)
Increase (decrease) in accounts payable	(90,607)	(207,374)
Increase (decrease) in accounts payable - related parties	(333,485)	332,774
Increase (decrease) in other payables	47,937	(59,659)
Increase (decrease) in provisions	1,357	(17,139)
Increase (decrease) in net defined benefit liability	(63,829)	(53,082)
Total net changes in operating liabilities	(694,530)	(341,192)
Total net changes in operating assets and liabilities	(348,080)	426,913
Total adjustments	(61,671)	2,545,679
Cash generated from (used in) operations	775,694	805,351
Interest received	73,452	10,878
Dividends received	219,732	184,287
Interest paid	(395,102)	(428,214)
Income tax paid	(39,888)	(150,981)
Net cash generated from (used in) operating activities	633,888	421,321

Item	Year Ended December 31	
	2020	2019
2.CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	\$ (15,000)	\$ (15,000)
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	16,087	4,234
Proceeds from disposal of financial assets at fair value through profit or loss	284,488	455,076
Acquisition of investments accounted for using equity method	(1,559,693)	(1,556,286)
Proceeds from disposal of investments accounted for using equity method	-	203
Proceeds from capital reduction of investments accounted for using equity method	581,023	917,846
Acquisition of noncurrent assets held for sale	(190)	(1,652)
Proceeds from disposal of noncurrent assets held for sale	137,461	566,075
Acquisition of property, plant and equipment	(208,317)	(287,888)
Proceeds from disposal of property, plant and equipment	-	50
Decrease (increase) in refundable deposits	716,983	155,714
Acquisition of right-of-use assets	(7,943)	(1,187)
Acquisition of investment properties	(20,065)	(13,930)
Proceeds from disposal of investment properties	1,178,282	434,619
Decrease (increase) in other financial assets	4,974	117,060
Net cash generated from (used in) investing activities	<u>1,108,090</u>	<u>774,934</u>
3.CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans	(224,823)	507,740
Increase (decrease) in short-term notes and bills payable	-	100,000
Increase in long-term loans	200,000	-
Repayment of long-term loans	(1,848,307)	(1,267,473)
Increase (decrease) in guarantee deposits received	(100)	100
Repayments of principal of lease liabilities	(10,247)	(10,574)
Cash dividends paid	-	(187,581)
Payments for buy-back of treasury shares	(185,207)	-
Net cash generated from (used in) financing activities	<u>(2,068,684)</u>	<u>(857,788)</u>
4.NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(326,706)</u>	<u>338,467</u>
5.CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>665,530</u>	<u>327,063</u>
6.CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$338,824</u></u>	<u><u>\$665,530</u></u>

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

2. The Auditing Committee Audits the Final Financial Statement of 2020

Report of the Auditing Committee

Yieh Phui Enterprise Co., Ltd

The board of directors has prepared the 2020 operating report, consolidated financial statement, which includes the individual entity report, and the Earnings Distribution, among which has been audited and signed off by Crowe Horwath (TW)CPAs. The operating report, consolidated financial statement and the Earnings Distribution have been audited by the auditing committee and no abnormality found. Thus, the report has been released according to Article 14-4 and Article 219 of the Company Act. Herein kindly ask for approval.

To

the 2021 the Stockholder's Meeting of Yieh Phui

Chairman of the Auditing Committee: Yang Der-Yuan

March 24 2021

3. The Remuneration of the employees and directors for 2020

- Explan:**
1. The Remuneration of the employees and directors for 2020 had been approved by the board of directors on March 24, 2021 and to be paid in cash.
 2. The remuneration for the employees is NT\$447,196
 3. The remuneration for the directors is NT\$223,598

YIEH PHUI ENTERPRISE CO., LTD

Comparison Table for the “Rules of Procedure for Shareholders Meetings”

Before and After Revision

BEFORE THE REVISION	AFTER THE REVISION
Article 2(Convening shareholder meeting and meeting notice) Items 1 to 3 omitted. The election or dismissal of directors, change in 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 company’s dissolution, merger, segmentation, or the matters stated in Article 185 Paragraph 1 of the Company Act, must be itemized and explain the main themes, not to be proposed via extempore motion. <u>The main content has to be posted at the web site specified by the authority or the company, with the web address clearly shown on the notification.</u> If convening the stockholders’ meeting has stated the re-election of directors and supervisors with the date to take up the post, after the election is done then the date to take up the post cannot be changed with extempore motion or any other measures. Shareholders who have held more than 1% of the total outstanding shares may propose motions in writing to the Company’s shareholders meeting. However, they are limited to one motion and the remaining proposed motions will not be included for discussion. <u>In addition, However, if the proposal by the stockholders is to ask the company to enhance public interests or to comply with social responsibility, the board has to list it into the agenda.</u> the Board of Directors may not have the motions proposed by shareholders that are subject to Article 172.1 Paragraph 4 of the Company Law	Article 2(Convening shareholder meeting and meeting notice) Items 1 to 3 omitted. The election or dismissal of directors, change in 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 company’s dissolution, merger, segmentation, or the matters stated in Article 185 Paragraph 1 of the Company Act, <u>matters concerning Item 1 of Article 26 and Article 43 Item 6 of Securities and Exchange Act and Regulations Governing the Offering and Issuance of Securities by Securities Issuers Item 1 of Article 56 and Item 2 of Article 60,</u> must be itemized and explain the main themes, not to be proposed via extempore motion. If convening the stockholders’ meeting has stated the re-election of directors with the date to take up the post, after the election is done then the date to take up the post cannot be changed with extempore motion or any other measures. Shareholders who have held more than 1% of the total outstanding shares may propose motions in writing to the Company’s shareholders meeting. However, they are limited to one motion and the remaining proposed motions will not be included for discussion. The Board of Directors may not have the motions proposed by shareholders that are subject to Article 172.1 Paragraph 4 of the Company Law included for discussion. <u>Stockholders may propose matters that may encourage the company to promote public benefits or social responsibility. Based on the procedural regulation of Item 1 of Article 172 of the Company Act, the number of such proposals is limited to one. The rest of them will not be discussed.</u> The following is omitted.

included for discussion.	
The following is omitted.	
Article 8 The attendance at the shareholders meeting shall be based on the ownership of stock shares. The attending shares are based on the signatures on the attendance registry or the attendance registry card submitted, and the number of shares used to exercise voting rights in writing or electronically. The Chairman shall call the meeting to order at the meeting time; however, the Chairman may announce to have the meeting postponed if there is without the attendance of the shareholders representing a majority of the outstanding stock shares, which is limited to two postpones and for a total time of less than one hour. If there remains insufficient attendance of the shareholders representing one third of the outstanding stock shares after two postponements, the Chairman may have the shareholders meeting reconvened. The following is omitted.	Article 8 The attendance at the shareholders meeting shall be based on the ownership of stock shares. The attending shares are based on the signatures on the attendance registry or the attendance registry card submitted, and the number of shares used to exercise voting rights in writing or electronically. The Chairman shall call the meeting to order at the meeting time, <u>and at the same time announces related information on non-voting shares and the number of shares present.</u> However, the Chairman may announce to have the meeting postponed if there is without the attendance of the shareholders representing a majority of the outstanding stock shares, which is limited to two postpones and for a total time of less than one hour. If there remains insufficient attendance of the shareholders representing one third of the outstanding stock shares after two postponements, the Chairman may have the shareholders meeting reconvened. <u>The following is omitted.</u>
Article 13 (Election matters) The election of directors in the shareholders meeting, if any, should be handled in accordance with the election regulations defined by the Company; also, the election result should be announced at the scene, including the list of the elected directors and the respective elected voting rights. The electoral ballots of the election matters in the preceding paragraph should be sealed and signed by the scrutineers and properly safeguarded for at least one year. However, it must be reserved until the end of the legal proceedings that is filed by shareholders in accordance with Article 189 of the Company Law.	Article 13 The election of directors in the shareholders meeting, if any, should be handled in accordance with the election regulations defined by the Company; also, the election result should be announced at the scene, including the list of the elected directors and the respective elected voting rights, <u>and the listed of director losing the election and the number of shared voted for them.</u> The electoral ballots of the election matters in the preceding paragraph should be sealed and signed by the scrutineers and properly safeguarded for at least one year. However, it must be reserved until the end of the legal proceedings that is filed by shareholders in accordance with Article 189 of the Company Law.

YIEH PHUI ENTERPRISE CO., LTD

Comparison Table for the “Regulations Governing the Election of Directors”

Before and After Revision

BEFORE THE REVISION	AFTER THE REVISION
Article 1 The Regulations Governing the Election of Directors are enacted in accordance with the Company Act and the Company’s Articles of Incorporation. The election of the Company’s directors is to be processed in accordance with the Regulations Governing the Election of Directors and Supervisors.	Article 1 Except as otherwise provided by law and regulation or by this Corporation's articles of incorporation, elections of directors shall be conducted in accordance with these Regulations.
Article 2 <u>The election of the Corporation’s directors is to be held in the shareholders meeting.</u>	Article 2 The election of the Corporation’s directors shall be conducted in accordance with the procedures of the candidate nomination system prescribed in Article 192 of the Company Law.
Article 3 <u>The election of the Corporation’s directors is handled in accordance with the open ballot method. In terms of the elector’s open ballot method, the name of the elector is indicated by the attendance card number printed on the ballot. The elector’s equity stated in the shareholders registry shall prevail.</u> Each stock share contains the number of voting rights equivalent to the number of directors and supervisors to be elected; also, the voting rights can be cast for one or more candidates.	Article 3 The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.
Article 6 The Board of Directors should have ballots printed with the Corporation’s seal affixed. In addition, the attendance card number and voting rights should be printed on the ballots. Ballots will not be printed for those votes casted electronically.	Article 6 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders. Ballots will not be printed for those votes casted electronically.

Article 7 The Chairman is to have several scrutineers and counting personnel appointed at the beginning of the election to execute the relevant missions.	Article 7 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.
Article 8 The Board of Directors is to prepare the ballot boxes and the scrutineers are to have them opened for inspection before voting.	Article 8 The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.
Article 11 The ballots with any of the following conditions are considered as invalid votes. 1. The ballots prepared by the Board of Directors which are not used. 2. Blank ballots are cast into the ballot box. 3. Ballots which are torn, damaged, or stained and the name of the candidate elected on the ballot is beyond recognition. Ballots are illegible or obliterated; however, writing corrections or additions and deletions are not subject to such restrictions. 4. The name or title and account number of the candidate elected on the ballot who is a shareholder is different from the information in the shareholder registry. 5. The name of the candidate on the ballot is same as other shareholders, but lack of the shareholders account number or I.D. Card number detailed for identification. 6. In addition to the candidate's name, shareholder's account number, I.D. Card number, corporate I.D. number, and the number of distribution rights, the ballot is filled with other written text. 7. Failure to have the attendance card submitted to complete the check-in procedure. 8. The name of two or more than two candidates is filled in on the ballot. 9. The candidate stated on the ballot is a	Article 11 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.

non-shareholder natural person whose name is different from the identification document. 10.The independent directors or non-independent directors stated on the ballot are not on the candidate list of independent directors or non-independent directors. 11.The candidate stated on the ballot is a legal person or the representative of the institutional shareholder; also, the name of the legal person or institution shareholders and account number on the ballot are different from the information in the shareholder registry.	
Article 12 The votes are to be counted in public at the end of the voting. The Chairman is to announce the voting results. The Corporation's Board of Directors will issue a notice to each elected director.	Article 12 The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site, the board of directors of this Corporation shall issue notifications to the persons elected as directors.
Article 14 If there are any issues that are not covered by these Regulations, they shall be handled in accordance with the Company Act, the company's Articles of Incorporation.	Article 14 If there are any issues that are not covered by these Regulations, they shall be handled in accordance with the Company Act, the company's Articles of Incorporation and other relevant laws and regulations.