Stock code：2204

China Motor Corporation
2023 Annual Shareholders' Meeting

MEETING AGENDA
(Translation)

Notice to Readers

The Meeting Agenda has been translated into English from the original Chinese version. 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 version shall prevail.

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China Motor Corporation
2023 Annual Shareholders’ Meeting Agenda

Method of Meeting: Physical Shareholders’ Meeting

Time: 9:00 AM, May 30, 2023

Place: 1F, No. 3, Sec. 3, Chung Hsing Road, Xindian District, New Taipei City (the Dome Theater)

Meeting Agenda:

I. Call the Meeting to Order

II. Chairman’s Address

III. Reporting matters

1. 2022 Business Report.
2. 2022 Audit Committee's Report.
3. The Company’s Endorsements/Guarantees Report.
4. The 2022 Distribution of Employee Bonus and Director Compensation.
5. The 2022 Earnings distribute cash dividend Report

IV. Acknowledgements

1. The Company’s 2022 Annual Report.
2. The Company’s 2022 Statement of Earnings Distribution.

V. Discussions

1. Amendments to the Company's “Rules and Procedures of Shareholders’ Meeting”

VI. Motions

VII. Adjournment

Reporting matters

I. 2022Business Report

CMC Business Report

(1) For Taiwan car market and exportation business

In FY2022, the overall auto sales in Taiwan amounted to 430,000 vehicles. The Company sold 43,939 vehicles (including OEM and imported vehicles) in Taiwan, with operating revenues of NT$26.059 billion and operating income of NT$1.885 billion. The net loss after tax was NT$7.758 billion and the EPS after tax was NT$(14.22). The consolidated operating income was NT$29.554 billion, the consolidated operating profit was NT$1.94 billion, and the consolidated net loss after tax was NT$7.604 billion. The net loss in FY2022 was mainly affected by a one-off loss on the COVID-19 prevention insurance policy of Tokio Marine Newa Insurance, which the Company holds an equity interest in, but all losses were fully recognized last year (2022). Therefore, the profit of this year (FY2023) is expected to return to the stable growth trajectory of the automotive industry.

In terms of commercial vehicle products, the Company continues to develop its own technology capabilities to provide various vehicle solutions for the local needs of the Taiwan market. In the fourth quarter of 2022, the Company launched the first independently developed ISG hybrid commercial vehicle in Taiwan, the “CMC P350 Hybrid”, with the largest load capacity in its class, the only such vehicle featuring front and rear disc brakes and 15-inch rear dual wheels, power upgrade, brake energy recovery, and a host of smart protection features such as Electronic Stability Program (ESP) and Anti-lock Braking System (ABS), providing more comprehensive vehicle solutions for enterprise and SME business owners’ needs. In addition, in order to expand the production scale and continue to strengthen the overall competitiveness of the Company, the Company has adopted a multi-brand production strategy. Last year, the Company initiated the production of MG-branded vehicles, which have been well received by the market and will help propel the Company’s revenue growth and enhance the Company's production capacity yield rate, strengthening the cost competitiveness of the entire vehicle lineup.

This year (2023), the Company is set to launch the Mitsubishi Eclipse Cross PHEV, which will not only satisfy consumers’ demand for energy-saving and environmentally-friendly pure electric models, but also eliminate range anxiety. For domestically-produced vehicles, the Company plans to launch the new version of the CMC e-VERYCA electric vehicle and the newly facelifted 2023 Zinger MPV to meet the diversified needs of consumers and pursue the spirit of sustainability with the environment, while deepening the supply chain capability of EVs in Taiwan. In addition, the MG brand will continue to introduce new products and build a complete product portfolio based on consumer demand in the Taiwan market. The number of domestic sales of the Company’s automotive products in Taiwan is estimated to reach 53,000 units for the whole year (including OEM and imported vehicles).

In the export market, we continued to develop the existing VERYCA and

DELICA export market in 2022, and sold 1,001 units of finished vehicles to overseas markets for the whole year. This year's (2023) export sales will face various challenges such as rising interest rates in the U.S., rising global inflation and new competitors entering the Middle East market. The Company will continue to cooperate with distributors and dealers in the Middle East to strengthen sales promotion, and launch new DELICA minivans to capture the demand for home deliveries and transportation in the logistics industry. We estimate the year's sales to reach 1,050 vehicles in 2023.

(2) Mainland China Auto Market

A total of 26.864 million cars were sold last year (2022) in the Mainland Chinese market, and the GDP growth rate for this year (2023) is estimated to be 4.3% to 5.2%. The overall auto market sales is estimated to be 27.6 million units.

The Company's investee company in Fujian Benz Automotive was affected by the COVID-19 pandemic and intense competition in the high-end auto market in 2022, with sales of 33,024 units, a decrease compared to the previous year (2021). This year (2023), Fujian Benz Automotive will continue to promote the domestic production of parts, reduce material costs, and carry out the strategy of strengthening the capacity of distribution channels to increase sales volume, and is expected to sell 34,000 units.

(3) Electric Two-Wheelers Business Development

In 2022, the Company launched new models and colors of heavy-duty and light-duty electric motorcycles and scooters and micro electric two-wheelers respectively, which received positive feedback from the market. At the same time, we expanded our collaboration with various cross-industry channels. Last year (2022), the Company sold 6,485 units of electric two-wheelers, a 20% increase over the previous year. In the outlook for 2023, the Company will launch new heavy-duty battery-swappable models and special edition models, continue to enrich the product portfolio of electric two-wheeler models, and actively promote diversified distribution channels. The Company expects to maintain growth momentum in terms of overall sales.

Chairman: Li-lien Chen Yen

Manager: Chao-Wen Chen

Accounting Supervisor: Chun-Ching Liao

II. 2022 Audit Committee's Report

China Motor Corporation

Audit Committee's Review Report on the 2022 Financial Statements

The Company’s 2022 Financial Statements and the Consolidated Financial Report which were audited by Ya-Ling Wong and Shiow-Ming Shue of Deloitte & Touche. The Annual Report and Earnings Distribution proposal have been reviewed by the Audit Committee members of the Company and determined to be correct and accurate. This is hereby reported in accordance with Article14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Please verify the audit and review results.

To The 2023 Annual Shareholders’ Meeting

China Motor Corporation

Chairman of the Audit Committee：Chi-Ching Chen

Date: March 14, 2023

III. The Company's Endorsements/Guarantees Report

The status of endorsement and guarantee is NT$ 0 up to March 31, 2023.

IV. The 2022 Distribution of Employee Bonus and Director Compensation

(1) Pursuant to Article 27 of the Articles of Incorporation, current year profits are subject to employee remuneration of no lesser than 0.1% and directors' remuneration of no higher than 0.5%.
(2) Based on the company's pre-tax loss of the 2022, we propose not to pay cash payment for employee remuneration and directors' remuneration.
(3) The Company's 2022 employee/director remuneration had been approved by the Remuneration Committee and Board of Directors in March 2023.

V. The 2022 Earnings distribute cash dividend Report

(1) In accordance with Article 27 of the Company's Articles of Incorporation, the Company proposes to distribute cash dividends of NT$4 per share, amounting to NT$2,214,481 thousand for the year FY2022, and authorizes the Board of Directors to resolve the distribution of dividends.
(2) The base date for cash dividend distribution is July 20, 2023 and the cash dividend payment date is August 17, 2023.
(3) If the above-mentioned dividend distribution rate affects the number of outstanding shares on the base date of dividend distribution due to the Company's repurchase of shares or transfer of treasury shares to employees, the Chairman is authorized to adjust the dividend distribution rate to shareholders.
(4) The motion to distribute cash dividends from the FY2022 earnings was approved by the Company's Board of Directors in March 2023.

Acknowledgements

Proposal 1

Proposed by the Board of Directors

Subject: The Company's 2022 Annual Report

Explanation:

1. The Company's 2022 Financial Statements were audited by Ya-Ling Wong and Shiow-Ming Shue of Deloitte & Touche. The above-mentioned Financial Statements along with the Business Report have been reviewed by the Audit Committee members of the Company and determined to be correct and accurate and the review report has been presented.

2. The 2022 Business Report (page 2-3) and Financial Statements are attached. Please refer to Attachments I.and II (page 10-31).

3. Please proceed with the acknowledgement.

Resolution:

Proposal 2

Proposed by the Board of Directors

Subject: The Company's 2022 Statement of Earnings Distribution

Explanation:

1. In accordance with the 2022 Financial Statements and the Article 27 of the Articles of Incorporation, the 2022 Earnings Distribution Statement is presented. Please refer to Attachment III (page 32).

2. Please proceed with the acknowledgement.

Resolution:

Discussions

Proposal 1

Proposed by the Board of Directors

Subject: Amendments to the Company's "Rules and Procedures of Shareholders' Meeting"

Explanation:

1. In line with the amendments to the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies, allowing for participation in shareholders' meetings through virtual meeting platform, the Company intends to amend Articles 2 and 4 of the "Rules of Procedure for Shareholders' Meetings" and add Articles 16 to 22, and adjust the former Articles 16 and 17 to Articles 23 and 24.
2. Please refer to Attachment IV (page 33-39) for comparison table for the provisions before and after the revisions.
3. Please proceed with the discussion.

Resolution:

Motions

Adjournment

Attachment I

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
China Motor Corporation

Opinion

We have audited the accompanying consolidated financial statements of China Motor Corporation and its subsidiaries (collectively, the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, 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 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the reports of other auditors.

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, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Group's consolidated financial statements for the year ended December 31, 2022 is described as follows:

<u>Revenue Recognition of Domestic Sales of Four-wheeled Vehicles from Major Customers</u>

The revenue of the Group from domestic sales of four-wheeled vehicles is material to its consolidated financial statements, and the sales are concentrated among major customers. Therefore, we identified the occurrence of revenue recognition from domestic sales of four-wheeled vehicles from major customers as a key audit matter.

Our audit procedures performed in respect of revenue recognition included the following:

- We discussed with management to obtain an understanding of the accounting policy for recognizing revenue coming from domestic sales of four-wheeled vehicles from major customers and determined that such policy was appropriate and consistently applied.

- We obtained an understanding of the internal controls on revenue recognition of domestic sales of four-wheeled vehicles, evaluated the design of the controls and tested the operating effectiveness of such controls. We also verified the authenticity of sales transaction-related documentary evidence.

- We selected samples, checked the relevant receipts and confirmed that revenue from the domestic sales of four-wheeled vehicles from major customers was recognized when the control of the goods has been transferred to the customer and the performance obligations have been satisfied.

Other Matter

The financial statements of Mercedes-Benz Vans Hong Kong Ltd. as of and for the year ended December 31, 2022, which were accounted for using the equity method as investment of the Group, as well as the financial statements of Mercedes-Benz Vans Hong Kong Ltd., Shung Ye Motors Corporation, Uni Auto Parts Manufacture Co., Ltd., Southeast-Motor Co., Ltd., and Looplus Service Technology, Inc. as of and for the year ended December 31, 2021, were audited by other auditors. Our opinion, insofar as it relates to the amounts included for these investees in the Group's consolidated financial statements, is based solely on the reports of the other auditors. The aforementioned investments accounted for using the equity method constituted NT$3,787,680 thousand, representing 7.8% and NT$4,605,344 thousand, representing 8.4% of the Group's total assets as of December 31, 2022 and 2021, respectively. The Group's share of comprehensive income of the aforementioned investments accounted for using the equity-method amounted to NT$1,411,629 thousand and NT$943,332 thousand for the years ended December 31, 2022 and 2021, respectively, which accounted for 20.0% and 20.6% of the Group's consolidated total comprehensive income, respectively.

We have also audited the parent company only financial statements of China Motor Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion with the other matter section.

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

As part of an audit in accordance with the Standards on Auditing of the Republic of China, we exercise professional judgment and 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 and appropriate audit evidence regarding the financial information of 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, 2022 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 audits resulting in this independent auditors' report are Ya-Ling Wong and Shiow-Ming Shue.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 30, 2023

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 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.

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022		2021	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 8,178,776	17	$ 11,647,027	21
Financial assets at fair value through profit or loss (Notes 4 and 7)	130,675	-	230,239	1
Financial assets at amortized cost (Notes 4, 9, 10 and 30)	296,191	1	424,669	1
Financial assets for hedging (Notes 4 and 11)	208,569	-	107,712	-
Notes and accounts receivable, net (Notes 4, 12 and 23)	1,294,631	3	692,831	1
Trade receivables from related parties (Notes 4, 23 and 29)	1,365,803	3	1,394,827	3
Other receivables (Note 24)	88,100	-	100,136	-
Inventories (Notes 4 and 13)	4,255,685	9	3,893,940	7
Prepayments (Note 29)	1,357,885	3	770,585	1
Other current assets (Notes 4 and 25)	205,267	-	258,779	1
Total current assets	17,381,582	36	19,520,745	36
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4, 7 and 29)	603,474	1	676,756	1
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	295,074	-	151,421	-
Financial assets at amortized cost (Notes 4, 9 and 10)	288,299	-	546,467	1
Investments accounted for using the equity method (Notes 4 and 15)	20,889,653	43	24,953,438	46
Property, plant and equipment (Notes 4, 16, 29, and 30)	6,209,320	13	6,215,856	11
Right-of-use assets (Notes 4, 17 and 29)	354,579	1	257,450	-
Investment properties (Notes 4, 18 and 30)	1,283,270	3	1,345,564	2
Intangible assets under development (Note 4)	540,941	1	438,039	1
Deferred tax assets (Notes 4 and 25)	328,583	1	334,646	1
Other non-current assets (Notes 4, 21 and 24)	314,864	1	294,732	1
Total non-current assets	31,108,057	64	35,214,369	64
TOTAL	$ 48,489,639	100	$ 54,735,114	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	$ 160,000	-	$ 140,000	-
Short-term bills payable	-	-	109,986	-
Notes and accounts payable	2,531,066	5	1,979,636	4
Trade payables to related parties (Note 29)	790,667	2	857,255	1
Other payables (Notes 4, 16 and 20)	2,820,975	6	2,594,738	5
Current tax liabilities (Notes 4 and 25)	414,242	1	423,104	1
Lease liabilities (Notes 4, 17 and 29)	73,744	-	62,450	-
Current portion of long-term borrowings (Note 19)	17,187	-	-	-
Other current liabilities (Notes 4, 7, 11, 23, 29 and 31)	713,636	2	598,020	1
Total current liabilities	7,521,517	16	6,765,189	12
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 19)	51,563	-	68,750	-
Deferred tax liabilities (Notes 4 and 25)	671,857	1	659,641	1
Lease liabilities (Notes 4, 17 and 29)	284,016	1	198,986	1
Net defined benefit liabilities (Notes 4 and 21)	184,742	-	670,214	1
Credit balance of investments accounted for using the equity method (Notes 4 and 15)	3,680,599	8	-	-
Other non-current liabilities	48,397	-	47,306	-
Total non-current liabilities	4,921,174	10	1,644,897	3
Total liabilities	12,442,691	26	8,410,086	15
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Notes 4, 8 and 22)				
Ordinary shares	5,536,203	12	5,536,203	10
Capital surplus	6,638,276	14	6,421,515	12
Retained earnings				
Legal reserve	10,004,698	21	9,581,001	17
Special reserve	1,025,833	2	1,028,359	2
Unappropriated earnings	9,519,133	19	20,582,748	38
Total retained earnings	20,549,664	42	31,192,108	57
Other equity				
Exchange differences on translating the financial statements of foreign operations	(555,831)	(1)	(826,741)	(2)
Unrealized valuation gain on investments in financial assets at fair value through other comprehensive income	135,015	-	377,436	1
Gain (loss) on hedging instruments (Note 11)	25,537	-	(28,391)	-
Total other equity	(395,279)	(1)	(477,696)	(1)
Total equity attributable to owners of the Corporation	32,328,864	67	42,672,130	78
NON-CONTROLLING INTERESTS (Notes 14 and 22)	3,718,084	7	3,652,898	7
Total equity	36,046,948	74	46,325,028	85
TOTAL	$ 48,489,639	100	$ 54,735,114	100

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 23 and 29)				
Net sales	$ 28,535,274	97	$ 29,905,646	96
Other operating revenue	1,018,596	3	1,219,753	4
Total operating revenue	29,553,870	100	31,125,399	100
OPERATING COSTS (Notes 13, 24 and 29)				
Cost of goods sold	23,867,532	81	25,264,128	81
Other operating costs	812,573	2	920,820	3
Total operating costs	24,680,105	83	26,184,948	84
GROSS PROFIT	4,873,765	17	4,940,451	16
UNREALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	(2,341)	-	(1,851)	-
REALIZED GROSS PROFIT	4,871,424	17	4,938,600	16
OPERATING EXPENSES (Notes 24 and 29)				
Selling and marketing expenses	455,952	2	592,029	2
General and administrative expenses	878,345	3	879,588	3
Research and development expenses	1,596,701	5	1,427,381	5
Total operating expenses	2,930,998	10	2,898,998	10
PROFIT FROM OPERATIONS	1,940,426	7	2,039,602	6
NON-OPERATING INCOME AND EXPENSES				
Share of profit of associates and joint ventures (Notes 4 and 15)	(9,466,662)	(32)	3,020,705	10
Interest income	117,687	1	99,285	-
Dividend income (Note 8)	63,115	-	44,407	-
Other income	115,276	-	138,385	-
Gain (loss) on disposal of investments (Notes 4 and 15)	9,592	-	(116,764)	-
Net foreign exchange gain (loss)	61,961	-	(10,043)	-
Gain (loss) on financial instruments at fair value through profit or loss (Note 29)	70,625	-	(3,303)	-
Expected credit gain (Notes 10 and 24)	38,662	-	47,171	-
Interest expense (Note 29)	(7,996)	-	(10,314)	-
Other expense (Note 29)	(6,100)	-	(23,732)	-
Impairment loss (Notes 4 and 16)	(45,492)	-	(147,123)	-

(Continued)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
Total non-operating income and expenses	(9,049,332)	(31)	3,038,674	10
PROFIT (LOSS) BEFORE INCOME TAX	(7,108,906)	(24)	5,078,276	16
INCOME TAX EXPENSE (Notes 4 and 25)	(495,539)	(2)	(674,792)	(2)
NET PROFIT (LOSS) FOR THE YEAR	(7,604,445)	(26)	4,403,484	14
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 21)	255,900	1	(49,947)	-
Unrealized gain (loss) on investments in equity instruments designated as fair value through other comprehensive income (Note 22)	8,482	-	(9,084)	-
Gain (loss) on hedging instruments (Notes 11 and 22)	16,026	-	(39,598)	-
Share of other comprehensive income of associates accounted for using the equity method (Notes 15 and 22)	28,279	-	178,298	1
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 25)	(54,385)	-	23,121	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations (Note 22)	33,372	-	(5,420)	-
Share of the other comprehensive income of associates and joint ventures accounted for using the equity method (Notes 15 and 22)	269,820	1	89,323	-
Other comprehensive income for the year, net of income tax	557,494	2	186,693	1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ (7,046,951)	(24)	$ 4,590,177	15
NET PROFIT (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	$ (7,757,796)	(26)	$ 4,181,835	13
Non-controlling interests	153,351	-	221,649	1

(Continued)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
	$ (7,604,445)	(26)	$ 4,403,484	14
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:				
Owners of the Corporation	$ (7,241,868)	(25)	$ 4,383,360	14
Non-controlling interests	194,917	1	206,817	1
	$ (7,046,951)	(24)	$ 4,590,177	15
EARNINGS (LOSS) PER SHARE (Note 26)				
Basic	$ (14.22)		$ 7.67	
Diluted	$ (14.22)		$ 7.66	

(Concluded)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Corporation											
	Ordinary Shares			Retained Earnings			Other Equity					
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2021	553,620	$ 5,536,203	$ 6,411,778	$ 9,257,157	$ 1,028,359	$ 20,544,970	$ (926,661)	$ 264,666	$ 6,918	$ 42,123,390	$ 3,583,254	$ 45,706,644
Appropriation of the 2020 earnings												
Legal reserve	-	-	-	323,844	-	(323,844)	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(3,875,342)	-	-	-	(3,875,342)	-	(3,875,342)
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	9,737	-	-	10,104	-	-	-	19,841	-	19,841
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(137,173)	(137,173)
Net profit for the year ended December 31, 2021	-	-	-	-	-	4,181,835	-	-	-	4,181,835	221,649	4,403,484
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(28,502)	99,920	186,297	(56,190)	201,525	(14,832)	186,693
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	4,153,333	99,920	186,297	(56,190)	4,383,360	206,817	4,590,177
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	43,109	-	(43,109)	-	-	-	-
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	30,418	-	(30,418)	-	-	-	-
Basis adjustment to gain on hedging instruments	-	-	-	-	-	-	-	-	20,881	20,881	-	20,881
BALANCE AT DECEMBER 31, 2021	553,620	5,536,203	6,421,515	9,581,001	1,028,359	20,582,748	(826,741)	377,436	(28,391)	42,672,130	3,652,898	46,325,028
Appropriation of the 2021 earnings												
Legal reserve	-	-	-	423,697	-	(423,697)	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(3,044,912)	-	-	-	(3,044,912)	-	(3,044,912)
Reversal of special reserve	-	-	-	-	(2,526)	2,526	-	-	-	-	-	-
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	216,761	-	-	(276,529)	-	-	-	(59,768)	-	(59,768)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	(129,731)	(129,731)
Net profit (loss) for the year ended December 31, 2022	-	-	-	-	-	(7,757,796)		-	-	(7,757,796)	153,351	(7,604,445)
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	323,996	270,910	(129,624)	50,646	515,928	41,566	557,494
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	(7,433,800)	270,910	(129,624)	50,646	(7,241,868)	194,917	(7,046,951)
Disposal of investments in equity instruments designated as at fair value through other comprehensive income by associates	-	-	-	-	-	85,076	-	(85,076)	-	-	-	-
Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	27,721	-	(27,721)	-	-	-	-
Basis adjustment to gain on hedging instruments	-	-	-	-	-	-	-	-	3,282	3,282	-	3,282
BALANCE AT DECEMBER 31, 2022	553,620	$ 5,536,203	$ 6,638,276	$ 10,004,698	$ 1,025,833	$ 9,519,133	$ (555,831)	$ 135,015	$ 25,537	$ 32,328,864	$ 3,718,084	$ 36,046,948

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$ (7,108,906)	$ 5,078,276
Adjustments for		
Depreciation expense	740,000	850,745
Amortization expense	106,393	88,886
Expected credit loss reversed	(29,317)	(49,158)
Net loss (gain) on fair value change of financial instruments at fair value through profit or loss	(70,625)	3,303
Interest expense	7,996	10,314
Interest income	(117,687)	(99,285)
Dividend income	(63,115)	(44,407)
Share of profit of associates and joint ventures accounted for using the equity method	9,466,662	(3,020,705)
Net loss (gain) on disposal of property, plant and equipment	(27,697)	5,201
Loss (gain) on disposal of investment	(9,592)	116,764
Impairment loss of non-financial assets	4,877	224,273
Unrealized gain on transactions with associates	2,341	1,851
Unrealized loss (gain) on foreign currency exchange	15,590	(26,033)
Loss (gain) on lease modifications	50	(8,833)
Losses on recognition of provisions	-	65,302
Changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	251,480	929,071
Notes and accounts receivable	(612,376)	223,458
Trade receivables from related parties	29,027	(127,443)
Other receivables	(12,279)	(128,370)
Inventories	(347,932)	(135,635)
Prepayments	(652,562)	975,203
Other current assets	53,513	401,881
Notes and accounts payable	549,371	(605,933)
Trade payables to related parties	(71,924)	(48,512)
Other payables	258,043	(19,373)
Other current liabilities	109,758	165,495
Net defined benefit liabilities	(229,572)	(31,163)
Cash generated from operations	2,241,517	4,795,173
Income tax paid	(476,678)	(481,589)
Net cash generated from operating activities	1,764,839	4,313,584
CASH FLOWS FROM INVESTING ACTIVITIES		
Disposal of financial assets at fair value through other comprehensive income	9,878	18,368
Proceeds from refund of the capital reduction of financial assets at fair value through other comprehensive income	33,328	-
Acquisition of financial assets at amortized cost	(1,833,257)	(1,930,926)

(Continued)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
Proceeds from repayment of principal of financial assets at amortized cost	2,220,066	1,858,298
Acquisition of investments accounted for using the equity method	(4,437,749)	(33,500)
Acquisition of property, plant and equipment	(734,144)	(677,276)
Proceeds from disposal of property, plant and equipment	84,886	39,185
Acquisition of intangible assets	(148,712)	(109,106)
Acquisition of investment properties	(1,120)	(2,199)
Increase in other non-current assets	(51,542)	(5,358)
Interest received	123,702	100,848
Dividends received	2,895,027	1,919,939
Net cash (used in) generated from investing activities	(1,839,637)	1,178,273
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	20,000	(75,000)
Decrease in short-term bills payable	(109,986)	(39,977)
Repayment of long-term borrowings	-	(25,000)
Repayment of the principal portion of lease liabilities	(75,590)	(83,049)
Increase (decrease) in other non-current liabilities	1,091	(7,540)
Cash dividends paid	(3,044,912)	(3,875,342)
Interest paid	(7,999)	(10,286)
Non-controlling interests	(129,731)	(137,173)
Net cash used in financing activities	(3,347,127)	(4,253,367)
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	11,705	(3,894)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,410,220)	1,234,596
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	11,754,206	10,519,610
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 8,343,986	$ 11,754,206

(Continued)

CHINA MOTOR CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Reconciliation of the amounts in the consolidated statements of cash flows with the equivalent items reported in the consolidated balance sheets at December 31, 2022 and 2021:

	December 31	
	2022	**2021**
Cash and cash equivalents in the consolidated balance sheets	$ 8,178,776	$ 11,647,027
Cash and cash equivalents included in financial assets for hedging	165,210	107,179
Cash and cash equivalents in the consolidated statements of cash flows	$ 8,343,986	$ 11,754,206

(Concluded)

Attachment II

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
China Motor Corporation

Opinion

We have audited the accompanying financial statements of China Motor Corporation (the "Corporation"), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, based on our audits and the reports of other auditors (refer to the Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Corporation as of December 31, 2022 and 2021, and its financial performance and its 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 the Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Corporation 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the reports of other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter of the Corporation's financial statements for the year ended December 31, 2022 is stated as follows:

Revenue Recognition of Domestic Sales of Four-wheeled Vehicles from Major Customers

The revenue of the Corporation from domestic sales of four-wheeled vehicles is material to its financial statements, and the sales are concentrated among major customers. Therefore, we identified the occurrence of revenue recognition from domestic sales of four-wheeled vehicles from major customers as a key audit matter.

Our audit procedures performed in respect of revenue recognition included the following:

- We discussed with management to obtain an understanding of the accounting policy for recognizing revenue coming from domestic sales of four-wheeled vehicles from major customers and determined that such policy was appropriate and consistently applied.

- We obtained an understanding of the internal controls on revenue recognition of domestic sales of four-wheeled vehicles, evaluated the design of the controls and tested the operating effectiveness of such controls. We also verified the authenticity of sales transaction-related documentary evidence.

- We selected samples, checked the relevant receipts and confirmed that revenue from the domestic sales of four-wheeled vehicles from major customers was recognized when the control of the goods has been transferred to the customer and the performance obligations have been satisfied.

Other Matter

The financial statements of Mercedes-Benz Vans Hong Kong Ltd. as of and for the year ended December 31, 2022. which were accounted for using the equity method as investment of the Group, as well as the financial statements of Mercedes-Benz Vans Hong Kong Ltd., Shung Ye Motors Corporation and Uni Auto Parts Manufacture Co., Ltd., as of and for the year ended December 31, 2021, were audited by other auditors. Our opinion, insofar as it relates to the amounts included for these investees in the Corporation's accompanying financial statements, is based solely on the reports of the other auditors. The aforementioned investments accounted for using the equity method constituted NT$3,787,680 thousand, representing 9.0% and NT$4,292,241 thousand, representing 8.8% of the Corporation's total assets as of December 31, 2022 and 2021, respectively. The Corporation's share of comprehensive income of the aforementioned investments accounted for using the equity method amounted to NT$1,411,629 thousand and NT1,287,532 thousand for the years ended December 31, 2022 and 2021, respectively, which accounted for 19.5%, and 29.4% of the Corporation's total comprehensive income, respectively.

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

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

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (including members of the audit committee) are responsible for overseeing the Corporation's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 Corporation'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 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 Corporation to cease to continue as a going concern.

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

6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Corporation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2022 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 audits resulting in this independent auditors' report are Ya-Ling Wong and Shiow-Ming Shue.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 30, 2023

Notice to Readers

The accompanying 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 applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

CHINA MOTOR CORPORATION

BALANCE SHEETS
DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022		2021	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 4,462,371	11	$ 7,269,006	15
Financial assets at fair value through profit or loss (Notes 4 and 7)	62,902	-	81,072	-
Current financial assets at amortized cost (Notes 4, 9, 10 and 28)	185,650	-	206,635	1
Financial assets for hedging (Notes 4 and 11)	172,548	-	59,612	-
Notes and accounts receivable, net (Notes 4, 12 and 21)	607,954	1	378,396	1
Trade receivables from related parties (Notes 4, 21 and 27)	1,554,273	4	1,365,379	3
Other receivables (Notes 4 and 27)	3,848	-	635,583	1
Inventories (Notes 4 and 13)	3,278,980	8	3,076,385	6
Prepayments (Note 27)	1,356,592	3	632,872	1
Other current assets (Notes 4 and 23)	195,913	1	236,824	1
Total current assets	11,881,031	28	13,941,764	29
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss (Notes 4 and 7)	603,474	2	605,042	1
Financial assets at fair value through other comprehensive income (Notes 4 and 8)	15,038	-	29,024	-
Financial assets at amortized cost (Notes 4, 9 and 10)	281,276	1	540,096	1
Investments accounted for using the equity method (Notes 4 and 14)	23,671,805	56	27,733,347	57
Property, plant and equipment (Notes 4, 15 and 27)	3,976,007	9	3,958,483	8
Investment properties (Notes 4 and 17)	867,178	2	876,068	2
Intangible assets under development (Note 4)	540,941	1	438,039	1
Deferred tax assets (Notes 4 and 23)	290,384	1	301,983	1
Other non-current assets (Notes 4, 16 and 27)	175,974	-	109,724	-
Total non-current assets	30,422,077	72	34,591,806	71
TOTAL	$ 42,303,108	100	$ 48,533,570	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Accounts payable	$ 1,952,782	5	$ 1,561,629	3
Trade payables to related parties (Note 27)	799,373	2	719,177	2
Other payables (Notes 15 and 18)	2,320,352	5	2,073,337	4
Current tax liabilities (Notes 4 and 23)	337,523	1	358,283	1
Other current liabilities (Notes 4, 7, 11, 16, 21 and 27)	285,174	1	169,756	-
Total current liabilities	5,695,204	14	4,882,182	10
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Notes 4 and 23)	397,049	1	339,509	1
Net defined benefit liabilities (Notes 4 and 19)	150,872	-	601,319	1
Credit balance of investments accounted for using the equity method (Notes 4 and 14)	3,693,256	9	-	-
Other non-current liabilities (Notes 4, 16 and 27)	37,863	-	38,430	-
Total non-current liabilities	4,279,040	10	979,258	2
Total liabilities	9,974,244	24	5,861,440	12
EQUITY (Notes 4, 8, 11 and 20)				
Ordinary shares	5,536,203	13	5,536,203	12
Capital surplus	6,638,276	16	6,421,515	13
Retained earnings				
Legal reserve	10,004,698	24	9,581,001	20
Special reserve	1,025,833	2	1,028,359	2
Unappropriated earnings	9,519,133	22	20,582,748	42
Total retained earnings	20,549,664	48	31,192,108	64
Other equity				
Exchange differences on translating the financial statements of foreign operations	(555,831)	(1)	(826,741)	(2)
Unrealized valuation gain on investments in financial assets at fair value through other comprehensive income	135,015	-	377,436	1
Gain (loss) on hedging instruments	25,537	-	(28,391)	-
Total other equity	(395,279)	(1)	(477,696)	(1)
Total equity	32,328,864	76	42,672,130	88
TOTAL	$ 42,303,108	100	$ 48,533,570	100

CHINA MOTOR CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Notes 4, 21 and 27)				
Net sales	$ 25,656,796	98	$ 27,196,522	99
Other operating revenue	401,784	2	408,679	1
Total operating revenue	26,058,580	100	27,605,201	100
OPERATING COSTS (Notes 13, 22 and 27)				
Cost of goods sold	21,577,508	83	23,094,901	84
Other operating costs	143,639	-	174,959	-
Total operating costs	21,721,147	83	23,269,860	84
GROSS PROFIT	4,337,433	17	4,335,341	16
UNREALIZED GAIN ON TRANSACTIONS WITH ASSOCIATES	(426)	-	(640)	-
REALIZED GROSS PROFIT	4,337,007	17	4,334,701	16
OPERATING EXPENSES (Notes 22 and 27)				
Selling and marketing expenses	204,904	1	365,701	1
General and administrative expenses	688,360	3	704,172	3
Research and development expenses	1,558,703	6	1,390,782	5
Total operating expenses	2,451,967	10	2,460,655	9
PROFIT FROM OPERATIONS	1,885,040	7	1,874,046	7
NON-OPERATING INCOME AND EXPENSES				
Share of profit of subsidiaries, associates and joint ventures (Notes 4 and 14)	(9,433,297)	(36)	2,884,019	10
Interest income (Notes 4 and 27)	62,005	-	53,272	-
Other income (Notes 4 and 27)	135,089	1	75,167	-
Gain (loss) on financial instruments at fair value through profit or loss (Note 4)	13,843	-	(4,750)	-
Net foreign exchange gain (loss)	(18,565)	-	18,787	-
Expected credit gain (loss) (Notes 4 and 10)	80	-	(188)	-
Other expense (Notes 4 and 27)	(2,465)	-	(4,395)	-
Impairment loss (Notes 4 and 15)	(526)	-	(147,123)	-
Total non-operating income and expenses	(9,243,836)	(35)	2,874,789	10
PROFIT (LOSS) BEFORE INCOME TAX	(7,358,796)	(28)	4,748,835	17

(Continued)

CHINA MOTOR CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2022		2021	
	Amount	**%**	**Amount**	**%**
INCOME TAX EXPENSE (Notes 4 and 23)	(399,000)	(2)	(567,000)	(2)
NET PROFIT (LOSS) FOR THE YEAR	(7,757,796)	(30)	4,181,835	15
OTHER COMPREHENSIVE INCOME (LOSS) (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	234,860	1	(51,163)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income (Note 20)	(4,108)	-	3,852	-
Gain (loss) on the hedging instruments (Notes 11 and 20)	17,146	-	(29,000)	-
Share of other comprehensive income of subsidiaries and associates for using the equity method (Notes 14 and 20)	47,521	-	161,883	1
Income tax relating to items that will not be reclassified subsequently to profit or loss (Note 23)	(50,401)	-	16,033	-
Items that may be reclassified subsequently to profit or loss:				
Share of the other comprehensive income of subsidiaries, associates and joint ventures accounted for using the equity method (Notes 14 and 20)	270,910	1	99,920	-
Other comprehensive income for the year, net of income tax	515,928	2	201,525	1
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	$ (7,241,868)	(28)	$ 4,383,360	16
EARNINGS (LOSS) PER SHARE (Note 24)				
Basic	$(14.22)		$ 7.67	
Diluted	$(14.22)		$ 7.66	

(Concluded)

CHINA MOTOR CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	Share Capital Ordinary Shares			Retained Earnings			Other Equity			
	Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Valuation Gain on Financial Assets at Fair Value Through Other Comprehensive Income	Gain (Loss) on the Hedging Instruments	Total Equity
BALANCE AT JANUARY 1, 2021	553,620	$ 5,536,203	$ 6,411,778	$ 9,257,157	$ 1,028,359	$ 20,544,970	$ (926,661)	$ 264,666	$ 6,918	$ 42,123,390
Appropriation of the 2020 earnings										
Legal reserve	-	-	-	323,844	-	(323,844)	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(3,875,342)	-	-	-	(3,875,342)
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	9,737	-	-	10,104	-	-	-	19,841
Net profit for the year ended December 31, 2021	-	-	-	-	-	4,181,835	-	-	-	4,181,835
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(28,502)	99,920	186,297	(56,190)	201,525
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	4,153,333	99,920	186,297	(56,190)	4,383,360
Disposal of the investments in equity instruments as at fair value through other comprehensive income by associates	-	-	-	-	-	37,315	-	(37,315)	-	-
Disposal of the investments in equity instruments as at fair value through other comprehensive income	-	-	-	-	-	36,212	-	(36,212)	-	-
Basic adjustment for gain on hedging instruments	-	-	-	-	-	-	-	-	20,881	20,881
BALANCE AT DECEMBER 31, 2021	553,620	5,536,203	6,421,515	9,581,001	1,028,359	20,582,748	(826,741)	377,436	(28,391)	42,672,130
Appropriation of the 2021 earnings										
Legal reserve	-	-	-	423,697	-	(423,697)	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	-	(3,044,912)	-	-	-	(3,044,912)
Reversal of special reserve	-	-	-	-	(2,526)	2,526	-	-	-	-
Change in capital surplus from investments in associates and joint ventures accounted for using the equity method	-	-	216,761	-	-	(276,529)	-	-	-	(59,768)
Net loss for the year ended December 31, 2022	-	-	-	-	-	(7,757,796)	-	-	-	(7,757,796)
Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	323,996	270,910	(129,624)	50,646	515,928
Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	(7,433,800)	270,910	(129,624)	50,646	(7,241,868)
Disposal of the investments in equity instruments as at fair value through other comprehensive income by associates	-	-	-	-	-	85,076	-	(85,076)	-	-
Disposal of the investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	27,721	-	(27,721)	-	-
Basic adjustment for gain on hedging instruments	-	-	-	-	-	-	-	-	3,282	3,282
BALANCE AT DECEMBER 31, 2022	553,620	$ 5,536,203	$ 6,638,276	$ 10,004,698	$ 1,025,833	$ 9,519,133	$ (555,831)	$ 135,015	$ 25,537	$ 32,328,864

CHINA MOTOR CORPORATION

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) before income tax	$(7,358,796)	$ 4,748,835
Adjustments for:		
Depreciation expense	540,986	641,287
Amortization expense	94,682	79,717
Expected credit loss (gain) recognized	2,256	(1,811)
Net loss (gain) on fair value change of financial instruments at fair value through profit or loss	(13,843)	4,750
Interest expense	176	146
Interest income	(62,005)	(53,272)
Dividend income	(58,841)	(36,482)
Share of profit of subsidiaries, associates and joint ventures accounted for using the equity method	9,433,297	(2,884,019)
Net loss (gain) on disposal of property, plant and equipment	(35,768)	2,100
Impairment loss (gain on reversal) of non-financial assets	(51,657)	219,289
Unrealized gain on the transactions with associates	426	640
Unrealized loss (gain) on foreign currency exchange	18,624	(17,791)
Loss on lease modifications	50	-
Losses on recognition of provisions	-	65,302
Changes in operating assets and liabilities		
Financial instruments at fair value through profit or loss	41,590	1,045,516
Notes and accounts receivable	(233,576)	79,857
Trade receivables from related parties	(188,900)	(224,824)
Other receivables	96	469
Inventories	(183,684)	(118,356)
Prepayments	(723,720)	986,891
Other current assets	(30,270)	146,746
Accounts payable	389,261	(531,560)
Trade payables to related parties	74,863	(198,473)
Other payables	283,125	68,654
Other current liabilities	108,170	(151,521)
Net defined benefit liabilities	(215,587)	(2,963)
Cash generated from operations	1,830,955	3,869,127
Income tax paid	(329,525)	(395,600)
Net cash generated from operating activities	1,501,430	3,473,527
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at amortized cost	(371,455)	(1,246,778)
Proceeds from repayment of principal of financial assets at amortized cost	649,913	1,172,399
Acquisition of investments accounted for using the equity method	(4,434,749)	(1,500)
Proceeds from refund of the capital reduction of investments accounted for using the equity method	961,693	-

(Continued)

CHINA MOTOR CORPORATION

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

	2022	**2021**
Disposal of financial assets at fair value through other comprehensive income	9,878	18,368
Acquisition of property, plant and equipment	(598,271)	(585,004)
Proceeds from disposal of property, plant and equipment	48,951	32,203
Acquisition of investment properties	-	(724)
Decrease in other receivables from related parties	600,163	-
Acquisition of intangible assets	(148,712)	(109,106)
Increase in other non-current assets	(115,845)	(76,689)
Interest received	66,463	55,456
Dividends received	2,143,209	1,658,567
Net cash (used in) generated from investing activities	(1,188,762)	917,192
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of the principal portion of lease liabilities	(4,271)	(3,667)
Increase (decrease) in other non-current liabilities	166	(5,464)
Cash dividends paid	(3,044,912)	(3,875,342)
Interest paid	(176)	(146)
Net cash used in financing activities	(3,049,193)	(3,884,619)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,736,525)	506,100
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,328,085	6,821,985
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 4,591,560	$ 7,328,085

Reconciliation of the amounts in the statements of cash flows with the equivalent items reported in the balance sheets at December 31, 2022 and 2021:

	December 31	
	2022	**2021**
Cash and cash equivalents in the balance sheets	$ 4,462,371	$ 7,269,006
Cash and cash equivalents included in financial assets for hedging	129,189	59,079
Cash and cash equivalents in the statements of cash flows	$ 4,591,560	$ 7,328,085

(Concluded)

Attachment III

2022 Earnings Distribution Statement (Proposal)

(Unit: NT$)

Item	Amount
Distributable earnings	$ 9,519,132,729
Beginning-of-period undistribution earnings	17,114,139,140
Net profit (loss) after tax	(7,757,795,296)
Add:Re-measurement of defined benefit plans recognized in retained earnings	187,887,814
Add: First-time adoption of IFRS for appropriation as special reserve reversal	2,526,032
Less:Adjustment arising from investments accounted for using the equity method	(55,346,214)
Add: Disposal of the investments in equity instruments designated as at fair value through other comprehensive income	27,721,253
Distribution items	$ 2,214,481,368
Appropriation of legal earnings reserve	0
Shareholder cash dividends (4 per share)	2,214,481,368
End-of-period undistribution earnings	$ 7,304,651,361

Note:

1. Distributed to whole dollar amount, and decimals were rounded off. Fractional numbers less than one dollar are placed into the Company's other revenue.
2. Cash dividend are resolved by the Board of Directors of the Company and are reported during the shareholders' meeting.

Chairman: Li-lien Chen Yen

Manager: Chao-Wen Chen

Accounting Supervisor: Chun-Ching Liao

Attachment IV

Comparison Table for the "Rules and Procedures of Shareholders' Meeting" Before and After Revision

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
2	Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders. The attendance and voting of the Meeting are calculated based on the shares. The number of shares present are calculated based on the attendance cards<u>, the shares checked in on the virtual meeting platform, plus</u> the number of shares of voting rights are calculated <u>by correspondence or</u> electronically.	Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders. The attendance and voting of the Meeting are calculated based on the shares. The number of shares present are calculated based on the attendance cards <u>and</u> the number of shares of voting rights are calculated electronically.	When the Company's shareholders' meeting is held by means of a virtual meeting platform, the total number of shares present shall be added to the calculation of the number of shareholders who have completed reporting by means of a remote virtual meeting platform.
4	Chairman shall call the Meeting to order at the time scheduled for the meeting, <u>and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</u> If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the Chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the	Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the Chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Article 175 of	Amended in line with adjustments to the "Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings".

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Article 175 of the Company Act. (The following is skipped)	the Company Act. (The following is skipped)	
16	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. The restrictions on the place of the meeting shall not apply when this Corporation convenes a virtual-only shareholders' meeting. However, The Chairman and the minute-taker shall be at the same place in the country, and the Chairman shall announce the address of such place at the time of the meeting.	-	1.Newly-added provision. 2.Specifies the location of shareholders' meetings and virtual shareholders' meetings and the location of the chairman and minute-taker.
17	Virtual-only shareholders' meetings: (1) If a shareholders' meeting is held virtually, shareholders who wish to attend the meeting through virtual meeting platform shall register with the Company two days prior to the date of the shareholders' meeting. (2) The time during which shareholder attendance registrations will be accepted shall be at least 30 minutes prior to the time the meeting commences. Shareholders completing registration will be deemed as having attended the shareholders' meeting in person. (3) In the event of a virtual shareholders' meeting, the	-	1.Newly-added provision. 2.Specifies the requirements for virtual shareholders' meeting sign-in and external announcements.

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	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. (4) The Company shall upload the number of shares solicited, the number of shares represented by proxy and the number of shares attended by shareholders by correspondence or electronic means to the virtual meeting platform at least 30 minutes prior to the commencement of the meeting and continue to disclose them until the end of the meeting. (5) When the Company announces a meeting, the total number of shares of shareholders present shall be disclosed on the virtual meeting platform. The same applies if the total number of shares and voting rights of shareholders present are counted at the meeting.		
18	The entirety of the proceedings of the shareholders' meeting shall be recorded by audio and video, and kept for at least one year. 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 record audio and video, without interruption, the proceedings of the virtual meeting from beginning to end. The information and audio and video recording in the	-	1.Newly-added provision. 2.Specifies that the Company and the party appointed to handle matters of the virtual meeting shall manage shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted and other

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	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.		information, as well as the retention period of the audio and video recording of the proceedings of the virtual shareholders' meeting.
19	If the shareholders' meeting is convened virtually, shareholders participating virtually may ask questions by text on the virtual meeting platform after the Chairman calls the meeting to order and before the meeting is adjourned, and the number of questions for each motion shall not exceed two, and each proposal shall be limited to 200 words, in which case the provisions of Articles 6 to 8 shall not apply.	-	1.Newly-added provision. 2.Specifies the manner and procedure for raising questions when the shareholders' meeting is held virtually.
20	In the event of a virtual shareholders' meeting, when declaring the meeting open, the Chairman 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, 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.	-	1.Newly-added provision. 2.Specify how to handle interruptions to virtual shareholders' meetings.

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	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 the first paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected 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 the first paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or the list of elected directors and supervisors are published. When the Company convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in first paragraph, 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		

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	statutory requirement for a shareholders' meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the first paragraph is required. Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.		
21	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 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	-	1.Newly-added provision. 2.Specify the requirements for counting votes during virtual shareholders' meetings.

Article No.	AFTER THE REVISION	BEFORE THE REVISION	Description
	registration is not revoked within the time limit, they may only attend the shareholders meeting online. When shareholders exercise voting rights by 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.		
22	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.	-	1.Newly-added provision. 2.Specifies the disclosure requirements for voting results during virtual shareholders' meetings.
23	The matters not provided in these Rules and Procedures shall be handled in accordance with the Articles of Incorporation of the Company and related laws and regulations.	The matters not provided in these Rules and Procedures shall be handled in accordance with the Articles of Incorporation of the Company and related laws and regulations.	Adjustment of article sequence, originally Article 16.
24	These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.	These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.	Adjustment of article sequence, originally Article 17.

Appendix I

China Motor Corporation
Rules and Procedures of Shareholders' Meeting

Article 1 : Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with these Rules and Procedures.

Article 2 : Shareholders attending the Meeting shall submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance cards submitted by the shareholders.
The attendance and voting of the Meeting are calculated based on the shares.
The number of shares present are calculated based on the attendance cards and the number of shares of voting rights are calculated electronically.

Article 3 : The Company may appoint designated counsel, CPA or other related persons to attend the Meeting.

Article 4 : Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the Chairman may postpone the time for the Meeting.
The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Article 175 of the Company Act.
The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Act of the Republic of China. If during the process of the Meeting the number of shares represented by the shareholders present reaches the majority of the outstanding shares, the Chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.

Article 5 : The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Meeting shall proceed in accordance with the agenda and unless otherwise resolved at the Meeting, the agenda shall not be changed.
Unless otherwise resolved at the Meeting, the Chairman cannot announce adjournment of the Meeting before all the discussion items (including motions) listed in the agenda are resolved.
The shareholders may not designate any other person as Chairman and continue the Meeting in the same or other place after the Meeting is adjourned.
However, in the event that the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by a majority of votes represented by shareholders attending the Meeting, one person as Chairman to continue the Meeting.

Article 6 : When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the Chairman.
If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such shareholder. In case the

contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.
Unless otherwise permitted by the Chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the Chairman shall stop such interruption.

Article 7 : Each shareholder shall not, for each discussion item, speak more than two times (each time not exceeding 5 minutes). In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the Chairman may stop the speech of such shareholder.

Article 8 : If a corporate shareholder is appointed to attend the Meeting, the corporate may only designate one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.

Article 9 : After the speech of a shareholder, the Chairman may respond himself/herself or appoint an appropriate person to respond.

Article 10 : The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.

Article 11 : The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the Chairman. The person(s) checking the ballots shall be a shareholder(s).
The result of voting shall be announced at the Meeting and placed on record.

Article 12 : Except otherwise specified in the Company Act or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting.
The shareholders have one vote per share.
According to Article 177.2 of the Company Act: "Except for trust enterprises or stock agencies approved by the competent authority, when a person who acts a proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of total number of voting shares of the Company, otherwise, the portion of excessive voting power shall not be counted".

Article 13 : During the Meeting, the Chairman may, at his discretion, set time for intermission. If a case cannot be closed in one meeting, the Meeting may be resumed within five days by resolution of the shareholders present at the Meeting without further notice or public announcement.

Article 14 : If there is amendment to or substitute for a discussion item, the Chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.

Article 15 : The Chairman may conduct the disciplinary officers or the security guard to assist in keeping order of the Meeting place. Such disciplinary officers or security guards shall wear badges marked "Disciplinary Officers" for identification purpose.

Article 16 : The matters not provided in these Rules and Procedures shall be handled in accordance with the Articles of Incorporation of the Company and related laws and regulations.

Article 17 : These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Appendix II

China Motor Corporation
Current Shareholdings of Directors

According to Article 26 of the Securities and Exchange Act and the regulations of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total shares held by all the directors of the Company shall not be less than 3.2%, namely 17,715,850 shares. The total shares held by all the directors of the Company up to April 1, 2023 are 263,751,061 shares (47.64%), which comply with the regulation. The detailed information of the shareholding numbers of the directors are as follows:

Position	Name	Shareholding number	Shareholding ratio %	Remarks
Chairman	Li-lien Chen Yen	44,592,177	8.05	1
Director	Hsin-I Lin	139,435,815	25.19	2
Director	Yoichi Yokozawa	77,507,309	14.00	3
Director	Tai-Ming Chen	44,592,177	8.05	1
Director	Chao-Wen Chen	139,435,815	25.19	2
Director	Zhen-Xiang Yao	2,215,760	0.40	4
Independent Director	Chi-Ching Chen	0	0.00	-
Independent Director	Wei-ching Lue	0	0.00	-
Independent Director	Yi-Hong Hsieh	0	0.00	-
Total shares held by all directors		263,751,061	47.64	

Note 1. Chairman Li-lien Chen Yen and Director Tai-Ming Chen are the representatives from Yulon Motor Co., Ltd.
2. Directors Hsin-I, Lin and Chao-Wen Chen are representatives from Tai Yuen Textile Co., Ltd.
3. Director Yoichi Yokozawa is the representative from Mitsubishi Motors Corporation, Mitsubishi Motors Corporation re-appointed Yoshinori Yamazaki as its representative as of April 14, 2023, .
4. Director Zhen-Xiang Yao is the representatives from Ler Vian Enterprise Co., Ltd.
5. The Company has established an Audit Committee, and therefore, no requirement about the minimum number of shares to be held by supervisors shall apply.

Appendix III

Impact of Stock Dividend Distribution on Operating Results and Earnings Per Share

Not applicable.

Appendix IV

China Motor Corporation
Articles of Incorporation

Section 1 : General Principles

Article 1 : The Company is incorporated as a Corporation by shares in accordance with the Company Act and shall have the name of China Motor Corporation (hereinafter the "Company").

Article 2: The Company shall conduct business in the following areas:

1. CA01090 Aluminum Casting Manufacturing.
2. CB01010 Machinery and Equipment Manufacturing
3. CC01010 Power Generation, Transmission and Distribution Machinery Manufacturing
4. CD01030 Motor Vehicles and Parts Manufacturing.
5. CD01040 Motorcycles and Parts Manufacturing
6. CD01050 Bicycles and Parts Manufacturing
7. CC01090 Batteries Manufacturing.
8. CD01990 Other Transport Equipment and Parts Manufacturing
9. CQ01010 Die Manufacturing
10. E603050 Cybernation Equipments Construction
11. E603100 Electric Welding Construction
12. E604010 Machinery Installation Construction
13. E605010 Computing Equipment Installation Construction
14. F106030 Wholesale of Die
15. F112040 Wholesale of Petrochemical Fuel Products
16. F113010 Wholesale of Machinery
17. F113110 Wholesale of Batteries
18. F113020 Wholesale of Household Appliance
19. F113070 Wholesale of Telecom Instruments
20. F114010 Wholesale of Automobiles
21. F114020 Wholesale of Motorcycles
22. F114030 Wholesale of Motor Vehicle Parts and Supplies
23. F114040 Wholesale of Bicycles and Parts
24. F114050 Wholesale of Electronic Materials.
25. F119010 Wholesale of Tires and Tubes
26. F206030 Retail Sale of Die
27. F212050 Retail Sale of Petrochemical Fuel Products
28. F213010 Retail Sale of Household Appliance
29. F213060 Retail Sale of Telecom Instruments
30. F213110 Retail Sale of Batteries
31. F214010 Retail Sale of Automobiles

32. F214020 Retail Sale of Motorcycles
33. F214020 Retail Sale of Motor Vehicle Parts and Supplies
34. F214040 Retail Sale of Bicycles and Parts
35. F214050 Retail Sale of Tiers and Tubes
36. F219010 Retail Sale of Electronic Materials
37. F401010 International Trade
38. F401021 Restrained Telecom Radio Frequency Equipments and Materials Import
39. F501990 Other Eating and Drinking Places
40. H703100 Real Estate Rental and Leasing
41. I102010 Investment Consultancy
42. I103060 Management Consultancy
43. I301010 Software Design Services
44. I401010 General Advertising Services
45. I501010 Product Designing
46. IE01010 Telecommunications Number Agencies
47. IZ01010 Copying Services
48. IZ02010 Typewriting Services
49. IZ04010 Translation Services
50. IZ12010 Manpower Services
51. J901020 Hotels and Motels
52. J903020 Mountain Climbing Guiding Services
53. JA01010 Automotive Repair and Maintenance
54. JA01990 Other Automobile Services
55. JA02010 Electric Appliance and Audiovisual Electric Products Repair Shops
56. JA02020 Motorcycle Repair Shops
57. JA02030 Bicycle Repair Shops
58. JE01010 Exhibition Services
59. JE01010 Rental and Leasing Business.
60. J202010 Industry Innovation and Incubation Services.
61. F106010 Wholesale of Ironware.
62. CC01020 Electric wire and cable manufacturing.
63. CC01030 Electric appliance and audiovisual electric product manufacturing.
64. CC01080 Electronic parts and components manufacturing.
65. IZ99990 Other Industry and Commerce Services Not Elsewhere Classified.
66. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 2-1: The Company may act as a guarantor as required by its business operation.

Article 2-2: Total investment by the Company shall not be subject to the ceiling of an amount equivalent to 40 percent of its paid-in capital.

Article 3: The Company has its head-office in Taipei City, the Republic of China. Subject to the approval of the Board of Directors and government authority, the Company may, if necessary, set up branches or business offices in and out of this country.

Section 2 : Shares

Article 4: The total capital of the Company is eighteen billion New Taiwan Dollars (NT$18,000,000,000) divided into one billion eight hundred million (1,800,000,000) shares, at ten New Taiwan Dollars per share and may be issued in a series of issuance. The un-issued shares may be issued by a resolution of the Board of Directors if the Board deems necessary. Out of the foregoing total shares, one hundred million shares are reserved for issuance of stock/subscription warrants, special shares with subscription rights, or corporate bonds with subscription rights.

Article 5: Shares certificates of the Company shall be in registered form and shall be signed or sealed by the Chairman and two directors and then be affixed with Company's seal and be legally authenticated before being issued. The Company does not have to print the share certificates, however, shall register the shares with the central securities depositary institution.

Article 6: The stock affairs of the Company, unless otherwise provided by the laws and regulations, shall be handled in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" published by the competent authority.

Section 3 : Shareholders' Meetings

Article 7: Shareholders' meetings shall be of two types:

1. General meetings shall be convened by the Board of Directors once a year, within six months from the end of each fiscal year in accordance with the Company Act.
2. Special meetings shall be convened as deemed necessary by the Board unless otherwise provided by the laws and regulations.

Shareholders' meeting can be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 8: Shareholders shall be informed of the date, place and purposes of the meetings at least thirty (30) days in advance, in case of general meetings; and at least fifteen (15) days in advance, in case of special meetings.

Article 9: Unless otherwise provided by the Company Act, shareholders' meetings may be held if attended by shareholders in person or proxy representing more than one half of the total issued and outstanding capital stocks of the Company, and resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting. The Company's shareholders may also vote using electronic means. Shareholders who vote using the electronic method are considered to have attended the shareholder meeting in person.

Article 10: If a shareholder is unable to attend a meeting, he/she may present the power of attorney issued by the Company, which contains the scope of authority and appoint a proxy to attend it. In addition to the Company Act, the use of the proxy is provided in the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" published by the competent authority.

Article 11: The shareholders' meeting shall be convened and presided over by the Chairman of the Board of Directors of the Company. In case the Chairman of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice Chairman shall act on behalf of the Chairman. In case the Company has no vice Chairman, or the vice Chairman is also on leave or unable to exercise his and authority for any reason, the Chairman of the Board of Directors shall designate one of the managing directors to act on behalf of the Chairman. If no managing directors are established, the Chairman of the Board of Directors may designate one person as his proxy; if no proxy is designated by the Chairman, the directors shall elect from and among themselves an acting Chairman of the Board of Directors. If the Meeting is convened by the person other than the Board of Directors who is permitted to convene such Meeting, such person shall be the Chairman presiding the Meeting. If there are two or more persons having the right to convene the meeting, they elect from and among themselves a Chairman for presiding the meeting.

Article 12: The shareholders' meeting shall be recorded in the minutes setting forth the date, place, name of Chairman, number of shareholders present, number of voting rights, matters for resolution and resolution method and such minutes shall be signed by or sealed with the chop of the Chairman of the meeting and kept permanently during the existence of the Company. The attendance list or cards and power of attorney for attendance by proxy shall be kept at the head office of the Corporation for at least one year. The meeting minutes shall be distributed to the shareholders within twenty days after the meeting. The meeting minutes may be distributed in the form of announcement.

Section 4 : Directors and the Board of Directors

Article 13: The Company shall have 9 to 15 directors who shall be elected by adopting candidate nomination system whereby the shareholders elect from the list of the director candidates. The term of office of all directors is three years and they are eligible for reelection.

There must be at least three independent directors established among the directors of the Company and their number shall not be less than one fifth of the seats of the directors. They shall be elected by adopting candidate nomination system whereby the shareholders elect from the list of the independent director candidates.

The professional qualifications, shareholding, concurrent post limitations, nomination and election of the foregoing independent directors and other rules to be followed shall be subjected to the relevant regulations of the securities competent authority.

Article 14: The total number of inscribed shares held by all the directors shall be subjected to the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" published by the competent authority.

Article 15: The Board of Directors shall be organized by the directors. At least three managing directors shall be elected by a majority of the directors present at a meeting attended by two thirds of the directors. The number of managing directors shall not exceed one third of the number of directors at most; among the managing directors there shall be at least one independent director and the number of independent directors shall not be less than one fifth of the seats of managing directors who shall elect from and among them one Chairman of the board. They may also from and among them one vice Chairman.

Article 16: The Chairman is the Chairman of the Board of Directors and the board of managing directors and represents the Company. In case the Chairman of the Board of Directors is on leave or cannot exercise his power and authority for any reason, the vice Chairman shall act on behalf of the Chairman. In case there is no vice Chairman elected from and among the directors, or the vice Chairman is also on leave or unable to exercise his and authority for any reason, the Chairman of the Board of Directors shall designate one of the managing directors to act on behalf of the Chairman. If no managing directors are established, the Chairman of the Board of Directors may designate one person as his proxy; if no proxy is designated by the Chairman, the directors shall elect from and among themselves an acting Chairman of the Board of Directors.

Article 17: The functions and responsibilities of the Board of Directors shall be as follows:

1. Determination of business guidelines.
2. Approval of organizational by-laws and operation rules.
3. Review of budget.
4. Planning of profit distribution.
5. Direction of business promotion.
6. Appointment and removal of managers.
7. Examination and approval of purchase and disposal of important properties and real estates of the Company.
8. Performance of such other duties and responsibilities prescribed by law or authorized by shareholders' meetings.

Article 18: Principally, the Board of Directors shall hold meetings on a quarterly basis. The Chairman of the board may convene provisional meetings in the case of emergent matters or at the request of the maturity of the directors. The notice of convention of board meetings may be delivered to the directors in writing or by emails or fax. In the event that the director is unable to attend the board meeting, he/she may designate another director to act on his/her behalf. Unless otherwise provided for in the Company Act, resolutions of the Board of Directors shall be adopted by a majority of the directors at a meeting attended by a majority of the directors. The meeting minutes shall be signed or sealed by the Chairman and kept in the Company.

Section 5 : Functional committees

Article 19: The Board of Directors may establish various functional committees. The functional committees shall define their own articles of association and enforce the same upon approval of the Board of Directors.

Article 20: The Company establishes the Audit Committee consisting of the whole independent directors pursuant to the Securities and Exchange Act. The functions and other compliance affairs of the Audit Committee shall be subject to the Securities and Exchange Act and other related laws and regulations.

Article 21: (Deleted)

Article 22: (Deleted)

Section 6 : Management and other officers

Article 23: The Company shall have one general manager whose appointment, removal and remuneration shall be determined by the approval of the majority of the directors.

Article 24: The Company may have several deputy general managers, assistant managers and managers whose appointment, removal and remuneration shall be determined by the approval of the majority of the directors. Other officers are appointed and removed by the managers.

Article 25: The general manager handles all the Company's business in accordance with the resolutions of the Board of Directors and the board of managing directors as well as the instructions of the Chairman of the Company. He/she is assisted by the deputy general manager or assistant manager.

Section 7 : Accounting

Article 26: The Company's fiscal year shall be from January 1 to December 31 of each calendar year and the settlement period shall be the end of each year. The following forms shall be prepared by the Board of Directors and the presented to the shareholders' meeting for adoption.

1. Business report
2. Financial statement
3. Proposal for earnings distribution or loss make-up

Article 27: Annual profits concluded by the Company shall be subject to the following remuneration:

1. Directors' remuneration of no higher than 0.5%.
2. Employees' remuneration of no lesser than 0.1%. The Board of Directors may decide to distribute the remuneration in cash or in shares. Remuneration can be distributed to employees of affiliated companies that meet certain criteria, and the Board of Directors is authorized to determine this criteria.

Employee and director remuneration proposals must be reported during shareholder meeting.

However, profits must first be taken to offset against cumulative losses, if any, before the remainder can be distributed as employees' and directors' remuneration according to the percentages mentioned in Paragraph 1.

The Company shall, after covering all losses and paying all taxes and dues, set aside 10 percent of its surplus earnings (if any) as legal reserve. The remainder surplus earnings may be retained for business needs or otherwise distributed. The remainder of surplus earnings shall be combined with the undistributed surplus earnings of the previous year and the Board of Directors shall present the proposal of distribution. Earnings distribution that is made in cash shall comply with the regulations of the Company Act. It is authorized to be conducted by the resolution of the Board of Directors and will be reported to the Shareholders' Meeting. Where the new shares are issued, the distribution shall be submitted to the Shareholders' Meeting for resolution.

The Company operates in a matured industry. Dividends are paid based on a number of factors including current profits, capital requirement of future projects, industry trends, shareholders' interests, and the Company's long-term financial plans. The amount of dividends shall be no lesser than 40% of current year's after-tax profit. Where dividend is distributed in a mixture of cash and shares, the amount of cash dividends paid shall be no lesser than 20% of total dividends provided for the year.

Article 28: The directors of the Company may receive remunerations which are determined by the Board of Directors based on the level of remunerations in the industry.

Section 8 : Supplementary Regulations

Article 29: The Articles of Incorporation and the business handling regulations of the Company shall be set by the Board of Directors based on actual needs.

Article 30: For matters not covered herein, provisions in the Company Act and relevant laws and regulations shall govern.

Article 31: These Articles of Incorporation were enacted on May 10, 1969;
The first amendment was made on May 30, 1969;
The second amendment was made on May 8, 1970;
The third amendment was made on May 10, 1975;
The fourth amendment was made on November 22, 1978;
The fifth amendment was made on November 29, 1979;
The sixth amendment was made on July 27, 1981;
The seventh amendment was made on September 29, 1981;
The eighth amendment was made on, August 10, 1982;
The ninth amendment was made on June 3, 1983;
The tenth amendment was made on June 15, 1984;
The eleventh amendment was made on June 25, 1986;
The twelfth amendment was made on May 18, 1987;
The thirteenth amendment was made on May 19, 1989;
The fourteenth amendment was made on November 30, 1989;
The fifteenth amendment was made on March 26, 1990;
The sixteenth amendment was made on July 25, 1990;
The seventeenth amendment was made on May 4, 1991;
The eighteenth amendment was made on May 30, 1992;
The nineteenth amendment was made on May 22, 1993;
The twentieth amendment was made on May 14, 1994;
The twenty-first amendment on May 27, 1995;
The twenty-second amendment was made on May 11, 1996;
The twenty-third amendment was made on June 7, 1997;
The twenty-fourth amendment was made on May 16, 1998;
The twenty-fifth amendment was made on May 15, 1999;
The twenty-sixth amendment was made on May 31, 2000;
The twenty-seventh amendment was made on May 23, 2001;
The twenty-eighth amendment was made on June 19, 2002;
The twenty-ninth amendment was made on June 18, 2003;
The thirtieth amendment was made on June 24, 2004;
The thirty-first amendment was made on June 16, 2005;
The thirty-second amendment was made on June 14, 2006;
The thirty-third amendment was made on June 25, 2007;
The thirty-fourth amendment was made on June 25, 2008;
The thirty-fifth amendment was made on June 23, 2010;
The thirty-sixth amendment was made on June 22, 2011;
The thirty-seventh amendment was made on June 19, 2012;
The thirty-eighth amendment was made on June 18, 2013;
The thirty-ninth amendment was made on June 24, 2014;
The forty amendment was made on June 24, 2015 and shall be applicable as of the Board of Directors of 19th term;
The forty- first amendment was made on June 24, 2016.
The forty- second amendment was made on June 24, 2020;
The forty- third amendment was made on June 23, 2022.