



Excerpt of GRAND OCEAN RETAIL GROUP LIMITED
2023 Annual General Shareholder's Meeting Minutes



Date and Time : June 15, 2023 9:00 AM

Location : No. 231 Jiangou S. Rd, Sec 2, Taipei, Taiwan

Shares Presented or Represented :

Total shares issued : 195,531,000 shares

Shares Presented or Represented : 131,980,074 shares

Percentage of Shares Presented or Represented : 67.49%

Chairman : Kuo Jen Hao



Secretary : Hung Wei Kai



- I. Chairman's Address: Omitted.
- II. Report Items
 - (I) 2022 Business Report : Annex I.
 - (II) 2022 Audit Committee Annual Financial Statement : Annex II.
 - (III) Report of the "Rules and Procedures of Board Meetings" of the Company is provided here.
 - (IV) Report of the "Sustainable Development Best Practice Principles" of the Company is provided here.

III. Recognition Items

(I) 2022 Business Report and Consolidated Financial Statements

Description:

I. The board has passed the resolution of the 2022 consolidated financial statements, and authorizes the KPMG Taiwan accountants Zhang Shuying as well as Lai Lizhen, to perform the audit, having been fulfilled. Consequently, the consolidated statements will be submitted to the audit committee along with the business report for further check, and the written check report is to be documented.

II. For the business report, please refer to Annex I; for the audit report, consolidated income statement, consolidated statement of changes in shareholders' equity, as well as consolidated statement of cash flows, please refer to Annex III.

III. Please be informed for recognition.

Resolution:

After voting, the total voting rights of the shareholders present in this case were 128,367,074, 125,468,199 in favor, accounting for 97.74% of the total voting rights (including 109,504,199 in electronic means); 269,588 in opposition (including 269,588 in electronic means) ; invalidity rights: 0; abstentions/non-voting rights: 2,629,287 rights (including electronic voting abstentions: 2,626,287 rights), and this case was recognized as the case.

(II) 2021 Loss Recovery Statement

Description:

I. Net loss after tax of the company in 2022 is NT\$832,846,555, which is proposed offsetting of losses with special surplus reserve. The Loss Recovery Statement is as follows:

GRAND OCEAN RETAIL GROUP LIMITED 2022 Loss Recovery Statement

Currency: NTD

Retained earnings at the beginning of the period	436,884,688
Deduction : Net loss after tax for the period	(832,846,555)
Addition : Reverse special surplus reserve	40,170,619
Deficit at the end of the 7 period	(355,791,248)
Deferred items	
Offsetting losses with special surplus reserves	355,791,248
Retained earnings at the end of the period (Appropriated)	0

Chairman:

GUO RENHAO



Manager:

HUANG QINGHAI



Accounting

Supervisor:

LI CHAO



II. Please be informed for recognition.

Resolution:

After voting, the total voting rights of the shareholders present in this case were 128,367,074, 125,465,199 in favor, accounting for 97.73% of the total voting rights (including 109,501,199 in electronic means); 312,588 in opposition (including 312,588 in electronic means) ; invalidity rights: 0; abstentions/non-voting rights: 2,589,287 rights (including electronic voting abstentions: 2,586,287 rights), and this case was recognized as the case.

IV. Topic Discussions

(I) Amendment to Certain Articles of the “Articles of Incorporation”

Description:

- I. In compliance with considering practical operations for the company, a proposal is made here to amend the certain articles of “Articles of Incorporation” of the company.
- II. Please refer to Annex IV for comparison table of the articles.
- III. Please be informed for discussion.

Resolution:

After voting, the total voting rights of the shareholders present in this case were 128,367,074, 125,429,849 in favor, accounting for 97.71% of the total voting rights (including 109,465,849 in electronic means); 339,938 in opposition (including 339,938 in electronic means) ; invalidity rights: 0; abstentions/non-voting rights: 2,597,287 rights (including electronic voting abstentions: 2,594,287 rights). The case was passed as per the case.

(II) Amendment to Certain Articles of “Procedural Rules of General Meeting of Members”

Description:

- I. In compliance with the recent act amendments and considering practical operations for the company, a proposal is made here to amend the certain articles of “Procedural Rules of General Meeting of Members” of the company.
- II. Please refer to Annex V for comparison table of the articles.
- III. Please be informed for discussion.

Resolution:

After voting, the total voting rights of the shareholders present in this case were 128,367,074, 125,427,849 in favor, accounting for 97.71% of the total voting rights (including 109,463,849 in electronic means); 339,938 in opposition (including 339,938 in electronic means) ; invalidity rights: 0; abstentions/non-voting rights: 2,599,287 rights (including electronic voting abstentions: 2,596,287 rights). The case was passed as per the case.

V. Election Item

(I) Full Re-election of Directors of Board

Description:

- I. The term of office of the current Directors of Board shall be terminated on Jun 16, 2023 where the full re-election shall be held in current shareholders meeting accordingly.
- II. Following the regulations formulated in the charter of the Company, 7 chairs of the Directors of the Board shall be elected in this session (wherein 3 amongst the chairs are Independent Directors), and the term of office thereof is subject to 3 years.
- III. The newly elected Directors of the Board shall take office immediately after the election, where the term of office is subject to 3 years, since Jun 15, 2023 to Jun 14, 2026.
- IV. Election of Director of the Company shall company with the candidate nomination system, where shareholders shall vote for the election among the candidate list of Director.
- V. The candidate list of the Director has been investigated by the Board on April 28, 2023, where the related information is as follows:

Serial Number	Name	Number of Shares (thousand shares)	Major Education and Experience
General Director			
1	Kuo Jen Hao	0	Education: Pace University NY MBA Finance and Accounting major. Certified Public Accountant of American. Working Experience: Director 、 Chief financial officer of Natural Group. Private Equity Management Group Vice president. PWC Transaction Services. Merrill Lynch Research Assistant.
2	First Steamship Company Ltd (Representative : Ng Qing Hai)	19,552 /2,600	Education: Management Consulting Program at the French Graduate Business School. Certified Public Accountant of China. Working Experience: Director, CFO, Deputy chairman and GM of Shanghai Allied Cement Limited. Managing Director of Allied Cement Holdings Limited Legal representative of Nanjing Tiandu Industry Co., Ltd. Executive director, Managing Director of CHIANVISION MEDIA GROUP LIMITED.

Serial Number	Name	Number of Shares (thousand shares)	Major Education and Experience
3	First Steamship	91,560	Education: Department of Business Economics Renmin University of China Working Experience: General manager of Beijing Xicheng Department Store. Business manager of Beijing Xidan Shopping Center. Manager of Beijing Scitech Shopping Center Department store. Deputy General Manager of the Wuhan Store at Beijing SOGO Department Store Group. Wanda Group: Assistant to the president and Wanda Department Store Deputy general manager. Xi'an and Jinan Regional general manager of Wanda Business Management Company. Director, Vice president of Grand Ocean Department Store Group Limited.
	S.A	/0	
	(Representative : Zhang Jin Guo)		
4	Lee Seng Chay	0	Education: Bachelor of Science, Monash University, Australia . Working Experience: Mulpha International Bhd, General Manager ; Mabuhay Holdings Corporation, President/ Vice President .
Independent Director			
1	DING JIN HUEI	0	Education: NCTU Executive Master of Business Administration ; Ph.D. in Business Management, Tianjin Nankai University ; Certified Public Accountant of the Republic of China Working Experience: Member of School Affairs Fund of NCTU ; Director 、 Secretary of Chinese Association of Valuation ; Host of Taipei's bus privatization planning and implementation plan ; Independent Director of ASSEM TECHNOLOGY CO., LTD 、 LUNG HWA ELECTRONIC CO., LTD 、 TRENDCHIP TECHNOLOGY CO., LTD 、 Taiwan Environment Scientific Co., Ltd ; Remuneration Committee of TSTI.
2	SHER CHING YEE	0	Education: Master of Practising Accounting, MONASH UNIVERSITY ; Bachelor degree from University of London ; Member of the Association of Chartered Certified Accountants, UK. Working Experience: Auditor of Deloitte Touche Tohmatsu Limited (HK) ; Director of Dehui International (Group) Co., Ltd ; Vice Chairman & MG of Xiamen Shijia Chemical Co., Ltd ; GM of Qianjing Clothing Co., Ltd. ; GM of Qingdao Mingyu Real Estate Plaza Co., Ltd.
3	LEE JENN	0	Education:

Serial Number	Name	Number of Shares (thousand shares)	Major Education and Experience
	YUH		<p>Master of Real Estate Management at New York University. Bachelor of Urban Planning, NCKU. Passed the urban planner professional licensure examination. Passed the special examination for land registration professional agents. Passed the examination for financial trust business personnel.</p> <p>Working Experience: Investment Analyst at Young Land Realty Partners LLC. Executive Assistant to the President and Investment Department Manager at Fu Hwa Investment Company (American Real Estate Investment Private Equity Fund). Manager at Beijing Rui Ding Cheng Co., Ltd. and Fu Hwa Investment Company. Asset Business Manager and Investment Department Manager at Taiwan Tesco Co., Ltd. (British Tesco supermarket). Development Department Manager and Investment Department Manager at Taiwan Carrefour Co., Ltd. (French Carrefour). Assistant to the President and Director of Development Department at Grand Ocean Department Store Group Limited. General Manager in Charge of Preparatory Work at Shanghai 1,000 trees Commercial Management Co., Ltd.</p>

VI. Please be informed for the election.

The elected board members' list is as follows:

Identities	Shareholder account number or individual identification document number	Nationality	Name	Number of votes
Director	A1244*****	R.O.C	Kuo Jen Hao	134,204,586
Director	5452 /H2026****	R.O.C /Hong Kong	First Steamship Company Ltd (Representative : Ng Qing Hai)	125,888,878
Director	5444 /EA368****	Panama /China	First Steamship S.A (Representative : Zhang Jin Guo)	125,099,659
Director	A5574*****	Malaysia	Lee Seng Chay	123,855,575

Identities	Shareholder account number or individual identification document number	Nationality	Name	Number of votes
Independent Director	KJ067****	Hong Kong	SHER CHING YEE	115,516,900
Independent Director	P1215*****	R.O.C	DING JIN HUEI	112,004,955
Independent Director	C1207*****	R.O.C	LEE JENN YUH	110,459,553

VI. Other Topic Discussion:

(I) Full Re-election of Directors of Board

Description:

- I. If the newly elected Director of Board as well as his/her representative launches any investment on or manage other company and occupies as a Director of which the business scope is same or similar to the Company, it is advisable to submit the provision to the shareholders meeting for relief of competition limitation for the newly elected Director of Board as well as his/her representative, in compliance with Article 209 of the Company Act of ROC and the charter of the Company, under the prerequisite of that the conduct shall not endanger the benefits of the Company.
- II. Please be informed for discussion.

The non-competition restrictions for the newly appointed director are as follows

Name	Concurrent Company Name	Job Title
Kuo Jen Hao	FIRST STEAMSHIP COMPANY LIMITED, ROYAL SUNWAY DEVELOPMENT CO., LTD, Yee Xin Investment Co., Ltd, Yee Yong Investment Co., Ltd.	Chairman and GM
	Youcheng Financial Leasing Co., Ltd., First Steamship S.A.(PANAMA), Praise Maritime S.A.(PANAMA), Longevity Navigation S. A.(PANAMA), Best Steamship S.A. (PANAMA), Grand Steamship S.A. (PANAMA), Black Sea Steamship S.A. (PANAMA), Ship Bulker Steamship S.A. (PANAMA), Reliance Steamship S.A. (PANAMA), Alliance Steamship S.A. (PANAMA), Sure Success	chairman

Name	Concurrent Company Name	Job Title
	Steamship S.A. (PANAMA), Shining Steamship International S.A.(PANAMA), Excellent Steamship International S.A. (PANAMA), Yonghenghui Investment Limited, Fuliayang Technology Co., Ltd, Heang Fu International Co., Ltd.	
	Grand Citi Limited (HK), First Mariner Holding Led.(BVI) 、 Ahead Capital Ltd.(BVI), Media Assets Global Ltd.(BVI), Heritage Riches Ltd.(BVI), First Mariner Capital Ltd.(BVI), Mariner Capital Ltd.(HK), Mariner Far East Ltd.(HK), Jia Wang Asset Development Co., Ltd.	Director
	DA YU FINANCIAL HOLDINGS LIMITED.	Member of Remuneration/Remuneration Committee and Audit Committee
	Sandmartin International Holdings Limited.	Chairman and non-executive director
	Taiwan Environment Scientific Co., Ltd.	Chairman and CEO
First Steamship Company Ltd (Representative : Ng Qing Hai)	Grand Ocean Retail Group Limited.	GM
	Shanghai Allied Cement Limited.	Deputy Chairman and GM
	Shanghai Allied Cement Holdings Limited.	CEO
	Shandong Allied Wangchao Cement Limited and Nanjing Tiandu Industry Co., Ltd.	Legal representative
	First Steamship Company Ltd, Grand Citi Limited.	Director
	Grand Ocean Classic Commercial Group Co., Ltd.	Chairman
	Nanjing Grand Ocean Classic Commerce Limited, Fuzhou Grand Ocean Commerce Limited, Quanzhou Grand Ocean Commerce Limited, Wuhan Grand Ocean Classic Commercial Development Limited, Wuhan Optics Valley Grand Ocean Commercial Development Limited, Wuhan Hanyang Grand Ocean Commercial Development Limited, Fuzhou Grand Ocean Classic Commerce Limited, Chongqing Optics Valley Grand Ocean Commercial Development Limited, Hengyang Grand Ocean	Executive Director

Name	Concurrent Company Name	Job Title
	Commercial Development Limited, Yichang Grand Ocean Commerce Limited, Hefei Grand Ocean Classic Commercial Development Limited, Shiyan Grand Ocean Commerce Limited, Shanghai Jingxuan Business Administration Limited, Fuzhou Jiaruixing Business Administration Limited and Shanghai Grand Ocean 1000 trees Commercial Management Co., Ltd.	
First Steamship S.A (Representative : Zhang Jin Guo)	Grand Ocean Classic Commercial Group Co., Ltd.	Director and Vice president
	Nanjing Grand Ocean Classic Commerce Limited, Fuzhou Grand Ocean Commerce Limited, Quanzhou Grand Ocean Commerce Limited, Fuzhou Grand Ocean Classic Commerce Limited, Hefei Grand Ocean Classic Commercial Development Limited and Fuzhou Jiaruixing Business Administration Limited.	GM
Lee Seng Chay	Grand Ocean Retail Group Limited	Auditor General
	Grand Citi Limited and Grand Ocean Classic Commercial Group Co., Ltd.	Director
	Shiun Tung Company Limited, Jian Cheng Investment Company Limited.	Legal representative
DING JIN HUEI	PAN ASIA INTERNATIONAL & CO., CPAs.	Director
	NCTU	Adjunct Assistant Professor
	HUANABIOTECH CO., LTD.	Supervisor
	Preferred Investment Advisors (HK) Ltd and UNION WINNER INTERNATIONAL CO., LTD.(KY).	Director
SHER CHING YEE	Dehui International (Group)Co., Ltd.	Vice Chairman
	Qingdao Mingyu Real Estate Plaza Co., Ltd.	Chairman
LEE JENN YUH	None	None

Resolution:

After voting, the total voting rights of the shareholders present in this case were 128,367,074, 119,457,754 in favor, accounting for 93.05% of the total voting rights (including 108,248,754 in electronic means); 1,553,099 in opposition

(including 1,553,099 in electronic means) ; invalidity rights: 0; abstentions/non-voting rights: 7,356,221 rights (including electronic voting abstentions: 2,598,221 rights). The case was passed as per the case.

VII. A.O.B. Shareholders' questions and voice content and the company's reply:

Shareholders account numbers 15094 and 24409 jointly raise a question:

- (1) Asset Realization: Has the company considered selling one of the five self-owned assets to comprehensively improve its debt structure? I personally suggest selling the "Quanzhou Store" (good location, but lacks a niche in department store operations; it might be better suited as an office building).

Company's Response: Regarding the suggestion for asset realization, we will study it, and there is a possibility that we may consider it. °

- (2) Qianshu Store's Operational Situation: In response to the FITS accounting standards, 1000 Trees Store has made significant expense provisions. If we exclude the excess provisions, has the actual operational situation already reached breakeven in terms of profit and loss?

Company's Response: The impact of the pandemic on 1000 Trees Store's performance last year was relatively encouraging. This year, the goal is to achieve breakeven without the provisions, which would be a significant milestone.

- (3) Are the leasing conditions for the 14 closed store locations due to the pandemic ideal?

Company's Response: As of June, the strong-performing stores have committed to filling all vacant spaces, while the weaker stores will undergo gradual improvements in batches.

- (4) Has the company assessed whether the operations can turn from loss to profit this year?

Company's Response: We are aiming to achieve a slight profit for the year as our goal.

- (5) Follow-up progress on the Quanzhou Fengsheng project: Has the company evaluated the possibility of recovering the full investment amount? Is there any profit potential? What is the status of the progress timeline?

Company's Response: Fengsheng project is led by the Quanzhou Municipal

Government, and it requires some time for communication. We hope to secure a portion of the houses in return. °

- (6) Can the transformation of the Fuzhou Store 1 into a rental property achieve breakeven or even profitability? ?

Company's Response: There may still be some difficulties this year, but we hope to achieve breakeven next year. °

- (7) Are there opportunities for significant profits this year for the flagship stores "Wuhan Zhongshan," "Wuhan Guanggu," "Yichang Store," "Nanjing Store," and "Fuzhou Store 2"?

Company's Response: These are our strong-performing stores, and they have relatively strong profitability. Of course, we aspire to achieve higher profits for these stores. °

- (8) As the completion of 1000 Trees Phase 2 is approaching, has Tianan Group discussed cooperation matters with our company? Is Grand Ocean willing to continue operating 1000 Trees Phase 2?

Company's Response: Grand Ocean will continue to operate 1000 Trees Phase 2, which will feature a five-star hotel, historical sites, and office spaces. The dining options will also be improved. °

- (9) With a net asset value of NTD 37 per share and a stock price of NTD 16, we earnestly request the company to implement share buybacks to boost investor confidence. °

Company's Response: At present, the company needs to maintain its cash position to improve its performance. °

- (10) Has the company conducted a valuation assessment of the approximately 80,000 square meters of real estate assets that Dayang has invested in over the past 20 years? Is there a possibility of earning 2-3 times the investment? If the assets are re-evaluated, is there a chance for Dayang's net worth to exceed NTD 80?

Company's Response: We will consider it, but as there is no valuation report available at the moment, we cannot confirm the specific amount.

VIII. Adjournment: 9:53 am on June 15, 2023

2022 Business Report

Ladies and Gentlemen:

Thanks for everyone for your kindly support as well as encouragement to Grand Ocean Retail Group Limited for such a long time as always. We are honored to be on behalf of the whole operating team to present the operational results and development in 2022 as well as operational strategies in 2023

1、2022 Operational Results:

Annual consolidated operating revenues of the group in 2022 was NT\$ 4,150,142 thousand, which grew by a decrease of 19.56% than NT\$ 5,159,425 thousand in 2021; net loss after tax in 2022 was NT\$ (832,847) thousand, which grew by a decrease of 258.78% than NT\$ (232,135) thousand in 2021; Loss per share in 2022 was NT\$4.26.

2、2022 Operational Development:

Looking back at 2022, affected by multiple factors such as Russia-Ukraine conflict, repetitive pandemic, and tightening global financing environment, the world economy seemed to stumble forward in a swamp. The World Bank unprecedentedly revised down the world economic growth forecast four times within a year. In terms of Chinese economy, 2022 was the toughest year among the three-year pandemic containment. The full-year GDP was over RMB121 trillion, with the real growth only 3%. Since the Reform and Opening-up, the economic growth of China only fell under 4% in 1990 (3.9%), 2020 (2.2%), and 2022 (3%), and two of which are during the three-year long pandemic. The operation of Grand Ocean in 2022 was greatly challenged under the threat of Omicron. Nonetheless, we still have some achievements under the guidance of the “building a new landmark of humanities, art and innovative retail; being a leader in consumption, experience and lifestyle.”

(1) The 1,000 Trees Shopping Mall has been widely well received by consumers

1,000 Trees is the first shopping mall opened by Grand Ocean in a tier-1 city, and the grand opening was on December 22, 2021. By opening in the peak season of consumption at the year-end and beginning of a year, 1,000 Trees soon becomes favored by the public. We target young people and introduce many trendy and forward-looking brands, while displaying many works from the top international artists to enhance the shopping environment and create some unique experience for customers. At the early stage of opening, the average daily traffic of customer exceeded 100,000 people. Later, the 1,000 Trees closed for two months due the pandemic in Shanghai. However, the operation team has unearthed the consumption potential in the night economy through the night market “In the Forest” featured with interlaced trendy goods, gourmets, and music that fuse the ecologic views, cultural exchange, and recreation and entertainment in one-stop, and

brought back the consumers to the mall. In the ranking issued by Meituan/Dianping, the 1,000 Trees is honored as the top 1 hot mall for 2022.

As the theme of this year, Grand Ocean will build a new landmark of humanities, art and innovative retail. We install art works in the commercial space and thus build a good platform for better exchanges and interactions between arts and the publics, and we promote the mall to the millennials via art events. The major consumption force of the millennials has the consumption view and aesthetic taste that focuses on themselves more, and they never hesitate to buy things they like. If a business operator has the enthusiasm for beauty in the heart, and makes the millennials smile from their hearts, the ability is not only the essence of the experience economy, the eyes of the millennials will be caught better, to create a new opportunity for the commerce.

(2) Non-stop growth of membership size

In 2021, we integrated the memberships of individual stores into a united membership system, and classified the members into six level based on their consumed amounts. The strategy to admit membership for any consumption is abandoned, to invest the limited business resources to the customers generating greater values. In 2022, this membership system has been operating well. The total number of members exceeds 700,000, and 380,000 effective members have been added. Among them, members with the Silver Card level or higher have exceeded 150,000 and 60,000 members have been added. From the distribution of members' ages, consumers born after 1990 and 2000 have become the main consumption force for Grand Ocean, accounted for 45% of total members, and their consumption is accounted for 43% of the total sales to members.

(3) The digital transformation is promoted progressively

The digital transformation of Grand Ocean included two stages. Before the pandemic, it was led by the technology department, mainly the digital infrastructure. The new POS system replaced the conventional cash registers, and the mainstream payment methods, namely Wechat Pay and Alipay went online; it has been attempted to start business on the online platforms such as Meituan, while the customer traffic system and link to car-parking systems have been added. After the pandemic, the digital transformation is led by the sales department, starting from the business needs. Each store builds their own omni-channel digitized marketing platform, and actively embraces platforms such as Tiktok, applet mall, and Meituan, among other things. However, the business development is hindered as these systems are isolated without collaboration. Therefore, we established the Grand Ocean Smart Data System in 2022, including the

mobile app and the web version on the computer, with a platform of “management under one screen” to improve the management level. After the system is built, it has been distributed to sales and financial personnel of all stores. The system first allows sales personnel to know the operation status of a certain floor, department and counter of a store, regardless time and location, as well as the online sales data of each platform; in addition, the members spending more during the day are pushed to the sales personnel for them to provide timely services to these members when required; thirdly, acquisition effect, membership structure, and consumption habits may be displayed to the sales personnel in a visualized manner, to capture the sales of various coupons during previous events to guide the planning.

(4) Ever-refreshing marketing activities

After the outbreak of the pandemic in Shanghai in the first half of 2022, the high-growth categories such as luxury goods, cosmetics, and sports have declined as a whole, food and beverage brands have withdrawn one after another, and consumers have been losing passions toward the offline shopping continuously. Each store of Grand Ocean has introduced various countermeasures coping with the local conditions, and conducted targeted virtual fashion shows and city markets to stimulate customers’ passion for in-store consumption, to improve customer traffic and performance, and thus enhance the store’s ability of merchant recruitment. The Fuzhou Store II invited vloggers with at least a million followers to visit the store to release short clips about the store; Yichang store invited Romantic Cruise of K Girl to the food tasting party, “Grand Ocean Food Fun,” while mobilizing local official media in Yichang, such as “Xiling Publishing” and “Three Gorges Business Daily” multiple times for interviewing and reporting. The “In the Forest” market of the 1,000 trees in Shanghai became the hotspot of in the Shanghai May 5 Shopping Festival, and recommended by Dragon TV, People’s Daily, and ShanghaiWOW. Nanyi, Wuer, and Wusan all have market activities, The market events were held in South I Store, Wuhan Store Iii, and Wuhan Store III, with apparent customer-gathering effect. These events have obviously driven the recovery of offline customer traffic, and functioned to a certain level of mending the performance gap.

Furthermore, regarding the online sales, the performance of Tiktok’s local life section exceeded expectations, and the bombing live broadcast and short clip before the anniversary sales became the hottest topic in Wuhan area. Although the store closure due to the Omicron pandemic in November resulted in refunds by many consumers, its potential has been fully revealed, not to mention the advertising effect brought about by the event. In the future, we will continue to organize the store exploration activities by experts in Tiktok’s local life section.

3、2023 Operational Strategies:

With the decline from the peak of the Covid-19 infection, the impact of the pandemic will gradually fade, and huge market, huge population, and the diversified needs of various “consumer generations” such as millennials in China, as well as the excellent tradition of Chinese’s high savings determine that a certain remedial rebound on both ends of supply and demand will appear in 2023. In 2023, it is expected to enter the year of economic activation, and the retail industry will welcome its a new spring. Grand Ocean also needs to transcend the boundaries of the stereotype content and resources prolonged for many years to accelerate its own reform. The Company’s work tasks are organized and arranged by centering at “the retail enhancement builds the one-stop happy shopping world; the experience format refinement presents a multi-dimensional consumption space,” and the following tasks will be conducted actively:

(1) Merchant recruitment

In 2023, it is necessary to emphasize the survey and research, and negotiation, to create diversified consumption scenarios and present a multi-dimensional consumption space. The multi-dimension first expresses different types of consumption, such as health consumption, development consumption, entertainment and culture consumption, and emotional consumption, in particular the emotional consumption. After a big crisis, the mental status needs emotional support and warmth more than ever; venting emotions, releasing stress, getting rid of loneliness, and mitigating anxiety will become important innovative consumption themes.

The multi-dimension also seeks to express the multi-dimension of time and space. The first is a space combining virtuality and reality. The shopping mall not only has offline consumption scenarios, but also online consumption spaces such as live broadcast rooms; secondly, it is a consumption space incorporating each other. For instance, in a bookstore, reading and resting are available, with the paid reading space and coffee salon among other small scenarios. Thirdly, it is dynamic consumption space, such as using several hundred square meters to some modular pop-up stores flexibly arranged adaptive to seasonal changes.

(2) The continuous digital transformation with a marathon attitude

The target of digital transformation is dynamic itself. For a rapidly changing environment, no one is able to formulate a perfect strategy and execute it step by step. This is a dynamic process to progress with the times, reform and innovate, and continuously advance. Grand Ocean’s WeChat applet platform is provided by Weimeng, centered at its 700,000 members, to build a traffic aggregation platform. However, during more than a year of

operation, we have also found dissatisfaction to the business needs; hence Grand Ocean engaged MOBCB to create a new applet platform. MOBCB provides customized services such as private platform construction and SaaS platform settle-in for department stores and shopping malls. Its main customers include Dongbai, Zhenghong Center, Jingfeng, Sasseur Outlets, Chengdu Chicony, Hubei International Trade Building, among other customers. The project is expected to be launched in July 2023. Upon the completion of the project, the current needs of Grand Ocean for the applet mall will be met, including a multi-level management structure, account sharing for leasing merchants, flexible membership mechanism, and abundant promotion and interactive marketing means.

(3) Coordination of planning management

In the past, each store had different level of planning, resulting in a lack of unified brand image and event progress during the major scheduled activities of the Group. In 2023, the Group will establish a planning department to centralize planning activities, so that the marketing activities of different stores can jointly create a unified brand image, and speak the same language in different places. By continuously improving the level of marketing activity planning, the content stereotypes in the past are to be transcended, the bad habit of just modifying the old plan to use it again will be abandoned, to accelerate the Group's own transformation.

(4) Develop toward a high-tech enterprise

Occupying the high ground of data department stores has always been Grand Ocean's vision. In 2023, the Group intends to register Jingxuan in the Shanghai Free Trade Zone, to actively acquire its own software copyrights, patents, among other intellectual property (IP) rights, such as the front-end software of the WeChat applet platform, as well as the IP rights related to marketing activities of shopping malls, to allow the Company to transform into a digital company. The plan is conducted based on the requirements of Shanghai high-tech enterprises, and it is expected to become a high-tech enterprise during two to three years. Afterwards, stores of Grand Ocean will be the business center and sales center of the Group, while Jingxuan will be the technology center and profit center of the Group.

4、Prospect

The three-year pandemic has hit the retail industry hard, and Grand Ocean and other commercial peers had difficulty to fulfill their promise of staying open for 365 days. This has disturbed us deeply! In the next decade, with the implementation of the "Class B Management for Class B Infectious Disease" policy, consumers will rekindle their passion for consumption, and the customer traffic of Grand Ocean's stores have been gradually returning to normal. What is the future of the retail industry? Are department stores a sunset industry? For these doubts, the Group is still

optimistic about the retail industry for the following reasons:

- (1) From 2022 to 2035, China's economic growth rate will gradually transition from medium-to-high growth (over 5%) to medium growth (over 4%), and the average annual growth rate of GDP will remain at around 4.8%. Based on this growth rate, it will take 15 years for China to double its GDP by 2035. Residents' per capita disposable income will also increase simultaneously. By 2035, China's per capita GDP will exceed US\$25,000, reaching the level of moderately developed countries. This means the size of the economy will be doubled, and the share of consumption in the national economy will be increasing constantly, with the doubled retail market scale at least. Therefore, that it is unfair to define the retail industry as a "sunset industry" too early.
- (2) Within next two decades, the retail industry still enjoys a period filled with development opportunities. Since 2012, China's economy has developed a new norm, and high-quality development has become a new topic. The three-year pandemic have a fatal hit on retail companies. After three years of suffering, Grand Ocean is still advancing with its head held high. We are well aware that the improvement of people's living standards is the major trend. To grasp with the pulse of the era, and understand consumption better than consumers, for becoming the leader of a new lifestyle, it is necessary to examine the consumption format again. By improving the store layout, upgrading the brand level, and using data tools and AI facilities, young people are allowed to enjoy the truly convenient, playful, graceful, elegant, and avant-garde products and services both inside and outside the stores, be it online and offline, to increase customer stickiness. A closer relationship between stores and brand owners is established, for both "merchandises" and "markets" jointly enhancing the value level to "people."
- (3) In the market in the future, the strong ones will be stronger. The so-called strong ones are able to accurately grasp the development trends of retail business, improve the facilities, merchandises and services of stores accordingly, and view the current "people", "merchandises" and "market" with the future perspective. The strong ones must catch the key, i.e. "upgrading," and abandon the undistinguishable stores by continuously improving the brand level, increasing the weights of health, leisure, experience, social customization, personalization, and artistry, for refreshing consumers frequently.
- (4) It is true that it is inevitable to be zero-sum in game in the retail industry as it is a highly market-oriented industry. Only by keeping aligning to the time, Grand Ocean may be able to be an invincible winner from fierce competitions and eliminations, and become a strong player who always stay at the forefront.

GRAND OCEAN RETAIL GROUP LIMITED

Chairman: GUO JEN HAO



Manager: HUANG QING HAI



Accounting Supervisor: LI CHAO



Audit Committee Audit Reports

The board has prepared the 2022 business report and consolidated financial statements, wherein the latter ones have been authorized to the KPMG Taiwan accountants Zhang Shu Ying as well as Lai Li Zhen and accomplished; the audit reports are issued here. Business report, consolidated financial statements and earnings distribution bill as above have been checked by the audit committee, and incompatibility is not yet found. Thus Article 14.4 of Securities Exchange Act as well as Article 219 of Company Act of R.O.C. are to be adopted for the report, please be informed.

Sincerely

GRAND OCEAN RETAIL GROUP LIMITED
2022 Shareholders Meeting

GRAND OCEAN RETAIL GROUP LIMITED



Audit Committee Coordinator: SHER CHING YEE



Mar 31, 2023

Accountant's Audit Reports

To the board of Grand Ocean Retail Group Ltd.:

Audit Comment

We have audited the consolidated financial statements of Grand Ocean Retail Group Ltd. and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as of December 31, 2022 and 2021, and the consolidated statement of comprehensive income, changes in equity and cash flows for the years then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated 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 with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Foundation of Audit Comment

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

Critical Audit Matters (CAM)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

I. Impairment of Goodwill and Trademark Rights

Please refer to notes 4(m), 5(c), and 6(h) to the consolidated financial statements for the accounting principles on the recognition of impairment of non- financial assets, the accounting estimates and uncertainty of assumptions in assessment of impairment of goodwill and trademark privileges, as well as details of impairment of goodwill and intangible assets, respectively.

Description of key audit matter:

As of December 31, 2022, the carrying amounts of intangible assets 8% of the total assets of the Group. The major part of goodwill and trademark originated from the acquisition of GORG in 2006. Since retailing business was influenced by COVID-19 pandemic, maintaining revenue and profitability had become a challenge. Therefore, the goodwill and trademark from acquisition were affected, and the Group concerned if the carrying amounts exceeded recoverable amounts of retailing department. The Group's management should follow IAS 36 to determine the value in use using a discounted cash flow forecast of retailing department. Due to the fact that the estimated recoverable amounts involved management's judgment, and it had great uncertainty, there was an overestimated risk on value in use of goodwill, trademark, and assets of retailing business department. Therefore, we considered the assessment of assets impairment as one of the key audit matters to the consolidated financial statements in the audit process.

How the matter was addressed in our audit

We casted professional doubt on the model that the Group's management used to assess the impairment of goodwill and trademark, including to evaluate whether management had identified cash generating units ("CGU") which might have impairments, and to consider all the assets that had to be tested had been included in the assessment. We also reviewed separate financial assumptions that the management used to assess impairments and related verification of recoverable amounts. We verified the reasonability of the assumptions and accuracy of management's calculation based on available data. We also

examined the appropriateness of disclosure for the aforesaid assets.

II. Impairment of Assets

Please refer to notes 4(m), 5(b), 6(f), and 6(g) to the consolidated financial statements for the accounting principles on the recognition of impairment of non-financial assets, the accounting estimates and assumptions uncertainty in assessment of impairment of property, plant and equipment, and right of use assets, details of impairment of property, plant and equipment, as well as right -of- use assets, respectively.

Description of key audit matter:

As of December 31, 2022, the carrying amounts of property, plant and equipment and right- of- use assets constitute 75% of the total assets of the Group. Since retailing business was influenced by COVID-19 pandemic; shipping business was affected by the uncertainty of international economic cycle and transportation volume, maintaining revenue and profitability had become a challenge. Therefore, the carrying amounts of operating assets were affected, and the Group concerned if the carrying amounts exceeded recoverable amounts. The Group's management should follow IAS 36 to determine the recoverable amounts by the higher of using discounted cash flow forecast or fair value less disposal costs. Due to the fact that the estimated recoverable amounts involved management's judgment, and it had great uncertainty, there was an overestimated risk on value in use of operating assets. Therefore, we considered the assessment of assets impairment as one of the key audit matters to the consolidated financial statements in the audit process.

How the matter was addressed in our audit

We casted professional doubt on the model that the Group's management used to assess assets impairment, including to evaluate whether management had identified CGU which might have impairments, and to consider all the assets that had to be tested had been included in the assessment. We also reviewed separate financial assumptions that the management used to assess impairments and related verification of recoverable amounts. We verified the reasonability of the assumptions and accuracy of management's calculation based on available data. We also examined the appropriateness of disclosure for the aforesaid assets.

III. Recoverability of Other Receivables

Please refer to notes 4(g), 5(a), and 6(c) to the consolidated financial statements for the accounting principles on the recognition of financial instruments, the disclosures of other receivables and other financial assets, respectively.

Description of key audit matter:

The retailing department of the Group recently ended part of their investment due to the downturn of business cycle and rigorous competition in mainland China. As of December 31, 2022, the carrying amounts of other receivables, originated from uncollected prepaid investments, amounted to \$268,888 thousand, and constituted 1% of the total assets of the Group. The Group measured loss allowance for expected credit losses of other receivables in accordance with IFRS 9 “Financial Instruments”. Therefore, we considered the assessment as one of the key audit matters to the consolidated financial statements in the audit process.

How the matter was addressed in our audit

We obtained the management’s assessment for the expected credit losses of other receivables to examine the related supporting documents of default risk. We evaluated the reasonability of expected credit losses of other receivables in duration according to IFRS 9 “Financial Instruments”.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed 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 are responsible for overseeing the Group's financial reporting process.

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

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

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

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

auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Shu-Ying Chang and Li-Chen Lai.

KPMG

Taipei, Taiwan (Republic of China)

March 31, 2022

GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries

Consolidated Balance Sheets
December 31, 2022 and 2021

Currency: NTD (thousand)

	Dec 31, 2022		Dec 31, 2021		Dec 31, 2020	
	Amount	%	Amount	%	Amount	%
Assets						
Current Assets:						
1100 Cash and Cash Equivalents (Note 6 (a))	\$ 1,639,484	7	3,525,958	18	\$ 1,816,945	8
1110 Financial Assets Measured at Fair Value through Profit or Loss – Current (Note 6 (b))	68,033	-	69,476	-	961,085	4
1170 Accounts Receivable of Net Amount (Note 6 (c))	254,557	1	189,072	1	1,019,481	4
1200 Other Receivables (Note 6 (c) & 7)	165,656	1	568,734	2	38,410	-
1300 Inventories – Merchandising Business	218,305	1	233,185	1	943,549	4
1410 Pre-payments (Note 6 (p) & 7)	420,055	2	365,430	1	413,260	2
1476 Other Financial Assets – Current (Note 6 (i) & 8)	64,212	-	47,250	-	10,247	-
	2,830,302	12	4,999,105	18	5,202,977	22
Non-current Assets:						
1550 Investments using the equity method (Note 6 (d))	27,636	-	36,634	-	1,212,240	5
1600 Property, Plants and Equipment (Note 5 (e) - 7&8)	6,324,548	27	6,733,070	25	56,288	-
1755 Right of use asset (Note 6 (f)&8)	11,079,963	48	12,440,063	45	9,039,555	40
1780 Intangible Assets (Note 6 (g))	1,918,886	8	1,849,497	7	578,868	2
1840 Deferred Tax Assets (Note 6 (n))	749,549	3	861,906	3	10,886,951	47
1980 Other Financial Assets – Non-current (Note 6 (h) & 7)	206,909	1	216,039	1	16,089,928	69
1990 Other Non-current Assets (Note 6 (o) and 7)	207,382	1	141,093	1		
	20,514,873	88	22,278,302	82		
Total Assets	\$ 23,345,175	100	27,277,407	100	\$ 23,345,175	100
Liabilities and Equity						
Current Liabilities:						
2100 Short-term Loans (Note 6 (j))						
2171 Accounts Payable (Note 6 (l))						
2219 Other Payables (Note 6 (f), (i) and 7)						
2230 Current Tax Liabilities						
2280 Current lease liabilities (Note 6 (m) and 7)						
2322 Current portion of long-term borrowings (Note 6 (k))						
2399 Other current liabilities						
	2,830,302	12	4,999,105	18	5,202,977	22
Non-current Liabilities:						
2541 Long-term Loans of Bank (Note 6 (k))						
2570 Deferred Tax Liabilities (Note 6 (o))						
2580 Non-current lease liabilities (Note 6 (m) and 7)						
2645 Deposit Received						
	1,212,240	5	523,548	2	56,288	-
Total Liabilities:						
	4,042,542	17	5,522,653	20	58,876	0.25
Equity of Owner of Parent Company (Note 6 (n)):						
3100 Share Capital						
3200 Additional Paid-in Capital						
3310 Legal Reserve						
3320 Appropriated Retained Earnings						
3350 Retained Earnings						
3400 Other Equity						
	1,955,310	8	1,955,310	7	5,075,485	23
	5,075,485	23	5,066,363	19	580,244	2
	580,244	2	580,244	2	992,592	4
	992,592	4	956,578	4	(395,963)	(2)
	(395,963)	(2)	472,898	2	(952,421)	(4)
	(952,421)	(4)	(992,592)	(4)	7,255,247	31
Total Equity						
	19,302,633	83	21,754,754	80	8,038,801	30
Total Liabilities and Equity	\$ 23,345,175	100	27,277,407	100	\$ 23,345,175	100



Chairman: GUO JEN HAO



Manager: HUANG QUN GHAI

(please refer to the note for details attached in the consolidated financial statements)

Accounting Supervisor: LI CHANG



GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries
Consolidated Balance Sheets
December 31, 2022 and 2021

Currency: RMB (thousand)

		Dec 31, 2022		Dec 31, 2021		Liabilities and Equity		
		Amount	%	Amount	%			
Assets						Current Liabilities:		
Current Assets:						2100	Short-term Loans	
1100	Cash and Cash Equivalents	\$	371,933	7	812,449	18	Accounts Payable	
1110	Financial Assets Measured at Fair Value through Profit or Loss – Current		15,434	-	16,009	-	2219	Other Payables
1170	Accounts Receivable of Net Amount		57,749	1	43,566	1	2230	Current Tax Liabilities
1200	Other Receivables		37,581	1	131,047	2	2280	Current lease liabilities
1300	Inventories – Merchandising Business		49,525	1	53,730	1	2322	Current portion of long-term borrowings
1410	Pre-payments		95,294	2	84,202	1	2399	Other current liabilities
1476	Other Financial Assets – Current		14,567	-	10,887	-		
			642,083	12	1,151,890	18		
Non-current Assets:							Non-current Liabilities:	
1550	Investments using the equity method		6,270	-	8,441	-	2541	Long-term Loans of Bank
1600	Property, Plants and Equipment		1,434,786	27	1,551,429	25	2570	Deferred Tax Liabilities
1755	Right of use asset		2,513,600	48	2,866,430	45	2580	Non-Current lease liabilities
1780	Intangible Assets		435,318	8	426,159	7	2645	Deposit Received
1840	Deferred Tax Assets		170,043	3	198,600	3		
1980	Other Financial Assets – Non-current		46,939	1	49,780	1		Total Liabilities:
1990	Other Non-current Assets		47,047	1	32,511	1		
			4,654,003	88	5,133,350	82		Equity of Owner of Parent Company (Note 6 (a)):
							3100	Share Capital
							3200	Additional Paid-in Capital
							3310	Legal Reserve
							3320	Appropriated Retained Earnings
							3350	Retained Earnings
							3400	Other Equity
								Total Equity


Chairman: GUO JEN HAO

Manager: HUANG QIN GHAI

Accounting Supervisor: LI CHANG

(please refer to the note for details attached in the consolidated financial statements)

GRAND OCEAN RETAIL GROUP LTD. and Relatinal Subsidiaries

Consolidated Income Statement

For the years ended December 31, 2022 and 2021

		Currency: NTD (thousand)			
		2022		2021	
		Amount	%	Amount	%
4000	Operating Revenues (Note 6 (t) & 7)	\$ 4,150,142	100	5,159,425	100
5000	Operating Costs	757,826	18	1,433,268	28
	Gross Profit	3,392,316	82	3,726,157	72
6000	Operating Expenses (Note 6 (f), (g), (h), (m), (n), (s) and 7)	3,346,426	81	3,294,613	64
6450	Expected credit loss(Note 6 (c))	17,951	-	2,686	-
		3,364,377	81	3,297,299	64
	Operating Income	27,939	1	428,858	8
	Non-operating Income and Expenses:				
7100	Total interest income(Note 6 (t))	26,034	1	25,759	1
7010	Other Revenues (Note 6 (t))	2,788	-	2,639	-
7020	Other Gains and Losses (Note 6 (f) ,(g) ,(h) and (t))	193,051	5	147,439	3
7050	Financial Costs (Note 6 (m) , (t) and 7)	(704,388)	(17)	(529,580)	(10)
7055	Expected Credit Losses (Note 6 (u))	(149,949)	(4)	5,572	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net (Note 6 (d))	(9,290)	-	(2,771)	-
		(641,754)	(15)	(350,942)	(6)
7900	Earnings before Tax	(613,815)	(14)	77,916	2
7950	Deduction: Income Tax Expenses (Note 6 (o))	219,032	5	310,051	6
	Current Net Income	(832,847)	(19)	(232,135)	(4)
8300	Other Comprehensive Income:				
8360	Items that may be Re-classified Subsequently to Profit or Loss (Note 6 (d) and (p))				
8361	Exchange Difference on Translation of Foreign Operations	39,879	1	(30,754)	(1)
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	292	-	(322)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Sum of Items that may be Re-classified Subsequently to Profit or Loss	40,171	1	(30,896)	(1)
8300	Other comprehensive income (loss)	40,171	1	(30,896)	(1)
	Comprehensive income	\$ (792,676)	(18)	(263,031)	(5)
	Profit (loss), attributable to:				
8610	Owners of parent	\$ (832,847)	(19)	(232,135)	(4)
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ (792,676)	(18)	(263,031)	(5)
	Earnings (loss) per Share (Note 6 (q))				
9750	Basic earnings (loss) per share (NT dollars)	\$ (4.26)		(1.19)	
9850	Diluted earnings (loss) per share (NT dollars)	\$ (4.26)		(1.19)	

(please refer to the note for details attached in the consolidated financial statements)

Chairman:

GUO JEN HAO



Manager:

HUANG QING HAI



Accounting Supervisor:

LI CHAO



GRAND OCEAN RETAIL GROUP LIMITED and Relatinal Subsidiaries
Consolidated Income Statement
For the years ended December 31, 2022 and 2021

		Currency: RMB (thousand)			
		2022		2021	
		Amount	%	Amount	%
4000	Operating Revenues (Note 6 (t) & 7)	\$ 935,433	100	1,189,084	100
5000	Operating Costs	170,812	18	330,323	28
	Gross Profit	764,621	82	858,761	72
6000	Operating Expenses (Note 6 (f), (g), (h), (m), (n), (s) and 7)	754,277	81	759,304	64
6450	Expected credit loss(Note 6 (c))	4,046	-	619	-
		758,323	81	759,923	64
	Operating Income	6,298	1	98,838	8
	Non-operating Income and Expenses:				
7100	Total interest income(Note 6 (t))	5,868	1	5,937	1
7010	Other Revenues (Note 6 (t))	628	-	608	-
7020	Other Gains and Losses (Note 6 (f) ,(g) ,(h) and (t))	43,513	5	33,980	3
7050	Financial Costs (Note 6 (m) , (t) and 7)	(158,768)	(17)	(122,051)	(10)
7055	Expected Credit Losses (Note 6 (u))	(33,798)	(4)	1,284	-
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net (Note 6 (d))	(2,094)	-	(639)	-
		(144,651)	(15)	(80,881)	(6)
7900	Earnings before Tax	(138,353)	(14)	17,957	2
7950	Deduction: Income Tax Expenses (Note 6 (o))	49,369	5	71,457	6
	Current Net Income	(187,722)	(19)	(53,500)	(4)
8300	Other Comprehensive Income:				
8360	Items that may be Re-classified Subsequently to Profit or Loss				
	(Note 6 (d) and (p))				
8361	Exchange Difference on Translation of Foreign Operations	(20,674)	(2)	4,273	-
8370	Share of other comprehensive income of associates accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(77)	-	(76)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Sum of Items that may be Re-classified Subsequently to Profit or Loss	(20,751)	(2)	(4,197)	-
8300	Other comprehensive income (loss)	(20,751)	(2)	(4,197)	-
	Comprehensive income	\$ (208,473)	(21)	(49,303)	(4)
	Profit (loss), attributable to:				
8610	Owners of parent	\$ (187,722)	(19)	(53,500)	(4)
	Comprehensive income (loss) attributable to:				
8710	Owners of parent	\$ (208,473)	(21)	(49,303)	(4)
	Earnings (loss) per Share (Note 6 (q))				
9750	Basic earnings (loss) per share (NT dollars)	\$ (0.96)		(0.27)	
9850	Diluted earnings (loss) per share (NT dollars)	\$ (0.96)		(0.27)	

(please refer to the note for details attached in the consolidated financial statements)

Chairman:
GUO JEN HAO

Manager:
HUANG QING HAI

Accounting Supervisor:
LI CHAO


GRAND OCEAN RETAIL GROUP LTD. and Related Subsidiaries
Consolidated Statement of Changes in Shareholders' Equity
For the years ended December 31, 2022 and 2021

Currency: NTD (thousand)

	Owner's Equity			Other Equity				
	Retained Earnings			Exchange Differences on Translation of Foreign Operations	Attributed to Parent Company	Attributed to Total Equity		
	Additional Paid-in Capital	Legal Reserve	Appropriated Retained Earnings Reserve	Retained Earnings	Sum	Foreign Operations	Total Equity	Total Equity
Balance as of Jan 1, 2021								
Current Net Income	1,955,310	5,065,491	580,244	1,114,697	742,445	2,437,386	(961,696)	8,496,491
Current Other Comprehensive Income	-	-	-	-	(232,135)	(232,135)	-	(232,135)
Current Total Comprehensive Income	-	-	-	-	-	(30,896)	(30,896)	(30,896)
Appropriation and Distribution of Retained Earnings:								
Cash dividends of ordinary share	-	-	-	-	(195,531)	(195,531)	-	(195,531)
Reversal of special reserve	-	-	-	(158,119)	158,119	-	-	-
Share based payment transaction	-	872	-	-	-	-	-	872
Balance as of Dec 31, 2021	1,955,310	5,066,363	580,244	956,578	472,898	2,009,720	(992,592)	8,038,801
Current Net loss	-	-	-	-	(832,847)	(832,847)	-	(832,847)
Current Other Comprehensive Income	-	-	-	-	-	40,171	40,171	40,171
Current Total Comprehensive Income	-	-	-	-	(832,847)	(832,847)	40,171	(792,676)
Exercising the right of imputation	-	9,122	-	-	-	-	-	9,122
Appropriation and Distribution of Retained Earnings:								
Special reserve appropriated	-	-	-	36,014	(36,014)	-	-	-
Balance as of Dec 31, 2022	\$ 1,955,310	5,075,485	580,244	992,592	(395,963)	1,176,873	(952,421)	7,255,247

(please refer to the note for details attached in the consolidated financial statements)

Chairman:

GUO JEN HAO

Manager:

HUANG QING HAI

Accounting Supervisor:

LI CHANG

GRAND OCEAN RETAIL, GUO JEN HAO and Relational Subsidiaries
Consolidated Statement of Changes in Shareholders' Equity
For the years ended December 31, 2022 and 2021

Currency: RMB (thousand)

	Owner's Equity					Other Equity		Attributed to Parent Total Equity	Total Equity
	Retained Earnings					Exchange Differences on Translation of Foreign Operations	Attributed to Parent Total Equity		
	Share Capital	Additional Paid-in Capital	Legal Reserve	Appropriated Retained Earnings Reserve	Retained Earnings				
Balance as of Jan 1, 2021	492,105	1,017,738	121,053	250,178	94,811	466,042	(29,301)	1,946,584	1,946,584
Current Net Income	-	-	-	-	(53,500)	(53,500)	-	(53,500)	(53,500)
Current Other Comprehensive Income	-	-	-	-	-	-	4,197	4,197	4,197
Current Total Comprehensive Income	-	-	-	-	(53,500)	(53,500)	4,197	(49,303)	(49,303)
Appropriation and Distribution of									
Retained Earnings:									
Cash dividends of ordinary share	-	-	-	-	(45,189)	(45,189)	-	(45,189)	(45,189)
Reversal of special reserve	-	-	-	(36,543)	36,543	-	-	-	-
Share based payment transaction	-	202	-	-	-	-	-	202	202
Balance as of Dec 31, 2021	492,105	1,017,940	121,053	213,635	32,665	367,353	(25,104)	1,852,294	1,852,294
Current Net loss	-	-	-	-	(187,722)	(187,722)	-	(187,722)	(187,722)
Current Other Comprehensive Income	-	-	-	-	-	-	(20,751)	(20,751)	(20,751)
Current Total Comprehensive Income	-	-	-	-	(187,722)	(187,722)	(20,751)	(208,473)	(208,473)
Exercising the right of imputation	-	2,104	-	-	-	-	-	2,104	2,104
Appropriation and Distribution of									
Retained Earnings:									
Special reserve appropriated	-	-	-	8,100	(8,100)	-	-	-	-
Balance as of Dec 31, 2022	492,105	1,020,044	121,053	221,735	(163,157)	179,631	(45,855)	1,645,925	1,645,925

(please refer to the note for details attached in the consolidated financial statements)

Chairman:
GUO JEN HAO



Manager:
HUANG QING HAI



Accounting Supervisor:
LI CHAO



GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries
Consolidated Statement of Cash Flows
For the years ended December 31, 2022 and 2021

	Currency: NTD (thousand)	
	2022	2021
Cash Flows from Operating Activities		
(Loss) profit before tax	\$ (613,815)	77,916
Adjusting Events:		
Income and Expenses		
Depreciation expense	1,636,110	1,503,564
Amortization expense	4,019	4,552
Expected credit loss	167,900	(2,886)
Net gain on financial assets or liabilities at fair value through profit or loss	(13,490)	(25,191)
Interest expense	704,388	529,580
Interest income	(26,034)	(25,759)
Dividend income	(2,788)	(2,639)
Cost of share-based payments awards	-	872
Share of profit (loss) of associates accounted for using equity method	9,290	2,771
Loss on disposal of property, plant and equipment	5	2,348
Real estate, plant and equipment transfer expenses	594	-
Impairment loss on non-financial assets	155,795	21,893
Gain on rent concessions	(101,425)	(31,195)
Lease modification benefit	(353,564)	-
Total adjustments to reconcile profit (loss)	2,180,800	1,977,910
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets and liabilities at fair value through profit	22,288	28,247
Accounts receivable	(80,875)	5,733
Other receivables	40,943	(26,152)
Inventories	18,659	79,432
Prepayments	(50,871)	(60,035)
Sum of Net Variance of Assets Concern Operating Activities	(49,856)	27,225
Changes in operating liabilities:		
Accounts Payable	(1,082,992)	(286,798)
Other Payables	43,206	16,624
Other current liabilities	-	(3)
Sum of Net Variance of Liabilities Concern Operating Activities	(1,039,786)	(270,177)
Sum of Net Variance of Assets and Liabilities Concern Operating Activities	(1,089,642)	(242,952)
Total adjustments	1,091,158	1,734,958
Cash inflow generated from operations	477,343	1,812,874
Interest received	47,627	19,250
Dividends received	2,788	2,639
Interest paid	(701,279)	(528,930)
Income taxes paid	(107,703)	(114,694)
Cash Inflow from Operating Activities	(281,224)	1,197,139

GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries
Consolidated Statement of Cash Flows (continued)
For the years ended December 31, 2022 and 2021
Currency: NTD (thousand)

	2022	2021
Cash flows from (used in) investing activities:		
Acquisition of investments using the equity method	-	(39,727)
Acquisitions of subsidiaries (net of cash acquired)	-	(3,529)
Acquisition of property, plant and equipment	(198,175)	(229,624)
Proceeds from disposal of property, plant and equipment	2,209	228
Decrease in Refundable Deposits	(7,141)	(65,893)
Decrease in other receivables	201,865	240,815
Acquisition of Intangible Assets	(4,288)	(1,047)
Decrease (Increase) in other financial assets	3,717	(6,500)
Decrease in other non-current assets	(64,353)	41,491
Net cash flows used in investing activities	(66,166)	(63,786)
Cash flows from (used in) financing activities:		
Increase in Short-term Loans	(837,198)	265,852
Lease from Long-term Loans	1,458,254	270,538
Payments for Long-term Loans	(1,360,039)	(548,493)
(Decrease) Increase in Deposit Received	(103,018)	128,540
Other payables - increase in related parties	89,523	41,990
Payment of lease liabilities	(870,243)	(1,300,894)
Distribution of Cash Dividends	-	(195,531)
Attribution right income	9,122	-
Net cash flows used in financing activities	(1,613,599)	(1,337,998)
Effect of exchange rate changes on cash and cash equivalents	74,515	(20,825)
Net decrease in cash and cash equivalents	(1,886,474)	(231,470)
Cash and cash equivalents at beginning of period	3,525,958	3,757,428
Cash and cash equivalents at end of period	<u>\$ 1,639,484</u>	<u>3,525,958</u>

(please refer to the note for details attached in the consolidated financial statements)

Chairman:
GUO JEN HAO

Manager:
HUANG QING HAI

Accounting Supervisor:
LI CHAO


GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries
Consolidated Statement of Cash Flows
For the years ended December 31, 2022 and 2021

	Currency: RMB (thousand)	
	2022	2021
Cash Flows from Operating Activities		
(Loss) profit before tax	\$ (138,353)	17,957
Adjusting Events:		
Income and Expenses		
Depreciation expense	368,776	346,524
Amortization expense	906	1,049
Expected credit loss	37,844	(665)
Net gain on financial assets or liabilities at fair value through profit or loss	(3,041)	(5,806)
Interest expense	158,768	122,051
Interest income	(5,868)	(5,937)
Dividend income	(628)	(608)
Cost of share-based payments awards	-	202
Share of profit (loss) of associates accounted for using equity method	2,094	639
Loss on disposal of property, plant and equipment	1	541
Real estate, plant and equipment transfer expenses	134	-
Impairment loss on non-financial assets	35,116	5,046
Gain on rent concessions	(22,861)	(7,189)
Lease modification benefit	(79,693)	-
Total adjustments to reconcile profit (loss)	491,548	455,847
Changes in operating assets and liabilities:		
Changes in operating assets:		
Financial assets and liabilities at fair value through profit	5,024	6,510
Accounts receivable	(18,229)	1,321
Other receivables	9,228	(6,027)
Inventories	4,206	18,307
Prepayments	(11,466)	(13,836)
Sum of Net Variance of Assets Concern Operating Activities	(11,237)	6,275
Changes in operating liabilities:		
Accounts Payable	(244,104)	(66,098)
Other Payables	9,739	3,831
Other current liabilities	-	(1)
Sum of Net Variance of Liabilities Concern Operating Activities	(234,365)	(62,268)
Sum of Net Variance of Assets and Liabilities Concern Operating Activities	(245,602)	(55,993)
Total adjustments	245,946	399,854
Cash inflow generated from operations	107,593	417,811
Interest received	10,735	4,437
Dividends received	628	608
Interest paid	(158,067)	(121,902)
Income taxes paid	(24,276)	(26,433)
Cash Inflow from Operating Activities	(63,387)	274,521

GRAND OCEAN RETAIL GROUP LTD. and Relational Subsidiaries
Consolidated Statement of Cash Flows (continued)
For the years ended December 31, 2022 and 2021
Currency: RMB (thousand)

	2022	2021
Cash flows from (used in) investing activities:		
Acquisition of investments using the equity method	-	(9,156)
Acquisitions of subsidiaries (net of cash acquired)	-	(810)
Acquisition of property, plant and equipment	(44,668)	(52,921)
Proceeds from disposal of property, plant and equipment	498	53
Decrease in Refundable Deposits	(1,610)	(15,186)
Decrease in other receivables	45,500	55,500
Acquisition of Intangible Assets	(967)	(241)
Decrease (Increase) in other financial assets	838	(1,498)
Decrease in other non-current assets	(14,505)	9,562
Net cash flows used in investing activities	(14,914)	(14,697)
Cash flows from (used in) financing activities:		
Increase in Short-term Loans	(188,703)	61,271
Lease from Long-term Loans	328,687	62,350
Payments for Long-term Loans	(306,550)	(126,410)
(Decrease) Increase in Deposit Received	(23,220)	29,624
Other payables - increase in related parties	20,178	9,677
Payment of lease liabilities	(196,151)	(299,815)
Distribution of Cash Dividends	-	(45,189)
Attribution right income	2,104	-
Net cash flows used in financing activities	(363,655)	(308,492)
Effect of exchange rate changes on cash and cash equivalents	1,440	273
Net decrease in cash and cash equivalents	(440,516)	(48,395)
Cash and cash equivalents at beginning of period	812,449	860,844
Cash and cash equivalents at end of period	<u>\$ 371,933</u>	<u>812,449</u>

(please refer to the note for details attached in the consolidated financial statements)

Chairman:
GUO JEN HAO

Manager:
HUANG QING HAI

Accounting Supervisor:
LI CHAO


Comparison Chart of the Articles of Incorporation of Grand Ocean Retail Group Limited

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
1.	Sections 8 and 19(3) of the Electronic Transactions Act (<u>As Revised</u>) shall not apply to the extent that it imposes obligations or requirements in addition to those set out.	Sections 8 of the Electronic Transactions Act shall not apply to the extent that it imposes obligations or requirements in addition to those set out.	Revised per law of the Cayman Islands.
61.	Subject to compliance with Applicable Law, a Member who has expressed his dissent, in writing or verbally with a record, before or during a general meeting, with respect to any resolution proposed at a general meeting in relation to the following matter(s), may <u>vote against or</u> abstain from exercising his voting rights in respect of such resolution(s) and request the Company to acquire or purchase his share(s) at the then prevailing fair price:	Subject to compliance with Applicable Law, a Member who has expressed his dissent, in writing or verbally with a record, before or during a general meeting, with respect to any resolution proposed at a general meeting in relation to the following matter(s), may abstain from exercising his voting rights in respect of such resolution(s) and request the Company to acquire or purchase his share(s) at the then prevailing fair price:	Revised per Article 12 of the Business Mergers and Acquisitions Act.
63.	Without prejudice to the Statute, if agreement on the price of the shares can be reached between the dissenting Member and the Company, the Company shall, subject to compliance with these Articles and the Statute, repurchase and pay for the shares within ninety (90) days of the date of the resolution passed by the Members under Article 61. In case no agreement is reached between the Company and the dissenting Member, the	Without prejudice to the Statute, if agreement on the price of the shares can be reached between the dissenting Member and the Company, the Company shall, subject to compliance with these Articles and the Statute, repurchase and pay for the shares within ninety (90) days of the date of the resolution passed by the Members under Article 61. In case no agreement is reached between the Company and the dissenting Member, the	Revised per Article 12 of the Business Mergers and Acquisitions Act.

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>Company shall pay to the dissenting Member the offer price approved pursuant to the resolution passed by the Members under Article 61 within <u>ninety (90)</u> days of the date of such resolution. If no payment has been made by the Company within <u>ninety (90)</u> days of the date of the resolution passed by the Members under Article 61, the Company shall be deemed to have agreed to the repurchase price requested by the dissenting Member. <u>The Member who has voted against or abstained from exercising his voting rights during the general meeting in relation to the matters described under Article 61 may request the Company to acquire or purchase his share(s).</u> If no agreement is reached within sixty (60) days of the date on which the resolution of Members under Article 61 was passed, to the extent that the laws of ROC prevail, the Company may, within thirty (30) days from the date on which the sixty day (60) period expires, apply to a competent court for a ruling on the price against the dissenting Members who hasn't reach an agreement with the Company as the opposing party in the Taipei District Court as the</p>	<p>Company shall pay to the dissenting Member the offer price approved pursuant to the resolution passed by the Members under Article 61 within 90 days of the date of such resolution. If no payment has been made by the Company within 90 days of the date of the resolution passed by the Members under Article 61, the Company shall be deemed to have agreed to the repurchase price requested by the dissenting Member. If no agreement is reached within sixty (60) days of the date on which the resolution of Members under Article 61 was passed, to the extent that the laws of ROC prevail, the Company may, within thirty (30) days from the date on which the sixty day (60) period expires, apply to a competent court for a ruling on the price against the dissenting Members who hasn't reach an agreement with the Company as the opposing party in the Taipei District Court as the court of first instance.</p>	

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>court of first instance. <u>Shares for which voting right has been abstained in the general meeting described in Article 61 shall be counted in the quorum of that general meeting; provided that such Member who abstained his voting right shall not be counted as person being entitled to vote for such matter(s).</u></p>		
78.	<p>No person shall be disqualified from the office of Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director shall be in any way interested be or be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by reason of such Director holding office or of the fiduciary relation thereby established; provided, however, to the extent required by Applicable Laws, a Director may not vote in respect to any matter, including any contract or proposed contract or arrangement or contemplated transaction of the Company, whether on behalf of himself or as a proxy for another Director,</p>	<p>No person shall be disqualified from the office of Director or prevented by such office from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of the Company in which any Director shall be in any way interested be or be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or transaction by reason of such Director holding office or of the fiduciary relation thereby established; provided, however, to the extent required by Applicable Laws, a Director may not vote in respect to any matter, including any contract or proposed contract or arrangement or contemplated transaction of the Company, whether on behalf of himself or as a proxy for another Director,</p>	<p>Revised per Paragraph 4, Article 5 of the Business Mergers and Acquisitions Act.</p>

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>in which such Director bears a personal interest which may conflict with and impair the interest of the Company, but the director may express his or her opinion and respond to inquiries. After the interested director has responded to inquiries raised and/or expressed his or her opinions or views and as soon as the board of directors proceed to discuss their views and vote on the relevant matter, the interested director shall excuse him or herself from such discussion and voting, but the Director shall be counted in the quorum for purposes of convening such meeting.</p> <p>Paragraph 2, Article 206 of the ROC Company Act, under which the provisions under Paragraph 2, Article 180 of the same law may apply <i>mutatis mutandis</i> shall apply to directors who may not exercise their voting rights in the process of resolving a proposal at the Company's board meeting to the maximum extent that does not contravene the laws of the Cayman Islands.</p> <p>A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by law to the Board</p>	<p>in which such Director bears a personal interest which may conflict with and impair the interest of the Company, but the director may express his or her opinion and respond to inquiries. After the interested director has responded to inquiries raised and/or expressed his or her opinions or views and as soon as the board of directors proceed to discuss their views and vote on the relevant matter, the interested director shall excuse him or herself from such discussion and voting, but the Director shall be counted in the quorum for purposes of convening such meeting.</p> <p>Paragraph 2, Article 206 of the ROC Company Act, under which the provisions under Paragraph 2, Article 180 of the same law may apply <i>mutatis mutandis</i> shall apply to directors who may not exercise their voting rights in the process of resolving a proposal at the Company's board meeting to the maximum extent that does not contravene the laws of the Cayman Islands.</p> <p>A Director who is directly or indirectly interested in a contract or proposed contract or arrangement with the Company shall declare the nature of such interest as required by law to the Board</p>	

Articles No.	Amended and Restated Articles of Association (Proposed Revision)	Amended and Restated Articles of Association (Original)	Explanations
	<p>and the Audit Committee. In any merger, consolidation and/or acquisition by the Company, a director who has a personal interest in any such transaction shall disclose at the Board meeting and the general meeting at which such matter is considered the essential details of such personal interest and explain the reasons why he/she approves or disapproves such transaction. <u>The Company shall itemize the essential contents of the director's personal interest and the cause of approval or dissent to the resolution of merger, consolidation and/or acquisition in the notice to convene the general meeting. The essential contents may be posted on the website designated by the ROC competent authority in charge of securities affairs or the Company, and the Uniform Resource Locator (URL) of such website shall be indicated in the notice of such general meeting.</u></p>	<p>and the Audit Committee. In any merger, consolidation and/or acquisition by the Company, a director who has a personal interest in any such transaction shall disclose at the Board meeting and the general meeting at which such matter is considered the essential details of such personal interest and explain the reasons why he/she approves or disapproves such transaction.</p>	

The Comparison Table of Amended Articles of Procedural Rules of General Meeting of Members

Amended Article	Original Article	Explanation
<p>Article 1</p> <p>Under the jurisdiction of Cayman Islands, this Corporation's shareholders' meeting shall comply with the related rules of it except there is any other regulation claimed by R.O.C. laws or the local stipulations at where the operating locations of the company are.</p> <p>Hereinafter "the Act" is referred to the financial supervision laws of the region where the Company is listed.</p>	<p>Article 1</p> <p>Under the jurisdiction of Cayman Islands, shareholders meeting of the company shall comply with the related rules of it except there is any other regulation claimed by R.O.C. laws or the local stipulations at where the operating locations of the company are.</p>	<p>Paragraph 2 is added.</p>
<p>Article 2</p> <p>Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be convened by the board of directors.</p> <p>Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporation that will convene a virtual shareholders' meeting shall expressly provide for such meetings in the Articles of Incorporation and obtain a resolution of the board of directors. The convening of virtual shareholders' meetings shall be determined by the board of directors through a resolution adopted by a majority vote at a</p>	<p>Article 7</p> <p>Unless there are other specific laws and regulations to stipulate for the convention, shareholders meeting shall be coordinated by the Board of Directors of the Company.</p> <p>The Company shall make the electronic files including notice of shareholders meeting, letter (paper) of administration, recognition case, topic discussion, electing or dismissal of a Director, as well as cause and descriptions for each bill, and upload to Market Observation Post System 30 days prior to the general shareholders meeting, or 15 days prior to the temporary shareholders meeting. Also, the Company shall make the</p>	<ol style="list-style-type: none"> 1.The numbering of this article is changed. 2. In accordance with relevant laws and regulatory amendments, the relevant content has been added to include procedures for convening virtual shareholders' meetings, procedures for changes to the method of

Amended Article	Original Article	Explanation
<p><u>meeting attended by over two-thirds of the directors.</u></p> <p><u>Changes to how this Corporation convenes its shareholders' meeting shall be resolved by the board of directors and shall be made no later than mailing of the shareholders' meeting notice.</u></p> <p>This Corporation shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders' meeting or before 15 days before the date of a special shareholders' meeting. This Corporation shall prepare electronic versions of the shareholders' meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders' meeting or before 15 days before the date of the special shareholders' meeting. <u>If, however, this Corporation has the paid-in capital of NT\$10 billion or more as of the last day of the</u></p>	<p>electronic files including handbook for the shareholders meeting as well as supplementary meeting information, and upload to Market Observation Post System 21 days prior to the general shareholders meeting, or 15 days prior to the temporary shareholders meeting. Handbook for current shareholders meeting as well as supplementary meeting information shall be prepared 15 days prior to the shareholders meeting for the shareholders to view anytime, demonstrated in the Company and the mandated stock transfer agent of the Company, <u>as well as being provided on the site of shareholders meeting.</u></p> <p>Reasons of convention shall be detailed in the notice and announcement; electronic format used for the information hereto is permissible if the offeree approves.</p> <p>Election or dismissal of Directors, amendments to the corporate charter, capital reduction, application for cease of public offering, permission of non-compete agreement of Directors, capital increase by retained earnings, capital increase by capital surplus, dissolution, merger, or demerger of the Company, or any matters defined in Article 185-1 of the Company</p>	<p>convening a shareholders' meeting, specifications for uploading electronic copies of the meeting agenda and related information, and the method for providing the meeting agenda and supplementary information on the day of the meeting.</p>

Amended Article	Original Article	Explanation
<p><u>most current fiscal year, or total shareholding of foreign shareholders and PRC shareholders reaches 30% or more as recorded in the register of shareholders of the shareholders' meeting held in the immediately preceding year, transmission of these electronic files shall be made by 30 days before the regular shareholders' meeting.</u> In addition, before 15 days before the date of the shareholders' meeting, this Corporation shall also have prepared the shareholders' meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and the professional shareholder services agent designated thereby.</p> <p><u>This Corporation shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders' meeting:</u></p> <ol style="list-style-type: none"> <u>1. For physical shareholders' meetings, to be distributed on-site at the meeting.</u> <u>2. For hybrid shareholders' meetings, to be distributed</u> 	<p>Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>Reasons for convening a shareholders meeting have been specified of the full re-election of Directors, and the date of inauguration. After the re-election of the shareholders meeting, the date of inauguration shall not be modified through extraordinary motion or other methods in the same meeting.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. However, proposals which aim to urge the Company to promote the public interest or fulfill social responsibilities should still be included in the proposal</p>	

Amended Article	Original Article	Explanation
<p><u>on-site at the meeting and shared on the virtual meeting platform.</u></p> <p><u>3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the</p>	<p>discussion. The proposals should cover 1 discussion item in accordance with Article 172-1 of the Company Act, and those with more than 1 will not be included in the motion. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the</p>	

Amended Article	Original Article	Explanation
<p>shareholders' meeting. None of the above matters may be raised by an extraordinary motion.</p> <p>Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.</p> <p>A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one</p>	<p>proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</p>	

Amended Article	Original Article	Explanation
<p>in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.</p> <p>Prior to the book closure date before a regular shareholders' meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.</p> <p>Prior to the date for issuance of notice of a shareholders' meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the</p>		

Amended Article	Original Article	Explanation
reasons for exclusion of any shareholder proposals not included in the agenda.		
<p>Article 3</p> <p>For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders' meeting and shall deliver the proxy form to this Corporation before five days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy</p>	<p>Article 3</p> <p><u>Numbers of the shares for general meeting attendance are measured by the shares recorded on the check-in book or sign-in card plus the shares in written or electronic form when performing the voting rights. Shareholders should attend the general meeting by attendance badge, sign-in card or any other valid proof. The company is forbidden to arbitrarily request the provision of other certificates or documents further; the entrusted object by letter of authorization should bring his/her own ID certificate for verification.</u></p> <p>Shareholders have to provide the letter of authorization issued by the company in the general meeting every time, explaining the authorization range to entrust the agent to attend the general meeting.</p> <p>Each shareholder is able to provide one letter of authorization, and entrust one person only, which this letter should be delivered to the company 5 days prior to the general meeting. If there is any repeat of the letters, the one being received first will be accorded. Whereas any declaration made to invalidate the</p>	<p>1.Paragraph 1 has been respectively adjusted as Article 5 and Article 9.</p> <p>2.Paragraph 5 to 7 have been respectively adjusted as Article 9.</p> <p>3.Pursuant to relevant laws and regulatory amendments, the relevant content has been added to include specifications for virtual attendance by shareholders at the shareholders' meeting.</p>

Amended Article	Original Article	Explanation
<p>shall prevail.</p> <p><u>If, after a proxy form is delivered to this Corporation, a shareholder wishes to attend the shareholders' meeting online, a written notice of proxy cancellation shall be submitted to this Corporation two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>entrustee is not subject to this rule.</p> <p>After the letter of authorization is delivered to the company, the shareholder who would like to attend the general meeting or to perform the voting rights via written or electronic form himself/herself, should inform the company about the entrustee revocation by written two days before the shareholders' meeting. If the revocation is overdue, then the entrustee will have the voting rights as authorized.</p> <p><u>Chairman will announce the start of general meeting once the time has come. At the same time, announce the number of non-voting rights and number of shares present and other relevant information. Whereas if the representative of the shareholder possessing over half of the issued shares total is still absent, the chairman will need to announce postponement for the meeting; however, the numbers of postponement are subject to two times, and the cumulative time in total of the postponement is restricted within one hour. If the representatives of the shareholder possessing over half of the issued shares total are still inadequate even after the postponement for two times, the chairman will announce to abort</u></p>	

Amended Article	Original Article	Explanation
	<p><u>the general meeting.</u></p> <p><u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another Shareholders Meeting shall be convened within 1 month.</u></p> <p><u>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the Chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</u></p>	
<p><u>Article 4</u></p> <p><u>The venue for a shareholders' meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</u></p> <p><u>The restrictions on the place of the meeting shall not apply when</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
this Corporation convenes a virtual-only shareholders' meeting.		
<p>Article 5</p> <p>This Corporation shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors, and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders' meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders' meeting in person.</p> <p>Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance.</p>	<p>Article 2</p> <p>The company should detail the check-in time of shareholders' acceptance, check-in location, as well as other announcements.</p> <p>Check-in time of shareholders' acceptance as above should commence 30 minutes earlier than the meeting; check-in location should be indicated identifiably and sufficient as well as appropriate personnel should be assigned to deal with this matter.</p> <p>The company should prepare a check-in book for the present shareholders to sign in, or the present shareholders can provide a sign-in card to complete the check-in procedure.</p> <p>The company should submit the meeting handbook, annual report, attendance badge, speech note, votes and other meeting materials to the shareholders who attend this general meeting. Also, if there is an election held for the board members, an additional vote should be attached.</p> <p>When a juridical person is also the shareholder, representative attending the general meeting is not subject to only one person. When a juridical person is entrusted to attend the general</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the content related to virtual meeting has been added and the wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p><u>This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</u></p> <p>This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.</p> <p>When <u>the government or</u> a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>In the event of a virtual shareholders' meeting, shareholders wishing to attend the meeting online shall register with this Corporation two days before the meeting date.</u></p>	<p>meeting, only one person can be assigned for the attendance.</p>	

Amended Article	Original Article	Explanation
<p><u>In the event of a virtual shareholders' meeting, this Corporation 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.</u></p>		
<p><u>Article 6</u></p> <p><u>To convene a virtual shareholders' meeting, this Corporation shall include the follow particulars in the shareholders' meeting notice:</u></p> <p><u>1. How shareholders attend the virtual meeting and exercise their rights.</u></p> <p><u>2. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents, or other force majeure events, at least covering the following particulars:</u></p> <p><u>A. To what time the meeting is postponed or from what time the meeting will resume if the above obstruction continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</u></p> <p><u>B. Shareholders not having</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
<p><u>registered to attend the affected virtual shareholders' meeting shall not attend the postponed or resumed session.</u></p> <p><u>C. In case of a hybrid shareholders' meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders' meeting online, meets the minimum legal requirement for a shareholder' meeting, then the shareholders' meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders' meeting.</u></p> <p><u>D. Actions to be taken if the</u></p>		

Amended Article	Original Article	Explanation
<p><u>outcome of all proposals has been announced and extraordinary motion has not been carried out.</u></p> <p><u>3. To convene a virtual-only shareholders' meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online shall be specified. Unless otherwise specified in Paragraph 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, this corporation shall provide shareholders with connection equipment and necessary assistance, and expressly provide for the period during which shareholders may apply to this Corporation and other relevant notices.</u></p>		
<p><u>Article 7</u></p> <p>If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice</p>	<p><u>Article 14.1</u></p> <p>If a member of the board of directors is the coordinator of the shareholders' meeting, then the chairman of the board should be the meeting chairman. If the chairman takes a leave or is not able to execute his duty out of some reasons, then the chairman should designate one of the board members to be the representative; also, if chairman</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the relevant content has been added.</p>

Amended Article	Original Article	Explanation
<p>chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.</p> <p><u>When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of this Corporation. The same shall be true for a representative of a juristic person director that serves as chair.</u></p> <p><u>It is advisable that shareholders' meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.</u></p>	<p>of the board does not assign any representative, the board will choose one representative among themselves.</p> <p>If the meeting is convened by other rightful coordinator instead of the board, the chairman should be this coordinator; and if there are two or more than two coordinators, they should choose one representative from among themselves.</p> <p>The company is to assign the authorized attorneys, accountants as well as related personnel to attend the shareholders meeting.</p>	

Amended Article	Original Article	Explanation
<p>If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</p> <p>This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders' meeting in a non-voting capacity.</p>		
<p><u>Article 8</u></p> <p><u>This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting, and the voting and vote counting procedures.</u></p> <p><u>The recorded materials of the preceding paragraph shall be retained</u> for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p> <p><u>Where a shareholders' meeting is held online, this Corporation shall keep records of shareholder registration, sign-in,</u></p>	<p><u>Article 4</u></p> <p><u>The company should record the sound or video of the entire process of general meeting and preserve it</u> for at least one year.</p> <p>Whereas if a shareholder has been filed with a lawsuit by Article 189 of Company Act <u>of R.O.C.</u>, then the record should be preserved until it ends.</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the content related to virtual meeting has been added and the wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p><u>check-in, questions raised, votes cast and results of votes counted by this Corporation, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by this Corporation 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.</u></p> <p><u>In case of a virtual shareholders' meeting, this Corporation is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>		
<p><u>Article 9</u></p> <p><u>Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.</u></p> <p><u>The chair shall call the</u></p>		<p>1.Paragraph 5 to 7 of the original Article 3 have been adjusted as Article 9.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the content related to virtual meeting has been added and the</p>

Amended Article	Original Article	Explanation
<p><u>meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.</u></p> <p><u>However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p><u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and</u></p>		<p>wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p><u>another shareholders' meeting shall be convened within one month. In the event of a virtual shareholders' meeting, shareholders intending to attend the meeting online shall re-register to this Corporation in accordance with Article 6.</u></p> <p><u>When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.</u></p>		
<p><u>Article 10</u></p> <p>If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Votes shall be cast on each separate proposal in the agenda (including extraordinary motions and amendments to the original proposals set out in the agenda). The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.</p> <p>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the board of</p>	<p><u>Article 5</u></p> <p><u>1.</u> If a shareholders meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors, as well as that the relevant bills (including extraordinary motions and amendments to the original bills) shall all be put to the votes case by case. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p> <p><u>2.</u> If the shareholders meeting is coordinated by other rightful coordinator instead of the board of directors, the same rules described as above are also</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p>directors.</p> <p>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</p> <p>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.</p>	<p>applicable.</p> <p><u>3. Except for the one which has been voted by resolution of the shareholders meeting, or the one treated by Article 14 of the Procedural Rules,</u> the chairman is not able to announce the adjournment if the former two agenda (A.O.B. included) having been arranged are not finished yet, unless the resolution approved. Should the chairman violate the Procedural Rules and announce the adjournment, other directors of the board should promptly assist the present shareholders to elect a new chairman by at least half of the numbers of present shareholders' votes in order to continue the general meeting in accordance with the legitimate procedure.</p> <p><u>4. The Chairperson shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the Chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, <u>or, that an amendment thereof complies with the outline, corporate charter, and applicable laws and regulations of the Company,</u></u> the</p>	

Amended Article	Original Article	Explanation
	Chairperson may announce the discussion closed and call for a vote and arrange the adequate time for it.	
<p>Article 11</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.</p> <p>A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has</p>	<p>Article 6</p> <p>1. Before a shareholder speaks, a speech note detailed with topic, shareholder account number (or attendance badge number) as well as account name must be filled in first, and the order of speeches will be determined by the chairman.</p> <p>2. If a present shareholder only submits the speech note but does not speak, then it will be considered as an invalid speech. If the speech contents mismatch those on the speech note, then the former one will be accorded.</p> <p>3. Numbers of speech for each shareholder due to a same bill are subject to two times, and five minutes for each, unless the chairman approves an exception. Yet the chairman should stop the speaking only if the shareholder speaker violates the related rules or exceeds the topic range.</p> <p>4. When a present shareholder is speaking, other shareholder is not allowed to interrupt the speech unless the chairman permits the exception; any violations shall be immediately ceased by the chairman.</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the relevant content has been added to include specifications for virtual attendance by shareholders at the shareholders' meeting.</p>

Amended Article	Original Article	Explanation
<p>the floor; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>Where a virtual shareholders' meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p><u>5.</u> When the juridical person as a shareholder assigns two or more than two representatives attending the general meeting, only one of them is permitted to speak.</p> <p><u>6.</u> After the speech given by the shareholders, the chairman has to reply on his own, or designates the related personnel to respond.</p>	
<p><u>Article 12</u></p> <p>Voting at a shareholders' meeting shall be calculated based</p>	<p><u>Article 8</u></p> <p><u>1.</u> Voting of the shareholders' meeting should be measured</p>	<p>The numbering of this article was changed.</p>

Amended Article	Original Article	Explanation
<p>the number of shares.</p> <p>With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.</p> <p>When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.</p> <p>The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.</p> <p>With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed three percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.</p>	<p>based on the shares held.</p> <p><u>2.</u> Numbers of shares of those shareholders who do not have the voting rights will not be calculated into the total numbers of issued shares for the resolution in the meeting.</p> <p><u>3.</u> A shareholder who has a self-interest relation with the topic in the meeting is considered to be suspiciously disadvantageous to the company, and is to be excluded of the voting; neither is his/her representative.</p> <p><u>4.</u> Numbers of shares which cannot be used for the voting as described above will not be counted as a part of total shares of the present shareholders.</p> <p><u>5.</u> Except for the stock agency approved by trust business or securities authority, if a trustee is designated by two or more than two shareholders, his/her voting rights as a representative are not allowed to exceed in 3% of the voting rights by total issued shares; any exceedance shall be denial.</p>	

Amended Article	Original Article	Explanation
<p><u>Article 13</u></p> <p>A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.</p> <p>When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written</p>	<p><u>Article 9</u></p> <p>Each share represents one voting right in volume for every shareholder, except for those who are subject to Article 179.2 <u>as well as Article 197.1</u> of Company Act of R.O.C., listing as the ones who do not have the voting rights.</p> <p><u>Article 10</u></p> <p>When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.</p> <p>A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this</p>	<p>1.The original Article 10 to 11 have been relocated to paragraphs 2 to 8 of the article.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the original Articles 9 to 11 have been merged into a single article, and the wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p>declaration of intent to this Corporation before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in this</p>	<p>Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.</p> <p>After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>When voting for a bill, it is considered to be an approval if at least half of the number of the</p>	

Amended Article	Original Article	Explanation
<p>Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. <u>After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting <u>for shareholders' meeting proposals</u></p>	<p>present shareholders' votes give assent, except for some special circumstances subject to the Company Act or other regulations stipulated in the charter of the Company.</p> <p>When voting, the Chairperson or the designated person shall announce the total number of the votes by the shareholders who present case by case, and then leave the shareholders to vote case by case.</p> <p>If there is any amendment or alternative for the same bill, the chairperson shall combine it with the original one and determine the voting sequence.</p> <p>If one of them has been approved, then the other bills shall be considered as rejection and a revote shall not be carried out.</p> <p><u>Article 11</u></p> <p>Inspector as well as teller in a bill voting are to be designated by the chairman; however, the inspector should be also a shareholder. Vote counting <u>is subject to be implemented in the conference hall openly, and the voting results should be reported on the spot and be recorded.</u></p>	

Amended Article	Original Article	Explanation
<p><u>or elections shall be conducted in public at the place of the shareholders' meeting.</u></p> <p><u>Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</u></p> <p><u>When this Corporation 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.</u></p> <p><u>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.</u></p> <p><u>When this Corporation convenes a hybrid shareholders' meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders' meeting in person, they shall revoke their registration two days before the shareholders' meeting in the</u></p>		

Amended Article	Original Article	Explanation
<p><u>same manner as they registered.</u> <u>If their registration is not revoked</u> <u>within the time limit, they may only</u> <u>attend the shareholders' meeting</u> <u>online.</u></p> <p><u>When shareholders exercise</u> <u>voting rights by correspondence</u> <u>or electronic means, unless they</u> <u>have withdrawn the declaration of</u> <u>intent and attended the</u> <u>shareholders' meeting online,</u> <u>except for extraordinary motions,</u> <u>they will not exercise voting rights</u> <u>on the original proposals or make</u> <u>any amendments to the original</u> <u>proposals or exercise voting rights</u> <u>on amendments to the original</u> <u>proposal.</u></p>		
<p><u>Article 14</u></p> <p>The election of directors or supervisors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.</p> <p>The ballots for the election referred to in the preceding paragraph shall be sealed with</p>	<p><u>Article 12</u></p> <p>If election of directors of the board is held in the shareholders' meeting, then the related election rules <u>as well as articles of the company</u> should be followed, and the election results should be announced on the spot, including the list of elected directors and the final tally, and a list of those who are not elected and the number of shares they have.</p> <p>Votes of the election as describes above should be sealed and signed by the inspector; and to preserve them well for at least one year. Whereas if a shareholder has been filed with a lawsuit by Article 189 of Company Act <u>of R.O.C.</u>, then the record</p>	<p>1.The numbering of this article is changed.</p> <p>2.The wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.	should be preserved until it ends.	
<p>Article 15</p> <p>Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.</p> <p>This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.</p> <p>The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or</p>	<p>Article 13</p> <p>1. A bill as well as resolution in the shareholders meeting should be recorded as a meeting minute, signed by the chairman, and sent to every shareholder in 20 days after the meeting. Compilation and issuance of the meeting minutes should be carried out by electronic form. Issuance of the shareholders meeting minute should be performed by the announcement in Market Observation Post System.</p> <p>2. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including the estimated weighting factor); weighting factor of the vote of each candidate shall be disclosed if an election of Director is held, and shall be retained for the duration of the existence of this Corporation.</p>	<p>1.The numbering of this article is changed.</p> <p>2.Pursuant to relevant laws and regulatory amendments, the wording has been slightly amended.</p>

Amended Article	Original Article	Explanation
<p>supervisors. The minutes shall be retained for the duration of the existence of this Corporation.</p> <p><u>Where a virtual shareholders' meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders' meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.</u></p> <p><u>When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, this Corporation shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders' meeting online.</u></p>	<p><u>3. Numbers of shares by approval or rejection for a bill, as well as the total shares, shall be documented precisely in the meeting minutes.</u></p>	
<p><u>Article 16</u></p> <p><u>On the day of a shareholders' meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation, the number of shares represented by</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
<p><u>proxies and the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders' meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</u></p> <p><u>During this Corporation's virtual shareholders' meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</u></p> <p><u>If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or Taipei Exchange Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>		

Amended Article	Original Article	Explanation
<p><u>Article 17</u></p> <p><u>Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.</u></p> <p><u>The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."</u></p> <p><u>At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.</u></p> <p><u>When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>
<p><u>Article 18</u></p> <p>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the</p>	<p><u>Article 14</u></p> <p><u>1.</u> When the meeting is proceeding, the chairman should revoke the time and announce the break. Should there be any irresistible circumstances, the chairman will need to pause the meeting temporarily and announce the</p>	<p>1.The numbering of this article is changed.</p> <p>2. In accordance with paragraph 2 of Article 1, the wording of the</p>

Amended Article	Original Article	Explanation
<p>circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.</p> <p>A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within five days in accordance with Article 182 of the Company Act.</p>	<p>time when the meeting will commence again depending on the situation.</p> <p><u>2.</u> If the place for meeting is not able to be used anymore and the meeting topics (A.O.B. included) are yet finished due to the agendum scheduled for the meeting, the resolution is to be made by the shareholders' meeting to find another spot to proceed with the meeting.</p> <p><u>3.</u> Also the shareholders meeting is to comply with Article 182 of Company Act <u>of R.O.C.</u>, and the resolution is made to either postpone the meeting in 5 days or to proceed.</p>	<p>Company Act has been amended.</p>
<p><u>Article 19</u></p> <p><u>In the event of a virtual shareholders' meeting, this Corporation 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.</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>
<p><u>Article 20</u></p> <p><u>When this Corporation convenes a virtual-only shareholders' meeting, both the chair and secretary shall be in the same location, and the chair shall declare the address of their location when the meeting is</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
called to order.		
<p>Article 21</p> <p>In the event of a virtual shareholders' meeting, this Corporation may offer a simple connection test to shareholders prior to the meeting and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</p> <p>In the event of a virtual shareholders' meeting, when declaring the meeting open, the chair shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the 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.</p> <p>For a meeting to be postponed or resumed as described in the</p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
<p><u>preceding paragraph, shareholders who have not registered to participate in the affected shareholders' meeting online shall not attend the postponed or resumed session.</u></p> <p><u>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected 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.</u></p> <p><u>During a postponed or resumed session of a shareholders' meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.</u></p> <p><u>When this Corporation convenes a hybrid shareholders' meeting, and the virtual meeting cannot continue as described in</u></p>		

Amended Article	Original Article	Explanation
<p><u>second 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 legal requirement for a shareholder meeting, then the shareholders' meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</u></p> <p><u>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.</u></p> <p><u>When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders' meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</u></p>		

Amended Article	Original Article	Explanation
<p><u>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, this Corporations hall handle the matter based on the date of the shareholders' meeting that is postponed or resumed under the second paragraph.</u></p>		
<p><u>Article 22</u></p> <p><u>When convening a virtual-only shareholders' meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders' meeting online. Unless otherwise specified in Paragraph 6, Article 44-9, of the Regulations Governing the Administration of Shareholder Services of Public Companies, this corporation shall provide shareholders with connection equipment and necessary assistance, and expressly provide for the period during which shareholders may apply to this Corporation and other relevant notices.</u></p>		<p>Pursuant to relevant laws and regulatory amendments, a new article has been added.</p>

Amended Article	Original Article	Explanation
Article 23 (Omitted)	Article 15 (Omitted)	The numbering of this article was changed.
Article 24 (Omitted)	Article 16 (Omitted)	The numbering of this article was changed.