

Stock Code:: 5007

 **SAN SHING FASTECH CORP.**

Handbook for the 2021 Annual Shareholders' Meeting



Meeting Time : 10:00 a.m. on Thursday, June 17 , 2021

Place : 1F.,No.355-6, Sec. 3, Zhongshan Rd., Guiren Dist., Tainan
City 711, Taiwan (R.O.C.)
(At Our Company's Cafeteria)

Table of Contents

Meeting Agenda.....	1
Report Items	2
Ratification Items.....	2
Discussion Items (I).....	3
Election.....	4
Discussion Items (II)	7
Extempore Motions	8

Appendix

1. 2020 Business Report	9
2. Audit Committee's Review Report.....	12
3. Rules for the Board of Directors Meetings.....	13
4. Financial Statements and Independent Auditors' Review Report...	22
5. Profit Distribution Table for 2020.....	40
6. Comparison Table for the Amendment of Articles of Incorporation..	41
7. Comparison Table for the Amendment of Rules for the Election of Directors.....	42
8. Rules of Procedures for Shareholders' Meetings.....	44
9. Rules for Election of Directors.....	48
10. Articles of Incorporation	51
11. Shareholdings of Directors	60
12. Effect Upon Business Performance and Earnings Per Share of Any Stock Dividend Distribution Proposed or Adopted in This Shareholders' Meeting	61
13. The Remuneration for the Employees and Directors	61

Year2021 Agenda of Annual Shareholders' Meeting

Time: 10 a.m. , Thursday, June 17, 2021

Place: The company's cafeteria

- I. Call the Meeting to Order
- II. Chairperson Remarks
- III. Report Items
 1. 2020 Business Report
 2. Audit Committee's Review Report on the 2020 Financial Statements
 3. Report of the Distribution of Remuneration to Employees and Directors for the year 2020
 4. The Amendment of Rules for the Board of Directors Meetings
- IV. Ratification Items
 1. Adoption of The 2020 Business Report and Financial Statements
 2. Adoption of The Proposal for Distribution of 2020 Profits
- V. Discussion Items (I)
 1. Proposal for a cash distribution from the additional paid-in Capital
 2. The amendment of Articles of Incorporation
 3. The amendment of Rules for Election of Directors
- VI. Election
The 21th Election of Directors
- VII. Discussion Items (II)
Proposal of Release the Prohibition on Newly Elected Directors from participation in competitive business
- VIII. Extempore motions
- IX. Adjournment

• **Report Items**

1. 2020 Business Report.

Explanatory Notes:

2020 business report of the Company is attached, please refer to page 9~11.

2. Audit Committee's review report on the 2020 financial statements

Explanatory Notes:

The Audit Committee's review report is attached, please refer to page 12.

3. Report of The Distribution of Remuneration to Employees and Directors For The Year 2020

Explanatory Notes:

1. According to Article 27 of the Articles of Incorporation, if there is profit in any given fiscal year, the Company shall set aside no less than 1.5% as the remuneration for employees, and no more than 1% as the remuneration for Directors.
2. By profit, it means the pre-tax income plus the allocated remuneration for the employees and directors less the accumulated loss.
3. The profit for 2020 was NT\$726,976,985. The Board of Director resolved the distribution of profit for the employees in the form of cash of NT\$11,000,000 (equals approximately 1.5131% of the yearly profit) and NT\$0 for the directors.

4. The Amendment of Rules for the Board of Directors Meetings

Explanatory Notes:

The amendment is made according to the TWSE announcement, reference no. 1090009468, please refer to page 13~21.

• **Ratification Items**

Proposal No.1: (Proposed by the Board of Directors)

Adoption of the 2020 Business Report and Financial Statements.

Explanatory Notes:

1. The 2020 business report is attached, please refer to page 9~11.
2. The 2020 financial statements were audited by independent auditors Jheng-Chu, Chen and Shih-Chieh Huang of Ernst & Young and reviewed by the Audit Committee. The Financial Statements is attached, please refer to page 22~39.

Resolution:

Proposal No.2: (Proposed by the Board of Directors)
Adoption of The Proposal for Distribution OF 2020 profits

Explanatory Notes:

1. In accordance with the Company Act and Articles of Incorporation, the Profit Distribution Table for 2020 is available for reference and approved by the Board of Directors on March 18, 2021, please refer to page 40.
2. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date, and other relevant issues.
3. The cash dividend distributed to the shareholders is rounded down to the nearest NT dollar (truncate the numbers after decimal place). Fractional amounts will be aggregately recognized as other revenue of the Company.

Resolution:

• **Discussion Items (I)**

Proposal No.1: (Proposed by the Board of Directors)
Proposal for a cash distribution from the additional paid-in Capital. Please proceed to discuss.

Explanatory Note:

1. In accordance with the Article 241 of the Company Act, the Company proposed a cash distribution of NT\$50,139,826 from the additional paid-in Capital in excess of par-common stock. It is paid in proportion to the number of shares held by each shareholder. The cash distributed per share will be NT\$0.17.
2. Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date, and other relevant issues.
3. The additional paid-in Capital distributed to the shareholders is rounded down to the nearest NT dollar (truncate the numbers after decimal place). Fractional amounts will be aggregately recognized as other revenue of the Company.

Resolutions:

Proposal No.2: (Proposed by the Board of Directors)

The amendment of Articles of Incorporation. Please proceed to discuss.

Explanatory Notes:

- 1.To reflect the actual needs of the Company, some of the articles in the Articles of Incorporation shall be amended.
2. The comparison table for the amendments of Articles of Incorporation is available, please refer to page 41.

Resolutions:

Proposal No.3: (Proposed by the Board of Directors)

The amendment of Rules for Election of Directors. Please proceed to discuss.

Explanatory Notes:

- 1.In accordance with the order of the Financial Supervisory Commission, reference number 1080311451, part of the Rules for Election of Directors were amended.
- 2.The comparison table for the amendments of Rules for Election of Directors is available, please refer to page 42-43.

Resolutions:

- **Election**

Proposal (Proposed by the Board of Directors)

The 21th Election of Directors

Explanatory Note:

1. The tenure for the 20th term of Directors end on June 13, 2021. It is proposed to elect all of the 9 Directors (including three independent directors). The tenure of the incumbent directors ends on the inauguration date of the newly elected directors.
2. According to Article 15 and 15-1 of the Articles of Incorporation, the proposed numbers of directors to be elected is 9(including three independent directors). The tenure for each term is three years, starting June 17, 2021 until June 16, 2024.
3. The electoral system adopted by the Company for the Board of Directors (including the independent directors) is the candidate nomination system. A list of candidates was approved by the Board of Directors on May 6, 2021. The details are as follows:

Number	Account Number (or ID number)	Name	Shareholding (share)	Major Education and Experience	Note
1	19678	Ko, Chi-Yuan (The representative of Taifas Corp.)	19,483,733	<p>Education: Bachelor of Economics, National Chung Hsing University</p> <p>Experience: President of Kuang-Hwa Investment Holding Co. Ltd. Vice President of Central Investment Co. Ltd.</p> <p>Current Position: Chairman of Compucase Enterprise CO., Ltd. Chairman of AB Value Growth Asset Management Corp. Chairman of Hexico Enterprise Co., Ltd.</p>	Candidate for director
2	19678	Chen, I-Chung (The representative of Taifas Corp.)	19,483,733	<p>Education: Master of Academy of Art University Bachelor of Tunghai University</p> <p>Experience: The Vice-President of San Shing Fastech Corp.</p> <p>Current Position: Chairman of Hong Ching Investment Corp. Chairman of Hon Ping Investment Corp. Vice-Chairman of San Shing Fastech Corp.</p>	Candidate for director
3	19678	Yang, Long (The representative of Taifas Corp.)	19,483,733	<p>Education: Master of Industrial Management, National Cheng Kung University</p> <p>Experience: Chairman of Taifast Corp.</p> <p>Current Position: Director of Hexico Enterprise Co., Ltd. Chairman of ACKU Metal Industries (M) SDN. BHD.</p>	Candidate for director
4	21	Wu, Shun-Sheng	3,226,000	<p>Education: Bachelor of Accounting, Feng Chia University</p> <p>Experience: Vice Chairman & President of San Shing Fastech Corp.</p> <p>Current Position: Chairman of Yu Shun Investment Ltd.</p>	Candidate for director

5	6123	Lee, Shih-Chia	1,410,804	<p>Education: Master of Accountancy, University of Illinois at Urbana-Champaign</p> <p>Experience: Supervisor of Compucase Enterprise Co., Ltd. Chairman of Pearl Investment Co., Ltd.</p> <p>Current Position: Supervisor of Compucase Enterprise Co., Ltd. Chairman of Pearl Investment Co., Ltd.</p>	Candidate for Director
6	18288	Tsai, Cheng-Dar	4,144,499	<p>Education: Bachelor of Engineering, National Chung Hsing University</p> <p>Experience: Plant Manager Assistant of Taiwan Tsubakimoto (Corp.) Manager of Kuang Cheng Products Co., Ltd.</p> <p>Current Position: Chairman of Kuang Cheng Products Co., Ltd. Director of P-Duke Technology Co., Ltd. Independent Director of Goodway Machine Corp.</p>	Candidate for Director
7	P10067 xxxx	Hsiao, Chine-Jine	0	<p>Education: Bachelor of Management, National Cheng Kung University</p> <p>Experience: General Manager of Purchasing Department, China Steel Corp. Assistant Vice President of the Commercial Division, China Steel Corp.</p> <p>Current Position: Independent Director of San Shing Fastech Corp.</p>	Candidate for Independent Director
8	1146	Chien, Kuo-Jong	49,759	<p>Education: Master of NCKU Industrial Management Institute</p> <p>Experience: Chairman of Grand Fastener Corporation</p> <p>Current position: Chairman of Grand Fastener Corporation</p>	Candidate for Independent Director

9	845	Vincent Lu	232,568	<p>Education: Depart of Business Management, National Sun Yat-Sen University</p> <p>Experience: Auditor of Compucase Enterprise Co., Ltd. Auditor of San Shing Fastech.</p> <p>Current position: Senior advisor of Viven Inc.</p>	Candidate for Independent Director
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Election results:

Discussion Items (II)

Proposal No.1: (Proposed by the Board of Directors)

Proposal of release the prohibition on newly elected directors from participation in competitive business. Please proceed to discuss.

Explanatory note:

1. According to Article 209 Paragraph 1 of the Company Act: “any director conducting business for himself/herself or on another’s behalf, and the scope of which coincides with the company's business scope, shall explain at the shareholders’ meeting the essential contents of such conduct and obtain approval from shareholders in the meeting.”
2. The Company’s newly elected directors and the juristic person shareholder which appoints its authorized representatives to be elected as directors, who are concurrently investing in, running or serving as the chairmen or managers of other companies of the same industry or business scope due to their operational needs, may be released from the non-competition restriction, only if the interest of the Company is not impaired.
3. The Details of the Newly elected Directors (and their authorized representatives) Who Apply to be released from the Non-Competition Restriction

Title	Name	Concurrent Positions
Director	Ko,Chi Yuan (Representative of Taifas Corp.)	Chairman of Hexico Enterprise Co., Ltd.
		Chairman of Compucase Enterprise Co., Ltd.
Director	Yang, Long (Representative of Taifas Corp.)	Director of Hexico Enterprise Co., Ltd.
		Chairman of Acku Metal Industries(M) SDN.BHD.
Director	Tsai, Cheng-Dar	Independent Director of Goodway Machine Corp.
Independent Director	Chien, Kuo-Jong	Chairman of Grand Fasteners Corporation

Resolution:

Extempore motions

Adjournment

San Shing Fastech Corp.

2020 Business Report

I. Business Policies

In order to retain the leading position in the fastener industry, the Company has been focusing on the technology of fastener production and introducing the automation system in the production line, and developing new fastening products for various applications.

In addition, the Company will continue to enhance its R&D capability, improve its tooling technology and the production capacity, bring in smart manufacturing and gain the orders of high-end products.

Furthermore, the Company is promoting cost-cutting measures to drive down operation costs, increasing product quality and production efficiency, and reducing non-essential inventory to raise the overall core competency of the company.

II. General Condition of Implementation

In 2020, the global economy was severely affected by the outbreak of coronavirus which led to a huge drop in the sales of automotive and caused the orders on the Company's fastening products to dwindle.

As a result, except few orders that have been delivered, most of the orders were postponed by the customers which resulted in the decrease in revenue and profit in 2020. As the global economy is taking a turn for the better in 2021, the management team of the Company is ready to take on new challenges with the same pragmatic attitude and use a variety of strategies and response measures to accumulate growth momentum and stand out from the competition.

III. Result of Implementation of Business Plan

In 2020, consolidated revenue for San Shing and its subsidiary amounted to NT\$5,072,643 thousand, down 22.54% in comparison with 2019, a decrease of NT\$1,476,402 thousand from NT\$6,549,045 thousand last year. The gross profit was NT\$1,020,442 thousand, decreasing NT\$386,328 thousand from NT\$1,406,770 thousand over the same period last year, representing a 27.46% decrease. The company recorded NT\$657,363 thousand of consolidated operating profit, which is down NT\$ 335,743

thousand or 33.81% as compared to NT\$993,106 in 2019. Income before tax amounted to NT\$759,817 thousand, which is down NT\$ 275,269 thousand or 26.59% as compared to NT\$1,035,086 in same period last year.

IV. 2020 Consolidated Financial Statement and Budgetary Review

1. Revenue and Expenditure :

(1) Revenue: Net Operating Revenue NT\$ 5,072,643 thousand
Non-Operating Income and Expenditure NT\$102,454 thousand

(2) Expenditure: Consolidated Operating Costs NT\$ 4,052,201 thousand
Consolidated Operating expense NT\$363,079 thousand

(3) Profit: Pre-Tax Income NT\$ 759,817 thousand Income Tax Expense NT\$ 144,161 thousand Net Income NT\$ 615,656 thousand

2. There is no financial forecast available for 2020, hence, there is no relevant information for budgetary review.

V. Profitability Analysis

1. Return on Assets: 7.92%
2. Return on Equity: 9.49%
3. Net Income Margin: 12.13%
4. Earnings Per Share (NT\$): 2.04

VI. Research and Development

The R&D expense for San Shing and its subsidiaries in 2020 is NT\$27,216 thousand, down 5.44% as compared to NT\$28,782 in 2019. Some of successfully developed products or technology are as follows:

1. Sorting machine for bend parts
2. Automated 3 piece assembly machine for cape nuts
3. Reciprocal tapping machine
4. Large model of high-precision nut forming machine

With the relentless efforts of the employees and the supervision of the Board, the Company is able to maintain a certain level of profitability in

operating revenue, gross profit and pre-tax surplus in 2020. Looking forward to 2021, the management team of the Company hopes to fully implement the annual business plan, be able to seize business opportunities in this rapidly changing market and reach a new high in profit for the shareholders; it is the goal for the entire company.

All the best,

Ko, Chi-Yuan Chairman
Lin Wen-Chieh President
Hsu Chun-Hsiao Accounting Manager

Audit Committee's Review Report

The Board of Directors has prepared and submitted to us the Company's 2020 Business Report, Financial Statements and proposal for earnings distribution. Financial Statements were audited by Ernst & Young and they issued an audited report accordingly. We, as the Audit Committee of the Company, have reviewed the Business Report, Financial Statements, and proposal for earnings distribution and do not find any discrepancies. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

2021 Annual General Shareholders' Meeting

SAN SHING FASTECH CORP.

Convener of the Audit Committee

Tan Po-Chun

March 18, 2021

San Shing Fastech Corp.
Rules for the Board of Directors Meetings

- Article 1 (Basis of Adoption for these Rules) To establish a strong governance system and sound supervisory capabilities for this Corporation's board of directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
- Article 2 (Scope of these Rules) With respect to the board of directors meetings ("board meetings") of this Corporation, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.
- Article 3 (Convening and notice of board meetings) The board of directors shall meet at least once quarterly. A notice of the reasons for convening a board meeting shall be given to each director 7 days before the meeting is convened. In emergency circumstances, however, a board meeting may be called on shorter notice. The notice to be given under the preceding paragraph may be effected by means of electronic transmission with the prior consent of the recipients. All matters set forth under Article 12, paragraph 1 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of those matters may be raised by an extraordinary(extempore) motion except in the case of an emergency or for other legitimate reasons.
- Article 4 (Meeting Notifications and Meeting Materials) The designated unit responsible for the board meetings of this Corporation shall be the board of directors or the authorized unit responsible for the board meetings. The unit responsible for board meetings shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting. A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings. If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.
- Article 5 (Preparation of attendance book and other documents; attendance by proxy)

When a board meeting is held, an attendance book shall be provided for signing-in by attending directors, which shall be made available for future reference. Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with this Corporation's articles of incorporation. Attendance by videoconference will be deemed attendance in person. A director who appoints another director to attend a board meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting. The proxy referred to in paragraph 2 may be the appointed proxy of only one person.

Article 6 (Principles for determining the place and time of a board meeting) A board meeting shall be held at the premises and during the business hours of this Corporation, or at a place and time convenient for all directors to attend and suitable for holding board meetings.

Article 7 (Chair and acting chair of a board meeting) Board meetings shall be convened and chaired by the chairperson of the board. However, with respect to the first meeting of each newly elected board of directors, it shall be called and chaired by the director that received votes representing the largest portion of voting rights at the shareholders meeting in which the directors were elected; if two or more directors are so entitled to convene the meeting, they shall select from among themselves one director to serve as chair.

Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

When the chairperson of the board is on leave or for any reason unable to exercise the powers of chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson is also on leave or for any reason unable to exercise the powers of vice chairperson, the chairperson shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairperson, the managing directors or directors shall select one person from among themselves to serve as chair.

Article 8 (Reference materials, non-voting participants, and holding board meetings) When a board meeting is held, the management (or the authorized unit responsible for the board meetings) shall furnish the attending directors with relevant materials for ready reference. As merited by the content of a proposal to be put forward at a board meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals retained by this Corporation may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place. The chair shall call the board meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance. If one-half of all the directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 3, paragraph 2. The number of "all directors," as used in the preceding paragraph and in Article 16, paragraph 2, subparagraph 2, shall be counted as the number of directors then actually in office.

Article 9 (Documentation of a board meeting by audio or video) Proceedings of a board meeting shall be recorded in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained in electronic form. If any litigation arises with respect to a resolution of a board meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation. Where a board meeting is held by video conference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of this Corporation.

Article 10 (Agenda items) Agenda items for regular board meetings of this Corporation shall include at least the following:

1. Matters to be reported:
 - (1). Minutes of the last meeting and action taken.
 - (2). Important financial and business matters.
 - (3). Internal audit activities.
 - (4). Other important matters to be reported.

2. Matters for discussion:
 - (1) Items for continued discussion from the last meeting.
 - (2) Items for discussion at this meeting.
3. Extempore Motion

Article 11 (Discussion of proposals)

A board meeting shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the board meeting. The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting. At any time during the course of a board meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 8, paragraph 3 shall apply mutatis mutandis.

Article 12 (Matters requiring discussion at a board meeting)

The matters listed below as they relate to this Corporation shall be raised for discussion at a board meeting:

1. The Corporation's business plan.
2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports that are not required under relevant laws and regulations to be audited and attested by a certified public accountant (CPA).
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment, pursuant to Article 36-1 of the Securities and Exchange Act, of any handling procedures for material financial or business transactions, such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.
5. The offering, issuance, or private placement of equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following

board of directors meeting for retroactive recognition.

8. Any matter that, under Article 14-3 of the Securities and Exchange Act or any other law, regulation, or bylaw, must be approved by resolution at a shareholders meeting or board meeting, or any material matter as may be prescribed by the competent authority.

The term "related party" in subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NTD \$100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. (In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders' equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under this paragraph.)

The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current board of directors meeting is convened. Amounts already submitted to and passed by a resolution of the board are exempted from inclusion in the calculation.

At least one independent director of this Corporation shall attend the meeting in person. With respect to the matters which must be approved by resolutions at a board meeting as provided in the first paragraph, any and all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the board meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the board meeting minutes.

Article 13 (Voting-I)

When the chair at a board meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.

When a proposal comes to a vote at a board meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.

One voting method for proposals at a board meeting shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:

1. A show of hands or a vote by voting machine.
2. A roll call vote.
3. A vote by ballot.
4. A vote by a method selected at this Corporation's discretion.

"Attending directors," as used in the preceding two paragraphs, does not include directors that may not exercise voting rights pursuant to Article 15, paragraph 1.

Article 14 (Voting-II and methods for vote monitoring and counting)

Except where otherwise provided by the Securities and Exchange Act and the Company Act, the passage of a proposal at a board meeting shall require the approval of a majority of the directors in attendance at a board of directors meeting attended by a majority of all directors.

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

If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

Voting results shall be made known on-site immediately and recorded in writing.

Article 15

(Recusal system for directors)

If a director or a juristic person that the director represents is an interested party in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interest of this Corporation, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

Where the spouse, a second degree relative of a director, or any company which has a controlling or subordinate relation with a director has interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

Where a director is prohibited by the preceding paragraph from exercising voting rights with respect to a resolution at a board meeting, the provisions of Article 180, paragraph 2 of the Company Act apply mutatis mutandis in accordance with Article 206, paragraph 4 of the same Act.

Article 16 (Meeting minutes and sign-in matters)

Discussions at a board meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting, including the names and the number of directors in attendance, excused, and absent.
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: the method of resolution and the result for each proposal; a summary of the comments made by directors, supervisors, experts, or other persons; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the

reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 12, paragraph 4.

8. Extraordinary (extempore) motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, supervisor, expert, or other person; the name of any director that is an interested party as referred to in paragraph 1 of the preceding article, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; and their objections or reservations and any recorded or written statements.
9. Other matters required to be recorded.

The occurrence of any of the following circumstances, with respect to a resolution passed at a board meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System designated by the Financial Supervisory Commission, within 2 days from the date of the meeting:

1. Any objection or expression of reservations by an independent director expresses of which there is a record or written statement.
2. A resolution is adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of this Corporation.

The attendance book constitutes part of the minutes for each board meeting and shall be retained for the duration of the existence of this Corporation.

The minutes of a board meeting shall bear the signature or seal of both the chair and the minute taker, and a copy of the minutes shall be distributed to each director and supervisor within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved during the existence of this Corporation. The meeting minutes of paragraph 1 may be produced and distributed in electronic form.

Article 17 (Principles with respect to the delegation of powers by the board)

With the exception of matters required to be discussed at a board meeting

under Article 12, paragraph 1, when the board of directors appoints a party to exercise the powers of the board in accordance with applicable laws and regulations or this Corporation's articles of incorporation, the levels of such delegation and the content or matters it covers shall be definite and specific.

Article 18 (Supplementary Provisions)

These Rules of Procedure shall be adopted by the approval of the meeting of the board of directors and shall be reported to the shareholders meeting. The board of directors may be authorized to adopt, by resolution, any future amendments to these Rules.

The rules were formulated on December 28, 2006. The first amendment was made on March 26, 2009. The second amendment was made on December 21, 2012. The third amendment was made on December 22, 2017. The fourth amendment was made on March 12, 2020. The fifth amendment was made on March 18, 2021.

Independent Auditors' Report

To San Shing Fastech Corp.

Opinion

We have audited the accompanying consolidated balance sheets of San Shing Fastech Corp. and its subsidiaries (“the Group”) as of December 31, 2020 and 2019, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively “the consolidated financial statements”).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and their consolidated financial performance and cash flows for the years ended December 31, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed and became effective by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2020 consolidated financial statements. 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.

1. Loss Allowance of Accounts Receivable

As of December 31, 2020, the Group's net accounts receivable amounted to NT\$1,197,638 thousand, representing 16% of the total consolidated assets which is significant for the consolidated financial statements. Since the loss allowance of accounts receivable is measured by the expected credit loss for the duration of the accounts receivable, the measurement of expected credit loss involves making judgement, analysis and estimates, and the result will affect net accounts receivable. Therefore we considered this a key audit matter.

Our audit procedures included, but are not limited to, assessing the appropriateness of expected credit loss for accounts receivable; understanding and testing the effectiveness of the internal control over accounts receivable collection established by management; sampling customers to perform confirmation and reviewing the collection in subsequent period to evaluate recoverability; testing the accuracy of aging and analyzing changes in aging to assess reasonableness; testing the relevant statistical information of loss rate calculated by rolling rate; considering the rationality of the prospective information and assessing the appropriateness of expected credit loss. Please refer to Note 5 and 6 in notes to the consolidated financial statements.

2. Inventory Valuation

As of December 31, 2020, the Group's net inventories amounted to NT\$1,319,878 thousand, representing 17% of the total consolidated assets which is significant for the consolidated financial statements. Due to a high degree of customization for main finished goods and work in progress, obsolete and slow-moving inventory valuation requires significant judgement of management. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of the internal control over inventory valuation which includes management of the inventory aging; evaluating the appropriateness of accounting policies for obsolete and slow-moving inventory; evaluating the physical inventory stock take plan provided by the management and choosing the significant location to perform the observation and inspect the status for any write-downs or write-offs of inventory; testing the correctness of aging intervals in inventory aging schedule and the appropriateness of the movement and assessing the inventory reserve percentage to confirm the reasonableness of management's determination of the provisions to reduce the valuation of inventory to net realizable value. Please refer to Note 5 and 6 in notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, Interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by 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 ability to continue as a going concern of the Group, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Group.

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 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 internal control of the Group.
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 ability to continue as a going concern of the Group. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause 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 accompanying notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 consolidated financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

We have audited and expressed an unqualified opinion on the parent company only financial statements of the Company as of and for the years ended December 31, 2020 and 2019.

/s/ Chen, Cheng-Chu

/s/ Huang, Shih-Chieh

Ernst & Young, Taiwan

March 18, 2021

Notice to Readers

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

SAN SHING FASTECH CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2020	%	December 31, 2019	%
Current assets					
Cash and cash equivalents	4/6.(1)	\$1,637,006	22	\$1,411,723	18
Financial assets at fair value through profit or loss, current	4/6.(2)	5,261	-	3,322	-
Financial assets measured at amortized cost, current	4/6.(3)	167,939	2	80,911	1
Notes receivables, net	4/6.(4)&(15)	9,577	-	12,275	-
Notes receivables - related parties, net	4/6.(4)&(15)/7	-	-	9,242	-
Accounts receivable, net	4/6.(5)&(15)	1,186,402	16	1,149,167	15
Accounts receivable - related parties, net	4/6.(5)&(15)/7	11,236	-	13,846	-
Other receivables		20,437	-	23,691	-
Inventories, net	4/6.(6)	1,319,878	17	1,613,002	21
Prepayments		37,587	-	27,778	-
Total current assets		4,395,323	57	4,344,957	55
Non-current assets					
Financial assets measured at amortized cost, non-current	4/6.(3)8	6,496	-	7,344	-
Property, plant and equipment	4/6.(7)/7/8	3,085,691	40	3,265,887	42
Intangible assets	4/6.(8)&(9)	135,383	2	144,534	2
Deferred tax assets	4/6.(20)	71,002	1	70,351	1
Other non-current assets		27,009	-	15,233	-
Total non-current assets		3,325,581	43	3,503,349	45
Total assets		\$7,720,904	100	\$7,848,306	100

Liabilities and Equity	Notes	December 31, 2020	%	December 31, 2019	%
Current liabilities					
Short-term loans	4/6.(10)	\$23	-	\$171,261	2
Financial liabilities at fair value through profit or loss, current	4/6.(11)	9,801	-	412	-
Contract liabilities, current	4/6.(14)/7	32,414	-	23,583	-
Notes payable		156,782	2	171,021	2
Accounts payable		152,612	2	134,336	2
Accounts payable - related parties	7	1,319	-	500	-
Other payables		359,634	5	362,232	5
Other payables - related parties	7	-	-	1,051	-
Current tax liabilities	4	123,830	2	51,313	1
Other current liabilities		1,473	-	2,564	-
Total current liabilities		837,888	11	918,273	12
Non-current liabilities					
Deferred tax liabilities	4/6.(20)	230,183	3	229,721	3
Other non-current liabilities	7	45,222	-	47,871	-
Net defined benefit liabilities, non-current	4/6.(12)	129,970	2	157,468	2
Total non-current liabilities		405,375	5	435,060	5
Total liabilities		1,243,263	16	1,353,333	17
Equity attributable to the parent company					
Capital					
Common stock		2,949,401	38	2,949,401	38
Additional paid-in capital		479,341	6	479,270	6
Retained earnings					
Legal reserve		1,211,261	16	1,130,975	14
Special reserve		259,309	3	259,309	3
Unappropriated earnings		1,424,621	18	1,496,871	19
Total retained earnings		2,895,191	37	2,887,155	36
Other components of equity		(41,967)	-	(35,237)	-
Total equity attributable to the parent company		6,281,966	81	6,280,589	80
Non-controlling interests	6.(13)	195,675	3	214,384	3
Total equity		6,477,641	84	6,494,973	83
Total liabilities and equity		\$7,720,904	100	\$7,848,306	100

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

SAN SHING FASTECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2020 and 2019

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

Accounting	Notes	For the years ended December 31			
		2020	%	2019	%
Operating revenues	4/6.(14)/7	\$5,072,643	100	\$6,549,045	100
Operating costs	4/6.(6)&(16)&(17)/7	(4,052,201)	(80)	(5,142,275)	(79)
Gross profit		1,020,442	20	1,406,770	21
Operating expenses	4/6.(16)&(17)				
Sales and marketing expenses		(178,697)	(4)	(207,721)	(3)
General and administrative expenses		(157,166)	(3)	(177,161)	(3)
Research and development expenses		(27,216)	-	(28,782)	-
Subtotal		(363,079)	(7)	(413,664)	(6)
Operating income		657,363	13	993,106	15
Non-operating income and expenses	4/6.(18)				
Interest income		8,816	-	8,744	-
Other income		99,661	2	31,079	1
Other gains and losses		(4,864)	-	4,408	-
Finance costs		(1,159)	-	(2,251)	-
Subtotal		102,454	2	41,980	1
Income from continuing operations before income tax		759,817	15	1,035,086	16
Income tax expense	4/6.(20)	(144,161)	(3)	(201,538)	(3)
Profit from continuing operations		615,656	12	833,548	13
Net income		615,656	12	833,548	13
Other comprehensive income (loss)	6.(19)				
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit pension plans		(4,525)	-	(6,050)	-
Income tax related to items that will not be reclassified subsequently		905	-	(8,727)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(14,523)	-	(2,446)	-
Income tax related to items that may be reclassified subsequently		1,682	-	283	-
Total other comprehensive income (loss), net of tax		(16,461)	-	(16,940)	-
Total comprehensive income		\$599,195	12	\$816,608	13
Net income attributable to:					
Stockholders of the parent		\$601,536	12	\$817,640	13
Non-controlling interests		14,120	-	15,908	-
		\$615,656	12	\$833,548	13
Comprehensive income attributable to:					
Stockholders of the parent		\$591,186	12	\$801,730	13
Non-controlling interests		8,009	-	14,878	-
		\$599,195	12	\$816,608	13
Earnings per share (NTD)	6.(21)				
Earnings per share-Basic		\$2.04		\$2.77	
Earnings per share-Diluted		\$2.04		\$2.77	

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

SAN SHING FASITECH CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Accounting	Equity Attributable to the Parent Company						Non-Controlling Interests	Total Equity	
	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Components of Equity			Total
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations			
Balance as of January 1, 2019	\$2,949,401	\$478,843	\$1,018,829	\$259,309	\$1,690,975	(\$34,104)	\$6,363,253	\$202,556	\$6,565,809
Appropriation and distribution of 2018 retained earnings:									
Legal reserve	-	-	112,146	-	(112,146)	-	-	-	-
Cash dividends	-	-	-	-	(884,821)	-	(884,821)	-	(884,821)
Other changes in capital surplus	-	427	-	-	-	-	427	-	427
Net income for the year ended December 31, 2019	-	-	-	-	817,640	-	817,640	15,908	833,548
Other comprehensive income (loss), net of tax for the year ended December 31, 2019	-	-	-	-	(14,777)	(1,133)	(15,910)	(1,030)	(16,940)
Total comprehensive income (loss)	-	-	-	-	802,863	(1,133)	801,730	14,878	816,608
Changes in non-controlling interests	-	-	-	-	-	-	-	(3,050)	(3,050)
Balance as of December 31, 2019	\$2,949,401	\$479,270	\$1,130,975	\$259,309	\$1,496,871	(\$35,237)	\$6,280,589	\$214,384	\$6,494,973
Balance as of January 1, 2020	\$2,949,401	\$479,270	\$1,130,975	\$259,309	\$1,496,871	(\$35,237)	\$6,280,589	\$214,384	\$6,494,973
Appropriation and distribution of 2019 retained earnings:									
Legal reserve	-	-	80,286	-	(80,286)	-	-	-	-
Cash dividends	-	-	-	-	(589,880)	-	(589,880)	-	(589,880)
Other changes in capital surplus	-	71	-	-	-	-	71	-	71
Net income for the year ended December 31, 2020	-	-	-	-	601,536	-	601,536	14,120	615,656
Other comprehensive income (loss), net of tax for the year ended December 31, 2020	-	-	-	-	(3,620)	(6,730)	(10,350)	(6,111)	(16,461)
Total comprehensive income (loss)	-	-	-	-	597,916	(6,730)	591,186	8,009	599,195
Changes in non-controlling interests	-	-	-	-	-	-	-	(26,718)	(26,718)
Balance as of December 31, 2020	\$2,949,401	\$479,341	\$1,211,261	\$259,309	\$1,424,621	(\$41,967)	\$6,281,966	\$195,675	\$6,477,641

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
SAN SHING FASITECH CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31		Accounting	For the years ended December 31	
	2020	2019		2020	2019
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$759,817	\$1,035,086	Acquisition of financial assets measured at amortized cost	(89,085)	(21,807)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Acquisition of property, plant and equipment	(40,651)	(126,757)
Depreciation	231,608	251,547	Proceeds from disposal of property, plant and equipment	136	271
Amortization	9,151	9,511	Increase in other non-current assets	(25,027)	-
Expected credit losses	294	-	Decrease in other non-current assets	-	24,649
Net (gain) of financial assets and liabilities at fair value through profit or loss	(5,004)	(18,483)	Interest received	8,816	8,744
Interest expense	1,159	2,251	Net cash provided by investing activities	(145,811)	(114,900)
Interest income	(8,816)	(8,744)			
(Gain) on disposal and abandonment of property, plant and equipment	(130)	(247)			
Others	11,000	13,000			
Changes in operating assets and liabilities:					
Mandatorily financial assets at fair value through profit or loss	12,454	17,235	Cash flows from financing activities:		
Notes receivable	2,698	(4,255)	Decrease in short-term loans	(171,238)	(7,846)
Notes receivable - related parties	9,242	(4)	Decrease in other non-current liabilities	(2,649)	(3,707)
Accounts receivable	(37,454)	244,507	Cash dividends	(589,880)	(884,821)
Accounts receivable - related parties	2,610	(1,525)	Interest paid	(1,465)	(2,226)
Other receivables	3,254	18,688	Changes in non-controlling interests	(3,000)	(3,050)
Other receivables - related parties	-	20	Others	71	427
Inventories	282,124	444,748	Net cash used in financing activities	(768,161)	(901,223)
Prepayments	(9,809)	(8,866)			
Contract liabilities	8,831	(24,494)			
Notes payable	(14,239)	(201,117)	Effect of exchange rate changes on cash and cash equivalents	(9,209)	(2,152)
Accounts payable	18,276	(45,436)	Net increase in cash and cash equivalents	225,283	249,773
Accounts payable - related parties	819	(3,348)	Cash and cash equivalents at beginning of period	1,411,723	1,161,950
Other payables	(26,010)	(70,915)	Cash and cash equivalents at end of period	\$1,637,006	\$1,411,723
Other payables - related parties	(1,051)	(2,048)			
Other current liabilities	(1,091)	(17,172)			
Net defined benefit liabilities	(32,023)	(50,761)			
Cash generated from operations	1,217,710	1,579,178			
Income tax paid	(69,246)	(311,130)			
Net cash provided by operating activities	1,148,464	1,268,048			

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

Independent Auditors' Report

To San Shing Fastech Corp.

Opinion

We have audited the accompanying parent company only balance sheets of San Shing Fastech Corp. (the "Company") as of December 31, 2020 and 2019, and the related parent company only statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the parent company only financial statements, including the summary of significant accounting policies (collectively "the parent company only financial statements").

In our opinion, the parent company only financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and its financial performance and cash flows for the years ended December 31, 2020 and 2019, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

1. Loss Allowance of Accounts receivable

As of December 31, 2020, the Company's net accounts receivable amounted to NT\$1,095,302 thousand, representing 15% of the parent company only total assets which is significant for the financial statements. Since the loss allowance of accounts receivable is measured by the expected credit loss for the duration of the accounts receivable, the measurement of expected credit loss involves making judgement, analysis and estimates, and the result will affect net accounts receivable. Therefore we considered this a key audit matter.

Our audit procedures included, but are not limited to, assessing the appropriateness of expected credit loss for accounts receivable; understanding and testing the effectiveness of the internal control over accounts receivable collection established by management; sampling customers to perform confirmation and reviewing the collection in subsequent period to evaluate recoverability; testing the accuracy of aging and analyzing changes in aging to assess reasonableness; testing the relevant statistical information of loss rate calculated by rolling rate; considering the rationality of the prospective information and assessing the appropriateness of expected credit loss. Please refer to Note 5 and 6 in notes to the parent company only financial statements.

2. Inventory Valuation

As of December 31, 2020, the Company's net inventories amounted to NT\$1,088,066 thousand, representing 15% of the parent company only total assets which is significant for the financial statements. Due to a high degree of customization for main finished goods and work in progress, obsolete and slow-moving inventory valuation requires significant judgement of management. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, understanding and testing the effectiveness of the internal control over inventory valuation which includes management of the inventory aging; evaluating the appropriateness of accounting policies for obsolete and slow-moving inventory; evaluating the physical inventory stock take plan provided by the management and choosing the significant location to perform the observation and inspect the status for any write-downs or write-offs of inventory; testing the correctness of aging intervals in inventory aging schedule and the appropriateness of the movement and assessing the inventory reserve percentage to confirm the reasonableness of management's determination of the provisions to reduce the valuation of inventory to net realizable value. Please refer to Note 5 and 6 in notes to the parent company only financial statements.

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

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

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Parent Company only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only 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 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 the parent company only 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 parent company only 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 internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only 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 Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the accompanying notes, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of 2020 parent company only financial statements and are therefore the key audit matters. We describe these matters in our auditor's 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.

/s/ Chen, Cheng-Chu

/s/ Huang, Shih-Chieh

Ernst & Young, Taiwan

March 18, 2021

Notice to Readers

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

SAN SHING FASITECH CORP.

PARENT COMPANY ONLY BALANCE SHEETS

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Assets	Notes	December 31, 2020	%	December 31, 2019	%
Current assets					
Cash and cash equivalents	4/6.(1)	\$1,321,230	18	\$1,003,023	14
Financial assets at fair value through profit or loss, current	4/6.(2)	5,064	-	3,050	-
Financial assets measured at amortized cost, current	4/6.(3)	3,901	-	-	-
Notes receivable, net	4/6.(4)&(15)	3,947	-	9,174	-
Notes receivable - related parties, net	4/6.(4)&(15)/7	2,902	-	12,433	-
Accounts receivable, net	4/6.(5)&(15)	1,073,159	15	1,046,089	14
Accounts receivable - related parties, net	4/6.(5)&(15)/7	22,143	-	25,240	-
Other receivables		20,384	-	23,576	-
Other receivables - related parties	7	33,662	-	1,015	-
Inventories, net	4/6.(6)	1,088,066	15	1,383,504	19
Prepayments		19,011	-	22,120	-
Total current assets		3,593,469	48	3,529,224	47
Non-current assets					
Financial assets measured at amortised cost, non-current	4/6.(3)/8	6,214	-	6,203	-
Investments accounted for using the equity method	4/6.(7)	732,872	10	777,197	10
Property, plant and equipment	4/6.(8)/8	3,010,310	41	3,178,797	42
Intangible assets	4/6.(9)	63	-	236	-
Deferred tax assets	4/6.(20)	68,059	1	67,267	1
Other non-current assets		26,777	-	14,998	-
Total non-current assets		3,844,295	52	4,044,698	53
Total assets		\$7,437,764	100	\$7,573,922	100
Liabilities and Equity					
Current liabilities					
Short-term loans	4/6.(10)	\$-	-	\$168,745	2
Financial liabilities at fair value through profit or loss, current	4/6.(11)	9,754	-	412	-
Contract liabilities, current	4/6.(14)/7	28,068	-	23,125	-
Notes payable		131,459	2	139,615	2
Notes payable - related parties	7	48,644	-	52,372	1
Accounts payable		107,981	2	102,731	1
Accounts payable - related parties	7	34,014	-	25,736	-
Other payables		285,590	4	312,679	4
Other payables - related parties	7	81	-	1,114	-
Current tax liabilities	4	111,374	2	39,202	1
Other current liabilities		932	-	965	-
Total current liabilities		757,897	10	866,696	11
Non-current liabilities					
Deferred tax liabilities	4/6.(20)	228,585	3	228,253	3
Other non-current liabilities	7	45,287	-	47,920	1
Net defined benefit liabilities, non-current	4/6.(12)	124,029	2	150,464	2
Total non-current liabilities		397,901	5	426,637	6
Total liabilities		1,155,798	15	1,293,333	17
Equity					
4/6.(13)					
Capital					
Common stock		2,949,401	40	2,949,401	39
Additional paid-in capital		479,341	6	479,270	6
Retained earnings					
Legal reserve		1,211,261	16	1,130,975	15
Special reserve		259,309	4	259,309	3
Unappropriated earnings		1,424,621	19	1,496,871	20
Total retained earnings		2,895,191	39	2,887,155	38
Other components of equity		(41,967)	-	(35,237)	-
Total equity		6,281,966	85	6,280,589	83
Total liabilities and equity		\$7,437,764	100	\$7,573,922	100

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

SAN SHING FASITECH CORP.

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2020 and 2019

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

Accounting	Notes	For the years ended December 31			
		2020	%	2019	%
Operating revenues	4/6,(14)/7	\$4,511,457	100	\$5,868,399	100
Operating costs	4/6,(6)&(16)&(17)/7	(3,674,658)	(81)	(4,693,295)	(80)
Gross profit		836,799	19	1,175,104	20
Unrealized gross profit on sales		(6,161)	-	(5,690)	-
Realized gross profit on sales		5,690	-	6,920	-
Gross profit, net		836,328	19	1,176,334	20
Operating expenses	4/6,(16)&(17)				
Sales and marketing expenses		(155,383)	(3)	(182,412)	(3)
General and administrative expenses		(124,292)	(3)	(140,677)	(2)
Research and development expenses		(27,216)	(1)	(28,782)	(1)
Subtotal		(306,891)	(7)	(351,871)	(6)
Operating income		529,437	12	824,463	14
Non-operating income and expenses	4/6,(18)				
Interest income		2,407	-	2,446	-
Other income		90,631	2	33,585	1
Other gains and losses		(5,175)	-	(326)	-
Finance costs		(560)	-	(1,681)	-
Investment income or loss from investments accounted for using equity method	6,(7)	99,237	2	123,348	2
Subtotal		186,540	4	157,372	3
Income from continuing operations before income tax		715,977	16	981,835	17
Income tax expense	4/6,(20)	(114,441)	(3)	(164,195)	(3)
Profit from continuing operations		601,536	13	817,640	14
Net income		601,536	13	817,640	14
Other comprehensive income (loss)	6,(19)				
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of defined benefit pension plans		(4,525)	-	(6,050)	-
Income tax related to items that will not be reclassified subsequently		905	-	(8,727)	-
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations		(8,412)	-	(1,416)	-
Income tax related to items that may be reclassified subsequently		1,682	-	283	-
Total other comprehensive income (loss), net of tax		(10,350)	-	(15,910)	-
Total comprehensive income		\$591,186	13	\$801,730	14
Earnings per share (NTD)	6,(21)				
Earnings per share-Basic		\$2.04		\$2.77	
Earnings per share-Diluted		\$2.04		\$2.77	

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

English Translation of Financial Statements Originally Issued in Chinese

SAN SHING FASTECH CORP.

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

Accounting	Common Stock	Additional Paid-in Capital	Retained Earnings			Other Components of Equity	Total
			Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translation of Foreign Operations	
Balance as of January 1, 2019	\$2,949,401	\$478,843	\$1,018,829	\$259,309	\$1,690,975	(\$34,104)	\$6,363,253
Appropriation and distribution of 2018 retained earnings							
Legal reserve	-	-	112,146	-	(112,146)	-	-
Cash dividends	-	-	-	-	(884,821)	-	(884,821)
Other changes in capital surplus	-	427	-	-	-	-	427
Net income for the year ended December 31, 2019	-	-	-	-	817,640	-	817,640
Other comprehensive income (loss), net of tax for the year ended December 31, 2019	-	-	-	-	(14,777)	(1,133)	(15,910)
Total comprehensive income (loss)	-	-	-	-	802,863	(1,133)	801,730
Balance as of December 31, 2019	\$2,949,401	\$479,270	\$1,130,975	\$259,309	\$1,496,871	(\$35,237)	\$6,280,589
Balance as of January 1, 2020	\$2,949,401	\$479,270	\$1,130,975	\$259,309	\$1,496,871	(\$35,237)	\$6,280,589
Appropriation and distribution of 2019 retained earnings							
Legal reserve	-	-	80,286	-	(80,286)	-	-
Cash dividends	-	-	-	-	(589,880)	-	(589,880)
Other changes in capital surplus	-	71	-	-	-	-	71
Net income for the year ended December 31, 2020	-	-	-	-	601,536	-	601,536
Other comprehensive income (loss), net of tax for the year ended December 31, 2020	-	-	-	-	(3,620)	(6,730)	(10,350)
Total comprehensive income (loss)	-	-	-	-	597,916	(6,730)	591,186
Balance as of December 31, 2020	\$2,949,401	\$479,341	\$1,211,261	\$259,309	\$1,424,621	(\$41,967)	\$6,281,966

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

English Translation of Financial Statements Originally Issued in Chinese
SAN SHING FASITECH CORP.
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

Accounting	For the years ended December 31		Accounting	For the years ended December 31	
	2020	2019		2020	2019
Cash flows from operating activities:			Cash flows from investing activities:		
Net income before tax	\$715,977	\$981,835	Acquisition of financial assets measured at amortized cost	(3,912)	(13)
Adjustments to reconcile net income before tax to net cash provided by operating activities:			Acquisition of property, plant and equipment	(35,868)	(119,075)
Depreciation	217,606	236,856	Proceeds from disposal of property, plant and equipment	130	121
Amortization	173	523	Increase in other non-current assets	(25,030)	-
Net (gain) of financial assets and liabilities at fair value through profit or loss	(3,648)	(16,713)	Decrease in other non-current assets	-	24,542
Interest expense	560	1,681	Interest received	2,407	2,446
Interest income	(2,407)	(2,446)	Dividends received	102,067	117,068
Investment income from investments accounted for using equity method	(99,237)	(123,348)	Net cash provided by investing activities	39,794	25,089
(Gain) on disposal and abandonment of property, plant and equipment	(130)	(116)			
Others	11,471	11,770	Cash flows from financing activities:		
Changes in operating assets and liabilities:			Decrease in short-term loans	(168,745)	(7,410)
Mandatorily financial assets at fair value through profit or loss	10,976	15,665	Decrease in other non-current liabilities	(2,633)	(3,708)
Notes receivable	5,227	(1,965)	Cash dividends	(589,880)	(884,821)
Notes receivable - related parties	9,531	2,229	Interest paid	(866)	(1,656)
Accounts receivable	(27,070)	206,160	Others	71	427
Accounts receivable - related parties	3,097	(6,036)	Net cash used in financing activities	(762,053)	(897,168)
Other receivables	3,192	12,953			
Other receivables - related parties	(35)	433			
Inventories	284,438	397,054			
Prepayments	3,109	(10,611)			
Contract liabilities	4,943	(23,957)			
Notes payable	(8,156)	(172,769)			
Notes payable - related parties	(3,728)	(56,814)			
Accounts payable	5,250	(36,831)			
Accounts payable - related parties	8,278	(11,049)			
Other payables	(26,783)	(71,675)			
Other payables - related parties	(1,033)	(2,068)			
Other current liabilities	(33)	(17,168)			
Net defined benefit liabilities	(30,960)	(49,684)			
Cash generated from operations	1,080,608	1,263,909	Net increase in cash and cash equivalents	318,207	122,542
Income tax paid	(40,142)	(269,288)	Cash and cash equivalents at beginning of period	1,003,023	880,481
Net cash provided by operating activities	1,040,466	994,621	Cash and cash equivalents at end of period	\$1,321,230	\$1,003,023

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

San Shing Fastech Corporation
Profit Distribution Table for 2020

Unit: NT\$

Item	Amounts		Remarks
	Subtotal	Sum	
Undistributed earnings at the beginning of the period		826,704,269	In accordance with the Article 27-1 of the Articles of Incorporation of the Company: Should there be any profit by the end of the fiscal year, it will first be used for the allocation of the payment for taxes, the coverage of accumulated losses, setting aside ten percent of such profits as a legal reserve and then the allocation or reversal of a special reserve as required by the law.
Other Comprehensive Income (defined benefit plan being calculated for 2020)	(3,620,074)		
Net income after tax	601,536,201		
Undistributed earnings of the period		597,916,127	
Set aside items :			If there are remaining profits along with the undistributed profit, the Company may distribute profits in accordance with a proposal for distribution of profits prepared by the Board and approved by the shareholders at the Shareholder's Meeting.
Legal reserve (Note1)	(59,791,613)		
Distributable dividends		1,364,828,783	However, when the legal reserve amounts to the authorized capital, this shall not apply.
Dividend items (Note2)			In considering the needed funds for the Company and its financial wellness for sustainable development, the Company may set aside no less than 10% of the distributable dividends for shareholders. However when the accumulated dividends is less than 2% of the paid in capital, the Company is exempted from distributing dividends. The distributions of profits shall be made preferably by way of cash dividend then stock dividends. Cash distributed shall not less than 50% of the total distribution.
(1)Dividends paid to shareholders(Cash Dividends NT\$1.83 per share)	(539,740,482)		
(2)Dividends paid to shareholders(Stock Dividends NT\$0.00 per share)	0		
Total distributed amount		(539,740,482)	
Undistributed earnings at the end of the period		825,088,301	

Note1 Legal reserve - 597,916,127 (undistributed earnings)*10%= 59,791,613

Note2 Under the dividend policy as set forth in the Articles of Incorporation, details as in the remarks, dividends are calculated as follows,

(1) Cash dividends - NT\$1.83 (dividend per share) * 294,940,154 shares = 539,740,482

(2) Stock dividends - NT\$0 (dividend per share) * 294,940,154 shares = 0

Chairman: Ko, Chi-Yuan

Manager: Lin Wen-Chieh

Accounting Director:Hsu Chun-Hsiao

San Shing Fastech Corp.

Comparison Table for the Amendment of Articles of Incorporation

June 17, 2021 The 41st amendment

Before Amendment	After Amendment	Remarks
<p>Article 15. There shall be 7 to <u>9</u> Directors of the Company, and there shall be no less than 3 independent Directors among them or no less than one-fifth ($\frac{1}{5}$) of the number of the Directors. The number of Directors to be elected is determined in the Board of Directors meeting. The tenure of the offices of the Directors shall be 3 years and the Directors shall be eligible for re-elections. The percentage of shareholdings of all the directors is subject to the provisions separately prescribed by the competent authority in charge of securities affairs, such provisions shall prevail.</p>	<p>Article 15. ere shall be 7 to <u>11</u> Directors of the Company, and there shall be no less than 3 independent Directors among them or no less than one-fifth ($\frac{1}{5}$) of the number of the Directors. The number of Directors to be elected is determined in the Board of Directors meeting. The tenure of the offices of the Directors shall be 3 years and the Directors shall be eligible for re-elections. The percentage of shareholdings of all the directors is subject to the provisions separately prescribed by the competent authority in charge of securities affairs, such provisions shall prevail.</p>	<p>Amendment was made to reflect the actual need.</p>
<p>Article 31. The Articles of Incorporation were agreed to and signed on May 11, 1965. The first amendment was made The thirty-eighth amendment was made on June 2, 2017. The thirty-ninth amendment was made on June 14, 2018. The fortieth amendment was made on June 11, 2020.</p>	<p>Article 31. The Articles of Incorporation were agreed to and signed on May 11, 1965. The first amendment was made The thirty-eighth amendment was made on June 2, 2017. The thirty-ninth amendment was made on June 14, 2018. The fortieth amendment was made on June 11, 2020. <u>The forty-first amendment was made on June 17, 2021</u></p>	<p>Added the dates of amendments</p>

San Shing Fastech Corp.

Comparison Table for the Amendment of Rules for the Election of Directors

June 17, 2021 The 4th amendment

Before Amendment	After Amendment	Remarks
<p>Article 6. If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name, the candidate's ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column. If there are multiple representatives, their names shall be filled in separately.</p>	<p>This Article was removed.</p>	<p>In accordance with the order with reference number 1080311451 issued by TSEC, a publicly traded company shall adopt a candidate nomination system for the election of directors and supervisors starting 2021. Hence, there is no need to use the shareholder's number or ID to verify the candidates in an election. The Article is then removed.</p>
<p>Article 7. Ballots shall be deemed void under the following conditions:</p> <ol style="list-style-type: none"> 1. Ballots not prepared by the Company 2. Blank ballots not completed by the voter; 3. Illegible writing; 4. If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect; <u>5.</u> The name of the candidate or the ID number of the shareholder is not filled; <u>6.</u> If more than one candidate's name is found on the ballot; <u>7.</u> Ballots with other written characters or symbols in addition to the candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate. 	<p>Article 6. Ballots shall be deemed void under the following conditions:</p> <ol style="list-style-type: none"> 1. The ballot was not prepared by a person with the right to convene. 2. A blank ballot is placed in the ballot box. 3. The writing is unclear and indecipherable or has been altered. 4. The candidate whose name is entered in the ballot does not conform to the director candidate list. <u>5.</u> If more than one candidate's name is found on the ballot; <u>6.</u> Other words or marks are entered in addition to the number of voting rights allotted. 	<ol style="list-style-type: none"> 1. The Article number was changed due to the removal of Article 6. 2. The 1st paragraph of Article 6 was amended in accordance with Article 173 of the Company Act - if the board of directors fails to give a notice for convening meeting, the proposing shareholder(s) may, after obtaining an approval from the competent authority, convene meeting of shareholders on his/her/their own. Additional amendments were made to paragraph 4 and 7 of the same Article and paragraph 5 was removed; all was done in accordance with the order with reference number 1080311451 issued by TSEC.

<p>Article <u>8</u> The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.</p>	<p>Article <u>7</u> The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.</p>	<p>The Article number was changed due to the removal of Article 6.</p>
<p>Article <u>9</u> The board of directors of this Corporation shall issue notifications to the persons elected as directors.</p>	<p>Article <u>8</u> The board of directors of this Corporation shall issue notifications to the persons elected as directors.</p>	<p>The Article number was changed due to the removal of Article 6.</p>
<p>Article <u>10</u> Matters not provided for herein shall be governed by the Company Act of ROC or relevant laws.</p>	<p>Article <u>9</u> Matters not provided for herein shall be governed by the Company Act of ROC or relevant laws.</p>	<p>The Article number was changed due to the removal of Article 6.</p>
<p>Article <u>11</u> The rules were approved at the shareholder's meeting on June 28, 1991. The first amendment was made on June 18, 2002. The second amendment was made on June 19, 2009. The third amendment was made on June 14, 2018.</p>	<p>Article <u>10</u> The rules were approved at the shareholder's meeting on June 28, 1991. The first amendment was made on June 18, 2002. The second amendment was made on June 19, 2009. The third amendment was made on June 14, 2018. <u>The fourth amendment was made on June 17, 2021.</u></p>	<p>1.The Article number was changed due to the removal of Article 6. 2.The date of amendment was added.</p>

San Shing Fastech Corp.
Rules of Procedures for Shareholders' Meetings

- Article 1 The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.
- Article 2 Shareholders attending the Meeting shall sign the attendance book or submit the attendance card for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance book or the attendance cards submitted by the shareholders. Attendance and the voting at shareholders meetings shall be calculated based on numbers of shares.
- Article 3 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. The shareholder attendance registration shall be at least 30 minutes prior to the time the meeting commences.
- Article 4 The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the Vice Chairman of the Board of Directors shall preside at the Meeting. If, for any reason, the Vice Chairman cannot preside at the Meeting or the post is vacant, the Chairman shall appoint one of the Directors to preside at the Meeting. If none of the mentioned above can preside at the Meeting, the Board of Directors shall appoint one of the members among themselves to preside at the Meeting.
- If the Meeting is convened by any other person entitled to convene the Meeting, such a person shall be the chairman to preside at the Meeting.
- Article 5 The Company may appoint designated counsel, CPA or other relevant individuals to attend the Meeting.
- Article 6 Persons handling affairs of the Meeting shall wear identification cards or badges.

Article 7 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. The recorded materials of the preceding paragraph shall be retained for at least one year.

Article 8 The Chairman shall call the Meeting to order at the time scheduled for the Meeting. If the number of shares represented by the shareholders present at the Meeting has not yet constituted the quorum at the time scheduled for the Meeting, the chairman may postpone the time for the Meeting. The postponements shall be limited to two times at the most and Meeting shall not be postponed for longer than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one - third of the total outstanding shares, tentative resolutions may be made in accordance with Section 1 of Article 175 of the Company Law of the Republic of China. The aforesaid tentative resolutions shall be executed in accordance with relevant provisions of the Company Law of the Republic of China. If during the process of the Meeting the number of outstanding shares represented by the shareholders present becomes sufficient to constitute the quorum, the chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Law of the Republic of China.

Article 9 The agenda of the Meeting shall be set by the Board of Directors if the Meeting is convened by the Board of Directors. Unless otherwise resolved at the Meeting, the Meeting shall proceed in accordance with the agenda. The above provision applies mutatis mutandis to cases where the Meeting is convened by any person, other than the Board of Directors, entitled to convene such Meeting.

Unless otherwise resolved at the Meeting, the chairman cannot announce adjournment of the Meeting before all the discussion items (including special motions) listed in the agenda are resolved.

The shareholders cannot designate any other person as chairman and continue the Meeting in the same or other place after the Meeting is adjourned. However, in the event that the Chairman adjourns the Meeting in violation of these Rules and Procedures, the shareholders may designate, by

a majority of votes represented by shareholders attending the Meeting, one person as chairman to continue the Meeting.

Article 10 During the Meeting, the chairman may, at his discretion, set time for intermission.

Article 11 When a shareholder present at the Meeting wishes to speak, a Speech Note should be filled out with a summary of the speech, the shareholder's number (or the number of Attendance Card) and the name of the shareholder. The sequence of speeches by shareholders should be decided by the chairman.

If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech should be deemed to have been made by such a shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of actual speech shall prevail.

Unless otherwise permitted by the chairman and the shareholder in speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the chairman shall stop such interruption.

Article 12 Each speech shall not exceed the time limit of 5 minutes; unless otherwise permitted by the chairman, it may extend for another 3 minutes.

If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.

Article 13 Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times.

Article 14 The discussion shall proceed according to the order of the scheduled agenda. In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder. Once a shareholder finishes his/her speech, the chairman shall or appoint the corresponding personnel to reply to such shareholder.

Article 15 The chairman may stop a discussion when deemed appropriate, or to abort the discussion when necessary.

Article 16 Except otherwise specified in the Company Law of the Republic of China or the Articles of Incorporation of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the chairman.

If there is amendment to or substitute for a discussion item, the chairman shall decide the sequence of voting for such discussion item, the amendment or the substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.

Article 17 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."

Article 18 These Rules and Procedures shall be effective from the date it is approved by the Shareholders' Meeting. The same applies in case of revision.

Article 19 The Rules of Procedure were agreed to and signed at the shareholders meeting on June 18, 2002. The first amendment was made on June 11, 2013.

San Shing Fastech Corp.
Rules For Election of Directors

- Article 1 The directors of this Company shall be elected in accordance with the rules specified herein.
- Article 2 The uninominal cumulative voting method shall be used for election of the directors (including independent directors) at this company. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.
- Article 3 The directors (including the independent directors) of the company shall be elected by the shareholders' meeting from among the persons with disposing capacity. According to the number of Directors stipulated in the Article of Incorporation, the cast ballots for independent directors and non-independent directors will be separately calculated. The candidates of independent Directors, non-independent Directors who acquire more cast ballots standing for more voting shares shall be elected sequentially according to the positions available.
When two or more candidates receive the same number of votes, thus exceeding the specified number of positions available, they shall draw lots to determine the winner. The Chairman of Shareholders' Meeting shall draw lots on behalf of such candidate(s) absent.
- Article 3.1 The qualification, election and appointment of the independent directors shall comply with Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies and Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.
- Article 4 At the beginning of the election, the Chairman shall appoint several shareholders present to act as scrutineer and teller. The ballot box used for voting shall be prepared by the board of directors and checked in public by the scrutineer before voting.
- Article 5 The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots,

which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 6 If the candidate is a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name and shareholder's number. If the candidate is not a shareholder of this Company, voters shall fill in the "candidate" column the candidate's name, the candidate's ID number. If the candidate is a government agency or a legal entity, the full name of the government agency or the legal entity or the name(s) of their representative(s) should be filled in the column. If there are multiple representatives, their names shall be filled in separately.

Article 7 Ballots shall be deemed void under the following conditions:

1. Ballots not prepared by the Company
2. Blank ballots not completed by the voter;
3. Illegible writing;
4. If the candidate is a shareholder of this Company, the name or shareholder's number of the candidate filled in the ballot is inconsistent with the shareholders' register. If the candidate is not a shareholder of this Company, the name or ID number of the candidate filled in the ballot is incorrect;
5. The name of the candidate or the ID number of the shareholder is not filled;
6. If more than one candidate's name is found on the ballot;
7. Ballots with other written characters or symbols in addition to candidate's name, shareholder's number (ID number) and the number of votes cast for the candidate.

Article 8 The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the Chairman at the meeting.

Article 9 The board of directors of this Corporation shall issue notifications to the persons elected as directors.

Article 10 Matters not provided for herein shall be governed by the Company Act of ROC or relevant laws.

Article 11 The Rules for Election of Directors were agreed to and signed at the shareholders meeting on June 28, 1991. The first amendment was made on

June 18, 2002. The second amendment was made on June 19, 2009. The third amendment was made on June 14, 2018.

San Shing Fastech Corp.
Articles of Incorporation

Chapter 1 General Provision

Article 1 The Company shall be incorporated as a company limited by shares, under the Company Act of the Republic of China. The name of the Company shall be San Shing Fastech Inc.

Article 2 The scope of business of the Company shall be,

1. CA01060 Steel Wires and Cables Manufacturing
2. CA02030 Screw, Nut and Rivet Manufacturing
3. CA02090 Metal Wire Products Manufacturing
4. CA02990 Other Metal Products Manufacturing
5. CA04010 Surface Treatments
6. CB01010 Mechanical Equipment Manufacturing
7. CB01990 Other Machinery Manufacturing
8. CD01030 Motor Vehicles and Parts Manufacturing
9. CP01010 Hand Tools Manufacturing
10. CQ01010 Mold and Die Manufacturing
11. C801010 Basic Chemical Industrial
12. C801990 Other Chemical Materials Manufacturing
13. F107200 Wholesale of Chemical Feedstock
14. F207200 Retail Sale of Chemical Feedstock
15. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3 The Company shall have its registered head office in Tainan, Taiwan, Republic of China and shall, where necessary and with a resolution to do so by the Board of Directors (“Board”), set up branch offices either within or outside the territory of the Republic of China.

Article 4 Any and all public announcements to be made by the Company shall be published in the ways regulated in the Company Act Article 28.

Chapter 2 Capital Stock

Article 5 The total registered capital stock of the Company shall be Three Billion New Taiwan Dollars (NT\$ 3,000,000,000), divided into Three Hundred Million (300,000,000) shares with a par value of Ten New Taiwan Dollars (NT\$10) per share. One Hundred Million Dollars of the above total capital is divided into Ten Million Shares with a par value of Ten New Taiwan Dollars (NT\$10) per share shall be retained for the issuance of employee stock options, which may be issued from time to time upon the approval of the Board.

Article 6 The share certificates of the Corporation shall all be name-bearing share certificates, affixed with the signatures or personal seals of the Directors representing the Company, and shall be duly certified or authenticated by the bank which is competent to certify shares under the laws. The Company may be exempted from printing any share certificate for the shares issued, and the Company shall register the issued shares with a centralized securities depository enterprise.

Article 7 All transfer of stocks, loss, succession, merger and reissuance by shareholders of the Corporation shall follow the Company Act or relevant law and regulations.

Article 8 Share transfer registration should be suspended within 60 days prior to the convening date of a regular shareholders' meeting, or within 30 days prior to the convening date of a extraordinary shareholders' meeting, or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders' Meetings

Article 9 Shareholders' meeting shall be of the following two kinds:

1. Regular shareholders' meeting : to be held at least once every year. It shall be convened within six months after close of each fiscal year
2. Extraordinary shareholders' meeting: to be held when necessary.

Article 10 A shareholder who is unable to attend the shareholders meeting,

may appoint a proxy to attend by executing a power of attorney printed by the company, stating the scope of power authorized by the proxy. Except for trust enterprises or stock agencies approved by the competent authority, When a person acts as proxy for two or more shareholders concurrently, the number of voting rights represented by him/her shall not exceed 3% of the total number of voting shares of the company; otherwise, the portion of excessive voting power shall not be counted. The rules on the use of proxies should be made, unless otherwise provided in the Company Act, in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies.

- Article 11 A shareholder shall have one voting power in respect of each share in his/her/its possession, except in the circumstances stipulated in Article 179 of the Company Act the shares shall have no voting power.
- Article 12 The shareholders meeting should be convened by the Board of Directors unless otherwise regulated in the Company Act. The chairman of the meeting shall be appointed in accordance with the provisions of Article 182-1 and Article 208-3 of the Company Act.
- Article 13 Resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act, be adopted by a majority vote of the shareholders present, who represent more than one-half of the total number of voting shares.
- Article 13.1 If the company intends to cancel the public offering in the future, it must first be approved by the shareholders meeting. This provision will not be changed during the period when the stock is listed.
- Article 14 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.

Chapter 4 Directors and Audit Committee

- Article 15 There shall be 7 to 9 Directors of the Company, and there shall be no less than 3 independent Directors among them or no less than one-fifth ($\frac{1}{5}$) of the number of the Directors. The number of Directors to be elected is determined in the Board of Directors meeting. The tenure of the offices of the Directors shall be 3 years and the Directors shall be eligible for re-elections. The percentage of shareholdings of all the directors is subject to the provisions separately prescribed by the competent authority in charge of securities affairs, such provisions shall prevail.
- Article 15.1 The Company adopts the candidate nomination system for the election of Directors. The Directors shall be elected by shareholders from the candidate list in the shareholders meeting.
Regarding the professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other matters for compliance with respect to independent directors shall be regulated in accordance with the Securities and Exchange Act.
- Article 15.2 The Company may establish an audit committee and committees of various functionalities. The membership of the Committee consists of all of the independent Directors of the Company. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise. The responsibility, organization charter, exercising authority and other protocols of the Committee are dealt with in pursuant to the relevant laws or the articles of incorporation.
- Article 16 If one third of the offices of the Directors become vacant, the Board shall convene an extraordinary meeting of the shareholders within 60 days to re-elect and re-appoint Directors to fill the vacancies.
- Article 17 If any new Directors are not elected in time before the expiration of the tenure of the relevant existing offices of the Directors, the tenure of the existing offices shall be extended until such time when the new Directors duly elected to assume their offices. However, the competent authority

may, ex officio, order the company to elect new directors within a given time limit; and if no re-election is effected after expiry of the given time limit, the out-going directors shall be discharged ipso facto from such expiration date.

Article 18 The Directors shall elect from among themselves a Chairman of the Board of Directors, and may elect a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors. The Chairman of the Board of Directors shall have the authority to run the affairs of the Company in pursuant to the laws, the Articles of Incorporation and the resolutions of the Board of Directors.

Article 18.1 The Company's Board meetings shall be convened at least once every quarter. A notice specifying the reason for convening a Board meeting shall be sent to all Directors seven (7) days before the scheduled meeting day; provided, however, that a Board meeting may be convened on short notice in the event of emergency. Upon the consent of each Director, such notice may be delivered in written notice, by e-mail or fax.

Article 19 The authority and responsibility of the Board are as follows:

1. Calling for the shareholders meeting and reviewing business report
2. Executing the resolutions of Shareholders' Meetings
3. Revising and discussing Articles of Incorporation
4. Discussing and deciding the Corporate Charter and the rules of core businesses
5. Oversees guideline of management and mid & long-term development plans
6. Reviewing the capital increase or reduction plan
7. Reviewing the profit distribution or loss off-setting plan
8. Reviewing and supervising the implementation of the annual business plan
9. Approving budget and reviewing financial statement
10. Approving major capital expenditure
11. Reviewing and approving important external contracts
12. Agreeing on the establishment, reorganization or closure of branches.
13. Approving of domestic and foreign investment.
14. Reviewing the issues proposed by the President
15. Dealing with businesses that shall be handled in accordance with the law.

The first board of director meeting of each session shall be convened according to Article 203 of the Company Act. Other meetings shall be convened and presided by the Chairman. In case the Chairman is on the leave or absent or cannot exercise his power and authority for any cause, he or she shall designate a deputy to act on his or her behalf in accordance with the Article 208 of the Company.

Article 20 Unless otherwise provided for in the Company Act, all resolutions of the Board shall be passed by a simple majority of the Directors present at the Board meetings attended by at least 50% of all the Directors. If a Director is unable to attend the meeting, he shall be entitled to authorize another Director to represent him at the meeting by executing a power of attorney stating therein the scope of authorization with respect to each matter proposed to be dealt with at the meeting, however, a Director attending the meeting shall not be authorized to represent more than one absent Directors at the meeting. If any Director attends the Board meeting by video conference, it is deemed that such Director has participated in person.

Article 21 All proceedings at a Board meeting shall be recorded in a meeting minute signed by or affixed with the personal seal of the chairman of the meeting. The meeting minute shall be distributed to all Directors of the Company within 20 days after the Board meeting. Meeting minutes may be made and distributed in digital format.
Meeting minutes along with the attendance book of Board meetings and the proxies shall be stored in the Company.

Article 22 The Board is authorized to decide the remuneration of each Director (including Independent Directors) and the salary of the Chairman and Vice Chairman, based on the pay level of their counterparts in the same industry and in other publicly listed companies. Other allowances of the Chairman and Vice Chairman will be paid in accordance with the relevant regulations of the salary of employees.
The Company shall purchase liability insurance for Directors (including Independent Directors) based on their duties and terms. The cost, coverage, rate and other related content of the liability insurance and renewals shall be submitted to the most recent Board Meeting.

Chapter 5 Managers and Officers

Article 23 There shall be one President who shall be nominated by the Board; and his/her appointment or removal shall be approved by more than 50% of the Directors. The Company may, by resolution of the Board, retain consultants .

Article 24 The authority of the President is determined by the Board of Directors.

Chapter 6 Accounting

Article 25 The fiscal year of the Company shall begin on 1 January and end on 31 December of each year. The Board shall prepare the following reports after the end of each fiscal year, and submit to the Audit Committee for approval 30 days prior to the General Meeting of Shareholders. The Board then will present to the General Meeting of the Shareholders for their ratifications.

1. Business Report
2. Financial Statements
3. Proposal for distribution of profits to shareholders or recovery of prior year losses.

Article 26 The Corporation shall not pay dividends or bonuses to shareholders when there are no earnings.

Article 27 If there is profit in any given fiscal year, the Company shall set aside no less than 1.5% as the remuneration for employees, and no more than 1% as the remuneration for Directors.

The remuneration for employees can be distributed in cash or stock, the resolution should be approved by a majority of the board of directors with more than two-thirds of the members attending the meeting. The remuneration can be paid to qualified employees in the subsidiary companies. Nevertheless, accumulated losses shall be offset in advance.

Article 27.1 Should there be any profit by the end of the fiscal year, it will first be used for the allocation of the payment for taxes, the coverage of accumulated losses, setting aside ten percent of such profits as a legal reserve and then the allocation or reversal of a special reserve as required by the law.

If there are remaining profits along with the undistributed profit, the Company may distribute profits in accordance with a proposal for distribution of profits prepared by the Board and approved by the shareholders at the Shareholder's Meeting. However, when the legal reserve amounts to the authorized capital, this shall not apply.

In considering the needed funds for the Company and its financial wellness for sustainable development, the Company may set aside no less than 10% of the distributable dividends for shareholders. However when the accumulated dividends is less than 2% of the paid in capital, the Company is exempted from distributing dividends. The distributions of profits shall be made preferably by way of cash dividend then stock dividends. Cash distributed shall not less than 50% of the total distribution.

Chapter 7 Supplementary Provisions

Article 28 Matters not specifically provided for in these Articles of Incorporation shall be governed by the Company Act and any other relevant laws.

Article 29 Based on the nature of business strategy and the principles of reciprocity, the Company may make endorsements or guarantees.

Article 30 Should the total amount of the investment exceed forty percent of the paid-in capital, the Board of Directors are to be authorized to execute it.

Article 31 The Articles of Incorporation were agreed to and signed on May 11, 1965. The first amendment was made on June 20, 1965. The Second amendment was made on July 20, 1967. The Third amendment was made on March 11, 1969. The fourth amendment was made on August 5th, 1969. The fifth amendment was made on November 1, 1972. The sixth amendment was made on Jan 17, 1973. The seventh amendment was made on Jan 4, 1974. The eighth amendment was made on Dec 31, 1975. The ninth amendment was made on June 7, 1978. The tenth amendment was made on September 16, 1978. The eleventh amendment was made on July 13, 1979. The twelfth amendment was made on July 6, 1981. The thirteenth amendment was made on August 6, 1984. The fourteenth amendment was made on November 15, 1984. The fifteenth amendment was made on May 15, 1989. The sixteenth amendment was made on

August 4, 1989. The seventeenth amendment was made on June 28, 1991. The eighteenth amendment was made on June 25, 1992. The nineteenth amendment was made on April 28, 1994. The twentieth amendment was made on May 31, 1995. The twenty-first amendment was made on April 18, 1997. The twenty-second amendment was made on April 14, 1998. The twenty-third amendment was made on April 29, 1999. The twenty-fourth amendment was made on May 9, 2000. The twenty-fifth amendment was made on June 18, 2002. The twenty-sixth amendment was made on May 27, 2003. The twenty-seventh amendment was made on May 19, 2004. The twenty-eighth amendment was made on May 25, 2005. The twenty-ninth amendment was made on May 24, 2006. The thirtieth amendment was made on June 22, 2007. The thirty-first amendment was made on June 19, 2009. The thirty-second amendment was made on June 17, 2010. The thirty-third amendment was made on June 15, 2011. The thirty-fourth amendment was made on June 22, 2012. The thirty-fifth amendment was made on June 11, 2013. The thirty-sixth amendment was made on June 18, 2014. The thirty-seventh amendment was made on June 1, 2016. The thirty-eighth amendment was made on June 2, 2017. The thirty-ninth amendment was made on June 14, 2018. The fortieth amendment was made on June 11, 2020.

Shareholdings of Directors

1. In accordance with Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,

(1) The minimum required combined shareholdings of all directors should not be less than 12,000,000 shares of the total number of shares issued.

(2) The Company has set up an audit committee, the provisions on the minimum percentage requirements for the shareholding of supervisors is not applicable.

2. The number of shares held by the Directors of the Company as registered in the shareholder roster as of the date of transfer suspension is as follows:

Title	Name	Shareholding	Shareholding Ratio
Chairman	Taifas Corporation Representative: Ko, Chi-Yuan	19,483,733	6.60%
Vice Chairman	Taifas Corporation Representative: Chen, I-Chung	19,483,733	6.60%
Director	Taifas Corporation Representative: Yang, Long	19,483,733	6.60%
Director	Wu, Shun-Sheng	3,226,000	1.09%
Director	Lee, Shih-Chia	1,410,804	0.47%
Director	Tsai, Cheng-Dar	4,144,499	1.40%
Independent Director	Liu, Han-Jung	0	0.00%
Independent Director	Tan, Po-Chun	0	0.00%
Independent Director	Hsiao, Chine-Jine	0	0.00%
Total number of shares held by the Directors		28,265,036	9.58%

Note: The shareholders meeting is held on June 17, 2021. (The transfer suspension period is between April 19 2021 and June 17 2021.)

Effect Upon Business Performance and Earnings Per Share of Any Stock Dividend Distribution Proposed or Adopted in this Shareholders' Meeting

There is no issuance of stock dividends in the distribution of profit for 2020, hence it is not applicable.

The Remunerations for the Employees and Directors

1. Percentage or Range of Remuneration to Employees and Directors as Stipulated in the Company's Articles of Incorporation:

Article 27 in the Articles of Incorporation stated the rules of the distribution of remuneration to the employees and directors. The content is as follows:

If there is profit in any given fiscal year, the Company shall set aside no less than 1.5% as the remuneration for employees, and no more than 1% as the remuneration for Directors.

Remuneration for employees can be distributed in cash or stock, the resolution should be approved by a large majority ($\frac{2}{3}$ or more) of the board of directors with more than half ($\frac{1}{2}$) of the members attending the meeting. Remuneration can be paid to qualified employees in the subsidiary companies. Nevertheless, accumulated losses shall be offset in advance.

2. Distribution of Remuneration Approved by the Board in 2020

(1) The remuneration for the employees is NT\$11,000,000 with no share based remuneration. The remuneration for the director is NT\$0. The amount is the same as the recognized expense of NT\$11,000,000 in 2020.

(2) The amount of any employee compensation distributed in stocks is NT\$0. And the size of that amount as a percentage of the sum of the after-tax net income for the current period and total employee compensation is 0%.

3. Actual Distribution of the Remuneration for the Employees and Directors in 2019

(1) Actual distribution of the remuneration for the employees is NT\$15,300,000.

(No share based remuneration.) It is summarized as follows:

Title	Name	Distributed Amount (NT\$)
President	Lin, Wen-Chieh	393,243
Senior Manager	Yang, Tieh-Chih	
Senior Manager	Chen, Hsin Chih	

Senior Manager	Chao, Pei-Cheng	
Senior Manager	Su, Teng-Kuei	
Accounting Manager	Hsu, Chun-Hsiao	
Financial Manager	Chen, Chun-Jung	
Other Employees		14,906,757
Total Dividends		15,300,000

(2) The remuneration for the director is NT\$0.

(3) The actual distribution of the remuneration to the employees and directors is the same as the recognized expenses in the book.