



Namchow Chemical Industrial CO., LTD.
2016 General Shareholders' Meeting
Handbook

Notice to readers

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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Namchow Chemical Industrial CO., LTD.

2016 General Shareholders' Meeting Agenda

Time: 9:00 a.m. (Wednesday) on June 8, 2016

Place: Leadership Hall of Taipei International District of Commerce at 3F, No. 51, Herngyang Road,
Taipei City

1. Meeting Called to Order

2. Chairperson Address

3. Discussions

Amendment of Articles of Incorporation

4. Reports

(1) 2015 Operation Status

(2) Supervisors' Review of 2015 Accounts

(3) 2015 Remunerations Assignment for Board Directors and Employees

5. Recognitions

(1) 2015 Business Report and Financial Statement

(2) 2015 Earnings Distribution

6. Elections:

Re-election of Supervisors

7. Motions

8. Adjournment

Discussions

Introduced by the Board of Directors

Case: Submission for Decision of Provisions in the Articles of Association

Descriptions: 1. Revisions of Articles 31 and 34 and addition of Article 31-1 to the Articles of Incorporation are intended.

2. Following the revisions made to the Articles of Incorporation, the comparison table of articles before and after the revision is as follows:

Before	After	Description
<p>Article 31</p> <p>In light of the facts that the company is in an industry with a constantly changing climate; that the company is at the growing stage of its life cycle, and that distribution of dividends to shareholders is based on the future capital budget planning of the company and the funding demand to implement its operational policies, dividends will basically be distributed primarily in the form of stock and secondarily in cash. Following year-end settlement, taxes will be paid and losses from preceding years will be made up for first in cases of earnings and then 10% of the remainder will be set aside to be the legal reserve in addition to special reserve that will also be appropriated to meet regulatory requirements. In cases of any further earnings, they will be handled as follows:</p> <p>(1) Remunerations for board directors and supervisors, which shall be determined by the Board of Directors depending on the annual</p>	<p>Article 31</p> <p>In cases of profits for the year, the company shall set aside no less than 1% to be the remunerations for employees and no more than 5% to be those for board directors and supervisors. However, priority shall be given to covering cumulative losses, if any.</p>	<p>The revisions are made to go with the requirements in Article 235-1 added to the Company Act on May 20, 2015.</p>
	<p>Article 31-1</p> <p>In the event that the annual audit renders earnings, the company shall pay taxes according to law and cover cumulative losses before setting aside 10% to be the legal reserve; if the legal reserve has reached the company's paid-in capital size, however, it is allowed not to set aside further earnings. From the remainder, the special reserve shall be set aside or reversed as required by law and any further remainder after that shall be brought forth in the shareholders' meeting based on the Earnings Distribution Proposal prepared by the Board of Directors along with accumulated retained earnings for a decision on assignment of dividend</p>	<p>1. This provision is newly added.</p> <p>2. To go with the revisions of Articles 235 and 240 of the Company Act on May 20, 2015, existing provisions on the distribution of employee bonus and remunerations for board directors and supervisors are deleted.</p> <p>3. The shareholder dividend policy is revised to go with</p>

Before	After	Description
<p>earnings status</p> <p>(2) Employees' bonus totaling 1%</p> <p>(3) Dividends for shareholders totaling at least 50% till all are distributed, among which cash dividends shall account for at least 10%</p> <p>For the distributions indicated in the preceding paragraph, the Board of Directors shall prepare the Earnings Distribution Form and submit it in shareholders' meetings for a decision.</p>	<p>bonus to shareholders.</p> <p>The dividend policy of the company reflects its current and future development plans and takes into account factors such as the investment climate, funding demand, and domestic and international competition as well as shareholders' interests. Each year, no less than 30% of earnings available for distribution are assigned to shareholders as dividend bonus. The dividend bonus may be done in case or in the form of stock. When it is done in cash, the value may not exceed 10% of the overall dividends.</p>	<p>current and future development plans and take into account of the investment climate, funding demand, and domestic and international competition.</p>
<p>Article 34</p> <p>.....</p>	<p>Article 34</p> <p>.....Besides the omission and retention of some, "The 49th amendment took place on June 8, 2016" is added.</p>	<p>The date of the current revision is added.</p>

Decision:

Reports

1. 2015 Operation Status (See Attachment 1)
2. Supervisors' Review of 2015 Accounts (See Attachment 2)
3. 2015 Remunerations Assignment for Board Directors and Employees
(See Attachment 3)

Recognitions

Case 1 Introduced by the Board of Directors

Case: Submission for Recognition of 2015 Business Report and Financial Statement.

(See Attachments 1 and 4-1 through 4-10)

Decision:

Case 2 Introduced by the Board of Directors

Case: Submission for Recognition of 2015 Earnings Distribution Proposal

Descriptions: (1) The after-tax net profits of the company for 2015 total NTD 1,112,850 thousand and hence the Earnings Distribution Form (See Attachment 5) is prepared.

(2) Cash dividends intended to be assigned total NTD 764,746 thousand, that is, NTD 2.60 is distributed per share. Cash dividends are rounded to the nearest integer. The total of fractional shares is to be counted as part of other income of the company. Once approved in the shareholders' meeting, the Board of Directors is authorized to set a separate cash dividend baseline date for the distribution.

Decision:

Elections

Introduced by the Board of Directors

Case: Re-election of supervisors for the company

Descriptions: 1. Current supervisors were elected in the shareholders meeting on June 10, 2013 with a tenure that began on June 17, 2013 and ended on June 16, 2016. A re-election is intended during this current shareholders meeting.

2. According to the Articles of Incorporation, two supervisors are to be elected with a tenure of three years. The re-elected supervisors will serve from June 17, 2016 to June 16, 2019.

Decision:

Motions

Adjournment

Business Report

1. 2015 Operation Outcome Report

The overall revenue throughout 2015 of the company was NTD 2,780,173 thousand, an increase of NTD 202,137 thousand (7.8%) from 2,578,036 thousand in 2014. The consolidated revenue throughout 2015 was NTD 15,479,543 thousand, an increase of NTD 647,697 thousand (4.4%) from 14,831,846 thousand in 2014. Profits throughout 2015 totaled NTD 1,112,850 thousand, an increase of NTD 164,216 thousand (17.3%) from 948,634 thousand in 2014. Both the revenue and profits set historical records in 2015, continuing the growth momentum of respective affiliated businesses in 2014 from 2013. With every employee within the group working hard in 2015, most businesses accomplished growths from 2014. Taiwan's Oil & Fat, Frozen Dough, Frozen Noodle, Namchow Thailand, in particular, showed relatively high growths. Our company has always been known for its quality, safe, and healthy products. We have an internal food safety committee consisting of experts with exclusive responsibilities to carefully control, monitor, and effectively manage the source of raw materials supplied. We physically visit the facilities of our overseas suppliers and pursue the highest testing criteria. Our efforts have gained confidence and support from consumers. All businesses have continued to perform and grow well.

Financially, the company's debts totaled NTD 5,578,132 thousand in 2015; the debt ratio was 50.4%, an increase of 0.6% and NTD 531,492 thousand from 49.8% in 2014 when the overall debts were 5,046,640 thousand. In terms of the consolidated statement, the company's debts totaled NTD 12,755,258 thousand in 2015; the debt ratio was 69.3%, an increase of 0.4% and NTD 1,093,522 thousand from 68.9% in 2014 when the overall debts were 11,661,736 thousand. Cash inflow as a result of business activities totaled NTD 2,710,224 thousand; the current ratio was 136.7%, which was comparable to 137.5% in 2014, indicating that the overall financial outlook was relatively desirable.

As far as research and development is concerned, crystal detergent soaps and grapefruit seed antiseptic products have been recognized by consumers and the public since a long time ago because they are made with natural fats and feature no additives. The fat and oil business continues to research and develop healthy and special-purpose oils such as oil for making pineapple cakes and that for deep-fry purpose in the food and beverage industry.

Meanwhile, two types of premium fresh cream are introduced from Japan to suit the needs for making various salty or sweet pastries. When used in combination with Namchow's butter, they give rise to all kinds of cakes. The frozen dough business continues to focus on researching and developing novel options to attract consumers and can tailor-make products for customers; it is a long-term trustworthy partner in the baking industry. The ice cream business introduces new products each year, which are always well accepted by consumers. To meet the needs of respective customers, different flavors of soft-serve ice cream are introduced to the market on a quarterly basis. The ambient-temperature rice business produces ready-to-serve cooked fiber-rich rice with a health-preserving appeal; it is claimed to be able to regulate blood sugar and lipid and the first healthy rice certified with health claims in the country. In February this year, it was selected by the Council of Agriculture under the Executive Yuan to be a proactively developed seed player in an effort to reinforce distribution of domestic agricultural products around the world; it is indeed an elite processed food with exportation potential.

2. Summary of 2016 Business Plan

The fat and oil business adopts a consultation-based marketing strategy that has significantly helped grow the revenue for the past six years. In response to the increase in sales, the third production line for oils and fats newly built at the Guangzhou facility was commissioned in June two years ago and the ground was broken for the construction of the Jinshan Plant in Shanghai on March 9 last year; the investment is expected to total around NTD 2.1 billion. For Stage 1, production of oils and fats and frozen noodles will be commissioned in October this year and the production lines for frozen dough and fresh cream will be expanded for Stage 2.

Namchow insists quality for its oil and fat products. Thanks to the replacement of orders on the market, the sales climbed significantly. Expansion of the fat and oil refining equipment with an investment of NTD 60 million at the Taoyuan facility was completed at the end of last year, contributing to an increase in the throughput of around 30%. In terms of the catering business, Dian Shui Lo restaurants use mostly local food ingredients that are carefully prepared to win the hearts of consumers of different generations and are widely accepted and spoken well of. A new store was opened at Big City in Hsinchu two years ago. This year, the seventh Dian Shui Lo restaurant and Duroyal Cafe opened at Mitsui Outlet Park this year. The business has been doing well with outstanding sales since they were

opened.

Namchow has invested in Thailand for 25 years. Exportation has grown quickly since 2010 and the throughput utilization rate has reached the high level. For the next two to three years, it is expected that NTD 500 million will be invested to constantly advance the production efficacy. Attempts such as baby rice cookies, cooked rice, and cooked porridge for the past few years have continued to bring about favorable results. The Southeast Asian market has a promising future. Namchow Thailand is the springboard for the group to take part in ASEAN markets.

To meet regulatory requirements and the high corporate standards, additional NTD 37 million will be invested in the main food safety laboratory to be set up at the Taoyuan Plant. The laboratory will be devoted to autonomous tests and autonomous management. The Guangzhou Plant was certified as a high-tech enterprise for its agricultural products fine processing technology and green process last year and also designated as an "Guangdong Province Baking Oil and Fat Engineering Technical Research Center enterprise" by the Guangdong Provincial Department of Science and Technology in December. The Jinshan Plant in Shanghai received subsidies totaling RMB 18.76 million for industrial transformation and upgrade from Shanghai City Government for its energy-saving, carbon-reduction, and food safety-related investments at the end of last year. All of the said accomplishments are possible because of the endless effort of Namchow in food safety and the reinforced investment in environmental protection. Since it was first established in 1952, 64 years have passed. What remains unchanged is the integrity and emphasis on the rights of consumers and the pursuit of being number one in respective business fields. Namchow serves as the best example by consolidating corporate social responsibilities in its management.

Under the effort, belief, and determination of all staff, I believe that we will continue to reach new heights in business performance and create even greater investment benefits. Please continue to support and encourage us to the best extent possible.

Chen Fei Lung

Chairman

Lee Kan Wen

EVP

Lien Jung Chang

Head of Accounting

Attachment 2

**Namchow Chemical Industrial CO., LTD.
Supervisor Review Report**

The Board of Directors prepared and submitted the company's 2015 Business Report, individual and consolidated financial statements, and the Earnings Distribution Proposal. Individual and consolidated financial statements, in particular, have been inspected by CPAs An-Tian Yu and Xiu-Yu Lin from authorized KPMG Peat Marwick and the report has been provided. The supervisor has reviewed the said Business Report, financial statements, and Earnings Distribution Proposal and did not find any inappropriateness. The report is hence prepared in accordance with Article 219 of the Company Act. Your review is cordially requested.

For the

2016 General Shareholders' Meeting

Supervisors:

Chang Oh Kuan

Namchow Chemical Industrial CO., LTD.

Employee Welfare Committee

Representative Chen Yi Wen

March 22, 2016

Attachment 3

Report of 2015 Remunerations Assignment for Board Directors and Employees

1. According to Article 31 of the Company's Articles of Incorporation that was revised through this general shareholders meeting - "In cases of profits for the year, the company shall set aside no less than 1% to be the remunerations for employees and no more than 55 to be those for board directors and supervisors, "
2. Remunerations for employees and board directors and supervisors distributed for 2015 account for 1% and 4%, that is, NTD 14,028,885 and NTD 56,115,540, respectively, of pre-tax net profits totaling NTD 1,402,888,425 in cash. The values are identical to the estimates.
3. The intended values to be distributed as mentioned above were reviewed and approved by the Board of Directors on March 17, 2016 and will be distributed once revisions to the Articles of Incorporation are approved in this general shareholders meeting.

Attachment 4-1



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Independent Auditors' Report

The Board of Directors
Namchow Chemical Industrial Co., Ltd.:

We have audited the accompanying balance sheets of Namchow Chemical Industrial Co., Ltd. (the Company) as of December 31, 2015 and 2014, and the related statements of comprehensive income as well as the statements of changes in equity and of cash flows for the years ended December 31, 2015 and 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the generally accepted auditing standards in the Republic of China. Those regulations and standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the Company as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years ended December 31, 2015 and 2014, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

KPMG

KPMG

March 17, 2016

Note to Readers

The accompanying financial statements are intended only to present the financial position, results of operations, and cash flows in accordance with the International Financial Reporting Standards approved by the R.O.C. Financial Supervisory Commission. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language auditors' report and financial statements, the Chinese version shall prevail.

KPMG, a Taiwan partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD.

Balance Sheets

December 31, 2015 and 2014

(expressed in thousands of New Taiwan dollars)

	December 31, 2015		December 31, 2014			December 31, 2015		December 31, 2014	
	Amount	%	Amount	%		Amount	%	Amount	%
Assets					Liabilities and Stockholders' Equity				
Current assets:					Current liabilities:				
Cash and cash equivalents (notes 6(a) and (q))	\$ 87,031	1	84,016	1	Short-term borrowings (notes 6(f), (q) and 9)	\$ 500,000	5	217,012	2
Notes receivable, net (notes 6(c) and (q))	107,245	1	113,705	1	Short-term commercial paper payable (notes 6(f) and (q))	89,967	1	19,994	-
Accounts receivable, net (notes 6(c) and (q))	401,383	4	396,375	4	Current portion of long-term borrowings (notes 6(f), (q) and 8)	202,783	2	260,033	3
Accounts receivable—related-parties (notes 6(c), (q) and 7)	52,865	1	41,527	-	Accounts payable (note 6(q))	126,427	1	152,652	2
Other receivables (notes 6(c), (q) and (q))	5,481	-	25,433	-	Accounts payable—related-parties (note 7)	7,840	-	2,554	-
Other receivables—related-parties (notes 6(c), (q) and 7)	9,465	-	261,522	3	Other payables (notes 6(f), (q), (p) and (q))	352,806	3	290,980	3
Current income tax assets	4,994	-	-	-	Other payables—related-parties (notes 6(q) and 7)	20,877	-	11,662	-
Inventories (note 6(d))	403,539	4	435,113	4	Current income tax liabilities	-	-	17,978	-
Prepayments	47,611	-	59,599	1	Deferred revenue (note 6(n))	92,977	1	79,496	1
Other current assets	2,367	-	2,166	-	Other current liabilities	16,043	-	16,097	-
Total current assets	1,121,981	11	1,419,456	14	Total current liabilities	1,409,720	13	1,068,458	11
Non-current assets:					Non-current liabilities:				
Available-for-sale financial assets—non-current (notes 6(b) and (q))	10,979	-	11,577	-	Long-term borrowings (notes 6(f), (q) and 8)	3,326,692	30	3,329,475	33
Financial assets at cost—non-current (notes 6(e) and (q))	27,166	-	27,166	-	Deferred income tax liabilities (note 6(c))	498,559	5	329,458	3
Investments accounted for under equity method (note 6(f))	7,212,393	65	5,970,354	59	Accrued pension liabilities—non-current (note 6(j))	342,923	3	318,873	3
Property, plant and equipment (notes 6(g), 7, 8 and 9)	2,579,439	23	2,585,502	26	Other non-current liabilities	238	-	376	-
Investment property (note 6(h))	86,508	1	88,970	1	Total non-current liabilities	4,168,412	38	3,978,182	39
Deferred income tax assets (note 6(k))	4,389	-	-	-	Total liabilities	5,578,132	51	5,046,640	50
Prepayments for equipment	24,159	-	12,323	-	Shareholders' equity (notes 6(b), (f), (k) and (l)):				
Other non-current assets (note 8)	10,937	-	12,135	-	Common stock	2,941,330	26	2,941,330	29
Total non-current assets	9,955,970	89	8,708,027	86	Capital surplus	520,786	4	424,437	4
					Retained earnings:				
					Legal reserve	308,586	3	213,723	2
					Special reserve	512,508	5	512,508	5
					Unappropriated earnings	1,686,942	15	1,314,340	13
						2,508,036	23	2,040,571	20
					Other equities:				
					Financial statement translation differences for foreign operations	66,204	1	210,304	2
					Unrealized gains (losses) on valuation of available-for-sale financial assets	(6,423)	-	(5,685)	-
						59,781	1	204,619	2
					Treasury stock				
						(530,114)	(5)	(530,114)	(5)
					Total equity	5,099,819	49	5,080,843	50
Total assets	\$ 11,077,951	100	10,127,483	100	Total liabilities and stockholders' equity	\$ 11,077,951	100	10,127,483	100

See accompanying notes to the financial statements.

Attachment 4-3

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD.
Statements of Comprehensive Income
For the years ended December 31, 2015 and 2014
(Expressed in thousands of New Taiwan dollars)

	2015		2014	
	Amount	%	Amount	%
Revenue (notes 6(n) and 7)	\$ 2,780,173	100	2,578,036	100
Operating costs (notes 6(d), (g), (j), (l), (o), and 7)	<u>1,773,564</u>	<u>64</u>	<u>1,709,621</u>	<u>66</u>
Gross profit	<u>1,006,609</u>	<u>36</u>	<u>868,415</u>	<u>34</u>
Operating expenses (notes 6(c), (g), (j), (l), (o), and 7):				
Selling expenses	593,675	22	488,042	19
General and administrative expenses	372,652	13	357,207	14
Research and development expenses	<u>42,447</u>	<u>2</u>	<u>42,485</u>	<u>2</u>
Total operating expenses	<u>1,008,774</u>	<u>37</u>	<u>887,734</u>	<u>35</u>
Operating profit	<u>(2,165)</u>	<u>(1)</u>	<u>(19,319)</u>	<u>(1)</u>
Non-operating income and expenses (notes 6(f), (g), (p) and 7):				
Other income	27,253	1	18,143	1
Other gains and losses	(7,644)	-	(33,313)	(1)
Finance costs	(67,951)	(2)	(63,684)	(2)
Shares of profit from the subsidiaries	<u>1,383,251</u>	<u>50</u>	<u>1,167,875</u>	<u>45</u>
Total non-operating income and expenses	<u>1,334,909</u>	<u>49</u>	<u>1,089,021</u>	<u>43</u>
Net income before tax	1,332,744	48	1,069,702	42
Less: income tax expenses (note 6(k))	<u>219,894</u>	<u>8</u>	<u>121,068</u>	<u>5</u>
Net income	<u>1,112,850</u>	<u>40</u>	<u>948,634</u>	<u>37</u>
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss (note 6(j)):				
Remeasurements of the defined benefit plans	(28,889)	(1)	(17,658)	(1)
Shares of other comprehensive income of subsidiaries accounted for under equity method-items that will not be reclassified subsequently to profit or loss	1,184	-	6,338	-
Income tax expense related to items that will not be reclassified subsequently	-	-	-	-
Total Items that will not be reclassified subsequently to profit or loss	<u>(27,705)</u>	<u>(1)</u>	<u>(11,320)</u>	<u>(1)</u>
Items that may be reclassified subsequently to profit or loss (note 6(l)):				
Financial statements translation differences for foreign operations	(58,483)	(2)	30,645	1
Unrealized gains (losses) on valuation of available-for-sale financial assets	(598)	-	(664)	-
Shares of other comprehensive income of subsidiaries accounted for under equity method-items that may be reclassified subsequently to profit or loss	(85,757)	(3)	141,822	6
Income tax expense relating to components of other comprehensive income (loss)	-	-	-	-
Total Items that may be reclassified subsequently to profit or loss	<u>(144,838)</u>	<u>(5)</u>	<u>171,803</u>	<u>7</u>
Other comprehensive income (loss), net of tax	<u>(172,543)</u>	<u>(6)</u>	<u>160,483</u>	<u>6</u>
Total comprehensive income	<u>\$ 940,307</u>	<u>34</u>	<u>\$ 1,109,117</u>	<u>43</u>
Basic earnings per share (in New Taiwan dollars) (note 6(m))	<u>\$ 4.49</u>		<u>3.82</u>	
Diluted earnings per share (in New Taiwan dollars) (note 6(m))	<u>\$ 4.48</u>		<u>3.82</u>	

See accompanying notes to the financial statements.

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD.
Statements of Changes in Equity
For the years ended December 31, 2015 and 2014
(Expressed in thousands of New Taiwan dollars)

					Retained earnings				Other equity adjustments		
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Financial statements translation differences for foreign operations	Unrealized gain (loss) on valuation of available-for-sale financial assets	Treasury stock	Total	
Balance at January 1, 2014	\$ 2,941,330	332,677	128,287	512,508	1,050,728	1,691,523	37,681	(4,865)	32,816	(530,114)	4,468,232
Appropriations and distributions (note 1):											
Legal reserve	-	-	85,436	-	(85,436)	-	-	-	-	-	-
Cash dividends	-	91,760	-	-	(588,266)	(588,266)	-	-	-	-	(496,506)
Net income	-	-	-	-	948,634	948,634	-	-	-	-	948,634
Other comprehensive income (loss)	-	-	-	-	(11,320)	(11,320)	172,623	(820)	171,803	-	160,483
Total comprehensive income (loss)	-	-	-	-	937,314	937,314	172,623	(820)	171,803	-	1,109,117
Balance at December 31, 2014	2,941,330	424,437	213,723	512,508	1,314,340	2,040,371	210,304	(5,685)	204,619	(530,114)	5,080,843
Appropriations and distributions (note 2):											
Legal reserve	-	-	94,863	-	(94,863)	-	-	-	-	-	-
Cash dividends	-	96,349	-	-	(617,680)	(617,680)	-	-	-	-	(521,331)
Net income	-	-	-	-	1,112,850	1,112,850	-	-	-	-	1,112,850
Other comprehensive income (loss)	-	-	-	-	(27,705)	(27,705)	(144,100)	(738)	(144,838)	-	(172,543)
Total comprehensive income (loss)	-	-	-	-	1,085,145	1,085,145	(144,100)	(738)	(144,838)	-	940,307
Balance at December 31, 2015	\$ 2,941,330	520,786	308,586	512,508	1,686,942	2,508,036	66,204	(6,423)	59,781	(530,114)	5,499,819

Supplemental disclosure:

- 1: Directors' and supervisors' remuneration, and employee bonuses, amounting to \$30,757 and \$7,689, respectively, were deducted from profit or loss.
2: Directors' and supervisors' remuneration, and employee bonuses, amounting to \$34,151 and \$8,538, respectively, were deducted from profit or loss.

See accompanying notes to the financial statements.

Attachment 4-5

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD.
Statements of Cash Flows
For the years ended December 31, 2015 and 2014
(Expressed in thousands of New Taiwan dollars)

	2015	2014
Cash flows from operating activities:		
Net income before tax	\$ 1,332,744	1,069,702
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation	108,215	102,194
Provisions for bad debt	1,020	1,009
Interest expenses	67,951	63,684
Interest income	(1,293)	(1,636)
Shares of profit of subsidiaries accounted for under equity method	(1,383,251)	(1,167,875)
Losses on disposal of property, plant and equipment, net	34	351
Impairment loss on non-financial assets	-	20,000
Total adjustments to reconcile profit and loss	<u>(1,207,324)</u>	<u>(982,273)</u>
Changes in assets / liabilities relating to operating activities:		
Net changes in operating assets:		
Notes receivable	6,460	(7,157)
Accounts receivable	(6,028)	(47,856)
Accounts receivable—related-parties	(11,338)	(3,579)
Other receivables	19,952	(20,000)
Other receivables—related-parties	252,057	(258,434)
Inventories	31,574	(37,457)
Prepayments	11,988	(38,403)
Other current assets	<u>(201)</u>	<u>(810)</u>
Total changes in operating assets, net	<u>304,464</u>	<u>(413,696)</u>
Net changes in operating liabilities:		
Accounts payable	(26,225)	31,069
Accounts payable—related-parties	5,286	(2,831)
Other payables	53,652	37,115
Other payables—related-parties	9,215	(1,140)
Other current liabilities	(54)	8,807
Net defined benefit liabilities	(4,839)	(4,282)
Deferred revenue	<u>13,481</u>	<u>3,663</u>
Total changes in operating liabilities, net	<u>50,516</u>	<u>72,401</u>
Total changes in operating assets / liabilities, net	<u>354,980</u>	<u>(341,295)</u>
Total adjustments	<u>(852,344)</u>	<u>(1,323,568)</u>
Cash provided by operating activities	480,400	(253,866)
Interest income received	1,293	1,636
Interest paid	(68,414)	(63,422)
Income tax paid	<u>(78,154)</u>	<u>(42,715)</u>
Net cash provided by (used in) operating activities	<u>335,125</u>	<u>(358,367)</u>
Cash flows from investing activities:		
Proceeds from capital reduction of financial assets at cost	-	30,666
Acquisition of investments accounted for under equity method	(249,730)	(63,800)
Acquisition of property, plant and equipment	(102,923)	(158,594)
Proceeds from disposal of property, plant and equipment	-	272
Decrease (increase) in other non-current assets	1,198	(4,091)
Dividend received	<u>344,235</u>	<u>548,063</u>
Net cash provided by (used in) investing activities	<u>(7,220)</u>	<u>352,516</u>
Cash flows from financing activities:		
Increase in short-term borrowings	2,536,999	3,937,416
Decrease in short-term borrowings	(2,254,011)	(3,993,852)
Increase (decrease) in short-term commercial paper payable	69,973	(24,957)
Proceeds from long-term borrowings	800,000	3,143,659
Repayment of long-term borrowings	(860,033)	(2,483,292)
Increase (decrease) in other non-current liabilities	(138)	376
Cash dividends paid	<u>(617,680)</u>	<u>(588,266)</u>
Net cash used in financing activities	<u>(324,890)</u>	<u>(8,916)</u>
Increase (decrease) in cash and cash equivalents	3,015	(14,767)
Cash and cash equivalents at beginning of period	84,016	98,783
Cash and cash equivalents at end of period	<u>\$ 87,031</u>	<u>84,016</u>

See accompanying notes to the financial statements.



安侯建業聯合會計師事務所

KPMG

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Independent Auditors' Report

The Board of Directors
Namchow Chemical Industrial Co., Ltd.:

We have audited the accompanying consolidated balance sheets of Namchow Chemical Industrial Co., Ltd. and subsidiaries (the Group) as of December 31, 2015 and 2014, and the related consolidated statements of comprehensive income as well as the consolidated statements of changes in equity and of cash flows for the years ended December 31, 2015 and 2014. These consolidated financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the generally accepted auditing standards in the Republic of China. Those regulations and standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to in the first paragraph present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for the years ended December 31, 2015 and 2014, in conformity with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers", and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations and SIC Interpretations endorsed by the R.O.C. Financial Supervisory Commission.

Attachment 4-6-2



We have also audited the standalone financial statements of Namchow Chemical Industrial Co., Ltd. as of December 31, 2015 and 2014, and its related consolidated statements of comprehensive income, as well as the consolidated statements of changes in equity and of cash flows for the years ended December 31, 2015 and 2014, on which we have issued an unqualified audit opinion.

KPMG

KPMG

March 17, 2016

Note to Readers

The accompanying consolidated financial statements are intended only to present the financial position, results of operations, and cash flows in accordance with the International Financial Reporting Standards approved by the R.O.C. Financial Supervisory Commission. The standards, procedures and practices to audit such financial statements are those generally accepted and applied in the Republic of China.

The auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of, the English and Chinese language auditors' report and financial statements, the Chinese version shall prevail.

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2015 and 2014

(expressed in thousands of New Taiwan dollars)

Assets	December 31, 2015		December 31, 2014		December 31, 2015		December 31, 2014	
	Amount	%	Amount	%	Amount	%	Amount	%
Current assets:								
Cash and cash equivalents (notes 6(a) and (i))	\$ 5,330,938	29	4,461,837	26	\$ 3,612,664	20	3,405,688	20
Financial assets at fair value through profit or loss—current (notes 6(b) and (i))	-	-	50	-	149,967	1	99,994	1
Debt investment without active market—current (notes 6(c) and (i))	249,750	2	-	-	529,086	3	466,463	3
Notes receivable, net (notes 6(d) and (i))	215,745	1	187,029	1	157	-	1,116	-
Accounts receivable, net (notes 6(d) and (i))	1,502,657	8	1,505,716	9	721,917	4	663,996	4
Other receivables (notes 6(d), (e) and (i))	143,597	1	153,583	1	1,261,772	7	1,028,208	6
Current income tax assets	13,680	-	-	-	159,599	1	171,578	1
Inventories (note 6(e))	1,603,068	9	1,856,898	11	349,410	2	282,132	2
Prepayments	186,262	1	194,077	1	86,903	-	59,538	-
Other current assets	145,709	1	139,313	1	6,871,475	38	6,178,713	37
Total current assets	9,391,406	52	8,498,553	50				
Non-current assets:								
Available-for-sale financial assets—non-current (notes 6(b) and (i))	13,549	-	14,287	-	4,488,105	24	4,297,111	25
Financial assets at cost—non-current (notes 6(f) and (i))	27,166	-	27,166	-	8,585	-	8,585	-
Property, plant and equipment (notes 6(g), 8 and 9)	8,152,440	44	7,774,260	46	769,801	4	605,543	4
Investment property (note 6(h))	64,021	-	-	-	548,175	3	517,934	3
Goodwill (note 6(i))	105,417	1	105,417	1	69,117	-	53,850	-
Deferred income tax assets (note 6(n))	33,432	-	27,461	-	5,883,783	31	5,483,022	32
Prepayments for equipment	234,238	1	56,046	-	12,755,258	69	11,661,736	69
Long-term prepaid rents	223,998	1	127,476	1	2,941,330	16	2,941,330	17
Other non-current assets (note 8)	153,648	1	283,648	2	520,786	3	424,437	3
Total non-current assets	9,007,929	48	8,415,761	50				
Total assets	\$ 18,399,335	100	\$ 16,914,314	100				
Liabilities and Stockholders' Equity								
Current liabilities:								
Short-term borrowings (notes 6(f), (i), 8 and 9)								
Short-term commercial paper payable (notes 6(f) and (i))								
Current portion of long-term borrowings (notes 6(f), (i) and 8)								
Notes payable (note 6(j))								
Accounts payable (note 6(k))								
Other payables (notes 6(o), (i), (s), (t) and 9)								
Current income tax liabilities								
Deferred revenue (note 6(q))								
Other current liabilities								
Total current liabilities								
Non-current liabilities:								
Long-term borrowings (notes 6(f), (i) and 8)								
Provision liabilities—non-current (note 6(k))								
Deferred income tax liabilities (note 6(n))								
Accrued pension liabilities—non-current (note 6(m))								
Other non-current liabilities								
Total non-current liabilities								
Equity attributable to shareholders of the parent (notes 6(b), (n) and (o)):								
Common stock								
Capital surplus								
Retained earnings:								
Legal reserve								
Special reserve								
Unappropriated earnings								
Other equities:								
Financial statement translation differences for foreign operations								
Unrealized gains (losses) on valuation of available-for-sale financial assets								
Treasury stock								
Total equity								
Non-controlling interests								
Total equity attributable to shareholders of the parent								
Total liabilities and stockholders' equity								

See accompanying notes to the consolidated financial statements.

Attachment 4-8

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2015 and 2014

(Expressed in thousands of New Taiwan dollars)

	2015		2014	
	Amount	%	Amount	%
Revenue (note 6(q))	\$ 15,479,543	100	14,831,846	100
Operating costs (notes 6(e), (g), (l), (m), (o), (r), 7 and 9)	<u>9,871,293</u>	<u>64</u>	<u>9,913,530</u>	<u>67</u>
Gross profit	5,608,250	36	4,918,316	33
Operating expenses (notes 6(d), (g), (l), (m), (o), (r) and 7):				
Selling expenses	2,326,392	15	2,094,263	14
General and administrative expenses	1,187,298	7	1,120,434	8
Research and development expenses	<u>139,141</u>	<u>1</u>	<u>125,678</u>	<u>1</u>
Total operating expenses	<u>3,652,831</u>	<u>23</u>	<u>3,340,375</u>	<u>23</u>
Operating profit	<u>1,955,419</u>	<u>13</u>	<u>1,577,941</u>	<u>10</u>
Non-operating income and expenses (notes 6(f), (g), (h) and 6(s)):				
Other income	184,129	2	157,000	1
Other gains and losses	(248,047)	(2)	(30,377)	-
Finance costs	<u>(150,460)</u>	<u>(1)</u>	<u>(125,961)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(214,378)</u>	<u>(1)</u>	<u>662</u>	<u>-</u>
Net income before tax	1,741,041	12	1,578,603	10
Less: income tax expenses (note 6(u))	<u>577,080</u>	<u>4</u>	<u>569,866</u>	<u>4</u>
Net income	<u>1,163,961</u>	<u>8</u>	<u>1,008,737</u>	<u>6</u>
Other comprehensive income (loss):				
Items that will not be reclassified subsequently to profit or loss (note 6(m)):				
Remeasurements of the defined benefit plans	(27,724)	-	(11,300)	-
Income tax expense related to items that will not be reclassified subsequently	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Items that will not be reclassified subsequently to profit or loss	<u>(27,724)</u>	<u>-</u>	<u>(11,300)</u>	<u>-</u>
Items that may be reclassified subsequently to profit or loss (note 6(o)):				
Financial statements translation differences on foreign operations	(148,786)	(1)	177,728	1
Unrealized gains (losses) on valuation of available-for-sale financial assets	(738)	-	(820)	-
Income tax expense relating to components of other comprehensive income (loss)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Items that may be reclassified subsequently to profit or loss	<u>(149,524)</u>	<u>(1)</u>	<u>176,908</u>	<u>1</u>
Other comprehensive income (loss), net of tax	<u>(177,248)</u>	<u>(1)</u>	<u>165,608</u>	<u>1</u>
Total comprehensive income	<u>\$ 986,713</u>	<u>7</u>	<u>1,174,345</u>	<u>7</u>
Net income attributable to:				
Shareholders of the parent	\$ 1,112,850	8	948,633	6
Non-controlling interests	<u>51,111</u>	<u>-</u>	<u>60,104</u>	<u>-</u>
	<u>\$ 1,163,961</u>	<u>8</u>	<u>1,008,737</u>	<u>6</u>
Total comprehensive income attributable to:				
Shareholders of the parent	\$ 940,307	7	1,109,117	7
Non-controlling interests	<u>46,406</u>	<u>-</u>	<u>65,228</u>	<u>-</u>
	<u>\$ 986,713</u>	<u>7</u>	<u>1,174,345</u>	<u>7</u>
Basic earnings per share (in New Taiwan dollars) (note 6(p))	<u>\$ 4.49</u>		<u>3.82</u>	
Diluted earnings per share (in New Taiwan dollars) (note 6(p))	<u>\$ 4.48</u>		<u>3.82</u>	

See accompanying notes to the consolidated financial statements.

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2015 and 2014
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the parent						Other equity adjustments			Total	Treasury stock	Total equity attributable to shareholders of the parent	Non-controlling interests	Total
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Total	Financial statements translation differences for foreign operations	Unrealized gain (loss) on valuation of available-for-sale financial assets						
Balance at January 1, 2014	\$ 2,941,330	332,677	128,287	512,508	1,050,728	1,691,523	37,681	(4,865)	32,816	(530,114)	4,468,232	159,420	4,627,652	
Appropriations and distributions:														
Legal reserve	-	-	85,436	-	(85,436)	-	-	-	-	-	-	-	-	
Cash dividends and adjustment of capital surplus for Company's cash dividends received by subsidiaries	-	91,760	-	-	(588,266)	(588,266)	-	-	-	-	(496,506)	-	(496,506)	
Net income	-	-	-	-	948,634	948,634	-	-	948,634	-	948,634	60,103	1,008,737	
Other comprehensive income (loss)	-	-	-	-	(11,320)	(11,320)	172,623	(820)	171,803	-	160,483	5,125	165,608	
Total comprehensive income (loss)	-	-	-	-	937,314	937,314	172,623	(820)	171,803	-	1,109,117	65,228	1,174,345	
Cash dividends to non-controlling interest from subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(52,913)	(52,913)	
Balance at December 31, 2014	2,941,330	424,437	213,723	512,508	1,314,340	2,040,571	210,304	(5,685)	204,619	(530,114)	5,080,843	171,735	5,252,578	
Appropriations and distributions:														
Legal reserve	-	-	94,863	-	(94,863)	-	-	-	-	-	-	-	-	
Cash dividends and adjustment of capital surplus for Company's cash dividends received by subsidiaries	-	96,349	-	-	(617,680)	(617,680)	-	-	-	-	(521,331)	-	(521,331)	
Net income	-	-	-	-	1,112,850	1,112,850	-	-	-	-	1,112,850	51,111	1,163,961	
Other comprehensive income (loss)	-	-	-	-	(27,705)	(27,705)	(144,100)	(738)	(144,838)	-	(172,543)	(4,705)	(177,248)	
Total comprehensive income (loss)	-	-	-	-	1,085,145	1,085,145	(144,100)	(738)	(144,838)	-	940,307	46,406	986,713	
Cash dividends to non-controlling interest from subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(73,883)	(73,883)	
Balance at December 31, 2015	\$ 2,941,330	520,786	308,586	512,508	1,686,942	2,508,036	66,204	(6,423)	59,781	(530,114)	5,499,819	144,258	5,644,077	

See accompanying notes to the consolidated financial statements.

Attachment 4-10

NAMCHOW CHEMICAL INDUSTRIAL CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the years ended December 31, 2015 and 2014

(Expressed in thousands of New Taiwan dollars)

	2015	2014
Cash flows from operating activities:		
Consolidated net income before tax	\$ 1,741,041	1,578,603
Adjustments:		
Adjustments to reconcile profit and loss		
Depreciation	656,829	609,544
Provisions for bad debt	2,565	368
Gains on financial assets at fair value through profit or loss	50	(2,803)
Interest expenses	150,460	125,961
Interest income	(94,068)	(47,373)
Losses on disposal of property, plant and equipment, net	6,485	4,392
Gains on disposal of investments, net	-	(25,930)
Impairment losses on non-financial assets	-	20,000
Total adjustments to reconcile profit and loss	722,321	684,159
Changes in assets / liabilities relating to operating activities:		
Net changes in operating assets:		
Notes receivable	(28,716)	(28,353)
Accounts receivable	1,004	54,112
Other receivables	110,394	43,122
Inventories	253,830	(75,207)
Prepayments	3,756	(101,610)
Other current assets	(6,396)	(45,697)
Total changes in operating assets, net	333,872	(153,633)
Net changes in operating liabilities:		
Notes payable	(959)	1,055
Accounts payable	57,921	17,773
Other payables	259,203	45,156
Provisions liabilities	-	1,825
Other current liabilities	27,365	6,502
Net defined benefit liabilities	2,517	3,311
Deferred revenue	67,278	40,181
Total changes in operating liabilities, net	413,325	115,803
Total changes in operating assets / liabilities, net	747,197	(37,830)
Total adjustments	1,469,518	646,329
Cash provided by operating activities	3,210,559	2,224,932
Interest income received	94,068	47,373
Interest paid	(149,951)	(124,188)
Income tax paid	(444,452)	(441,113)
Net cash provided by operating activities	2,710,224	1,707,004
Cash flows from investing activities:		
Acquisition of debt investments without active market	(249,750)	-
Proceeds from disposal of financial assets at cost	-	43,490
Proceeds from capital reduction of financial assets at cost	-	30,666
Acquisition of property, plant and equipment	(1,408,065)	(2,078,746)
Proceeds from disposal of property, plant and equipment	14,902	50,597
Decrease in Long-term prepaid rents	7,369	-
Decrease (increase) in other non-current assets	26,109	(168,987)
Net cash used in investing activities	(1,609,435)	(2,122,980)
Cash flows from financing activities:		
Increase in short-term borrowings	10,893,563	9,235,626
Decrease in short-term borrowings	(10,643,489)	(7,775,624)
Increase in short-term commercial paper payable	49,973	55,043
Proceeds from long-term borrowings	1,272,609	4,165,804
Repayment of long-term borrowings	(1,067,923)	(2,909,591)
Increase (decrease) in other non-current liabilities	15,267	(5,624)
Cash dividends paid	(691,563)	(641,179)
Net cash provided by (used in) financing activities	(171,563)	2,124,455
Effects of changes in exchange rates	(60,175)	232,433
Increase in cash and cash equivalents	869,051	1,940,912
Cash and cash equivalents at beginning of period	4,461,887	2,520,975
Cash and cash equivalents at end of period	\$ 5,330,938	4,461,887

See accompanying notes to the consolidated financial statements.

Attachment 5

Namchow Chemical Industrial CO., LTD.

2015 Earnings Distribution Form

Unit: NTD thousand

Item	Value
Undistributed Earnings at Start of Reporting Period	601,797
Addition: Re-measured variable for the current term confirmed for defined benefit plans	(27,705)
Net profit after tax	1,112,850
Profit Available for Distribution	1,686,942
Less:	
Appropriation of legal reserve	111,285
Appropriation of the equity deduction special reserve	-
Distribution Item:	
Dividends for shareholders in cash (2.6 per share)	764,746
Undistributed Earnings at End of Reporting Period	810,911

*Chen Fei Lung**Chairman**Lee Kan Wen**EVP**Lien Jung Chang**Head of Accounting*

Appendix 1

Namchow Chemical Industrial CO., LTD. Articles of Incorporation

Chapter 1 General Provisions

Article 1: The company is organized in accordance with the requirements under the Company Act for companies limited by shares and chooses "Namchow Chemical Industrial CO., LTD." as its name.

Article 2: The scope of operation of the company is as follows:

A102060 Grain Commerce

C102010 Dairy Products Manufacturing

C103050 Canned, Frozen, Dehydrated Food Manufacturing

C104010 Sugar Confectionery and Bakery Product Manufacturing

C104020 Bakery Food Manufacturing

C105010 Edible Oil Manufacturing

C109010 Seasoning Manufacturing

C110010 Beverage Manufacturing

C113011 Alcoholic drink Manufacturing

C113020 Semi-finished Material of Wine Manufacturing

C199010 Noodles, Flour Food Manufacturing

C199030 Instant Food Manufacturing

C601050 Housewares and Tissue Paper Manufacturing

C801010 Basic Industrial Chemical Manufacturing

C801990 Other Chemical Materials Manufacturing

C802090 Cleaning Products Manufacturing

C802041 Drugs and Medicines Manufacturing

C802100 Cosmetics Manufacturing

C802120 Industrial Catalyst Manufacturing

CB01010 Machinery and Equipment Manufacturing

CZ99990 Other Industrial Products Manufacturing Not Elsewhere Classified

F102020 Wholesale of Edible Oil

F102030 Wholesale of Tobacco Products and Alcoholic Beverages

F102040 Wholesale of Nonalcoholic Beverages

F102170 Wholesale of Food and Grocery

F106020 Wholesale of Articles for Daily Use

F107030 Wholesale of Cleaning Preparations

F107170 Wholesale of Industrial Catalyst

F107200 Wholesale of Chemistry Raw Material

F108021 Wholesale of Drugs and Medicines

F108040 Wholesale of Cosmetics

F113010 Wholesale of Machinery

F199010 Wholesale of Recycling Materials

F201010 Retail sale of Agricultural Products

F203010 Retail sale of Food and Grocery

F203020 Retail Sale of Tobacco and Alcoholic Drinks

F203030 Retail Sale of Ethanol

F206020 Retail Sale of Articles for Daily Use

F207030 Retail Sale of Cleaning Preparations

F207170 Retail Sale of Industrial Catalyst

F207200 Retail sale of Chemistry Raw Material

F208021 Retail Sale of Drugs and Medicines

F208040 Retail Sale of Cosmetics

F208050 Retail Sale of the Second Type Patent Medicine

F213080 Retail Sale of Machinery and Equipment

F299990 Retail Sale of Other Retail Trade Not Elsewhere Classified

F301010 Department Stores

F301020 Supermarkets
F399010 Supermarkets
F399040 Retail Business Without Shop
F399990 Retail sale of Others
F401010 International Trade
F401161 Tobacco Products Import
F401161 Alcohol Drink Import
F501030 Coffee/Tea Shops and Bars
F501030 Public Houses and Beer Halls
F501060 Restaurants
H703100 Real Estate Rental and Leasing
F501990 Other Eating and Drinking Places Not Elsewhere Classified
I102010 Investment Consultancy
I103060 Management Consulting Services
I301010 Software Design Services
IZ99990 Other Industry and Commerce Services Not Elsewhere Classified
J601010 Arts and Literature Service
J602010 Agents and Managers for Performing Arts, Entertainers, and Models
J799990 Other Recreational Services
JE01010 Rental and Leasing Business
JZ99990 Other Services Not Elsewhere Classified
ZZ99999 Other business which is not prohibited or restricted by law, except for those requiring approval.
When a charter is required for the said businesses, approval has to be obtained before they start operation.

Article 2-1:The company may offer external assurance in order to fulfill business needs.

Article 2-2: If the company is a shareholder with limited liabilities of another company, its overall investment value is not subject Article 13 of the Company Act where it says that the overall investment value may not exceed 40% of the paid-up capital stock.

Article 3: The company's main office is located in Taipei City and the company may set up branches at other appropriate locations when it is considered necessary. The establishment, abolishment, or change is to be decided by the Board of Directors.

Article 4: The Company's public notices shall be pursuant to Article 28 of the Company Act.

Chapter 2 Shares

Article 5: The capital size of the company is set at NTD 4 billion consisting of 400 million shares. Each share has a par value of NTD 10. The shares are to be issued in separate efforts by the Board of Directors according to the Company Act and other applicable laws and regulations.

Article 6: Stocks of the company shall be registered, signed or sealed by at least three directors. The stocks should be issued after proper certification by the competent authority or its approved registration institutes by law.

Stocks issued by the company are not required to be printed. The company, however, should contact the securities depository and custodian institution for registration of the share certificates.

Article 7: Shareholders shall complete the seal certificate to be kept by the company. The seal certificate is the basis for claiming the dividend and bonus or written correspondence with the company.

Article 8: In the event that the stocks are assigned to someone else, the stock transfer request should be completed and submitted to the company for change of name and transfer of the account. Once it is registered in the shareholders roster, it can be set up as a valid defense against the company. To request change of name as a result of inheritance, the heir shall provide legal supporting documents.

Article 9: In the event that the stocks are lost or stolen, the holder shall file the case with the police and loss of the stocks with the company and petition the court with jurisdiction within 5 days to release a public notice. A copy of the said writ petition along with a photocopy of the receipt from the court shall be submitted to the company; otherwise, the application for loss of the stocks will be canceled. Once the public notice is released and a judgment is made, a copy of the newspaper bearing the public notice and judgment shall

be submitted to the company and a request for re-issuance of new stocks shall be made to the company with the ex-right verdict.

Article 10: Adequate cost will be charged for each stock to be replaced or re-issued because of contamination or damage or in accordance with the requirements indicated in the foregoing 2 articles.

Article 10-1: After issuance of new stocks, the physical stocks may all be printed at once for that particular issue. The company may also issue stock in non-physical form.

With respect to shares issued in accordance with the requirements set forth in the preceding paragraph, they may be held in custody or placed for registration with a centralized securities depository corporation or they may also be consolidated and re-issued in securities with larger denominations as requested from the centralized securities depository corporation.

Chapter 3 Shareholder's Meeting

Article 11: There are regular and provisional shareholders meetings. The regular meeting is held once a year within 6 months after an operation year ends and is called for by the Board of Directors while the provisional one is to be convened by the Board of Directors or the supervisor whenever it is considered necessary. Shareholders who have been holding more than 3% of the total outstanding shares for more than a year may also ask the Board of Directors to call for a shareholders meeting by clearly written proposals and reasons.

Article 12: A shareholders meeting shall be called for by the 30th day of each month while provisional meeting shall be called for by the 15th day of each month, with written indication of the date, venue, and reason for the meeting that is made known to individual shareholders. For shareholders with less than 1,000 inscribed stocks, a public notice may be provided to notify them as required by Article 26-2 of the Securities Exchange Act.

Article 13: If a shareholder cannot attend a meeting for some reason, he/she may have a proxy to attend it on his/her behalf with a show of the proxy form printed out and distributed by the company that specifies the scope of authorization and bears his/her signature/seal in accordance with applicable laws and regulations governing the use of the proxy form. When two or more shareholders authorize the same person, the authorized voting rights may not exceed 3% of the voting rights of the total outstanding shares combined. The excess will not be counted.

Article 14: The Chairman shall chair shareholders meetings; in the event that the Chairman is absent for a reason, the Vice Chairman shall act on his/her behalf.

Article 15: Unless otherwise stipulated in the Company Act, any resolutions reached in a shareholders' meeting should be approved by a majority vote among shareholders that are present and represent at least one half of the total outstanding shares.

When shareholders that are present do not meet the requirements indicated in the preceding paragraph, yet account for more than one-third of the total outstanding shares, approval by a majority of the shareholders that are present shall constitute a tentative resolution. The tentative resolution shall be made known to all shareholders and another shareholders meeting shall be called for within a month. For the tentative resolution, if it is approved by a majority vote among shareholders that are present and represent one-third of the total outstanding shares, it shall be considered as the resolution indicated in the preceding paragraph.

Article 16: For the shares held by the shareholders, unless specified otherwise by law, each share is assigned with one vote.

Article 17: Minutes of shareholders meetings shall show the year, month, date, venue, name of the chairperson, decisions made in the meetings, highlights of the agenda and results and must be signed off or sealed by the chairperson. Minutes of shareholders meetings shall be kept for as long as the company continues to exist. Shareholders' attendance sheets and proxy forms shall be retained for at least one year.

Chapter 4 Board of Directors

Article 18: The company has 5 to 8 board directors, who are to be elected among capable people in shareholders meetings to serve a tenure of 3 years and may be repeatedly elected to serve multiple terms. The directors are entitled to transportation reimbursements that have to be paid regardless of gains or losses. Among the said directors, there may not be fewer than 2 independent ones and the independent directors may not account for less than one-fifth of all openings. Election of independent directors follows the nomination system. Shareholders shall elect independent directors according to the list of candidates they receive. Independent and non-independent directors shall be elected together and votes will be counted separately. The nomination and election of independent directors and other details to be followed shall be based on the requirements indicated in the Securities Exchange Act and applicable laws and regulations.

The total number of the company's shares to be held by all directors shall be set according to the "Rules Governing the Ratio and Audit Procedures on the Stock Ownership by Directors and Supervisors of Public Companies" established by the competent authority.

In order to protect the company's right of reinvestment, the directors may be elected and hired as director and manager in the invested company and can take part in the operation of the reinvestment business.

Article 19: The directors shall form the Board of Directors and shall elect among themselves one Chairman and one Vice Chairman with paid salaries that are positive expenses regardless of gains or losses.

Article 19-1: The company may purchase liability insurance for its directors and supervisors during their term of office, based on the compensation liabilities associated with their respective business accountabilities. The Board of Directors is fully authorized to take care of the insurance matter.

Article 20: The duties of the Board of Directors are as follows:

- (1) To review respective rules and procedures
- (2) To decide on business policies
- (3) To review budget and accounts
- (4) To prepare individual forms and rosters as per Article 228 of the Company Act
- (5) To direct and supervise operations
- (6) To decide on the establishment, removal, or change of branches
- (7) To approve the purchase and disposal of important properties and real estate
- (8) To offer external assurance
- (9) To make a decision on reinvestment
- (10) The Board of Directors is to decide on involvement in public interest activities that are required while fulfilling its tasks and in order to facilitate expansion of the operation or to boost the company image while returning to society or donations that are required in order to fulfill the company's social responsibilities.
- (11) Other duties that are bestowed under applicable laws and regulations or through the shareholders meeting.

Article 20-1: The Board of Directors is fully authorized to handle fractional shares from new stocks issued by the company by contacting specific people for subscription.

Article 21: The Board of Directors shall meet at least once a quarter. When a provisional meeting is required, except for the very first meeting for each intake of the Board of Directors where a meeting is to be called for by the director with the most votes, all the other meetings are to be called for by the Chairman, who will also preside over the meeting. When the Chairman is absent for some reason, the Vice Chairman shall act on his/her behalf.

When a meeting of the Board of Directors is called for via visual communication network, the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person. In the event that a director is unable to attend the meeting in person, he/she may authorize another director to act on his/her behalf with a show of the proxy form. The proxy, however, may only be authorized by one director.

A meeting of the company's Board of Directors may be called for in writing, through email, or by fax.

Article 22: Decisions made by the Board of Directors shall be approved by a majority vote among the directors who are present and account for more than half of all directors and the meeting minutes shall be signed off and sealed by the chairperson.

Article 23: When the Board of Directors meets, the General Manager and managers may be invited to attend the meeting; nevertheless, the latter do not have a voting right.

Chapter 5 Supervisors

Article 24: The company has 2 supervisors, who are to be elected among capable people in shareholders meetings to serve a tenure of 3 years and may be repeatedly elected to serve multiple terms. The supervisors are entitled to transportation reimbursements that have to be paid regardless of gains or losses.

The total number of the company's shares to be held by all supervisors shall be set according to the "Rules Governing the Ratio and Audit Procedures on the Stock Ownership by Directors and Supervisors of Public Companies" established by the competent authority.

Article 25: The duties of supervisors are as follows:

- (1) To investigate the company's financial conditions

- (2) To inspect books and documents
- (3) To inquire about operations of the company
- (4) To monitor operations carried out by staff and to report illegal and negligent situations
- (5) Other duties bestowed under applicable laws and regulations

Article 26: Supervisors may be seated in Board of Directors meetings but do not have a voting right.

Chapter 6 Organization

Article 26: The company has one General Manager, who is nominated by the Chairman and hired with approval by a majority vote among the directors. The same applies upon dismissal. There are several deputy general managers, associate managers and managers, who are to be chosen jointly by the Chairman and the General Manager and are hired with approval by a majority vote among the directors. The same applies upon dismissal. Other important employees are to be hired following submission by the General Manager to and approval by the Director and their information shall be submitted to the Board of Directors for reference. The same applies upon dismissal.

Article 28: The General Manager manages all affairs relating the company based on decisions made by the Board of Directors.

Chapter 7 Accounting

Article 29: A business year begins with January 1 and ends on December 31 at the company. The annual audit takes place after a year is completed.

Article 30: After the annual audit, the following forms shall be prepared, submitted to the Board of Directors for review and to the supervisors to be inspected, and brought forth in the shareholders meeting for recognition.

- (1) Business Report
- (2) Financial Statement
- (3) Earnings Distribution or Losses Subsidization Proposal

Article 31: In light of the facts that the company is in an industry with a constantly changing climate, that the company is at the growing stage of its life cycle and that distribution of dividends to shareholders is based on the future capital budget planning of the company

and the funding demand to implement its operational policies, dividends will basically be distributed primarily in the form of stock and secondarily in cash.

Following year-end settlement, taxes will be paid and losses from preceding years will be made up for first in cases of earnings and then 10% of the remainder will be set aside to be the legal reserve in addition to special reserve that will also be appropriated to meet regulatory requirements. In cases of any further earnings, they will be handled as follows:

- (1) Remunerations for board directors and supervisors, which shall be determined by the Board of Directors depending on the annual earnings status
- (2) Employees' bonus totaling 1%
- (3) Dividends for shareholders totaling at least 50% till all are distributed, among which cash dividends shall account for at least 10%

For the distributions indicated in the preceding paragraph, the Board of Directors shall prepare the Earnings Distribution Form and submit it in shareholders' meetings for a decision.

Chapter 8 Supplementary Provisions

Article 32: The company's organizational rules and enforcement rules are to be established separately.

Article 33: Details not covered herein are to be handled in accordance with the requirements of the Company Act and other applicable laws and regulations.

Article 34: These Articles of Incorporation were stipulated on March 25, 1950. The first amendment took place on February 21, 1952. The second amendment took place on September 3, 1953. The third amendment took place on April 9, 1955. The fourth amendment took place on April 4, 1959. The fifth amendment took place on April 6, 1960. The sixth amendment took place on April 29, 1961. The seventh amendment took place on May 22, 1962. The eighth amendment took place on June 5, 1964. The ninth amendment took place on November 9, 1966. The tenth amendment took place on March 24, 1967. The 11th amendment took place on April 26, 1968. The 12th amendment took place on November 11, 1968. The 13th amendment took place on December 3, 1970. The 14th amendment took place on May 15, 1971. The 15th amendment took place on May 12, 1972. The 16th amendment took place on June 30, 1973. The 17th amendment took place on February 7, 1973. The 18th amendment took place on May 8, 1974. The 19th amendment took place on May 16, 1975. The 20th

amendment took place on May 7, 1976. The 21st amendment took place on April 14, 1977. The 22nd amendment took place on March 17, 1978. The 23rd amendment took place on March 9, 1979. The 24th amendment took place on March 26, 1980. The 25th amendment took place on March 27, 1981. The 26th amendment took place on May 12, 1982. The 27th amendment took place on May 11, 1983. The 28th amendment took place on March 23, 1984. The 29th amendment took place on June 15, 1985. The 30th amendment took place on May 23, 1986. The 31st amendment took place on May 27, 1987. The 32nd amendment took place on June 10, 1988. The 33rd amendment took place on May 15, 1989. The 34th amendment took place on March 31, 1990. The 35th amendment took place on June 20, 1991. The 36th amendment took place on May 23, 1992. The 37th amendment took place on May 22, 1993. The 38th amendment took place on May 23, 1995. The 39th amendment took place on June 22, 1996. The 40th amendment took place on May 10, 1997. The 41st amendment took place on June 25, 1999. The 42nd amendment took place on June 17, 2000. The 43rd amendment took place on June 7, 2002. The 44th amendment took place on June 9, 2006. The 45th amendment took place on June 8, 2007. The 46th amendment took place on June 19, 2009. The 47th amendment took place on May 28, 2010. The 48th amendment took place on June 6, 2014.

Appendix 2

Namchow Chemical Industrial CO., LTD.

Rules and Procedures for Shareholders Meetings

1. Shareholders meetings of the company shall be based on these Rules and Procedures.
2. For shareholders (or their proxies) who attend the meeting, please submit the sign-in card to indicate attendance and bring the identification supporting document to get ready for inspection and verification whenever necessary.

Without the attendance certificate and sign-in card as required by law, no one is allowed to attend a shareholders meeting; the same shall apply to whoever cannot provide complete identification supporting documents.

- 2-1. Starting from 2016, shareholders may exercise their voting rights electronically. How to exercise the voting right is to follow the requirements of the Company Act and the competent authority.

Shareholders exercising their voting rights electronically are considered to have attended the shareholders meeting in person. For motions and amendment to the original proposal in the shareholders meeting, however, it is considered an abstention.

3. Upon attendance by shareholders representing more than half of the total outstanding shares, the chairperson will call the meeting to order. If it is already past the start time for the meeting but the attendance continues to fall short of the legal requirement, the chairperson may announce an extension of the start time. When the start time has been extended for two times and the attendance is still short of meeting the requirement but shareholders that are present represent more than one-third of the total outstanding shares, the requirement in Article 175 of the Company Act "approval by a majority of the shareholders that are present shall constitute a tentative resolution" shall be followed.

To reach the tentative resolution indicated in the preceding paragraph, if the number of shares represented by shareholders that are present has met the legal requirement, the chairperson may call the meeting to order at any time and bring forth the tentative resolution reached in the general meeting for endorsement.

4. The agenda for the shareholders meeting is to be set by the Board of Directors and the meeting shall take place in accordance with the procedures arranged in the agenda.
5. To speak a few words, shareholders shall provide the purpose of the speech, shareholder account number and name in the speech note first and the chairperson will decide the sequential order.
6. Shareholders may not speak for more than three minutes in each attempt; with the chairperson's permission, however, the speech may be extended by two minutes.
7. For the same proposal, the same shareholder (or proxy) may not speak more than twice.
- 7-1. When authorized to attend a shareholders meeting, each legal entity may only send one representative to attend it.

8. The chairperson may stop a shareholder's speech if it is overtime or exceeds the two-time limit or exceeds the scope of the proposal.
9. During the discussion of a proposal, the chairperson may declare that discussions are over whenever it is considered appropriate. When it is necessary, discussions may be declared to be halted, too.
10. The chairperson may submit a proposal whose discussions are declared to be halted or discontinued for a vote.
11. Approval of a proposal requires a majority vote among shareholders who are present. During a vote, shareholders who vote electronically do not express an objection or abstention to a proposal may be considered as approved when no one expresses disagreement upon the inquiry by the chairperson; the binding power is identical to an actual ballot. Each shareholder has one voting right per share.

To authorize a proxy to attend the shareholders meeting, the shareholder should follow applicable laws and regulations governing the use of proxy forms. When two or more shareholders authorize one person at the same time, the voting rights combined may not exceed 3% of the total outstanding shares. The excess will not be counted.

12. While a meeting is in session, the chairperson may announce a break taking into consideration the available time.
- 12-1. The chairperson may have a picketer (or security) to help maintain order on the floor.
13. For details not covered herein, requirements in the Company Act and the Articles of Incorporation are to be followed.
14. These Rules and Procedures are to be enforced once approved in the shareholders meeting.

Appendix 3

Namchow Chemical Industrial CO., LTD. Guidelines for Electing Board Directors and Supervisors

1. The election of directors and supervisors in the company is to be based on the requirements set forth in these Guidelines.
2. For the election of directors and supervisors in the company, each share has the same voting rights equivalent to the number of directors and supervisors and the votes may be devoted to only one candidate or be distributed among several candidates.
3. The Board of Directors shall prepare the same number of ballots as the number of directors and supervisors to be elected and add the number of votes available on the ballot before handing them out to shareholders who are present in the shareholders meeting.
- 3-1. Starting from 2016, shareholders may exercise their voting rights electronically. How to exercise the voting right is to follow the requirements of the Company Act and the competent authority.
4. Before an election begins, the chairperson shall assign several tellers to perform respective related tasks.
5. For the election of directors and supervisors, the Board of Directors will set up the ballot box that will be opened and authenticated before voting begins.
6. If the candidate is a shareholder, voters must indicate the account name of the candidate and his/her shareholder account number in the "Candidate" column of the ballot. If he/she is not a shareholder, the name and the identification supporting document and number of the candidate shall be provided. If the candidate is a governmental or institutional shareholder, however, name of the government or institution shall be provided in the column for the account name of the candidate. The name of the government or institution and the name of its representative may also be provided. When there are several representatives, the names of all of them shall be provided.
7. The election of independent directors in the company follows the candidate nomination system. Independent and non-independent directors are elected together and votes will be counted separately.
8. When one of the following is found with a ballot, the ballot is considered invalid:
 - (1) The ballot does not meet the requirements herein.
 - (2) A blank ballot is placed in the ballot box.
 - (3) The handwriting on the ballot is illegible or is obliterated.
 - (4) The candidate whose information is provided is a shareholder but the account name and shareholder account number are not identical to the information included in the shareholders roster or the name and identification supporting document and number provided are verified to be wrong if the candidate is not a shareholder.
 - (5) Other words are included besides the account name (name) or shareholder account number (identification supporting document and number) and the assigned voting rights of the candidate.
 - (6) The account name (name) or shareholder account number (identification supporting document and number) is not provided.

(7) The information of two or more candidates is provided on the same ballot.

9. Directors and supervisors of the company are to be elected among capable people in the shareholders meeting and those with more votes totaled from ballots shall sequentially be elected as independent directors and non-independent directors or supervisors according to the number of openings set in the Articles of Incorporation.

When one is elected director and supervisor at the same time according to Paragraph 1, he/she should decide whether he/she wants to be the director or the supervisor while the vacancy is to be filled by another person elected in the shareholders meeting.

10. The ballot box is to be opened right after the voting is completed. The chairperson is to announce the results right on the spot.
11. Those not meeting the requirements in Article 26-3 Paragraphs 3 and 4 of the Securities Exchange Act shall lose their elected status.
12. The eligibility and election of independent directors are to be based on the Securities Exchange Act and the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies established by the Financial Supervisory Commission.
13. For elected directors and supervisors, the company's Board of Directors will issue the elected status notification letter separately.
14. For details not covered herein, requirements in the Company Act, the Articles of Incorporation, and applicable laws and regulations are to be followed.
15. These Guidelines are to be enforced once approved in the shareholders meeting; the same applies to its amendment.

Appendix 4

Namchow Chemical Industrial CO., LTD.

Roster of Directors and Supervisors

Baseline date: April 10, 2016

Title	Name	Date elected	Number of shares held at the time of election			Number of shares currently held			Remarks
			Type	Number of shares	% in contemporary issuance	Type	Number of shares	% in contemporary issuance	
Chairman	Chen Fei Lung	June 10, 2015	Common stock	33,874,934	11.52%	Common stock	33,814,934	11.50%	
Vice Chairman	Chen Fei Peng	June 10, 2015	Common stock	35,792,995	12.17%	Common stock	36,097,995	12.27%	
Director	Lucky Royal Co., Ltd. Representative: Lee Kan Wen	June 10, 2015	Common stock	46,041,259	15.65%	Common stock	46,041,259	15.65%	
Director	Chen Chin Tsai	June 10, 2015	Common stock	507,312	0.17%	Common stock	520,312	0.18%	
Director	Hwa Zhin Co., Ltd. Representative: Chen Cheng Wen	June 10, 2015	Common stock	646,884	0.22%	Common stock	646,884	0.22%	
Independent Director	Chen Ding Guo	June 10, 2015	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Lin Jin Shih	June 10, 2015	Common stock	0	0.00%	Common stock	0	0.00%	
Supervisor	Chang Oh Kuan	June 10, 2013	Common stock	237,136	0.08%	Common stock	187,136	0.06%	
Supervisor	Namchow Chemical Industrial CO., LTD. Employee Welfare Committee Representative Chen Yi Wen	June 10, 2013	Common stock	4,908,960	1.67%	Common stock	4,908,960	1.67%	
Total			Common stock	122,009,480		Common stock	122,217,480		

Total shares issued on June 10, 2013: 294,132,962

Total shares issued on June 10, 2015: 294,132,962

Total shares issued on April 10, 2016: 294,132,962

Note: Legal shares that all directors of the company combined should hold: 12,000,000; those actually held as of April 10, 2016: 117,121,384

Note: Legal shares that all supervisors of the company combined should hold: 1,200,000; those actually held as of April 10, 2016: 5,096,096

©Shares held by independent directors are not included in the calculation of shares held by all directors combined.