

Namchow Holdings Co., Ltd.
(formerly named: Namchow Chemical Industrial Co., Ltd.)
2020 General Meeting of Shareholders

Handbook

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Namchow Holding Co., Ltd.

(Formerly known as Namchow Chemical Industrial Co., Ltd.)

I. 2020 General Shareholders' Meeting Agenda

Time: 9:00 a.m. (Tuesday) on June 30, 2020

Venue: Vision Hall (願景廳), Taipei Foundation of Finance, Room 6, 6F.,
No.51, Hengyang Rd., Taipei City.

I. Meeting Called to Order

II. Chairperson Address

III. Reports

1. 2019 Business Results

2. Review results of the 2019 final accounting books by the Audit Committee

3. 2019 Remunerations Assignment for Board Directors and Employees

4. 2019 surplus allocation and cash dividend report

IV. Recognitions

1. 2019 annual Report on Operations and financial statements

2. 2019 distribution of earnings

V. Discussions

1. Motion of amendment to the Articles of Incorporation

2. Amend this Company's Shareholders' Meeting Procedure Rules

3. Amend this Company's Director Election Method

VI. Ex Temporary Motions

VII. Meeting adjourned

Reports

- I. 2019 Operation Status (See Attachment 1)
- II. Audit Committee Review of 2019 Accounts (See Attachment 2)
- III. 2019 Remunerations Assignment for Board Directors and Employees (See Attachment 3)
- IV. 2019 surplus allocation and cash dividend report (see Attachment 4)

Recognitions

Case 1 Introduced by the Board of Directors

Case: Submission for Recognition of 2019 Report on Operations and Financial Statement.

(See Attachments 1 and 5-1 through 5-10)

Decision:

Case 2 Introduced by the Board of Directors

Case: Submission for Recognition of 2019 Earnings Distribution Proposal

Description:

This Company's 2019 post-tax net profit was NT\$ 964,148,860. A distribution list has been drafted (see Attachment 6).

Decision:

Discussions

Motion No. 1: Introduced by the Board of Directors

Cause of motion: Amendment to the Articles of Incorporation.

Description:

1. According to Article 392-1 of the Company Act, the Company can apply to the competent authority for a foreign name registration. Thus, this Company shall set an English name.
2. According to document number Chin kuan cheng chiao tzu (金管證交字)1080311451 issued by the Financial Supervisory Commission on April 25, 2019, the director election of listed companies shall take the form a candidate nomination system starting on January 1, 2021. This measure shall be recorded in the charter. The shareholder shall choose the directors from the director candidate list. Please amend relevant articles.
3. This Company has established an Audit Committee since June 17, 2019, according to regulations. After the Audit Committee has been established, the rules regarding supervisors in this charter shall be invalidated and removed from the charter.
4. According to document number Ching shang tzu (經商字) 10802432410 issued by the MOEA on January 9, 2020, in response to accounting standard changes in Taiwan, the legal surplus reserve shall use “the sum of this period’s post-tax net profit plus other items listed in the current year’s undistributed surplus” as the listing basis. Please amend related articles.
5. To simplify the distribution of cash from the reserve, follow Articles 241-2 and 240-5 of the Company Act. Please add related articles.
6. Amend Articles 1, 11, 18, 18-1, 19-1, 30, 31, 31-1, and 34 of this Company’s charter. Remove Chapter 5’s Article 24 to Article 26.
7. Comparison of the amended articles are as follows:

After	Before	Description
Article 1: The Company is duly incorporated in accordance with the Corporate Merger and Acquisition Act, the Company Act in the section of limited liability Company, and other applicable laws and bears the title of Namchow Investment Holding Co., Ltd. <u>The English name is Namchow Holdings Co., Ltd.</u>	Article 1: The Company is duly incorporated in accordance with the Corporate Merger and Acquisition Act, the Company Act in the section of limited liability Company, and other applicable laws and bears the title of Namchow Investment Holding Co., Ltd.	Article 392-1 of the Company Act states: “A company may apply for registration of corporate name in a foreign language to the competent authority”; thus, an English name for this Company shall be added.
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	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	This Company has already established an Audit Committee according to regulations. Rules related to supervisors are removed.

After	Before	Description
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.	<u>the supervisor</u> 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.	
<p>Article 18:</p> <p>The Company has 5 to 9 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 3 independent ones and the independent directors may not account for less than one-fifth of all openings.</p> <p><u>This Company's director election shall use a candidate list measure. The shareholders shall elect directors from the candidate list.</u></p> <p>Independent and non-independent directors shall be elected together and votes will be counted separately.</p> <p>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.</p> <p>The total quantity of shares held by all Directors shall be governed by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies insituted by the competent authority.</p> <p>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.</p>	<p>Article 18:</p> <p>The Company has 5 to 9 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 3 independent ones and the independent directors may not account for less than one-fifth of all openings.</p> <p><u>Election of independent directors follows the nomination system. Shareholders shall elect independent directors according to the list of candidates they receive.</u></p> <p>Independent and non-independent directors shall be elected together and votes will be counted separately.</p> <p>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.</p> <p>The total quantity of shares held by all Directors shall be governed by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies insituted by the competent authority.</p> <p>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</p>	<p>Financial Supervisory Commission document number Chin kuan cheng chiao tzu (金管證交字)1080311451 issued on April 25, 2019: the election of directors for listed companies shall use the candidate nomination measure. The measure shall be stated in the charter. Shareholder shall choose directors from the director candidate list. Please amend related articles.</p>

After	Before	Description
	reinvestment business.	
Article 18-1: This Company has formed an Audit Committee composed of all independent directors according to Article 14-4 of the Securities and Exchange Act. The exercise of powers of the Audit Committee, members and related matters shall be conducted in accordance with the Securities Exchange Act Law and relevant laws and regulations.	Article 18-1: The company shall be composed of all Independent Directors to form an Audit Committee from the expiration of <u>the term of office of the current Supervisor in accordance</u> with the provisions of Article 14-4 of the Securities Exchange Act Law. The exercise of powers of the Audit Committee, members and related matters shall be conducted in accordance with the Securities Exchange Act Law and relevant laws and regulations. <u>After the establishment of the Audit Committee, the provisions of the Articles of Association regarding the supervisory system shall cease to apply.</u>	This Company has already established an Audit Committee according to regulations. Rules related to supervisors are removed.
Article 19-1: The Company may purchase liability insurance for its directors 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 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.	This Company has already established an Audit Committee according to regulations. Rules related to supervisors are removed.
Chapter 5: (delete) Article 24: (delete) Article 25: (delete) Article 26: (delete)	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.	This Company has already established an Audit Committee according to regulations. Rules related to supervisors are removed.

After	Before	Description
	<p>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</p> <p>Article 26: Supervisors may be seated in Board of Directors meetings but do not have a voting right.</p>	
<p>Article 30: After the annual account has been completed, the <u>board of directors shall produce the following items according to regulations and have the items recognized at the shareholder's meeting.</u> (1)Report on Operations (2)Financial Statement (3)Earnings Distribution or Losses Subsidization Proposal</p>	<p>Article 30: After the annual audit, <u>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.</u> (1)Report on Operations (2)Financial Statement (3)Earnings Distribution or Losses Subsidization Proposal</p>	An Audit Committee has been established according to regulations and rules related to supervisors have been removed.
<p>Article 31: The Company shall appropriate no less than 1% of its earnings as remuneration to employees and no more than 5% as remuneration to <u>Directors</u>, if applicable. The Company shall appropriate for write-off the loss carried forward, if applicable. The remuneration to employees mentioned in the preceding paragraph may be paid in stock or cash, and the employees of subsidiaries meeting specific condition are also entitled to the payment.</p>	<p>Article 31: The Company shall appropriate no less than 1% of its earnings as remuneration to employees and no more than 5% as remuneration to Directors and Supervisors, if applicable. The Company shall appropriate for write-off the loss carried forward, if applicable. The remuneration to employees mentioned in the preceding paragraph may be paid in stock or cash, and the employees of subsidiaries meeting specific condition are also entitled to the payment.</p>	An Audit Committee has been established according to regulations and rules related to supervisors have been removed.
<p>Article 31-1: The Company shall appropriate its earnings for the payment of applicable taxes, followed by the write-off of loss carried forward, and 10% as legal</p>	<p>Article 31-1: The Company shall appropriate its earnings for the payment of applicable taxes, followed by the write-off of loss carried forward, and 10% as legal</p>	According to document number Ching shang tzu (經商字) 10802432410 issued by the MOEA

After	Before	Description
<p>reserve, if applicable. If however the legal reserve so appropriated is equivalent to the paid-in capital of the Company, no further appropriation is necessary. The remainder shall be recognized for special reserve or reversal of special reserve. If there is still a balance, it will be pooled up with undistributed earnings for distribution to the shareholders as dividend or bonus at the proposal of the Board and the final approval of the Shareholders' Meeting. However, the dividends paid in cash must be attended by more than two-thirds of the Directors from the board and approved by more than half of the Directors present. Reports need to be presented to the Shareholder's Meeting.</p> <p>The dividend policy of the Company shall meet the needs of the development plan at present and in the future, in consideration of the investment environment, capital requirement and competition at home and abroad, and also the interests of the shareholders. At least 30% of annual earnings attributable to shareholders for distribution shall be paid out as dividend, which may be paid as stock dividend and/or cash dividend. Cash dividend shall not fall below 10% of the total dividend paid to the shareholders.</p> <p><u>According to Article 241 of the Company Act, this Company can wholly or partially distribute the legal surplus reserve and the capital reserve in the form of new shares or cash according to the shareholder original share proportion if the shareholders' meeting approves. When approving the issuing of cash, 2/3 of the directors must be present and the majority of attending directors must approve. The board resolution shall be reported at the shareholder's meeting.</u></p>	<p>reserve, if applicable. If however the legal reserve so appropriated is equivalent to the paid-in capital of the Company, no further appropriation is necessary. The remainder shall be recognized for special reserve or reversal of special reserve. If there is still a balance, it will be pooled up with undistributed earnings for distribution to the shareholders as dividend or bonus at the proposal of the Board and the final approval of the Shareholders' Meeting. However, the dividends paid in cash must be attended by more than two-thirds of the Directors from the board and approved by more than half of the Directors present. Reports need to be presented to the Shareholder's Meeting.</p> <p>The dividend policy of the Company shall meet the needs of the development plan at present and in the future, in consideration of the investment environment, capital requirement and competition at home and abroad, and also the interests of the shareholders. At least 30% of annual earnings attributable to shareholders for distribution shall be paid out as dividend, which may be paid as stock dividend and/or cash dividend. Cash dividend shall not fall below 10% of the total dividend paid to the shareholders.</p>	<p>on January 9, 2020, in response to accounting standard changes in Taiwan, the legal surplus reserve shall use "the sum of this period's post-tax net profit plus other items listed in the current year's undistributed surplus" as the listing basis. Please amend related articles.</p> <p>To simplify the distribution of cash from the reserve, please add Item 3 according to Articles 241-2 and 240-5 of the Company Act.</p>
Article 34:	Article 34:	Dating of the

After	Before	Description
.....Except for omitting some parts as usual, add “The 54th amendment was done on June 30, 2020.”	provision after amendment

Decision :

Motion No. 2 Introduced by the Board of Directors

Cause of motion : Amendment to the “Rules and Procedures for Shareholders Meetings”

Description :

1. To improve corporate governance, amend this Company Shareholders’ Meeting Procedure Rules by referencing TWSE’s “Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings”.
2. The current version of the Shareholders’ Meeting Procedure Rules shall be voided when the new version goes into effect.
3. The amendments is as follows:

After	Before	Description
Article 1 This rule was established according to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to build a good shareholders’ meeting governance measure, a healthy supervisory function, and strong management function for this Company.	None	To improve corporate governance, this Company’s Shareholders’ Meeting Procedure Rules shall be amended according to TWSE’s “Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings.”
Article 2 Unless otherwise regulated by law or the charter, this Company’s rules for the shareholders’ meeting shall be these Rules.	Article 1 Shareholders meetings of the company shall be based on these Rules and Procedures. ----- Article 13 For details not covered herein, requirements in the Company Act and the Articles of Incorporation are to be followed.	To improve corporate governance, this Company’s Shareholders’ Meeting Procedure Rules shall be amended according to TWSE’s “Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings.”
Article 3 (convening and notification for the shareholders’ meeting) Unless otherwise stipulated in legal	None	To improve corporate governance, this

After	Before	Description
<p>regulations, the shareholders' meeting shall be convened by the board of directors.</p> <p>This Company shall convert the shareholders' meeting notification, power of attorney forms, recognition items, discussion items, election or removal of directors, and their origin and clarification into electronic files and upload the files to the MOPS 30 days before the regular shareholders' meeting or 15 days before the extempore shareholders' meeting. The shareholders' meeting manual and meeting supplemental information shall be converted to electronic files and uploaded to MOPS 21 days before the regular shareholders' meeting or 15 days before an extempore shareholders' meeting. The shareholders' meeting manual and meeting supplemental information shall be prepared 15 days before the shareholders' meeting for the shareholders to read at their convenience. The manual shall be placed at this Company and this Company's commissioned professional stock agency, as well as distributed at the shareholders' meeting.</p> <p>The reason for the meeting shall be stated on the notification and announcement. The notification can be in electronic form.</p> <p>Election or dismissal of directors, changing of the charter, salary reduction, application to stop public issuing, removing non-compete clause for directors, re-investment of surplus, re-investment/increase of reserve, disbanding of the company, merging of the company, dividing of the company, or any items in Article 185-1 shall be listed and clarified in the convening items. These items shall not be proposed as an extempore motion. The main content shall be placed on the website of</p>		<p>Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>

After	Before	Description
<p>the securities authority or website designated by the Company. The link shall be included in the notification.</p> <p>The shareholders' meeting convening items have stated changed of the entire board of directors, and the inauguration date has been noted. After the stated shareholders' meeting finishes the election, the same meeting cannot use extempore motion or other methods to change the inauguration date.</p> <p>Shareholders who hold 1% or more of the total outstanding shares can propose an item in this Company's regular shareholders' meeting. Proposals are limited to one item. Those who propose more than one item shall not be listed in the meeting agenda. However, if the items proposed by the shareholder is a recommendation for the Company to increase public interest or fulfill social responsibility, the board of directors shall list the proposal in the agenda. If the item proposed by the shareholder involves any of the situation stated in Article 172-1-4 of the Company Act, the board of directors shall not list the item in the agenda.</p> <p>The Company shall announce the shareholder proposals, written or electronic application methods, and application location and period before the stock transfer suspension date before the regular shareholders' meeting. However, the acceptance time shall not be less than 10 days.</p> <p>The shareholder's proposal shall be less than 300 words. Proposals over 300 words shall not be listed in the agenda. The proposing shareholder or the shareholder's agent shall attend the regular shareholders' meeting in person and participate in the discussion and voting of the motion.</p> <p>The Company shall notify the proposing</p>		

After	Before	Description
shareholder of their proposal's processing status before the shareholders' meeting convening notification date. Proposals that conform to this rule shall be listed in the meeting notification. The board of directors shall provide an explanation for proposals not included in the agenda and why they have not been included.		
<p>Article 4</p> <p>Shareholder can have a proxy attend the shareholders' meeting by issuing a power of attorney printed by this Company stating the authorized scope and the proxy.</p> <p>One shareholder can issue one power of attorney and assign one proxy. The power of attorney shall be received by this Company five days prior to the shareholders' meeting. If there is a repeat in the power of attorney, the one that is received first shall be the one recognized. However, this is not limited to power of attorney that has been revoked.</p> <p>After the power of attorney is received by this Company and the shareholder wishes to attend the shareholders' meeting personally or vote with written documentation or electronically, shall notify this Company in writing two days prior to the shareholders' meeting to revoke the power of attorney. If the revocation notification passes the deadline, the proxy's voting right shall be the one recognized.</p>	None	To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."
<p>Article 5 (location and time for convening the shareholders' meeting)</p> <p>The location of the shareholders' meeting shall be the location of this Company or a location appropriate for the meeting and convenient for the shareholders to attend. The meeting shall start no earlier than 9:00 am or</p>	None	To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's

After	Before	Description
<p>later than 3:00 pm. The location and time of the meeting shall consider the opinions of the independent directors.</p>		<p>“Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings.”</p>
<p>Article 6 (preparation and placement of the attendance log and other documents)</p> <p>This Company shall include the shareholders’ reporting time, reporting location, and other items of importance in the meeting notification.</p> <p>The aforementioned shareholder reporting time should be done at least 30 minutes before the meeting starts. The reporting location should be clearly marked and sufficient number of suitable personnel should process the sign-in at the reporting location.</p> <p>The shareholder or his/her agent (hereafter referred to as the shareholder) shall report in at the meeting with an attendance certificate, attendance sign-in card, or other attendance proof. Agents of shareholders stated in the power of attorney shall have with them their ID for confirmation.</p> <p>Attending shareholders shall turn in the sign-in card to show they are attending.</p> <p>This Company shall give attending shareholders a meeting manual, annual report, attendance certificate, speech note, vote ticket, and other meeting data. For election of directors, a director’s vote ticket should be issued.</p> <p>If the government or legal person is the shareholder, the number of people attending the shareholders’ meeting may be more than one person. However, when legal person has been commissioned to attend the shareholders’ meeting, only one person shall be sent as representative.</p>	<p>Article 2</p> <p>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.</p> <p>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.</p> <p>-----</p> <p>Article 7-1</p> <p>When authorized to attend a shareholders meeting, each legal entity may only send one representative to attend it.</p>	<p>To improve corporate governance, this Company’s Shareholders’ Meeting Procedure Rules shall be amended according to TWSE’s “Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings.”</p>

After	Before	Description
<p>Article 7 (shareholders' meeting chairman and attendees)</p> <p>If the board of directors convenes the shareholders' meeting, the chairman of the meeting shall be the chairman of the board. If the chairman of the board is on leave or cannot exercise authority, the vice-chairman of the board shall be the substitute. If there is no vice-chairman of the board or if the vice-chairman of the board is on leave or cannot exercise his/her authority, the chairman of the board shall designate a director as the substitute. If the chairman of the board has not designated a substitute, the directors shall nominate a substitute.</p> <p>The director who acts in the capacity of the aforementioned chairman shall be a person who has served as a director for more than six months and who understands the company's financial situation. The same goes for chairman who is a legal person director.</p> <p>Shareholders' meeting convened by the board of directors shall be personally chaired by the chairman of the board. At least the majority of the directors and one functional committee member of each type shall attend. The attendance situation shall be recorded in the shareholders' meeting records.</p> <p>If other authorized convener other than the board of directors convenes the shareholders' meeting, the convener shall act as the chairman. If there is two or more convener, one shall be nominated to act as the chairman.</p> <p>This Company can assign its commissioned lawyer, accountant, or other relevant personnel to attend the shareholders' meeting.</p>	None	To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."
<p>Article 8 (voice or video recording during shareholders' meeting)</p> <p>When this Company implements the</p>	None	To improve corporate governance, this

After	Before	Description
<p>shareholders' reporting, the entire reporting in, meeting, and voting process shall be recorded.</p> <p>The aforementioned recordings should be saved for at least one year. However, when shareholders have litigation based on Article 189 of the Company Act, the recordings should be saved until the conclusion of the litigation.</p>		<p>Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 9</p> <p>The attendance at the shareholders' meeting should be based on the shares held. The attending number of shares should be based on the sign-in log or the sign-in card. The number of shares in written or electronic voting shall be added for the voting.</p> <p>When the meeting time arrives, the chairman shall immediately announce the start of the meeting. However, if less than half of total issued shares are represented, the chairman can postpone the start of the meeting. The number of postponements is limited to two times and the total time postponed cannot exceed one hour. If after two postponements the number of shares represented is less than one third of the total number of issued shares, the chairman shall announce the meeting void.</p> <p>If after two postponements the number of shares represented is still less than one third of the total issued shares, tentative resolutions can be made according to Article 175-1 of the Company Act. The shareholders shall be notified of the tentative resolutions and another shareholders' meeting shall be convened within one month.</p> <p>If before the end of the meeting the number of shares represented reaches</p>	<p>Article 3</p> <p>Upon attendance by shareholders representing more than half of the total outstanding shares, the chairperson shall 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.</p> <p>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.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>

After	Before	Description
over the majority of the total number of issued shares, the chairman shall re-propose the tentative resolutions according to Article 174 of the Company Act and have the shareholders' meeting re-vote.		
<p>Article 10 (discuss motion)</p> <p>If the shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The meeting shall proceed according to the scheduled agenda. The agenda shall not change unless a resolution to change is passed by the shareholders' meeting.</p> <p>If the shareholders' meeting is convened by authorized conveners other than the board of directors, follow the provisions of the preceding paragraph.</p> <p>If the meeting has not completed the agenda stated in the preceding two items (including extempore motion), the chairman shall not adjourn the meeting unless a resolution was passed to adjourn the meeting. If the chairman violates the meeting rules and announce the adjournment of the meeting, members of the board of directors shall quickly assist attending shareholders comply with legal procedures where the majority of attending voting rights agree to elect a chairman and continue with the meeting.</p> <p>The chairman should provide sufficient clarification for motions, amendments proposed by shareholder, or extempore motions, and provide sufficient opportunities for discussion. When the chairman perceive the time is appropriate for a vote, the chairman shall stop the discussions, propose to vote, and arrange for suitable voting time.</p>	<p>Article 4</p> <p>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.</p> <p>-----</p> <p>Article 9</p> <p>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.</p> <p>-----</p> <p>Article 10</p> <p>The chairperson may submit a proposal whose discussions are declared to be halted or discontinued for a vote.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 11 (shareholder speech)</p> <p>Before attending shareholders can</p>	<p>Article 5</p> <p>To speak a few words, shareholders shall</p>	<p>To improve corporate</p>

After	Before	Description
<p>speaking, they must first fill out a speech note and state the purpose of the speech, the shareholder account number (or attendance card number), and the account name. The chairman shall determine the order of speech.</p> <p>Attending shareholders who only provides a speech note but do not give a speech shall be viewed as not given a speech. If the content of the speech is not consistent with that in the speech note, the content of the speech shall take precedence.</p> <p>For each motion, each shareholder can speak only twice unless approved by the chairman. Each speech shall not exceed five minutes. However, if the shareholder's speech violates rules or exceeds the scope of the issue, the chairman shall stop the speaker.</p> <p>When attending shareholder is speaking, other shareholders shall not interrupt unless with the consent of the chairman and the speaking shareholder. Violators shall be stopped by the chairman.</p> <p>If a legal person shareholder assign two or more people to attend the shareholders' meeting, only one person may be elected to speak for each motion. After the speech, the chairman shall personally or designate a related person to answer.</p>	<p>provide the purpose of the speech, shareholder account number and name in the speech note first and the chairperson will decide the sequential order.</p> <p>-----</p> <p>Article 6</p> <p>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.</p> <p>-----</p> <p>Article 7</p> <p>For the same proposal, the same shareholder (or proxy) may not speak more than twice.</p> <p>-----</p> <p>Article 8</p> <p>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.</p>	<p>governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 12 (calculation of voting shares and recusing measures)</p> <p>Voting at the shareholders' meeting shall be based on the shares.</p> <p>The shares of non-voting rights shareholders shall not be added to the total number of issued shares at the shareholders' meeting.</p> <p>If items at the meeting has a conflict of interest with the shareholder that can be detrimental to the interests of this Company, the shareholder shall not</p>	<p>Article 11</p> <p>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.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure</p>

After	Before	Description
<p>participate in the voting and shall not act as an agent for other shareholders in the exercise of their voting rights.</p> <p>The voting rights that cannot be exercised in the aforementioned item cannot be calculated into the number of votes of attending shareholders.</p> <p>Other than stock agencies approved by the trust or securities competent authorities, the voting rights represented by one person who is simultaneously representing two or more shareholder shall not exceed 3% of the total number of shares issued. Voting rights that exceeds 3% shall not be counted.</p>	<p>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.</p>	<p>for Shareholders Meetings.”</p>
<p>Article 13</p> <p>Shareholders have one vote for each share. Shares with no voting rights as stipulated in Article 179-2 of the Company Act shall not be counted.</p> <p>When this Company convenes shareholders’ meeting, electronic voting shall be used. When electronic voting is used, the voting method shall be noted in the shareholders’ meeting convening notification. Shareholders who use electronic voting shall be perceived as attending the shareholders’ meeting personally. However, shareholders using electronic voting are perceived to have forfeited their vote in regards to the extempore motions and revisions to the original motion at shareholders’ meeting. Thus, this Company shall try to prevent the proposal of extempore motions and revisions to the original motion.</p> <p>Shareholders that use the aforementioned electronic voting method shall deliver their decision to the Company two days prior to the shareholders’ meeting. If the decisions are repeated, the first one that is received shall take precedence.</p>	<p>Article 2-1</p> <p>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.</p> <p>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.</p>	<p>To improve corporate governance, this Company’s Shareholders’ Meeting Procedure Rules shall be amended according to TWSE’s “Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings.”</p>

After	Before	Description
<p>However, decisions that have been declared revoked is not limited by this rule.</p> <p>Shareholders who used electronic voting method who then decides to attend the shareholders' meeting personally shall use the same voting method to revoke the prior decision two days prior to the shareholders' meeting. Those who revoke their decision after the deadline shall have the electronic vote take precedence. If voting was done with electronic method and a power of attorney was used to commission an agent to attend the shareholders' meeting, the vote of the agent shall take precedence.</p> <p>Otherwise stipulated in the Company Act or this Company's charter, the voting of a motion shall be passed if a majority of the attending shareholder consents. When voting, the chairman or a designated person shall announce to the total number of votes by attending shareholder case by case, then the shareholder should vote case by case. The number of shareholders who consent, oppose, or forfeit shall be uploaded to the MOPS the day after the shareholders' meeting.</p> <p>If the same motion has a revised proposal or substitute proposal, the chairman shall determine the voting sequence. If one of the proposals has passed the vote, the other motions are perceived as denied and voting shall not continue for that motion.</p> <p>The ballot supervisor and vote counter for the motion votes shall be designated by the chairman. However, the ballot supervisor shall be a shareholder.</p> <p>The counting of the votes for shareholders' meeting resolutions and elections shall be done in a public location inside the shareholders'</p>		

After	Before	Description
meeting site. After the vote is counted, the result shall be announced immediately, including the total number of votes. The results shall be made into records.		
<p>Article 14 (election items)</p> <p>When the shareholders' meeting has a director's election, process according to this Company's election rules. The results shall be announced immediately, including the elected list and the number of votes each elected person received.</p> <p>The votes in the aforementioned election shall be stored properly after being sealed and signed by the ballot supervisor. The votes shall be stored for at least one year. However, if shareholder is engaged in litigation related to Article 189 of the Company Act, the votes shall be kept until the conclusion of the litigation.</p>		To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."
<p>Article 15</p> <p>The shareholders' meeting resolutions shall be made into meeting records and signed or stamped by the chairman. The meeting records shall be distributed to the shareholders within 20 days after the meeting. The production and distribution of the meeting records can be in electronic form.</p> <p>This Company can issue the aforementioned meeting records by uploading it to the MOPS announcements.</p> <p>The meeting record shall truthfully record the year, month, date, site, the chairman's name, and the voting method of the meeting. The meeting summary and the resolutions (including the total number of votes) shall be recorded. When electing directors, the number of votes each candidate received shall be noted. The records shall be kept permanently while this Company exists.</p>		To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."

After	Before	Description
<p>Article 16 (external announcements)</p> <p>This Company shall clearly disclose the number of votes obtained by solicitors and votes represented by agents on the day of the shareholders' meeting. The disclosure shall be done with set format statistical tables at the shareholders' meeting site.</p> <p>If the shareholders' meeting resolution include major information stipulated by law or TWSE (Taipei Exchange) rules, this Company shall upload the information to MOPS within the regulated time.</p>		<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 17 (maintenance of site orderliness)</p> <p>Meeting personnel for the shareholders' meeting should wear identification badges or armbands.</p> <p>The chairman shall order the ushers or security personnel to help maintain order at the meeting. When maintaining order, the usher or security personnel should wear armbands or badges with the words "usher."</p> <p>In venues with broadcasting systems, the chairman shall prevent shareholders from using equipment not allocated by this Company for their speech.</p> <p>When shareholders violate the meeting rules and do not comply with the chairman's corrections or when shareholders hinders the progress of the meeting, the chairman shall order the usher or security personnel to escort the offender out of the meeting.</p>	<p>Article 12-1</p> <p>The chairperson may have a picketer (or security) to help maintain order on the floor.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 18 (rest and continuation of the meeting)</p> <p>When the meeting is progressing, the chairman shall announce the rest time at the chairman's discretion. If an uncontrollable event occurs, the chairman shall temporarily stop the</p>	<p>Article 12</p> <p>While a meeting is in session, the chairperson may announce a break taking into consideration the available time.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be</p>

After	Before	Description
<p>meeting and announce the meeting's re-opening time according to the situation.</p> <p>If the meeting site cannot continue to be used before the agenda of the shareholders' meeting (including extempore motion) is complete, the shareholders' meeting shall vote on seeing another site to continue the meeting.</p> <p>According to Article 182 of the Company Act, the shareholders' meeting can be postponed or continued within five days.</p>		<p>amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>
<p>Article 19</p> <p>These Rules shall be implemented upon passing by the shareholders' meeting. Same for any revisions.</p>	<p>Article 14</p> <p>These Rules and Procedures are to be enforced once approved in the shareholders meeting.</p>	<p>To improve corporate governance, this Company's Shareholders' Meeting Procedure Rules shall be amended according to TWSE's "Sample Template for Namchow Holding Co., Ltd. Rules of Procedure for Shareholders Meetings."</p>

Decision :

Motion No. 3: Introduced by the Board of Directors

Cause of motion : please vote on amending this Company's "Director Election Method."

Description :

1. According to order number Chin kuan cheng chiao tzu (金管證交字)1080311451 issued by the Financial Supervisory Commission on April 25, 2019, the director election of listed companies shall take the form of a candidate nomination measure starting on January 1, 2021. This measure shall be recorded in the charter. The shareholders shall elect directors from the director's candidate list. Please amend related rules and matters regarding invalid votes.
2. Revising Article 3, Article 7, Article 8, and Article 9 of this Company's "Director Election Method."
3. The provisions before and after the amendment are shown below:

After	Before	Description
Article 3: <u>The election voting ticket shall be produced by the board of directors. The filling in of the content and format of the ticket shall be determined by the election ticket printer. The voter shall not arbitrarily erase or add items to the ticket. The director's election voting ticket shall be placed in the ballot box designated by the chairman.</u>	Article 3: The Board shall prepare the ballots equivalent to the seats of Directors and Supervisors to be elected and fill in the weight before circulating to the shareholders.	According to order number Chin kuan cheng chiao tzu (金管證交字) 1080311451 issued by the Financial Supervisory Commission on April 25, 2019, the director election of listed companies shall take the form of a candidate nomination measure starting on January 1, 2021. This measure shall be clearly recorded in the charter. The shareholders shall elect directors from the director's candidate list. Please amend
Article 7: <u>The election of this Company's directors shall take the form of candidate nomination. Shareholder shall select directors from the candidate list.</u> Election of Directors and Independent Directors should be held simultaneously and the votes shall be counted on the candidates to the seats on the scene.	Article 7: <u>The Company adopts the nomination system for the election of Independent Directors.</u> Election of Directors and Independent Directors should be held simultaneously and the votes shall be counted on the candidates to the seats on the scene.	
Article 8: A ballot shall be void is any of the following occurs: (1) The use of unqualified ballots. (2) Cast the vote with blank ballot. (3) The writing on the ballot is blurred that cannot be identified. (4) <u>The candidate selected is not from this Company's announced</u>	Article 8: A ballot shall be void is any of the following occurs: (1) The use of unqualified ballots. (2) Cast the vote with blank ballot. (3) The writing on the ballot is blurred that cannot be identified. (4) <u>If the candidate inscribed on the ballot is a shareholder, the</u>	

After	Before	Description
<p><u>director candidate list.</u></p> <p>(5) <u>Did not fill out the voting ticket according to Article 6 or includes other text for symbols.</u></p> <p>(6) <u>Not placed in the ballot box designated by the chairman.</u></p> <p>(7) Two or more candidates were put on the same ballot.</p>	<p><u>information on account title and account number is not relevant with the record of the shareholders roster. If the candidate inscribed on the ballot is not a shareholder, the information on name and ID number is not relevant with the record of shareholders roster.</u></p> <p>(5) <u>Wording on the ballot other than the account title (name) or account number (ID number) of the candidate and the number of votes assigned.</u></p> <p>(6) Failed to fill in the account title (name) or account number (ID number) of the candidate on the ballot. However, the candidate will be eligible despite failing to fill in the required sections above IF he/she is the only candidate running for the election.</p> <p>(7) Two or more candidates were put on the same ballot.</p>	related rules and matters regarding invalid votes.
<p>Article 9: This Company's directors shall be chosen from the candidate list stated in Article 7 at the shareholders' meeting. The directors shall be chosen based on the quota stipulated in this Company's charter according to the total number of votes each candidate receives in turn.</p>	<p>Article 9: Directors of the Company shall be elected from candidates with full legal competence by the Shareholders' Meeting and elected to the seats specified in the Articles of Incorporation on the basis of the voting result whereby candidates won the majority of the votes will be elected to the seats.</p>	

Decision :

Ex Temporary Motions

Meeting adjourned

II. Attachment 1

Report on Operations

I. Results of operations in 2019

This Company's 2019 consolidated revenue NT\$18,343,979,000, which was an increase of NT\$56,625,000 (0.3%) compared to the NT\$18,287,354,000 in 2018. The profit in 2019 was NT\$964,149,000, which was NT\$48,575,000 (-4.8%) less than the NT\$1,012,724,000 in 2018. Although the 2019 consolidated revenue grew only slightly, it still reached a historic high for the group. With hard work from all the employees in 2019, most business units showed revenue growth despite the numerous external challenges. Among which, the Thailand Namchow and the ice cream business grew by the most.

In 2019, this company had a profit of NT\$964,149,000. Although this was less than the NT\$48,575,000 (-4.8%) in 2018 (NT\$1,012,724,000), the decrease was mainly caused by increase in income tax compared to the previous year. However, the consolidated operating net profit still increased by 0.05% compared to the previous year. In the financial income and expenditure, the total 2019 consolidated liability was NT\$17,435,169,000 and the debt ratio was 73.09%. Compared to 2018's total consolidated liability of NT\$15,812,842,000 and debt ratio of 71.5%, this is an increase of NT\$1,622,327,000 (increase of 1.59%). This is mainly caused by the new accounting rules used in 2019 and the recognized lease liability. The cash inflow produced by operating activities was NT\$2,539,792,000 and investment amount was NT\$1,923,881,000. This is a current ratio of 129.5%, which was higher than the 119.8% in 2018, indicating that the overall financial status is good.

For the Group's product development, the Crystal Laundry Soap product and the anti-bacterial products use all natural grease and no additives. The Crystal Laundry Soap products received the USDA's bio-logo green product certification with its bio content of higher than 99%. The liquid soap and AC mushroom soap from the Crystal Laundry series passed the AMA laboratory's hypoallergenic certification. In the future, the Company will focus on developing high biodegradable, multifunction laundry soap products. The oil and fat business will continue to develop health care and functional oils while introducing high grade fats and oils from overseas. This is to expand our service dimension and provide comprehensive baking products for customers. The NEBOS oil series introduced in recent years received the "clean" and "no additive" certification mark. In the future, this Company will focus on the development of functional and special purpose oils. The frozen noodle business is providing customized products to meet customer needs, which are being exported to the global market. The ice cream business introduces new flavors every year and leads industry trends. A platform has also been built to combine different industries and fields.

II. Overview of 2019 business plan

Namchow has always pursued high value-added products and placed the benefit to consumers first. The company has engaged in customized services with our strong R&D team to create competitive advantage and satisfy the needs of customers. The oil and fat, frozen noodle, and frozen dough sales volume has increases year over year. Namchow will continue to improve our production, development, and management ability and strengthen our market management foundation.

Namchow places an unchanged emphasis on product quality and prioritizes consumer's interests. Its customized services satisfy the different needs of consumers. Sales of oil and fat products, frozen dough and frozen noodles have been growing each year. Knowledge and skills in local production, research and development, and management of Taiwan continue to be refined in order to secure solid operations on the market.

The oil and fat business of Namchow in Mainland China has been operating for 23 years. Adopting the conclusion-oriented marketing approach, it has formed a community with its customers. Revenues over the past few years have shown significant growths. In response to increasing sales, investments in operating have never stopped. The third oil and fat plant in Mainland China, the Shanghai Jinshan Plant was commissioned in July 2017 to contribute 40% to the throughput. It is also the largest plant with complete food ingredient traceability management that Namchow has invested in Mainland China. The second fresh cream plant built in Guangzhou was also commissioned in August 2017. Its throughput doubles that of the plant in Tianjin. In recent years, Namchow China has applied for listing in the Shanghai Stock Market. The goal is to obtain local investment to be invested locally, and to strengthen Namchow's competitiveness in the China market.

Namchow has also 29 years of history with his business in Thailand. Over the past few years, in particular, the sales of baby rice crackers, cooked rice and porridge have grown substantially, and the production capacity has been fully loaded, contributing to the performance of the parent company. Optimistic about the future development of Southeast Asia, Europe and the United States market, in 2016, Namchow Thailand acquired 20,000 pings (1 ping = 3.305785 m²) of land next to the existing factory. October 2018, an expansion plan was launched, initially investing 1.37 billion baht to build a factory. It is also equipped with a baby rice noodle line and a bakery bread snack line. Production is expected to begin in the second quarter of 2020. This expected to significantly expand sales after production begins.

III. Future Development Strategies and Impacts from External Environment

Future development Strategies:

Namchow looks at the niche market around the world as its blueprint and continues to invest in oil and fat, rice, flour and dairy products. The food revenue now accounts more than 96% of the Group's overall revenue. Investments are made also in biotech products in the development of oil and fat, daily necessities and rice.

For the past few years, Namchow Taiwan, China or Thailand have had products sold all over the world and respective operations have shown significant growths. With its roots in Taiwan, developments Mainland China, and accession to ASEAN countries as the main strategy, desirable benefits have come about. Mainland China, in particular, remains a growing market. Besides edible oils and fats and frozen dough, Namchow wants to take a step further by investing in local frozen noodles and ice cream business. Investments will also continue in the future in Mainland China, Taiwan and Thailand.

Competitive Environment: Competition always exists. Only by constant research, development and innovation and by creating proprietary corporate value can an enterprise secure its market presence without getting eliminated. In the case of the oil and fat business, for example, Namchow introduced international well-known functional oil and fat products to go with its own products for complementary and synergistic effects. For example, using the Han cake trend to drive industry development, start new trends, and set the industry position in the consumers' mind.

Regulatory Background: Consumers have turned more and more concerned about the quality, safety and hygiene of products over the past few years. Namchow is known for its unchanged emphasis on consumer benefits. In the 1980s, it spontaneously introduced the idea of consumer protection. The ministry of Health and Welfare announced the new Act Governing Food Safety and Sanitation at the end of 2015 for the sake of protecting food safety for consumers. In as early as 2014, Namchow already enforced traceability of ice cream products for comprehensive management from the source. It is the first of its kind in Taiwan. The new oil and fat factory in Jinshan, Shanghai is one that applies comprehensive traceability management green technology. The Namchow Group was one of the first companies to establish a Food Safety Office that is run by designated professionals and is responsible for strict quality control of raw materials used by various Namchow subsidiaries. The Food Safety Office is also responsible for the monitoring and implementation of food safety/sanitation in the restaurant business, as well as related training and information delivery.

A food safety laboratory was established to verify the effectiveness of food safety management in the food supply chain and to study preventive and international food safety topics. This is to ensure that the Company's products are safe for customers to use. In recent years, the government has also continued to revise the Company Act and certification management regulations to promote company governance. This Company will also do our best to cooperate with the new policies.

Macro Environment: Starting in January 2020, the impact from COVID-19 has caused companies to stop production and resulted in self-segregation among the public. As the epidemic expanded to other countries, the global economy has gone into recession. Companies across the globe are facing unprecedented challenges. In response to changes in consumers' purchase pattern, Namchow is inspecting and changing company practice to satisfy consumer needs. In addition, this Company has also increased epidemic prevention and increased product safety to

reduce the impact brought on by the epidemic.

Furthermore, the trade war between China and the United States began in 2018 and has resulted in the depreciation of Asian currencies. In 2018, the government raised the income tax from 17% to 20%, as well as adjusted the basic salary. This has impacted all the companies in Taiwan and reduced the profit growth of companies. The trade war between China and the United States did not abate in 2019 and as geopolitical risks increased and the economies of emerging markets fatigues, the global economic growth slowed. International raw material prices also generally slowed and vendor investments became more conservative. As the economy develops, it has resulted in damage to the environment and warming of the climate. The Paris Agreement became officially effective in 2016 and companies must add “carbon reduction topics” to their operation costs.

Namchow has been engaged in long-term and in-depth studies to accumulate professional knowledge. Consequently, Namchow can determine the best raw material and oil price purchasing time rapidly. There are also opportunities in risks. When the economy is bad, there must be a new business pattern. This Company has continuously conducted research to improve products, increase product competitiveness, and advancing risk control for food safety. Furthermore, Namchow is grasping new business opportunities to develop new businesses and creating higher business performance.

To date, Namchow has over 68 years of history. As a people-oriented learning organization, the Company has continued to improve the professional of our personnel. We adhere to the principle of honesty and continue to focus on the social-economic environment, as well as invest hard work and resources to master market trends. Namchow is always prepared to respond to challenges and pursue corporate growth, profit, and sustainable management from the consumers’ perspective. The goal is to create better investment profit for all our investors.

Chen Fei Lung
Chairman

Lee Kan Wen
EVP

ShiWeiWang
Head of Accounting

Attachment 2

Namchow Holding Co., Ltd. **Audit Committee Review Report**

The Board of Directors submitted the Company's 2019 Report on Operations, individual and consolidated financial statements, and earnings allocation proposals. The individual and consolidated financial statements, in particular, have been inspected by CPAs Bo-Shu Huang and Lin Wu of KPMG, with the audit report issued. I have reviewed the above-mentioned Report on Operations, financial statements, and earnings allocation proposals and did not find any discrepancy. Therefore, the report is produced and submitted herein in accordance with Article 219 of the Company Act for your review. This report has been prepared according to the Securities and Exchange Act 14-4 and Article 219 of the Company Act.

To

The company's 2020 Shareholders' Meeting

Namchow Holding Co., Ltd.
Audit Committee Convener
Chen Ding Guo

March 26, 2020

Attachment 3

Report on Remunerations to the Directors and Employees in fiscal year 2019

- I. According to Article 31 of the Articles of Incorporation: the company shall appropriate no less than 1% of its earnings as remuneration to its employees and no more than 5% of its earning as remuneration to the Directors, if applicable. The Company shall appropriate for write-off the loss carried forward, if applicable.

The remuneration to employees may be paid in stock or cash, and the employees of subsidiaries meeting specific condition are also entitled to the payment.

- II. Remunerations for employees and board directors distributed for 2019 account for 1% and 4%, that is, NTD 11,812 thousand and NTD 47,248 thousand, respectively, of pre-tax net profits totaling NTD 1,122,149 thousand in cash. The values are identical to the estimates.
- III. The above proposed ammount was approved by the Board Meeting on 26th March, 2020 and it will be issued out by the end of May.

Attachment 4

2019 Surplus Allocation and Cash Dividend Report

1. This Company's board of directors passed the shareholder dividend of NT\$ 586,781,924 for the 2019 surplus allocation. Each share shall be issued a cash dividend of NT\$2 on the ex-dividend date according to the shares held in the shareholder's ledger.
2. Based on the board of directors' resolution, the chairman of the board is authorized to handle the matter if stock buyback, treasury stock transfer, or stock cancellation changes the number of outstanding shares and the value issued per share.
3. The cash dividend for each shareholder is issued to the dollar (value less than NT\$1 is rounded off). The residual amount shall be combined and placed in this Company's "other income."
4. The board of directors has authorized the chairman of the board to set the ex-dividend date and the cash dividend issuing date.

Attachment 5-1

Independent Auditors' Report

To the Board of Directors of Namchow Holding Co., Ltd.:

Opinion

We have audited the parent company only financial statements of Namchow Holding Co., Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and its financial performance and its cash flows for the years ended December 31, 2019 and 2018 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements of the current period. 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. In our judgment, the key audit matters we communicated in the auditor's report were as follows:

Evaluation of investments accounted for under equity method

Please refer to Notes 4(g) and 6(e) for the disclosure related to the evaluation of investments accounted for under equity method of the parent company only financial statements.

Description of key audit matter:

Namchow Holding Co., Ltd. mainly engages in the investment business. Investments accounted for under equity method amounts to \$11,901,632 thousand, which constitutes 83% of the total assets of Namchow Holding Co., Ltd. Therefore, the evaluation of investments accounted for under equity method is the key judgmental area for our audit.

How the matter is address in our audit:

Our principal audit procedure including providing audit instructions and communicating with auditors of other components; obtaining financial statements of the components, recalculating shares of profit from the subsidiaries and exam whether if it is recognized in the correct period; and evaluating whether the disclosure related to investments accounted for under equity method made by the management is appropriate.

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 Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of 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 Company' s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the 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 the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Company' s internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management' s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company' s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for under equity method 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 the parent company only financial statements of the current period 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.

The engagement partners on the audit resulting in this independent auditor' s report are Po-Shu Huang and Lin Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2020

Notes to Readers

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

The auditors' report and the accompanying parent company only 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 parent company only financial statements, the Chinese version shall prevail.

Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDING CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2019 and 2018

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

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenue (notes 6(p) and 7)	\$ 61,076	100	60,498	100
5000	Operating costs	-	-	-	-
5900	Gross profit	61,076	100	60,498	100
6200	General and administrative expenses (notes 6(f), (g), (k),(l), (q) and 7)	276,792	453	273,290	452
6900	Operating loss	(215,716)	(353)	(212,792)	(352)
7000	Non-operating income and expenses (notes 6(h), (k), (r) and 7):				
7010	Other income	56	-	1,358	2
7020	Other gains and losses	(11,711)	(19)	(17,902)	(30)
7050	Finance costs	(78,873)	(129)	(71,655)	(118)
7070	Share of profit of subsidiary accounted for using equity method	1,428,394	2,339	1,409,312	2,330
	Total non-operating income and expenses	1,337,866	2,191	1,321,113	2,184
	Profit from continuing operations before tax	1,122,150	1,838	1,108,321	1,832
7950	Less: Income tax expenses (note 6(m))	158,001	259	95,597	158
	Profit	964,149	1,579	1,012,724	1,674
8300	Other comprehensive income (notes 6(l),(m) and (n)):				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans	5,274	9	8,709	14
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	2,727	4	(2,242)	(4)
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	9,581	16	9,038	15
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	17,582	29	15,505	25
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	103,479	169	66,841	110
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(321,662)	(527)	(140,818)	(233)
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(218,183)	(358)	(73,977)	(123)
8300	Other comprehensive income	(200,601)	(329)	(58,472)	(98)
	Total comprehensive income	\$ 763,548	1,250	954,252	1,576
9750	Basic earnings per share (in New Taiwan dollars) (note 6(o))	\$ 3.90		4.09	
9850	Diluted earnings per share (in New Taiwan dollars) (note 6(o))	\$ 3.89		4.09	

See accompanying notes to parent company only financial statements.

Statements of Changes in Equity
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

See accompanying notes to parent company only financial statements.

(English Translation of Parent Company Only Financial Statements Originally Issued in Chinese)
NAMCHOW HOLDING CO., LTD.

Statements of Cash Flows
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities:		
Consolidated net income before tax	\$ 1,122,150	1,108,321
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation	30,934	19,833
Reversal of impairment loss	(11)	(539)
Interest expense	78,873	71,655
Interest income	(42)	(97)
Share of profit of subsidiaries accounted for using equity method	(1,428,394)	(1,409,312)
Loss on disposal of property, plan and equipment	5	-
Total adjustments to reconcile profit	<u>(1,318,635)</u>	<u>(1,318,460)</u>
Changes in assets / liabilities relating to operating activities:		
Net changes in operating assets:		
Notes receivable	-	367
Accounts receivable	11	1,730
Accounts receivable due from related parties	448	7,646
Other receivable	-	2,641
Other receivable due from related parties	2,392	45,086
Prepayments	(988)	2,287
Other current assets	48	35
Total changes in operating assets, net	<u>1,911</u>	<u>59,792</u>
Changes in operating liabilities:		
Other payables	(25,184)	(30,196)
Other payable to related parties	904	(6,838)
Other current liabilities	126	(1,148)
Net defined benefit liabilities	<u>(4,729)</u>	<u>(34,148)</u>
Total changes in operating liabilities, net	<u>(28,883)</u>	<u>(72,330)</u>
Total changes in operating assets / liabilities, net	<u>(26,972)</u>	<u>(12,538)</u>
Total adjustments	<u>(1,345,607)</u>	<u>(1,330,998)</u>
Cash provided by operating activities	(223,457)	(222,677)
Interest income received	42	97
Interest paid	(57,153)	(50,016)
Income taxes paid	<u>(36,425)</u>	<u>(46,759)</u>
Net cash used in operating activities	<u>(316,993)</u>	<u>(319,355)</u>
Cash flows from investing activities:		
Acquisition of investments accounted for using equity method	(209,035)	-
Acquisition of property, plant and equipment	(4,703)	(3,162)
Decrease in other non-current assets	-	941
Dividends received	<u>570,127</u>	<u>629,804</u>
Net cash provided by investing activities	<u>356,389</u>	<u>627,583</u>
Cash flows from financing activities:		
Increase in short-term borrowings	7,876,000	4,190,000
Decrease in short-term borrowings	(8,293,000)	(3,638,000)
Increase in short term commercial paper payable	-	(34,981)
Proceeds from long-term borrowings	7,935,000	3,530,350
Repayments of long-term borrowings	(6,705,000)	(3,550,700)
Payment of lease liabilities	(12,380)	-
Cash dividends paid	(792,156)	(792,156)
Overaging unclaimed dividends	499	1,340
Net cash provided by (used in) financing activities	<u>8,963</u>	<u>(294,147)</u>
Net increase in cash and cash equivalents	<u>48,359</u>	<u>14,081</u>
Cash and cash equivalents at beginning of period	<u>36,827</u>	<u>22,746</u>
Cash and cash equivalents at end of period	<u>\$ 85,186</u>	<u>36,827</u>

See accompanying notes to parent company only financial statements.

Attachment 5-6

Independent Auditors' Report

To the Board of Directors of Namchow Holdings Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Namchow Holdings Co., Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years ended December 31, 2019 and 2018 in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), interpretation developed by the International Financial Reporting Interpretation Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In our judgment, the key audit matters we communicated in the auditor's report were as follows:

1. Impairment of trades receivable

Please refer to Note 4(g) "Financial instrument" for accounting policies, Note 5(a) for accounting assumptions, judgment and estimation uncertainty of impairment of trade receivable, and Note 6(d) for the disclosure related to impairment of trade receivable of the consolidated financial statements.

Description of key audit matter:

The Group does not concentrate on any individual customer or any specific region, therefore, the Group needs to establish a policy on its allowance for impairment in order to evaluate its customers' financial status, as well as the political and economic environment. Therefore, the impairment of trades receivable is one of the key judgmental areas for our audit.

How the matter was addressed in our audit:

Our principle audit procedures for the assessment of the Group's accounting policy, included evaluating the receivables credit conditions and allowance for impairment policy; analyzing the accounts receivable relevant with the allowance for impairment; obtaining document for the calculation of the rate of expected credit loss of accounts receivable to determine whether it is appropriate, obtaining aging analysis of accounts receivable and examining relevant documents to verify the accuracy aging period; understanding the recovery of the past due accounts and for the aging of the long-term accounts receivable, such as those past due for 120 days; inspecting whether the Group has taken the appropriate procedures on the litigation or negotiation of the Group subsequent to the financial year end, and verifying the adequacy of impairment assessment of accounts receivable; verifying the reasonableness of the management's assessment on the Group's disclosure on the impairment of trades receivable.

2. Valuation of inventories

Please refer to Note 4(h) "Inventories" for accounting policies, Note 5(b) for accounting assumptions, judgment and estimation uncertainty of valuation of inventories, and Note 6(f) for the disclosure related to valuation of inventories of the financial statements.

Description of key audit matter:

The Group's main inventories are edible and non-edible oil products, frozen dough and frozen food, as well as dish and laundry liquid detergent.

The value of edible and non-edible oil products and laundry liquid detergent products are affected by the international oil price, which may result in the inventory cost exceed its net realizable value; frozen dough and frozen food due to shelf life, resulting in the inventory age has significant risk. Therefore, the valuation of inventories is one of the key judgmental areas for our audit.

How the matter was addressed in our audit:

Our principal audit procedures included

Our principle audit procedures for the assessment of the Group' accounting policy included understanding the policies of evaluating the inventories; performing the analytical procedures about the relation between the balance of inventory and provision on inventory market price decline; verifying the change of provision on inventory valuation and evaluating where it is reasonable; understanding the net realizable values used by management and the variation of the prices in a period after the reporting date to ensure the appropriateness of the valuation price; obtaining the aging report and inspecting the inventory aging processing after the reporting date, as well as understanding the net realizable values used by the management to access whether the net realizable value and the allowance for inventories are reasonable; assessing whether the disclosure on the provision for inventory valuation and obsolescence was appropriate.

3. Revenue recognition – customer loyalty program

Please refer to Note 4(o) "Revenue" for accounting policies, Note 5(c) for accounting assumptions, judgment and estimation uncertainty of revenue recognition and Note 6(t) for the disclosure related to revenue of the financial statements.

Description of key audit matter:

The revenue arising from the bonus points shall be calculated by using the fair values, based on the amounts of sales and points earned in the previous year, to be recognized as contract liabilities. Revenue is the main indicator for the Group management and investors to evaluate the Group' s financial and business performance. Therefore, the revenue recognition is one of the key judgmental areas for our audit.

How the matter was addressed in our audit:

The key audit procedures performed included understanding and assessing the design and implementation of the bonus points; assessing the management' s judgments and estimating the rationality of the bonus points and recalculating them to ensure the sales revenue are recognized; performing the analytical procedures of sales revenue; assessing the appropriateness of the contract liabilities of the relevant incentive points, whether it is recorded correctly in the system, and whether it has been disclosed in the appropriate notes to the financial statements.

Other Matter

Namchow Holdings Co., Ltd. has additionally prepared its parent company only financial statements as of and for the years ended December 31, 2019 and 2018, on which we have issued an unqualified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRSs, IASs, interpretation as well as related guidance endorsed by the Financial Supervisory Commission of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period 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.

The engagement partners on the audit resulting in this independent auditors' report are Po-Shu Huang and Lin Wu.

KPMG

Taipei, Taiwan (Republic of China)
March 26, 2020

Notes to Readers

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

The independent auditors' report and the accompanying consolidated 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 independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018	
	Amount	%	Amount	%
Assets				
Current assets:				
1100 Cash and cash equivalents (note 6(a))	\$ 4,623,715	19	4,708,562	22
1110 Financial assets at fair value through profit or loss – current (note 6(b))	218,568	1	-	-
1150 Notes receivable, net (note 6(d))	166,114	1	212,925	1
1170 Accounts receivable, net (note 6(d))	1,574,372	7	1,609,130	7
1200 Other receivables (note 6(e))	45,904	-	55,369	-
1220 Current income tax assets	188,552	1	180,420	1
130x Inventories (note 6(f))	2,222,431	9	2,211,404	10
1410 Prepayments	403,815	2	534,330	2
1470 Other current assets	69,148	-	68,826	-
Total current assets	9,512,619	40	9,580,966	43
Non-current assets:				
1517 Financial assets at fair value through other comprehensive income – non-current (note 6(c))	43,623	-	40,259	-
1600 Property, plant and equipment (notes 6(g), 8 and 9)	12,408,247	52	11,793,459	53
1755 Right-of-use assets (notes 6(h) and 7)	1,424,126	6	-	-
1760 Investment property (note 6(i))	42,362	-	47,333	-
1805 Goodwill (note 6(j))	105,417	-	105,417	1
1840 Deferred income tax assets	174,721	1	191,373	1
1915 Prepayments for equipment	36,948	-	51,914	-
1985 Long-term prepaid rents	-	-	221,733	1
1990 Other non-current assets (note 8)	107,119	1	76,409	1
Total non-current assets	14,342,563	60	12,527,897	57
Total assets	\$ 23,855,182	100	22,108,863	100
Liabilities and Equity				
Current liabilities:				
Short-term borrowings (notes 6(k) and 8)	\$ 3,642,940	15	3,933,410	18
Current portion of long-term borrowings (notes 6(k) and 8)	444,141	2	1,052,335	5
Contract liabilities (note 6(i))	443,417	2	511,135	2
Notes payable	-	-	7,040	-
Accounts payable	968,336	4	937,832	4
Other payables (notes 6(u) and 9)	1,419,633	5	1,355,538	6
Current income tax liabilities	137,609	1	164,294	1
Current lease liabilities (notes 6(n) and 7)	228,455	1	-	-
Other current liabilities	62,619	-	36,860	-
Total current liabilities	7,347,150	30	7,993,444	36
Non-current liabilities:				
Bonds payable (note 6(l))	3,958,804	17	3,937,311	18
Long-term borrowings (notes 6(k) and 8)	3,717,266	16	2,549,625	11
Provision liabilities – non-current (note 6(m))	15,784	-	14,259	-
Lease liabilities – non-current (notes 6(n) and 7)	962,190	4	-	-
Deferred income tax liabilities (note 6(q))	1,134,582	5	1,002,177	5
Accrued pension liabilities – non-current (note 6(p))	251,229	1	254,595	1
Other non-current liabilities	48,164	-	56,431	-
Total non-current liabilities	10,088,019	43	7,814,398	35
Total liabilities	17,435,169	73	15,812,842	71
Equity attributable to shareholders of parent (notes 6(p) and (r)):				
Common stock	2,941,330	12	2,941,330	13
Capital surplus	1,136,347	5	1,011,972	5
Retained earnings:				
Legal reserve	740,987	3	639,714	3
Special reserve	1,071,360	4	512,508	2
Unappropriated earnings	1,562,023	7	2,035,934	9
	3,374,370	14	3,188,156	14
Other equity:				
Financial statement translation differences for foreign operations	(725,159)	(3)	(506,975)	(2)
Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	(48,516)	-	(51,878)	-
	(773,675)	(3)	(558,853)	(2)
Treasury stock	(576,860)	(2)	(576,860)	(2)
Total equity attributable to shareholders of parent	6,101,512	26	6,005,745	28
Non-controlling interests	318,501	1	290,276	1
Total equity	6,420,013	27	6,296,021	29
Total liabilities and equity	\$ 23,855,182	100	22,108,863	100

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2019 and 2018

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

		2019		2018	
		Amount	%	Amount	%
4000	Operating revenue (note 6(t))	\$ 18,343,979	100	18,287,354	100
5000	Operating costs (notes 6(f), (g), (h), (m), (o), (p) and 9)	11,918,057	65	12,209,502	67
5900	Gross profit	6,425,922	35	6,077,852	33
6000	Operating expenses (notes 6(d), (e), (g), (h), (o), (p), (u) and 7):				
6100	Selling expenses	2,924,778	16	2,683,696	15
6200	General and administrative expenses	1,404,245	8	1,421,477	8
6300	Research and development expenses	422,742	2	303,232	2
6450	Expected credit loss (gain) for bad debt expense	3,069	-	(823)	-
	Total operating expenses	4,754,834	26	4,407,582	25
	Other income:				
6900	Operating profit	1,671,088	9	1,670,270	8
7000	Non-operating income and expenses (notes 6(i) and (v)):				
7010	Other income	243,884	1	189,617	1
7020	Other gains and losses	(49,891)	-	(137,801)	(1)
7050	Finance costs	(262,612)	(1)	(206,443)	(1)
	Total non-operating income and expenses	(68,619)	-	(154,627)	(1)
	Profit from continuing operations before tax	1,602,469	9	1,515,643	7
7950	Less: Income tax expenses (note 6(q))	589,162	3	453,830	2
	Profit	1,013,307	6	1,061,813	5
8300	Other comprehensive income (notes 6(p) and (r)):				
8310	Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311	Gains on remeasurements of defined benefit plans	14,251	-	18,303	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	3,362	-	(2,764)	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will not be reclassified to profit or loss	17,613	-	15,539	-
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	(239,147)	(1)	(79,844)	-
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
	Components of other comprehensive income that will be reclassified to profit or loss	(239,147)	(1)	(79,844)	-
8300	Other comprehensive income	(221,534)	(1)	(64,305)	-
	Total comprehensive income	\$ 791,773	5	997,508	5
	Net income (loss) attributable to:				
8610	Shareholders of the parent	\$ 964,149	6	1,012,724	5
8620	Non-controlling interests	49,158	-	49,089	-
	Total Comprehensive income attributable to:	\$ 1,013,307	6	1,061,813	5
8710	Shareholders of the parent	\$ 763,548	5	954,252	5
8720	Non-controlling interests	28,225	-	43,256	-
		\$ 791,773	5	997,508	5
9750	Basic earnings per share (in New Taiwan dollars) (note 6(s))	\$ 3.90		4.09	
9850	Diluted earnings per share (in New Taiwan dollars) (note 6(s))	\$ 3.89		4.09	

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent										Total other equity interest		
											Unrealized		
											gains (losses) on financial assets measured at fair value through other comprehensive income		
	Retained earnings			Financial statements translation differences for foreign operations			Total			Treasury stock			Total equity attributable to shareholders of the parent
	Common stock	Capital surplus		Legal reserve	Special reserve	Unappropriated earnings	Total						
Balance at January 1, 2018													
\$	2,941,330	886,756		540,441	512,508	1,896,370	2,940,319	(432,998)	(49,114)	(482,112)	(576,860)	5,718,433	5,965,452
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	-	99,273	-	(99,273)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	123,876	-	-	-	(792,156)	(792,156)	-	-	-	-	(668,280)	(668,280)
Other changes in capital surplus	-	1,340	-	-	-	-	-	-	-	-	-	1,340	1,340
Net income	-	-	-	-	-	1,012,724	1,012,724	-	-	-	-	1,012,724	1,061,813
Other comprehensive income (loss)	-	-	-	-	-	18,269	18,269	(73,977)	(2,764)	(76,741)	-	(58,472)	(64,304)
Total comprehensive income (loss)	-	-	-	-	-	1,030,993	1,030,993	(73,977)	(2,764)	(76,741)	-	954,252	997,509
Balance at December 31, 2018													
\$	2,941,330	1,011,972		639,714	512,508	2,035,934	3,188,156	(506,975)	(51,878)	(558,853)	(576,860)	6,005,745	6,296,021
Appropriation and distribution of retained earnings:													
Legal reserve appropriated	-	-	-	101,273	-	(101,273)	-	-	-	-	-	-	-
Special reserve appropriated	-	-	-	-	558,852	(558,852)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	123,876	-	-	-	(792,156)	(792,156)	-	-	-	-	(668,280)	(668,280)
Other changes in capital surplus	-	499	-	-	-	-	-	-	-	-	-	499	499
Net income	-	-	-	-	-	964,149	964,149	-	-	-	-	964,149	1,013,307
Other comprehensive income (loss)	-	-	-	-	-	14,221	14,221	(218,184)	3,362	(214,822)	-	(200,601)	(221,534)
Total comprehensive income (loss)	-	-	-	-	-	978,370	978,370	(218,184)	3,362	(214,822)	-	763,548	791,773
Balance at December 31, 2019													
\$	2,941,330	1,136,347		740,987	1,071,360	1,562,023	3,374,370	(725,159)	(48,516)	(773,675)	(576,860)	6,101,512	6,420,013

See accompanying notes to consolidated financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
NAMCHOW HOLDINGS CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	2019	2018
Cash flows from operating activities:		
Consolidated net income before tax	\$ 1,602,469	1,515,643
Adjustments:		
Adjustments to reconcile profit and loss:		
Depreciation	1,041,897	795,598
Impairment loss (reversal of impairment loss)	3,069	(823)
Gains on financial assets at fair value through profit or loss	(3,444)	-
Interest expense	262,612	206,443
Interest income	(74,178)	(54,728)
Loss on disposal of property, plant and equipment	19,502	(1,793)
Property, plant and equipment transferred to expenses	19,571	-
Loss on lease modification	79	-
Total adjustments to reconcile profit	1,269,108	944,697
Changes in assets / liabilities relating to operating activities:		
Changes in operating assets:		
Notes receivable	46,811	(679)
Accounts receivable	32,306	72,762
Other receivable	9,080	(5,428)
Inventories	(11,027)	210,373
Prepayments	129,990	75,181
Other current assets	(322)	(18,416)
Total changes in operating assets, net	206,838	333,793
Changes in operating liabilities:		
Contract liabilities	(67,718)	86,957
Notes payable	(7,040)	7,040
Accounts payable	30,504	(84,418)
Other payables	66,622	(221,169)
Provisions liabilities	1,525	3,804
Other current liabilities	29,134	1,200
Net defined benefit liabilities	10,885	(56,777)
Total changes in operating liabilities, net	63,912	(263,363)
Total changes in operating assets / liabilities, net	270,750	70,430
Total adjustments	1,539,858	1,015,127
Cash provided by operating activities	3,142,327	2,530,770
Interest income received	74,178	54,728
Interest paid	(201,791)	(184,949)
Income taxes paid	(474,922)	(393,981)
Net cash provided by operating activities	2,539,792	2,006,568
Cash flows from investing activities:		
Acquisition of financial assets designated at fair value through profit or loss	(215,124)	-
Acquisition of property, plant and equipment	(1,681,900)	(1,049,851)
Proceeds from disposal of property, plant and equipment	4,268	15,217
Acquisition of right-of-use assets	(415)	-
Decrease (increase) in other non-current assets	(30,710)	8,805
Decrease in other prepayments	-	6,869
Net cash used in investing activities	(1,923,881)	(1,018,960)
Cash flows from financing activities:		
Increase in short-term borrowings	15,964,091	11,064,196
Decrease in short-term borrowings	(16,312,691)	(10,389,196)
Decrease in short-term notes and bills payable	-	(94,968)
Proceeds from long-term borrowings	8,270,512	3,883,925
Repayments of long-term borrowings	(7,685,055)	(4,790,115)
Payment of lease liabilities	(220,445)	-
Decrease in other non-current liabilities	(7,359)	(3,487)
Cash dividends paid	(668,280)	(668,280)
Interest paid	(39,328)	-
Overaging unclaimed dividends	499	1,340
Net cash used in financing activities	(698,056)	(996,585)
Effect of exchange rate changes on cash and cash equivalents	(2,702)	55,041
Net increase (decrease) in cash and cash equivalents	(84,847)	46,064
Cash and cash equivalents at beginning of period	4,708,562	4,662,498
Cash and cash equivalents at end of period	<u>\$ 4,623,715</u>	<u>4,708,562</u>

Attachment 6

Namchow Holding Co., Ltd.

6. 2019 Earnings Distribution Form

Currency unit: NTD

Item	Value
Undistributed Earnings at the Start of the Reporting Period	583,653,589
Plus:	
Re-measured variable for the current term confirmed for the welfare program	14,220,075
Net profit after tax	964,148,860
Profit Available for Distribution	1,562,022,524
Less:	
Appropriation of legal reserve	97,836,894
Appropriation of the equity deduction special reserve	214,821,447
Distribution Item:	
Dividends for shareholders in cash (2 per share)	586,781,924
Undistributed Earnings at the End of the Reporting Period	662,582,259

Chen Fei Lung

Lee Kan Wen

ShiWeiWang

Chairman:

EVP

Head of Accounting

Attachment 7

Namchow Holdings Co., Ltd. **Articles of Incorporation Amendment Draft**

Chapter 1 General Provisions

- Article 1: The Company is duly incorporated in accordance with the Corporate Merger and Acquisition Act, the Company Act in the section of limited liability Company, and other applicable laws and bears the title of Namchow Investment Holding Co., Ltd. The English name is Namchow Holdings Co., Ltd.
- Article 2: The Company is engaged in the business of: H201010- Investments.
- 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 NTD4 billion consisting of 400 million shares. Each share has a par value of NTD10. 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 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 9 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 3 independent ones and the independent directors may not account for less than one-fifth of all openings.

This Company's director election shall use a candidate list measure. The shareholders shall elect directors from the candidate list.

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 quantity of shares held by all Directors shall be governed by the Rules and Review Procedures for Director Share Ownership Ratios at Public Companies instituted 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 18-1: This Company has formed an Audit Committee composed of all independent directors according to Article 14-4 of the Securities and Exchange Act. The exercise of powers of the Audit Committee, members and related matters shall be conducted in accordance with the Securities Exchange Act Law and relevant laws and regulations.

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.

To improve supervisory function and management mechanism, the board of directors shall establish various functional committees according to law based on business requirements. The charter for the authority of the functional committee shall be formulated by the board of directors.

Article 19-1: The Company may purchase liability insurance for its directors and 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 (delete)

Article 24: (delete)

Article 25: (delete)

Article 26: (delete)

Chapter 6 Organization

Article 27: 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 account has been completed, the board of directors shall produce the following items according to regulations and have the items recognized at the shareholder's meeting.

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

Article 31: The Company shall appropriate no less than 1% of its earnings as remuneration to employees and no more than 5% as remuneration to Directors and Supervisors, if applicable. The Company shall appropriate for write-off the loss carried forward, if applicable.

The remuneration to employees mentioned in the preceding paragraph may be paid in stock or cash, and the employees of subsidiaries meeting specific condition are also entitled to the payment.

Article 31-1: The Company shall appropriate its earnings for the payment of applicable taxes, followed by the write-off of loss carried forward, and 10% as legal reserve, if applicable. If however the legal reserve so appropriated is equivalent to the paid-in capital of the Company, no further appropriation is necessary. The remainder shall be recognized for special reserve or reversal of special reserve. If there is still a balance, it will be pooled up with undistributed earnings for distribution to the shareholders as dividend or bonus at the proposal of the Board and the final approval of the Shareholders' Meeting. However, the dividends paid in cash must be attended by more than two-thirds of the Directors from the board and approved by more than half of the Directors present. Reports need to be presented to the Shareholder's Meeting.

The dividend policy of the Company shall meet the needs of the development plan at present and in the future, in consideration of the investment environment, capital requirement and competition at home and abroad, and also the interests of the shareholders. At least 30% of annual earnings attributable to shareholders for distribution shall be paid out as dividend, which may be paid as stock dividend and/or cash dividend. Cash dividend shall not fall below 10% of the total dividend paid to the shareholders.

According to Article 241 of the Company Act, this Company can wholly or

partially distribute the legal surplus reserve and the capital reserve in the form of new shares or cash according to the shareholder original share proportion if the shareholders' meeting approves. When approving the issuing of cash, 2/3 of the directors must be present and the majority of attending directors must approve. The board resolution shall be reported at the shareholder's meeting.

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 1st amendment took place on February 21, 1952. The 2nd amendment took place on September 3, 1953. The 3rd amendment took place on April 9, 1955. The 4th amendment took place on April 4, 1959. The 5th amendment took place on April 6, 1960. The 6th amendment took place on April 29, 1961. The 7th amendment took place on May 22, 1962. The 8th amendment took place on June 5, 1964. The 9th amendment took place on November 9, 1966. The 10th 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. The 49th amendment took place on June 8 2016. The 50th amendment took place on May 31 2017. The 51st amendment took place on Mar 9, 2018. The 52nd amendment took place on May 30, 2018. The 53rd amendment took place on May 30, 2019. The 54th amendment took place on June 30, 2020.

Attachment 8

Namchow Holdings Co., Ltd.

Rules and Procedures for Shareholders Meetings Amendment Draft

Article 1

This rule was established according to Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies to build a good shareholders' meeting governance measure, a healthy supervisory function, and strong management function for this Company.

Article 2

Unless otherwise regulated by law or the charter, this Company's rules for the shareholders' meeting shall be these Rules.

Article 3 (convening and notification for the shareholders' meeting)

Unless otherwise stipulated in legal regulations, the shareholders' meeting shall be convened by the board of directors.

This Company shall convert the shareholders' meeting notification, power of attorney forms, recognition items, discussion items, election or removal of directors, and their origin and clarification into electronic files and upload the files to the MOPS 30 days before the regular shareholders' meeting or 15 days before the extempore shareholders' meeting. The shareholders' meeting manual and meeting supplemental information shall be converted to electronic files and uploaded to MOPS 21 days before the regular shareholders' meeting or 15 days before an extempore shareholders' meeting. The shareholders' meeting manual and meeting supplemental information shall be prepared 15 days before the shareholders' meeting for the shareholders to read at their convenience. The manual shall be placed at this Company and this Company's commissioned professional stock agency, as well as distributed at the shareholders' meeting.

The reason for the meeting shall be stated on the notification and announcement. The notification can be in electronic form.

Election or dismissal of directors, changing of the charter, salary reduction, application to stop public issuing, removing non-compete clause for directors, re-investment of surplus, re-investment/increase of reserve, disbanding of the company, merging of the company, dividing of the company, or any items in Article 185-1 shall be listed and clarified in the convening items. These items shall not be proposed as an extempore motion. The main content shall be placed on the website of the securities authority or website designated by the Company. The link shall be included in the notification.

The shareholders' meeting convening items have stated changed of the entire board of

directors, and the inauguration date has been noted. After the stated shareholders' meeting finishes the election, the same meeting cannot use extempore motion or other methods to change the inauguration date.

Shareholders who hold 1% or more of the total outstanding shares can propose an item in this Company's regular shareholders' meeting. Proposals are limited to one item. Those who propose more than one item shall not be listed in the meeting agenda. However, if the items proposed by the shareholder is a recommendation for the Company to increase public interest or fulfill social responsibility, the board of directors shall list the proposal in the agenda. If the item proposed by the shareholder involves any of the situation stated in Article 172-1-4 of the Company Act, the board of directors shall not list the item in the agenda.

The Company shall announce the shareholder proposals, written or electronic application methods, and application location and period before the stock transfer suspension date before the regular shareholders' meeting. However, the acceptance time shall not be less than 10 days.

The shareholder's proposal shall be less than 300 words. Proposals over 300 words shall not be listed in the agenda. The proposing shareholder or the shareholder's agent shall attend the regular shareholders' meeting in person and participate in the discussion and voting of the motion.

The Company shall notify the proposing shareholder of their proposal's processing status before the shareholders' meeting convening notification date. Proposals that conform to this rule shall be listed in the meeting notification. The board of directors shall provide an explanation for proposals not included in the agenda and why they have not been included.

Article 4

Shareholder can have a proxy attend the shareholders' meeting by issuing a power of attorney printed by this Company stating the authorized scope and the proxy.

One shareholder can issue one power of attorney and assign one proxy. The power of attorney shall be received by this Company five days prior to the shareholders' meeting. If there is a repeat in the power of attorney, the one that is received first shall be the one recognized. However, this is not limited to power of attorney that has been revoked.

After the power of attorney is received by this Company and the shareholder wishes to attend the shareholders' meeting personally or vote with written documentation or electronically, shall notify this Company in writing two days prior to the shareholders' meeting to revoke the power of attorney. If the revocation notification passes the deadline, the proxy's voting right shall be the one recognized.

Article 5 (location and time for convening the shareholders' meeting)

The location of the shareholders' meeting shall be the location of this Company or a location appropriate for the meeting and convenient for the shareholders to attend. The meeting shall start no earlier than 9:00 am or later than 3:00 pm. The location and time of the meeting shall consider the opinions of the independent directors.

Article 6 (preparation and placement of the attendance log and other documents)

This Company shall include the shareholders' reporting time, reporting location, and other items of importance in the meeting notification.

The aforementioned shareholder reporting time should be done at least 30 minutes before the meeting starts. The reporting location should be clearly marked and sufficient number of suitable personnel should process the sign-in at the reporting location.

The shareholder or his/her agent (hereafter referred to as the shareholder) shall report in at the meeting with an attendance certificate, attendance sign-in card, or other attendance proof. Agents of shareholders stated in the power of attorney shall have with them their ID for confirmation.

Attending shareholders shall turn in the sign-in card to show they are attending.

This Company shall give attending shareholders a meeting manual, annual report, attendance certificate, speech note, vote ticket, and other meeting data. For election of directors, a director's vote ticket should be issued.

If the government or legal person is the shareholder, the number of people attending the shareholders' meeting may be more than one person. However, when legal person has been commissioned to attend the shareholders' meeting, only one person shall be sent as representative.

Article 7 (shareholders' meeting chairman and attendees)

If the board of directors convenes the shareholders' meeting, the chairman of the meeting shall be the chairman of the board. If the chairman of the board is on leave or cannot exercise authority, the vice-chairman of the board shall be the substitute. If there is no vice-chairman of the board or if the vice-chairman of the board is on leave or cannot exercise his/her authority, the chairman of the board shall designate a director as the substitute. If the chairman of the board has not designated a substitute, the directors shall nominate a substitute.

The director who acts in the capacity of the aforementioned chairman shall be a person who has served as a director for more than six months and who understands the company's financial situation. The same goes for chairman who is a legal person director.

Shareholders' meeting convened by the board of directors shall be personally chaired by the chairman of the board. At least the majority of the directors and one functional committee member of each type shall attend. The attendance situation shall be recorded in the shareholders' meeting records.

If other authorized convener other than the board of directors convenes the shareholders' meeting, the convener shall act as the chairman. If there is two or more convener, one shall be nominated to act as the chairman.

This Company can assign its commissioned lawyer, accountant, or other relevant personnel to attend the shareholders' meeting.

Article 8 (voice or video recording during shareholders' meeting)

When this Company implements the shareholders' reporting, the entire reporting in, meeting, and voting process shall be recorded.

The aforementioned recordings should be saved for at least one year. However, when shareholders have litigation based on Article 189 of the Company Act, the recordings should be saved until the conclusion of the litigation.

Article 9

The attendance at the shareholders' meeting should be based on the shares held. The attending number of shares should be based on the sign-in log or the sign-in card. The number of shares in written or electronic voting shall be added for the voting.

When the meeting time arrives, the chairman shall immediately announce the start of the meeting. However, if less than half of total issued shares are represented, the chairman can postpone the start of the meeting. The number of postponements is limited to two times and the total time postponed cannot exceed one hour. If after two postponements the number of shares represented is less than one third of the total number of issued shares, the chairman shall announce the meeting void.

If after two postponements the number of shares represented is still less than one third of the total issued shares, tentative resolutions can be made according to Article 175-1 of the Company Act. The shareholders shall be notified of the tentative resolutions and another shareholders' meeting shall be convened within one month.

If before the end of the meeting the number of shares represented reaches over the majority of the total number of issued shares, the chairman shall re-propose the tentative resolutions according to Article 174 of the Company Act and have the shareholders' meeting re-vote.

Article 10 (discuss motion)

If the shareholders' meeting is convened by the board of directors, the agenda shall be set by the board of directors. The meeting shall proceed according to the scheduled agenda. The agenda shall not change unless a resolution to change is passed by the shareholders' meeting.

If the shareholders' meeting is convened by authorized conveners other than the board of directors, follow the provisions of the preceding paragraph.

If the meeting has not completed the agenda stated in the preceding two items (including extempore motion), the chairman shall not adjourn the meeting unless a resolution was passed to adjourn the meeting. If the chairman violates the meeting rules and announce the adjournment of the meeting, members of the board of directors shall quickly assist attending shareholders comply with legal procedures where the majority of attending voting rights agree to elect a chairman and continue with the meeting.

The chairman should provide sufficient clarification for motions, amendments proposed by shareholder, or extempore motions, and provide sufficient opportunities for discussion. When the chairman perceive the time is appropriate for a vote, the chairman shall stop the discussions, propose to vote, and arrange for suitable voting time.

Article 11 (shareholder speech)

Before attending shareholders can speak, they must first fill out a speech note and state the purpose of the speech, the shareholder account number (or attendance card number), and the account name. The chairman shall determine the order of speech.

Attending shareholders who merely provides a speech note but do not give a speech shall be viewed as not given a speech. If the content of the speech is not consistent with that in the speech note, the content of the speech shall take precedence.

For each motion, each shareholder can speak only twice unless approved by the chairman. Each speech shall not exceed five minutes. However, if the shareholder's speech violates rules or exceeds the scope of the issue, the chairman shall stop the speaker.

When attending shareholder is speaking, other shareholders shall not interrupt unless with the consent of the chairman and the speaking shareholder. Violators shall be stopped by the chairman.

If a legal person shareholder assign two or more people to attend the shareholders' meeting, only one person may be elected to speak for each motion. After the speech, the chairman shall personally or designate a related person to answer.

Article 12 (calculation of voting shares and recusing measures)

Voting at the shareholders' meeting shall be based on the shares.

The shares of non-voting rights shareholders shall not be added to the total number of issued shares at the shareholders' meeting.

If items at the meeting has a conflict of interest with the shareholder that can be detrimental to the interests of this Company, the shareholder shall not participate in the voting and shall not act as an agent for other shareholders in the exercise of their voting rights.

The voting rights that cannot be exercised in the aforementioned item cannot be calculated into the number of votes of attending shareholders.

Other than stock agencies approved by the trust or securities competent authorities, the voting rights represented by one person who is simultaneously representing two or more shareholder shall not exceed 3% of the total number of shares issued. Voting rights that exceeds 3% shall not be counted.

Article 13

Shareholders have one vote for each share. Shares with no voting rights as stipulated in Article 179-2 of the Company Act shall not be counted.

When this Company convenes shareholders' meeting, electronic voting shall be used. When electronic voting is used, the voting method shall be noted in the shareholders' meeting convening notification. Shareholders who use electronic voting shall be perceived as attending the shareholders' meeting personally. However, shareholders using electronic voting are perceived to have forfeited their vote in regards to the extempore motions and revisions to the original motion at shareholders' meeting. Thus, this Company shall try to

prevent the proposal of extempore motions and revisions to the original motion.

Shareholders that use the aforementioned electronic voting method shall deliver their decision to the Company two days prior to the shareholders' meeting. If the decisions are repeated, the first one that is received shall take precedence. However, decisions that have been declared revoked is not limited by this rule.

Shareholders who used electronic voting method who then decides to attend the shareholders' meeting personally shall use the same voting method to revoke the prior decision two days prior to the shareholders' meeting. Those who revoke their decision after the deadline shall have the electronic vote take precedence. If voting was done with electronic method and a power of attorney was used to commission an agent to attend the shareholders' meeting, the vote of the agent shall take precedence.

Otherwise stipulated in the Company Act or this Company's charter, the voting of a motion shall be passed if a majority of the attending shareholder consents. When voting, the chairman or a designated person shall announce to the total number of votes by attending shareholder case by case, then the shareholder should vote case by case. The number of shareholders who consent, oppose, or forfeit shall be uploaded to the MOPS the day after the shareholders' meeting.

If the same motion has a revised proposal or substitute proposal, the chairman shall determine the voting sequence. If one of the proposals has passed the vote, the other motions are perceived as denied and voting shall not continue for that motion.

The ballot supervisor and vote counter for the motion votes shall be designated by the chairman. However, the ballot supervisor shall be a shareholder.

The counting of the votes for shareholders' meeting resolutions and elections shall be done in a public location inside the shareholders' meeting site. After the vote is counted, the result shall be announced immediately, including the total number of votes. The results shall be made into records.

Article 14 (election items)

When the shareholders' meeting has a director's election, process according to this Company's election rules. The results shall be announced immediately, including the elected list and the number of votes each elected person received.

The votes in the aforementioned election shall be stored properly after being sealed and signed by the ballot supervisor. The votes shall be stored for at least one year. However, if shareholder is engaged in litigation related to Article 189 of the Company Act, the votes shall be kept until the conclusion of the litigation.

Article 15

The shareholders' meeting resolutions shall be made into meeting records and signed or stamped by the chairman. The meeting records shall be distributed to the shareholders within 20 days after the meeting. The production and distribution of the meeting records can be in electronic form.

This Company can issue the aforementioned meeting records by uploading it to the MOPS

announcements.

The meeting record shall truthfully record the year, month, date, site, the chairman's name, and the voting method of the meeting. The meeting summary and the resolutions (including the total number of votes) shall be recorded. When electing directors, the number of votes each candidate received shall be noted. The records shall be kept permanently while this Company exists.

Article 16 (external announcements)

This Company shall clearly disclose the number of votes obtained by solicitors and votes represented by agents on the day of the shareholders' meeting. The disclosure shall be done with set format statistical tables at the shareholders' meeting site.

If the shareholders' meeting resolution include major information stipulated by law or TWSE (Taipei Exchange) rules, this Company shall upload the information to MOPS within the regulated time.

Article 17 (maintenance of site orderliness)

Meeting personnel for the shareholders' meeting should wear identification badges or armbands.

The chairman shall order the ushers or security personnel to help maintain order at the meeting. When maintaining order, the usher or security personnel should wear armbands or badges with the words "usher."

In venues with broadcasting systems, the chairman shall prevent shareholders from using equipment not allocated by this Company for their speech.

When shareholders violate the meeting rules and do not comply with the chairman's corrections or when shareholders hinders the progress of the meeting, the chairman shall order the usher or security personnel to escort the offender out of the meeting.

Article 18 (rest and continuation of the meeting)

When the meeting is progressing, the chairman shall announce the rest time at the chairman's discretion. If an uncontrollable event occurs, the chairman shall temporarily stop the meeting and announce the meeting's re-opening time according to the situation.

If the meeting site cannot continue to be used before the agenda of the shareholders' meeting (including extempore motion) is complete, the shareholders' meeting shall vote on seeing another site to continue the meeting.

According to Article 182 of the Company Act, the shareholders' meeting can be postponed or continued within five days.

Article 19

These Rules shall be implemented upon passing by the shareholders' meeting. Same for any revisions.

Attachment 9

Namchow Holdings Co., Ltd.

Guidelines for Electing Board Directors Amendment Draft

- I. The election of Directors of the Company shall be governed by This Procedure.
- II. In the election of Directors, holder of each share shall be entitled to the voting right of electing the equivalent seats of Directors or they may concentrate the votes on particular candidate or distribute the votes to different candidates.
- III. The election voting ticket shall be produced by the board of directors. The filling in of the content and format of the ticket shall be determined by the election ticket printer. The voter shall not arbitrarily erase or add items to the ticket. The director's election voting ticket shall be placed in the ballot box designated by the chairman.
- III-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.
- IV. Before the balloting, the Charmian shall appoint the observers and vote counters to perform their assigned duties.
- V. The Board shall prepare the ballot box for the election of Directors. The observers shall inspect the box before balloting.
- VI. If a candidate in the election is a shareholder, voters shall put down the account title and account number of the candidate in the field of "candidate" on the ballot. If the candidate is not a shareholder, specify the name and ID number of the candidate. 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.
- VII. The election of this Company's directors shall take the form of candidate nomination. Shareholder shall select directors from the candidate list. Election of Directors and Independent Directors should be held simultaneously and the votes shall be counted on the candidates to the seats on the scene.
- VIII. A ballot shall be void is any of the following occurs:
 - (I). The use of unqualified ballots.
 - (II). Cast the vote with blank ballot.
 - (III). The writing on the ballot is blurred that cannot be identified.
 - (IV). The candidate selected is not from this Company's announced director candidate list.
 - (V). Did not fill out the voting ticket according to Article 6 or includes other text for symbols.

- (VI). Not placed in the ballot box designated by the chairman.
- (VII). Two or more candidates were put on the same ballot.
- IX. This Company's directors shall be chosen from the candidate list stated in Article 7 at the shareholders' meeting. The directors shall be chosen based on the quota stipulated in this Company's charter according to the total number of votes each candidate receives in turn.
- X. The ballot box will be opened and the votes will be counted on the scene immediately after the balloting is completed. The Chairman will announce the outcome of the election immediately.
- XI. The election will be nullified if being held in defiance of Article 26-3- (3)~(4).
- XII. The qualification and election to office of Independent Directors shall be governed by the Securities and Exchange Act, and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" of Financial Supervisory Commission.
- XIII. The Board of the Company will give notice of election to office to the Directors elected to the seats.
- XIV. Anything not covered by The Guidelines shall be governed by the Company Act, the Articles of Incorporation of the Company and other applicable laws.
- XV. The Guidelines shall come into effect at the approval of the Shareholders' Meeting. The same procedure is applicable to any amendment thereto.

Appendices 1

Namchow Holdings Co., Ltd.

Articles of Incorporation

Chapter 1 General Provisions

- Article 1: The Company is duly incorporated in accordance with the Corporate Merger and Acquisition Act, the Company Act in the section of limited liability Company, and other applicable laws and bears the title of Namchow Investment Holding Co., Ltd.
- Article 2: The Company is engaged in the business of: H201010- Investments.
- 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 NTD4 billion consisting of 400 million shares. Each share has a par value of NTD10. 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 9 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 3 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 quantity of shares held by all Directors shall be governed by the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies insituted 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 18-1: This Company has formed an Audit Committee composed of all independent directors according to Article 14-4 of the Securities and Exchange Act. The exercise of powers of the Audit Committee, members and related matters shall be conducted in accordance with the Securities Exchange Act Law and relevant laws and regulations.

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.

To improve supervisory function and management mechanism, the board of directors shall establish various functional committees according to law based on business requirements. The charter for the authority of the functional committee shall be formulated by the board of directors.

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 27: 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) Report on Operations
- (2) Financial Statement
- (3) Earnings Distribution or Losses Subsidization Proposal

Article 31: The Company shall appropriate no less than 1% of its earnings as remuneration to employees and no more than 5% as remuneration to Directors and Supervisors, if applicable. The Company shall appropriate for write-off the loss carried forward, if applicable.

The remuneration to employees mentioned in the preceding paragraph may be paid in stock or cash, and the employees of subsidiaries meeting specific condition are also entitled to the payment.

Article 31-1: The Company shall appropriate its earnings for the payment of applicable taxes, followed by the write-off of loss carried forward, and 10% as legal reserve, if applicable. If however the legal reserve so appropriated is equivalent to the paid-in capital of the Company, no further appropriation is necessary. The remainder shall be recognized for special reserve or reversal of special reserve. If there is still a balance, it will be pooled up with undistributed earnings for distribution to the shareholders as dividend or bonus at the proposal of the Board and the final approval of the Shareholders' Meeting. However, the dividends paid in cash must be attended by more than two-thirds of the Directors from the board and approved by more than half of the Directors present. Reports need to be presented to the Shareholder's Meeting.

The dividend policy of the Company shall meet the needs of the development plan at present and in the future, in consideration of the investment environment, capital requirement and competition at home and abroad, and also the interests of the shareholders. At least 30% of annual earnings attributable to shareholders for distribution shall be paid out as dividend, which may be paid as stock dividend and/or cash dividend. Cash dividend shall not fall below 10% of the total dividend paid to the shareholders.

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. The 49th amendment took place on June 8, 2016. The 50th amendment took place on May 31, 2017. The 51st amendment took place on Mar 9, 2018. The 52nd amendment took place on May 30, 2018. The 53rd amendment took place on May 30, 2019.

Appendices 2

Namchow Holdings Co., Ltd.

Rules and Procedures for Shareholders Meetings

- I. Shareholders meetings of the company shall be based on these Rules and Procedures.
- II. 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.
- II-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.
- III. 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.
- IV. 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.
- V. 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.
- VI. 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.
- VII. For the same proposal, the same shareholder (or proxy) may not speak more than twice.
- VII-1. When authorized to attend a shareholders meeting, each legal entity may only send one representative to attend it.

- VIII. 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.
- IX. 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.
- X. The chairperson may submit a proposal whose discussions are declared to be halted or discontinued for a vote.
- XI. 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.
- XII. While a meeting is in session, the chairperson may announce a break taking into consideration the available time.
- XII-1. The chairperson may have a picketer (or security) to help maintain order on the floor.
- XIII. For details not covered herein, requirements in the Company Act and the Articles of Incorporation are to be followed.
- XIV. These Rules and Procedures are to be enforced once approved in the shareholders meeting.

Appendices 3

Namchow Holdings Co., Ltd. **Guidelines for Electing Board Directors**

- I. The election of Directors of the Company shall be governed by This Procedure.
- II. In the election of Directors, holder of each share shall be entitled to the voting right of electing the equivalent seats of Directors or they may concentrate the votes on particular candidate or distribute the votes to different candidates.
- III. The Board shall prepare the ballots equivalent to the seats of Directors to be elected and fill in the weight before circulating to the shareholders.
- III-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.
- IV. Before the balloting, the Charmian shall appoint the observers and vote counters to perform their assigned duties.
- V. The Board shall prepare the ballot box for the election of Directors. The observers shall inspect the box before balloting.
- VI. If a candidate in the election is a shareholder, voters shall put down the account title and account number of the candidate in the field of “candidate” on the ballot. If the candidate is not a shareholder, specify the name and ID number of the candidate. 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.
- VII. The Company adopts the nomination system for the election of Independent Directors. Election of Directors and Independent Directors should be held simultaneously and the votes shall be counted on the candidates to the seats on the scene.
- VIII. A ballot shall be void is any of the following occurs:
 - (I) The use of unqualified ballots.
 - (II) Cast the vote with blank ballot.
 - (III) The writing on the ballot is blurred that cannot be identified.
 - (IV) If the candidate inscribed on the ballot is a shareholder, the information on account title and account number is not relevant with the record of the shareholders roster. If the candidate inscribed on the ballot is not a shareholder, the information on name and ID number is not relevant with the record of shareholders roster.
 - (V) Wording on the ballot other than the account title (name) or account number (ID number) of the candidate and the number of votes assigned.
 - (VI) Failed to fill in the account title (name) or account number (ID number) of the candidate on the ballot. However, the candidate will be eligible despite failing

to fill in the required sections above IF he/she is the only candidate running for the election.

(VII) Two or more candidates were put on the same ballot.

- IX. Directors of the Company shall be elected from candidates with full legal competence by the Shareholders' Meeting and elected to the seats specified in the Articles of Incorporation on the basis of the voting result whereby candidates won the majority of the votes will be elected to the seats in the order of Independent Directors, Non-Independent Directors, or Supervisors.
- X. The ballot box will be opened and the votes will be counted on the scene immediately after the balloting is completed. The Chairman will announce the outcome of the election immediately.
- XI. The election will be nullified if being held in defiance of Article 26-3- (3).
- XII. The qualification and election to office of Independent Directors shall be governed by the Securities and Exchange Act, and the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies" of Financial Supervisory Commission.
- XIII. The Board of the Company will give notice of election to office to the Directors elected to the seats.
- XIV. Anything not covered by The Guidelines shall be governed by the Company Act, the Articles of Incorporation of the Company and other applicable laws.
The Guidelines shall come into effect at the approval of the Shareholders' Meeting.
The same procedure is applicable to any amendment thereto.

Appendices 4

Namchow Holdings Co., Ltd.

Roster of Directors

Spinoff day: May 02 2020

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	May 30, 2018	Common stock	33,814,934	11.50%	Common stock	33,814,934	11.50%	
Vice Chairman	Chen Fei-Peng	May 30, 2018	Common stock	36,942,995	12.56%	Common stock	37,537,995	12.76%	
Director	Lucky Royal Co., Ltd. Representative: Lee Kan-Wen	May 30, 2018	Common stock	46,041,259	15.65%	Common stock	46,041,259	15.65%	
Director	Lucky Royal Co., Ltd. Representative: Zhou Ming-Fen								
Director	Hwa Zhin Co., Ltd. Representative: Chen Cheng-Wen	May 30, 2018	Common stock	675,884	0.23%	Common stock	864,884	0.29%	
Director	Namchow Holding CO., LTD. Employee Welfare Committee Representative: Chen Yi-Wen	May 30, 2019	Common stock	4,908,960	1.67%	Common stock	4,908,960	1.67%	
Independent Director	Chen Ting-Kuo	May 30, 2018	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Lin Chin-Shi	May 30, 2018	Common stock	0	0.00%	Common stock	0	0.00%	
Independent Director	Chen Jun-Xue	May 30, 2019	Common stock	2,000	0.00%	Common stock	2,000	0.00%	
Total			Common stock	122,386,032		Common stock	123,170,032		

Total shares issued on May 30, 2018: 294,132,962

Total shares issued on May 30, 2019: 294,132,962

Total shares issued on May 02, 2020: 294,132,962

Note: Legal shares that all directors of the company combined should hold: 12,000,000 shares until May 02, 2020. 123,168,032

This Company has established an Audit Committee; thus, the legal limits for the number of shares held by supervisors are not applicable.

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