

Stock No.: 1232

TTET Union Corporation
2022 Annual General Shareholders' Meeting

Agenda Handbook

May 25, 2022

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2022 Annual General Shareholders' Meeting agenda of TTET Union Corporation

Time: Wednesday, May 25, 2022 at 10:00am

Place: The office building of the Company located at No. 32,
Gondye W. Road, Erzhen Village, Guantian District, Tainan
City

Convening Method: Physical shareholders' meeting

Meeting procedures:

I. Call the meeting to order

II. Chairman remarks

III. Reported matters

1. The Company's 2021 Business Report.
2. 2021 Annual Final Accounting Books and Statements Reviewed by the Audit Committee.
3. 2021 Distribution of Remuneration to Employees and the Directors/Supervisors of the Company.

IV. Ratifications

1. Ratify 2021 Annual Final Accounting Books and Statements, Including the Business Report and Financial Statements.
2. Ratify 2021 Distribution of Earnings.

V. Discussions

1. The Amendment to the "Procedures for the Acquisition or Disposal of Assets".
2. Proposal of Relief from the Non-Competition Restriction for the Directors during Their Terms.

VI. Extemporaneous motions

VII. Meeting adjournment

Reported matters

I. The Company's 2021 Business Report.

Explanation: Please refer to pages 5-8 of the Agenda Handbooks for the 2021 business report of the Company.

II. 2021 Annual Final Accounting Books and Statements Reviewed by the Audit Committee.

Explanation: The Audit Committee have reviewed the Company's 2021 annual final accounts and statements of the Company and issued the Audit Committee's Report accordingly. (Please refer to page 9 of the Agenda Handbooks for details.)

III. 2021 Distribution of Remuneration to Employees and the Directors/Supervisors of the Company.

Explanation:

- I. Handled in accordance with Article 28 of the Company's "Articles of Incorporation."
- II. The Company's net income before tax in 2021 before deducting the remuneration to employees, directors and supervisors amounted to NT\$1,581,136,216; 2% of it is contributed as compensation to employees for an amount of NT\$31,622,724 and the remuneration to directors and supervisors for an amount equivalent to 1.5% of said amount, which was NT\$23,717,043, all paid in cash.

Ratification

Motion 1 (Presented by the Board of Directors)

Subject: The Company's 2021 annual final accounts and statements including business reports and financial statements are presented for ratification.

Explanation:

I. Lin, Tzu-Yu, CPA and Lin, Yung-Chih, CPA of PwC Taiwan have audited the 2021 parent company only financial statements and consolidated financial statements of the Company. The annual business report, parent company only financial statements and consolidated financial statements have been reviewed by the Audit Committee (Please refer to pages 5-8 and pages 10-31 of the Agenda Handbooks for details.)

II. Please ratify

Resolution:

Motion 2 (Presented by the Board of Directors)

Subject: The Company's 2021 Statement of Earnings Distribution is presented for ratification.

Explanation:

I. Please refer to pages 32 of the Agenda Handbooks for the 2021 distribution of earnings.

II. For 2021, the Company intends to distribute the cash dividends as NT\$6.0 per share, for a total of NT\$959,849,490 to be distributed. Upon the approval of the shareholders' meeting, the shareholders' meeting is requested to authorize the Board of Directors to determine the ex-dividend base date and date of cash dividend distribution.

III. The cash dividend is calculated and rounded up to the dollar according to the distribution ratio. The cash dividend less than NT\$1 for the odd shares will be adjusted according to the decimal point top down and the order of the account number until it is in line with the total cash dividend distributed.

IV. Please ratify

Resolution:

Discussions

Motion 1 (Presented by the Board of Directors)

Subject: The Amendments to the Company's "Procedures for the Acquisition or Disposal of Assets" are proposed to be discussed.

Explanation: Pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-Shang-Yi-Tzi No. 1110002112, dated February 7, 2022, as well as to adapt the practical requirements, it is intended to amend the Company's "Procedures for the Acquisition or Disposal of Assets." Please refer to pages 33-45 of the Agenda Handbook for the comparative list.

Resolution:

Motion 2 (Presented by the Board of Directors)

Subject: The relief from the non-competition restriction for the directors during their terms is submitted for discussion.

Explanation:

- I. According to Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to a shareholders' meeting the essential contents of such an act and secure its approval.
- II. Where the directors of the Company concur the directors (independent directors included) of other companies with similar business scope to the Company, the Company's business shall not be impeded. To comply with the regulatory requirement, it is intended to relieve the non-competition restrictions for the related positions.
- III. For the descriptions of these positions intended for relief from the non-competition restriction, please refer to pages 46-48 of the Agenda Handbook

Resolution:

Extemporaneous motions:

Meeting adjourned

2021 Business Report of TTET Union Corporation

I. Operating principles and implementation

The Company's operating revenue amounted to NT\$16.772 billion in 2021, representing an increase of approximately 20.96% over 2020, and the consolidated operating revenue amounted to NT\$20.478 billion. Before tax, the company's net income amounted to NT\$1.526 billion in 2021, representing a decrease of approximately 3.58% over 2020.

Revenue grew 20.96% in 2021, mainly because the increased material price drove the finished product prices higher. In 2021, although the profit decreased moderately due to the impact of the COVID-19 pandemic, when considering the shock brought to the domestic demands from the Level 3 Alert, the decrease is deemed limited. This result shall be contributed to the national efforts of pandemic containment and the diligence of the Company's employees in their respective areas.

The Company has been focusing on the domestic market and the production and sale of soybeans related products (such as, soybean oil, soybean powder, soybean flakes, whole fat soybean powder and genetically and non-genetically modified edible soybeans) and a number of vegetable oil products (such as palm oil, canola oil or sunflower oil). Currently, most of the products of the Company are at the leading positions. However, we do not feel self-satisfied with the result and start slacking off; we even feel there is neglect. We will continue to start from our core advantages, concentrate on the development of our industry, constantly improve quality, and endeavor to enhance service standards. We hope to meet customer needs through listening to the voice of the customer, and to build the foundation for the Company's long-term development under the guidance of corporate culture of "*bona fides*."

The Company is in the industry of bulk materials with all raw materials used imported from abroad. Therefore, there are a few important tasks to be completed by the Company in order to ensure the stable supply of raw materials, the accurate control of the procurement position of raw materials and the costs of procurement (especially when facing severe market volatility) and the proper management of the position of the US dollar.

Recently, the issues focused by the international and domestic societies include the following: 1. Marine shipment ordeal: All materials used by the Company are imported internationally. While the pandemic impacts the international marine shipment market, our factories are tested for resilience by skyrocketing shipping costs and delayed shipment. We will continuously monitor the impacts on the domestic supply-demand from such factors, and take necessary countermeasures as well. 2. Animal husbandry issues: Importation of the U.S pork with Ractopamine: the Company will keep on monitoring its impact on the husbandry for early preparation. 3. Evolving COVID-19 pandemic: The Company will continuously assess the impact on the market from the pandemic.

II. Operating plan implementation results

Unit: NT\$1,000

(except for the after-tax earnings per share)

| Title | Actual amount in 2021 | Actual amount in 2020 | Percentage of Increase (Decrease) % |
|-----------------------------|-----------------------|-----------------------|-------------------------------------|
| Operating revenue | 20,477,990 | 17,440,979 | 17.41 |
| Operating income | 1,530,914 | 1,618,136 | (5.39) |
| Pre-tax profit or loss | 1,597,770 | 1,652,289 | (3.30) |
| Post-tax earnings per share | 7.76 | 8.08 | (3.96) |

III. The implementation of operating revenue and expense budget

1. Operating revenue and expenses:

(1) Revenue: The consolidated net operating revenue amounted to NT\$20,477,990 thousand in 2021.

(2) Expense: The consolidated operating cost amounted to NT\$18,119,818 thousand in 2021.

The consolidated operating expenses amounted to NT\$827,258 thousand in 2021.

The consolidated net non-operating expenses amounted to NT\$66,856 thousand in 2021.

(3) Earnings: For 2021, the consolidated net income before tax was NT\$1,597,770 thousand with an income tax expense of NT\$323,848 thousand for the full year of 2020. The net income after tax for the current period was NT\$1,273,922 thousand.

2. The Company did not disclose the consolidated financial forecast for 2021; therefore, the information regarding budget implementation is not available.

IV. Analysis of financial revenue & expense and profitability

| Title | | 2021 | 2020 |
|-------------------------|--|--------|--------|
| Financial structure (%) | Debt-Asset Ratio (%) | 29.21 | 26.90 |
| | Ratio of Long-term funds to Property, Plant, and Equipment (%) | 605.41 | 604.46 |
| Solvency (%) | Current Ratio (%) | 317.54 | 359.62 |
| | Quick Ratio (%) | 164.22 | 268.02 |
| Profitability (%) | Return on Assets (%) | 19.14 | 21.84 |
| | Return on Shareholders' Equity (%) | 26.54 | 30.15 |
| | Net Profit Ratio (%) | 6.22 | 7.58 |
| | Basic Earnings Per Share (NT\$) | 7.76 | 8.08 |

V. Research and Development:

The Company is committed to the research and development of plant protein and edible oil products and has completed the R&D of whole-fat soybean powder; in the future, various products will be launched to satisfy customers' needs for one-stop procurement.

VI. Business Prospect

Oil products: The Company is the largest domestic supplier for 18-liter bottled edible oil under the brand names, "Master" and "Vitality." The oil products include soybean vegetable oil, canola oil, palm oil and deep-fried oil. The restaurant channel is the targeted market for the 18-liter bottled edible oil; therefore, demand is directly linked to the demand, increase and decrease of eating-out population, and economic changes. With the efforts of food safety and upgrade of brand value, although the impacts from the pandemic are still lingering, we expect the sales volume of bottled oil will be stable. In addition, the Company's small packaging products (2.0/2.6/3.0 liters) have been distributed via the hypermarket channels. The sale volume thereof is expected to keep growing.

The Company is also the largest domestic supplier of bulk packed soybean oil and canola oil, and also launches the bulk packed sunflower oil and palm oil to satisfy our customers, who are primarily food processing plants, chemical plants, and small packaging oil packaging plants.

Taking into account of the importance of edible oils to the general life, the Company will continuously provide the quality oil products to the clients without food safety concern, but supplied stably and priced reasonably.

Soybean powder: The Company is the largest domestic supplier of soybean powder. Its soybean powder products cover high/low protein soybean powder, soybean flakes, whole-fat soybean powder, and peeled whole-fat soybean powder, etc. primarily supplied to the feeds-related industry. Soybean powder contains plenty of soy protein, which is deemed the most affordable protein source to the feed industry in the world; therefore, it is an alternative to other vegetable protein (*e.g.*, canola meal) and even animal protein (such as fish powder). Domestic livestock/aquaculture economy had faced severe competition from the imported meat in the last few years; however, the demand of soybean powder was still generally stable. In addition to the advantage of differentiation and quality, the Company's soybean powder products have the strength in low-cost resulting from a large-scale production.

Therefore, we are confident of facing challenges in the future although competition is fierce in the industry.

Other aspects: The Company's 18-liter bottled soybean oil that was first exported to Japan is well accepted by local customers due to its good quality and the delivery remains stable currently. Additionally, the Company has taken advantage of the 18-liter bottled oil channel (restaurant channel) with new products actively introduced in order to create added-value of the new products. For non-GMO soybeans, the Company is still the general agency of Sevita, one of the top three Canadian non-GMO edible soybean brands; the Company has also launched a self-owned brand, Sheng-Li Non-GMO Soybeans, to satisfy customers' needs. The Company will continue to seek license from other world-renowned brands in order to exercise the effect of the distribution network.

Chairman: Lo Chih-Hsien

Manager: Chen Chao-Liang

Chief Accountant: Hu Yu-Chih

TTET UNION CORPORATION

Audit Committee's Review Report

It is agreed hereby with

the 2021 Business Report, Financial Statements, and the proposal of earning distributions, prepared and submitted by the Board of Directors; the Financial Statements have been audited by CPA Lin Tzu-Yu and Lin, Yung-Chih, with the Independent Accountant's Audit Report. The Audit Committee has reviewed the aforesaid Business Report, Financial Statements, and proposal of earnings distribution, and found no nonconformity therein. Therefore, The report is hereby issued pursuant to Article 219 of the Company Act for approval.

Sincerely Yours

2022 General Shareholders' Meeting of the Company

TTET Union Corp.

Huang Pei-Wen, Convener of the Audit Committee

February 23, 2022

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TTET Union Corporation

Opinion

We have audited the accompanying parent company only balance sheets of TTET Union Corporation (the "Company") as at December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, 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, financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers".

Basis for opinion

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

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, we do not provide a separate opinion on these matters.

Key audit matters for the parent company only financial statements of the current period are stated as follows:

Cut-off of inventory in transit

Description

The Company imports soybean from foreign suppliers as raw material. The terms of trade is C&F which means the seller delivers the goods at the port of loading. The Company will confirm the information about loading date, quantity, pricing and other details with suppliers. After receiving the bill of lading, invoice, bank debit and other related source documents, the Company can recognize those materials as inventory. However, due to the complexity of the import process and paper work, the source documents may not be received on time and will result in inappropriate inventory recognition. In addition, the goods in transit have significant value. Thus, we considered the cut-off of inventory in transit a key audit matter.

How our audit addressed the matter

We performed the following key audit procedures in respect of the above key audit matter:

1. Understood the process of importing raw material and checking the source documents as basis for inventory recognition.
2. Tested the purchase transactions that took place after the balance sheet date, by inspecting the bill of lading or bank debit, to ensure the purchase was recognized in the correct reporting period.
3. Confirmed the borrowing amount of loan and the letter of credit with the banks.

Inventory valuation

Description

Refer to Notes 4(8) and 6(4) to the parent company only financial statements for the accounting policy and the details of accounts relating to inventory valuation. As at December 31, 2021, inventory and allowance for market price decline amounted to \$2,219,721 thousand and \$718 thousand, respectively, with the net amount constituting 38% of total assets.

The Company is engaged in the manufacture, sales and processing of a variety of vegetable oil and fat. The main raw material is soybean and it is usually affected by price changes in international trade. This results in higher risk of loss on market price decline. The inventories are estimated at the lower of cost and net realizable value. As the raw material is usually affected by price changes in international trade and the value of inventories is significant, we considered inventory valuation a key audit matter.

How our audit addressed the matter

We performed the following key audit procedures in respect of the above key audit matter:

1. Evaluated the reasonableness of accounting policy on provision for inventory, and the consistency of process application during the financial reporting period.
2. Tested the details of loss on market price decline, recalculated the net realizable value of the selected inventories, inspected related documents and discussed with management to confirm the adequacy of the provision on inventory market price decline.

Responsibilities of management and those charged with governance for the parent company only financial statements

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

In preparing the parent company only financial statements, management is responsible for assessing the 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 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 auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards 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 the generally accepted auditing standards 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 auditors' 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 auditors' 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 appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance (including audit committee) 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 (including audit committee) 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 (including audit committee), 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

February 23, 2022

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TTET UNION CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| Assets | Notes | December 31, 2021 | | December 31, 2020 | | |
|---------------------------|---|-------------------|---------------------|-------------------|---------------------|------------|
| | | AMOUNT | % | AMOUNT | % | |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 1,705,466 | 29 | \$ 2,673,977 | 49 |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2) and 12 | - | - | 9,327 | - |
| 1150 | Notes receivable, net | 6(3) | 137,535 | 2 | 120,616 | 2 |
| 1170 | Accounts receivable, net | 6(3) | 297,708 | 5 | 355,651 | 7 |
| 1180 | Accounts receivable - related parties | 6(3) and 7 | 103,607 | 2 | 118,016 | 2 |
| 1200 | Other receivables | | 14,100 | - | 4,671 | - |
| 130X | Inventory | 5(2) and 6(4) | 2,219,003 | 38 | 811,101 | 15 |
| 1410 | Prepayments | | 342,129 | 6 | 289,991 | 6 |
| 11XX | Total current assets | | <u>4,819,548</u> | <u>82</u> | <u>4,383,350</u> | <u>81</u> |
| Non-current assets | | | | | | |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(5) | 37,600 | - | 1,275 | - |
| 1550 | Investments accounted for under equity method | 6(6) | 402,624 | 7 | 354,102 | 7 |
| 1600 | Property, plant and equipment | 6(7) and 8 | 587,090 | 10 | 607,507 | 11 |
| 1755 | Right-of-use assets | 6(8) | 38,394 | 1 | 51,127 | 1 |
| 1780 | Intangible assets | 6(9) | 912 | - | 1,432 | - |
| 1840 | Deferred income tax assets | 6(22) | 17,171 | - | 21,717 | - |
| 1920 | Guarantee deposits paid | | 4,613 | - | 12,621 | - |
| 15XX | Total non-current assets | | <u>1,088,404</u> | <u>18</u> | <u>1,049,781</u> | <u>19</u> |
| 1XXX | Total assets | | <u>\$ 5,907,952</u> | <u>100</u> | <u>\$ 5,433,131</u> | <u>100</u> |

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| Liabilities and Equity | Notes | December 31, 2021 | | December 31, 2020 | | |
|--|--|-------------------|---------------------|-------------------|---------------------|------------|
| | | AMOUNT | % | AMOUNT | % | |
| Current liabilities | | | | | | |
| 2100 | Short-term borrowings | 6(10) | \$ 45,516 | 1 | \$ 79,744 | 1 |
| 2120 | Financial liabilities at fair value through profit or loss - current | 6(2) and 12 | 20 | - | - | - |
| 2130 | Current contract liabilities | 6(15) | 29,451 | - | 51,140 | 1 |
| 2150 | Notes payable | | 4,788 | - | 4,788 | - |
| 2170 | Accounts payable | | 308,014 | 5 | 139,534 | 3 |
| 2180 | Accounts payable - related parties | 7 | 45,070 | 1 | 37,077 | 1 |
| 2200 | Other payables | | 275,993 | 5 | 295,066 | 5 |
| 2230 | Current income tax liabilities | 6(22) | 285,820 | 5 | 177,352 | 3 |
| 2280 | Lease liabilities - current | 6(8) | 91 | - | 1,063 | - |
| 21XX | Total current liabilities | | <u>994,763</u> | <u>17</u> | <u>785,764</u> | <u>14</u> |
| Non-current liabilities | | | | | | |
| 2570 | Deferred income tax liabilities | 6(22) | 12,058 | - | 13,853 | - |
| 2580 | Lease liabilities - non-current | 6(8) | 38,855 | 1 | 50,446 | 1 |
| 2640 | Net defined benefit liabilities - non-current | 6(11) | 1,847 | - | 26,709 | 1 |
| 2645 | Guarantee deposits received | | 1,760 | - | 2,410 | - |
| 25XX | Total non-current liabilities | | <u>54,520</u> | <u>1</u> | <u>93,418</u> | <u>2</u> |
| 2XXX | Total liabilities | | <u>1,049,283</u> | <u>18</u> | <u>879,182</u> | <u>16</u> |
| Equity | | | | | | |
| Share capital | | | | | | |
| 3110 | Common stock | 6(12) | 1,599,749 | 27 | 1,599,749 | 30 |
| 3200 | Capital surplus | 6(13) | 23,784 | - | 23,784 | - |
| Retained earnings | | | | | | |
| 3310 | Legal reserve | | 1,456,732 | 25 | 1,327,386 | 24 |
| 3320 | Special reserve | | 7,000 | - | 7,000 | - |
| 3350 | Unappropriated retained earnings | | 1,776,932 | 30 | 1,603,030 | 30 |
| 3400 | Other equity interest | | (5,528) | - | (7,000) | - |
| 3XXX | Total equity | | <u>4,858,669</u> | <u>82</u> | <u>4,553,949</u> | <u>84</u> |
| Significant contingent liabilities and unrecognized contract commitments | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 5,907,952</u> | <u>100</u> | <u>\$ 5,433,131</u> | <u>100</u> |

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

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earning per share amounts)

| Items | Notes | Year ended December 31 | | | | |
|-------|--|------------------------------|---------------------|-----------|---------------------|-----------|
| | | 2021 | | 2020 | | |
| | | AMOUNT | % | AMOUNT | % | |
| 4000 | Operating revenue | 6(15) and 7 | \$ 16,772,295 | 100 | \$ 13,866,157 | 100 |
| 5000 | Operating costs | 6(4)(9)(11)(20)(21) and 7 | (15,030,541) | (90) | (12,018,335) | (87) |
| 5900 | Net operating margin | | <u>1,741,754</u> | <u>10</u> | <u>1,847,822</u> | <u>13</u> |
| | Operating expenses | 6(9)(11)(20)(21) and 7 | | | | |
| 6100 | Selling expenses | | (228,594) | (1) | (234,527) | (2) |
| 6200 | General and administrative expenses | | (173,260) | (1) | (182,578) | (1) |
| 6300 | Research and development expenses | | (9,528) | - | (9,207) | - |
| 6450 | Expected credit gains (losses) | 12 | 239 | - | (240) | - |
| 6000 | Total operating expenses | | (411,143) | (2) | (426,552) | (3) |
| 6900 | Operating profit | | <u>1,330,611</u> | <u>8</u> | <u>1,421,270</u> | <u>10</u> |
| | Non-operating income and expenses | | | | | |
| 7100 | Interest income | 6(16) | 3,736 | - | 8,431 | - |
| 7010 | Other income | 6(17) | 13,412 | - | 11,059 | - |
| 7020 | Other gains and losses | 6(2)(18) and 12 | 49,122 | - | 19,983 | - |
| 7050 | Finance costs | 6(8)(19) | (2,149) | - | (3,616) | - |
| 7070 | Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net | 6(6) | <u>131,024</u> | <u>1</u> | <u>125,262</u> | <u>1</u> |
| 7000 | Total non-operating income and expenses | | <u>195,145</u> | <u>1</u> | <u>161,119</u> | <u>1</u> |
| 7900 | Profit before income tax | | <u>1,525,756</u> | <u>9</u> | <u>1,582,389</u> | <u>11</u> |
| 7950 | Income tax expense | 6(22) | (284,046) | (1) | (290,561) | (2) |
| 8200 | Profit for the year | | <u>\$ 1,241,710</u> | <u>8</u> | <u>\$ 1,291,828</u> | <u>9</u> |
| | Other comprehensive income (loss) | | | | | |
| | Components of other comprehensive income that will not be reclassified to profit or loss | | | | | |
| 8311 | Remeasurements of defined benefit obligations | 6(11) | \$ 24,513 | - | \$ 2,353 | - |
| 8316 | Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income | 6(5) | 1,472 | - | - | - |
| 8330 | Share of other comprehensive income (loss) of subsidiaries, associates and joint ventures accounted for using equity method | 6(6) | 1,778 | - | (251) | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 6(22) | (4,903) | - | (470) | - |
| 8300 | Other comprehensive income for the year | | <u>\$ 22,860</u> | <u>-</u> | <u>\$ 1,632</u> | <u>-</u> |
| 8500 | Total comprehensive income for the year | | <u>\$ 1,264,570</u> | <u>8</u> | <u>\$ 1,293,460</u> | <u>9</u> |
| | Basic earnings per share (in dollars) | 6(23) | | | | |
| 9750 | Basic | | <u>\$ 7.76</u> | | <u>\$ 8.08</u> | |
| 9850 | Diluted | | <u>\$ 7.75</u> | | <u>\$ 8.06</u> | |

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

TTTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

| | Notes | Retained earnings | | | | | Unappropriated retained earnings | Other equity gains (losses) from financial assets measured at fair value through other comprehensive income | Total equity |
|---|-------|------------------------------|-----------------|---------------|-----------------|--------------|----------------------------------|---|--------------|
| | | Share capital - common stock | Capital surplus | Legal reserve | Special reserve | Unrealized | | | |
| <u>For the year ended December 31, 2020</u> | | | | | | | | | |
| Balance at January 1, 2020 | | \$ 1,599,749 | \$ 23,784 | \$ 1,229,453 | \$ 7,000 | \$ 1,207,378 | (\$ 7,000) | \$ 4,060,364 | |
| Net income for 2020 | | - | - | - | - | 1,291,828 | - | 1,291,828 | |
| Other comprehensive income for 2020 | | - | - | - | - | 1,632 | - | 1,632 | |
| Total comprehensive income for 2020 | | - | - | - | - | 1,293,460 | - | 1,293,460 | |
| Distribution of 2019 net income: | | | | | | | | | |
| Legal reserve | | - | - | 97,933 | - | (97,933) | - | - | |
| Cash dividends | 6(14) | - | - | - | - | (799,875) | - | (799,875) | |
| Balance at December 31, 2020 | | \$ 1,599,749 | \$ 23,784 | \$ 1,327,386 | \$ 7,000 | \$ 1,603,030 | (\$ 7,000) | \$ 4,553,949 | |
| <u>For the year ended December 31, 2021</u> | | | | | | | | | |
| Balance at January 1, 2021 | | \$ 1,599,749 | \$ 23,784 | \$ 1,327,386 | \$ 7,000 | \$ 1,603,030 | (\$ 7,000) | \$ 4,553,949 | |
| Net income for 2021 | | - | - | - | - | 1,241,710 | - | 1,241,710 | |
| Other comprehensive income for 2021 | | - | - | - | - | 21,388 | 1,472 | 22,860 | |
| Total comprehensive income for 2021 | 6(5) | - | - | - | - | 1,263,098 | 1,472 | 1,264,570 | |
| Distribution of 2020 net income: | | | | | | | | | |
| Legal reserve | | - | - | 129,346 | - | (129,346) | - | - | |
| Cash dividends | 6(14) | - | - | - | - | (959,850) | - | (959,850) | |
| Balance at December 31, 2021 | | \$ 1,599,749 | \$ 23,784 | \$ 1,456,732 | \$ 7,000 | \$ 1,776,932 | (\$ 5,528) | \$ 4,858,669 | |

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

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Notes | For the years ended December 31, | |
|--|-------------|----------------------------------|--------------|
| | | 2021 | 2020 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | \$ 1,525,756 | \$ 1,582,389 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Loss (gain) on financial assets at fair value through profit or loss | | 9,347 (| 16,118) |
| Expected credit (gains) losses | 12 | (239) | 240 |
| (Reversal of allowance) provision for inventory market price decline | 6(4) | (1,044) | 106 |
| Share of profit of subsidiaries, associates and joint ventures accounted for using equity method | 6(6) | (131,024) (| 125,262) |
| Depreciation | 6(7)(8)(20) | 131,419 | 114,274 |
| Loss on disposal of property, plant and equipment | 6(18) | 244 | 428 |
| Property, plant and equipment recognized as expense | 6(7) | 4,454 | 4,080 |
| Loss from lease modification | 6(8)(18) | 18 | 100 |
| Amortization | 6(9)(20) | 921 | 1,336 |
| Dividend income | 6(17) | (1,146) | - |
| Interest income | 6(16) | (3,736) (| 8,431) |
| Finance costs | 6(19) | 2,149 | 3,616 |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Notes receivable | | (16,888) (| 13,908) |
| Accounts receivable | | 58,151 (| 58,003) |
| Accounts receivable - related parties | | 14,409 | 244 |
| Other receivables | | (9,429) | 2,443 |
| Inventories | | (1,406,858) | 598,652 |
| Prepayments | | (52,138) (| 2,432) |
| Changes in operating liabilities | | | |
| Current contract liabilities | | (21,689) | 35,083 |
| Notes payable | | - | 399 |
| Accounts payable | | 168,480 (| 110,758) |
| Accounts payable - related parties | | 7,993 (| 8,189) |
| Other payables | | (19,070) | 25,431 |
| Net defined benefit liabilities - non-current | | (349) (| 1,194) |
| Cash inflow generated from operations | | 259,731 | 2,024,526 |
| Dividend received from investment accounted for under equity method | 6(6) | 84,280 | 60,200 |
| Dividends received | | 1,146 | - |
| Interest received | | 3,736 | 8,431 |
| Interest paid | | (2,151) (| 3,670) |
| Income tax paid | | (177,730) (| 226,983) |
| Net cash flows from operating activities | | 169,012 | 1,862,504 |

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Notes | For the years ended December 31, | |
|--|-------|----------------------------------|--------------|
| | | 2021 | 2020 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | | |
| Acquisition of financial assets at fair value through other comprehensive income | | (\$ 34,853) | \$ - |
| Acquisition of property, plant and equipment | 6(7) | (102,286) | (137,908) |
| Increase in intangible assets | 6(9) | (401) | (996) |
| Decrease (increase) in guarantee deposits paid | | 8,008 | (3,597) |
| Net cash flows used in investing activities | | (129,532) | (142,501) |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u> | | | |
| Decrease in short-term borrowings | 6(24) | (34,228) | (44,093) |
| Repayments of lease principal | 6(24) | (13,263) | (13,221) |
| (Decrease) increase in guarantee deposit received | 6(24) | (650) | 30 |
| Payment of cash dividends | 6(14) | (959,850) | (799,875) |
| Net cash flows used in financing activities | | (1,007,991) | (857,159) |
| Net (decrease) increase in cash and cash equivalents | | (968,511) | 862,844 |
| Cash and cash equivalents at beginning of year | 6(1) | 2,673,977 | 1,811,133 |
| Cash and cash equivalents at end of year | 6(1) | \$ 1,705,466 | \$ 2,673,977 |

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

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of TTET Union Corporation

Opinion

We have audited the accompanying consolidated balance sheets of TTET Union Corporation and its subsidiary (the "Group") as at December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

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

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, we do not provide a separate opinion on these matters.

Key audit matters for the consolidated financial statements of the current period are stated as follows:

Cut-off of inventory in transit

Description

The Group imports soybean from foreign suppliers as raw material. The terms of trade is C&F which means the seller delivers the goods at the port of loading. The Group will confirm the information about loading date, quantity, pricing and other details with suppliers. After receiving the bill of lading, invoice, bank debit and other related source documents, the Group can recognize those materials as inventory. However, due to the complexity of the import process and paper work, the source documents may not be received on time and will result in inappropriate inventory recognition. In addition, the goods in transit have significant value. Thus, we considered the cut-off of inventory in transit a key audit matter.

How our audit addressed the matter

We performed the following key audit procedures in respect of the above key audit matter:

1. Understood the process of importing the raw material and checking the source documents as basis of inventory recognition.
2. Tested the purchase transactions that took place after the balance sheet date, by inspecting the bill of lading or bank debit, to ensure the purchase was recognized in the correct reporting period.
3. Confirmed the borrowing amount of loan and the letter of credit with the banks.

Inventory valuation

Description

Refer to Notes 4(9) and 6(4) to the consolidated financial statements for the accounting policy and the details of accounts relating to inventory valuation. As at December 31, 2021, inventory and allowance for market price decline amounted to \$2,469,631 thousand and \$5,678 thousand, respectively, with the net amount constituting 35% of consolidated total assets.

The Group is engaged in the manufacture, sales and processing of a variety of vegetable oil and fat. The main raw material is soybean and it is usually affected by price changes in international trade. This results in higher risk of loss on market price decline. The inventories are estimated at the lower of cost and net realizable value. As the raw material is usually affected by price changes in international trade and the value of inventories is significant, we considered inventory valuation a key audit matter.

How our audit addressed the matter

We performed the following key audit procedures in respect of the above key audit matter:

1. Evaluated the reasonableness of accounting policy on provision for inventory, and the consistency of process application during the financial reporting period.
2. Tested the details of loss on market price decline, recalculated the net realizable value of the selected inventories, inspected related documents and discussed with management to confirm the adequacy of the provision on inventory market price decline.

Other matter – Parent company only financial reports

We have audited and expressed an unmodified opinion on the parent company only financial statements of TTET Union Corporation as at and for the years ended December 31, 2021 and 2020.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparation of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, 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 audit committee, are responsible for overseeing the Group’s financial reporting process.

Auditors’ responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards 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 the generally accepted auditing standards in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 (including audit committee) 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 (including audit committee) 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 (including audit committee), we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

February 23, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Assets | Notes | December 31, 2021 | | December 31, 2020 | |
|---------------------------|---|---------------|---------------------|------------|---------------------|------------|
| | | | AMOUNT | % | AMOUNT | % |
| Current assets | | | | | | |
| 1100 | Cash and cash equivalents | 6(1) | \$ 1,927,676 | 28 | \$ 2,848,348 | 45 |
| 1110 | Financial assets at fair value through profit or loss - current | 6(2) and 12 | - | - | 9,327 | - |
| 1150 | Notes receivable, net | 6(3) | 161,509 | 2 | 143,700 | 2 |
| 1170 | Accounts receivable, net | 6(3) | 811,361 | 12 | 806,165 | 13 |
| 1180 | Accounts receivable - related parties | 6(3) and 7 | 98,295 | 1 | 93,477 | 2 |
| 1200 | Other receivables | | 29,842 | 1 | 20,261 | - |
| 130X | Inventory | 5(2) and 6(4) | 2,463,953 | 35 | 1,037,164 | 16 |
| 1410 | Prepayments | | 363,764 | 5 | 302,858 | 5 |
| 11XX | Total current assets | | <u>5,856,400</u> | <u>84</u> | <u>5,261,300</u> | <u>83</u> |
| Non-current assets | | | | | | |
| 1517 | Financial assets at fair value through other comprehensive income - non-current | 6(5) | 37,600 | 1 | 1,275 | - |
| 1600 | Property, plant and equipment | 6(6) and 8 | 852,176 | 12 | 808,271 | 13 |
| 1755 | Right-of-use assets | 6(7) and 7 | 200,725 | 3 | 211,929 | 3 |
| 1780 | Intangible assets | 6(8) | 1,018 | - | 1,462 | - |
| 1840 | Deferred income tax assets | 6(22) | 22,851 | - | 26,690 | - |
| 1920 | Guarantee deposits paid | | 32,442 | - | 37,382 | 1 |
| 1990 | Other non-current asset | | 286 | - | 379 | - |
| 15XX | Total non-current assets | | <u>1,147,098</u> | <u>16</u> | <u>1,087,388</u> | <u>17</u> |
| 1XXX | Total assets | | <u>\$ 7,003,498</u> | <u>100</u> | <u>\$ 6,348,688</u> | <u>100</u> |

(Continued)

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Liabilities and Equity | Notes | December 31, 2021 | | December 31, 2020 | |
|--|--|-------------|---------------------|------------|---------------------|------------|
| | | | AMOUNT | % | AMOUNT | % |
| Current liabilities | | | | | | |
| 2100 | Short-term borrowings | 6(9) | \$ 65,516 | 1 | \$ 79,744 | 1 |
| 2110 | Short-term notes and bills payable | 6(10) | 69,995 | 1 | 19,998 | - |
| 2120 | Financial liabilities at fair value through profit or loss - current | 6(2) and 12 | 20 | - | - | - |
| 2130 | Current contract liabilities | 6(15) | 30,405 | - | 52,186 | 1 |
| 2150 | Notes payable | | 4,788 | - | 4,788 | - |
| 2170 | Accounts payable | | 828,340 | 12 | 575,658 | 9 |
| 2180 | Accounts payable - related parties | 7 | 63,627 | 1 | 61,314 | 1 |
| 2200 | Other payables | | 418,616 | 6 | 435,911 | 7 |
| 2230 | Current income tax liabilities | 6(22) | 327,224 | 5 | 200,892 | 3 |
| 2280 | Lease liabilities - current | 6(7) and 7 | 35,772 | - | 32,539 | 1 |
| 21XX | Total current liabilities | | <u>1,844,303</u> | <u>26</u> | <u>1,463,030</u> | <u>23</u> |
| Non-current liabilities | | | | | | |
| 2570 | Deferred income tax liabilities | 6(22) | 12,315 | - | 13,853 | - |
| 2580 | Lease liabilities - non-current | 6(7) and 7 | 172,467 | 3 | 186,008 | 3 |
| 2640 | Net defined benefit liabilities - non-current | 6(11) | 12,342 | - | 41,003 | 1 |
| 2645 | Guarantee deposits received | | 4,418 | - | 3,790 | - |
| 25XX | Total non-current liabilities | | <u>201,542</u> | <u>3</u> | <u>244,654</u> | <u>4</u> |
| 2XXX | Total liabilities | | <u>2,045,845</u> | <u>29</u> | <u>1,707,684</u> | <u>27</u> |
| Equity attributable to owners of parent | | | | | | |
| Share capital | | | | | | |
| 3110 | Common stock | 6(12) | 1,599,749 | 23 | 1,599,749 | 25 |
| 3200 | Capital surplus | 6(13) | 23,784 | - | 23,784 | 1 |
| Retained earnings | | | | | | |
| 3310 | Legal reserve | 6(14) | 1,456,732 | 21 | 1,327,386 | 21 |
| 3320 | Special reserve | | 7,000 | - | 7,000 | - |
| 3350 | Unappropriated retained earnings | | 1,776,932 | 25 | 1,603,030 | 25 |
| Other equity interest | | | | | | |
| 3400 | Other equity interest | | (5,528) | - | (7,000) | - |
| 31XX | Equity attributable to owners of the parent | | <u>4,858,669</u> | <u>69</u> | <u>4,553,949</u> | <u>72</u> |
| 36XX | Non-controlling interest | | 98,984 | 2 | 87,055 | 1 |
| 3XXX | Total equity | | <u>4,957,653</u> | <u>71</u> | <u>4,641,004</u> | <u>73</u> |
| Significant contingent liabilities and unrecognized contract commitments | | | | | | |
| 3X2X | Total liabilities and equity | | <u>\$ 7,003,498</u> | <u>100</u> | <u>\$ 6,348,688</u> | <u>100</u> |

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

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

| Items | Notes | Year ended December 31 | | | | |
|-------|---|------------------------------|---------------|--------|---------------|-------|
| | | 2021 | | 2020 | | |
| | | AMOUNT | % | AMOUNT | % | |
| 4000 | Operating revenue | 6(15) and 7 | \$ 20,477,990 | 100 | \$ 17,440,979 | 100 |
| 5000 | Operating costs | 6(4)(8)(11)(20)(21) and 7 | (18,119,818) | (88) | (14,992,999) | (86) |
| 5900 | Net operating margin | | 2,358,172 | 12 | 2,447,980 | 14 |
| | Operating expenses | 6(8)(11)(20)(21) | | | | |
| 6100 | Selling expenses | | (572,678) | (3) | (566,157) | (3) |
| 6200 | General and administrative expenses | | (244,641) | (1) | (252,895) | (1) |
| 6300 | Research and development expenses | | (9,528) | - | (9,207) | - |
| 6450 | Expect credit losses | 12 | (411) | - | (1,585) | - |
| 6000 | Total operating expenses | | (827,258) | (4) | (829,844) | (4) |
| 6900 | Operating profit | | 1,530,914 | 8 | 1,618,136 | 10 |
| | Non-operating income and expenses | | | | | |
| 7100 | Interest income | 6(16) | 4,056 | - | 8,879 | - |
| 7010 | Other income | 6(17) | 18,473 | - | 11,746 | - |
| 7020 | Other gains and losses | 6(2)(18) and 12 | 49,261 | - | 19,898 | - |
| 7050 | Finance costs | 6(7)(19) and 7 | (4,934) | - | (6,370) | - |
| 7000 | Total non-operating income and expenses | | 66,856 | - | 34,153 | - |
| 7900 | Profit before income tax | | 1,597,770 | 8 | 1,652,289 | 10 |
| 7950 | Income tax expense | 6(22) | (323,848) | (2) | (329,666) | (2) |
| 8200 | Profit for the year | | \$ 1,273,922 | 6 | \$ 1,322,623 | 8 |
| | Other comprehensive income (loss) | | | | | |
| | Components of other comprehensive income that will not be reclassified to profit or loss | | | | | |
| 8311 | Remeasurements of defined benefit obligation | 6(11) | \$ 27,281 | - | \$ 1,963 | - |
| 8316 | Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income | 6(5) | 1,472 | - | - | - |
| 8349 | Income tax related to components of other comprehensive income that will not be reclassified to profit or loss | 6(22) | (5,456) | - | (392) | - |
| 8300 | Other comprehensive income for the year | | \$ 23,297 | - | \$ 1,571 | - |
| 8500 | Total comprehensive income for the year | | \$ 1,297,219 | 6 | \$ 1,324,194 | 8 |
| | Profit attributable to: | | | | | |
| 8610 | Owners of the parent | | \$ 1,241,710 | 6 | \$ 1,291,828 | 8 |
| 8620 | Non-controlling interest | | 32,212 | - | 30,795 | - |
| | | | \$ 1,273,922 | 6 | \$ 1,322,623 | 8 |
| | Comprehensive income attributable to: | | | | | |
| 8710 | Owners of the parent | | \$ 1,264,570 | 6 | \$ 1,293,460 | 8 |
| 8720 | Non-controlling interest | | 32,649 | - | 30,734 | - |
| | | | \$ 1,297,219 | 6 | \$ 1,324,194 | 8 |
| | Earnings per share (in dollars) | 6(23) | | | | |
| 9750 | Basic | | \$ 7.76 | | \$ 8.08 | |
| 9850 | Diluted | | \$ 7.75 | | \$ 8.06 | |

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

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| Notes | Equity attributable to owners of the parent | | | | | | | Non-controlling interest | Total equity |
|-------|---|-----------------|---------------|-----------------|----------------------------------|---|--------------|--------------------------|--------------|
| | Retained earnings | | | Other equity | | | | | |
| | Share capital - common stock | Capital surplus | Legal reserve | Special reserve | Unappropriated retained earnings | Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income | Total | | |
| | \$ 1,599,749 | \$ 23,784 | \$ 1,229,453 | \$ 7,000 | \$ 1,207,378 | \$ 7,000 | \$ 4,060,364 | \$ 71,121 | \$ 4,131,485 |
| | - | - | - | - | 1,291,828 | - | 1,291,828 | 30,795 | 1,322,623 |
| | - | - | - | - | 1,632 | - | 1,632 | (61) | 1,571 |
| | - | - | - | - | 1,293,460 | - | 1,293,460 | 30,734 | 1,324,194 |
| | - | - | 97,933 | - | (97,933) | - | - | - | - |
| 6(14) | - | - | - | - | (799,875) | - | (799,875) | - | (799,875) |
| | \$ 1,599,749 | \$ 23,784 | \$ 1,327,386 | \$ 7,000 | \$ 1,603,030 | \$ 7,000 | \$ 4,553,949 | \$ 87,055 | \$ 4,641,004 |
| | \$ 1,599,749 | \$ 23,784 | \$ 1,327,386 | \$ 7,000 | \$ 1,603,030 | \$ 7,000 | \$ 4,553,949 | \$ 87,055 | \$ 4,641,004 |
| | - | - | - | - | 1,241,710 | - | 1,241,710 | 32,212 | 1,273,922 |
| 6(5) | - | - | - | - | 21,388 | 1,472 | 22,860 | 437 | 23,297 |
| | - | - | - | - | 1,263,098 | 1,472 | 1,264,570 | 32,649 | 1,297,219 |
| | - | - | 129,346 | - | (129,346) | - | - | - | - |
| 6(14) | - | - | - | - | (959,850) | - | (959,850) | - | (959,850) |
| | \$ 1,599,749 | \$ 23,784 | \$ 1,456,732 | \$ 7,000 | \$ 1,776,932 | \$ 5,528 | \$ 4,858,669 | \$ 98,984 | \$ 4,957,653 |

For the year ended December 31, 2020

Balance at January 1, 2020
Net income for 2020
Other comprehensive income (loss) for 2020
Total comprehensive income for 2020
Distribution of 2019 net income:

Legal reserve
Cash dividends
Decrease in non-controlling interest
Balance at December 31, 2020

For the year ended December 31, 2021

Balance at January 1, 2021
Net income for 2021
Other comprehensive income for 2021
Total comprehensive income for 2021
Distribution of 2020 net income:

Legal reserve
Cash dividends
Decrease in non-controlling interest
Balance at December 31, 2021

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

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Notes | For the years ended December 31, | |
|--|-------------|----------------------------------|------------------|
| | | 2021 | 2020 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | \$ 1,597,770 | \$ 1,652,289 |
| Adjustments | | | |
| Adjustments to reconcile profit (loss) | | | |
| Loss (gain) on financial assets at fair value through profit or loss | | 9,347 | (16,118) |
| Expected credit losses | 12 | 411 | 1,585 |
| (Reversal of allowance) provision for inventory | 6(4) | | |
| Market price decline | | (664) | 1,456 |
| Depreciation | 6(6)(7)(20) | 192,349 | 162,306 |
| Loss on disposal of property, plant and equipment | 6(18) | 73 | 428 |
| Property, plant and equipment recognized as expense | 6(6) | 4,454 | 4,080 |
| Loss on lease modification | 6(7)(18) | 50 | 185 |
| Amortization | 6(8)(20) | 997 | 1,642 |
| Dividend income | 6(17) | (1,146) | - |
| Interest income | 6(16) | (4,056) | (8,879) |
| Finance costs | 6(19) | 4,934 | 6,370 |
| Changes in operating assets and liabilities | | | |
| Changes in operating assets | | | |
| Notes receivable | | (17,778) | (14,523) |
| Accounts receivable | | (5,638) | (63,216) |
| Accounts receivable - related parties | | (4,818) | 9,297 |
| Other receivables | | (9,581) | 2,747 |
| Inventories | | (1,426,125) | 586,057 |
| Prepayments | | (60,906) | 1,305 |
| Changes in operating liabilities | | | |
| Current contract liabilities | | (21,781) | 35,539 |
| Notes payable | | - | 399 |
| Accounts payable | | 252,682 | (85,124) |
| Accounts payable - related parties | | 2,313 | (6,944) |
| Other payables | | (24,923) | 48,620 |
| Net defined benefit liabilities - non-current | | (1,380) | (2,234) |
| Cash inflow generated from operations | | 486,584 | 2,317,267 |
| Dividends received | | 1,146 | - |
| Interest received | | 4,056 | 8,879 |
| Interest paid | | (4,932) | (6,426) |
| Income tax paid | | (200,671) | (262,682) |
| Net cash flows from operating activities | | <u>286,183</u> | <u>2,057,038</u> |

(Continued)

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

| | Notes | For the years ended December 31, | |
|--|-------|----------------------------------|--------------|
| | | 2021 | 2020 |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | | |
| Acquisition of financial assets at fair value through other comprehensive income | | (\$ 34,853) | \$ - |
| Acquisition of property, plant and equipment | 6(24) | (182,062) | (253,802) |
| Proceeds from disposal of property, plant and equipment | | 171 | - |
| Increase in intangible assets | 6(8) | (553) | (996) |
| Decrease (increase) in guarantee deposits paid | | 4,940 | (5,657) |
| Decrease (increase) in other non-current assets | | 93 | (338) |
| Net cash flows used in investing activities | | (212,264) | (260,793) |
| <u>CASH FLOWS FROM FINANCING ACTIVITIES</u> | | | |
| Decrease in short-term borrowings | 6(25) | (14,228) | (44,093) |
| Increase in short-term notes and bills payable | 6(25) | 50,000 | 9,000 |
| Repayment of lease principal | 6(25) | (50,421) | (50,653) |
| Increase in guarantee deposit received | 6(25) | 628 | 30 |
| Payment of cash dividends | 6(14) | (959,850) | (799,875) |
| Decrease in non-controlling interest | | (20,720) | (14,800) |
| Net cash flows used in financing activities | | (994,591) | (900,391) |
| Net (decrease) increase in cash and cash equivalents | | (920,672) | 895,854 |
| Cash and cash equivalents at beginning of year | 6(1) | 2,848,348 | 1,952,494 |
| Cash and cash equivalents at end of year | 6(1) | \$ 1,927,676 | \$ 2,848,348 |

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

TTET Union Corp.
2021 Statement of Earnings Distribution

Unit: NT\$

| Title | Amount |
|--|------------------|
| Net income after tax | \$ 1,241,709,588 |
| Plus: Re-measurement of the defined benefit plan (net) | 21,388,409 |
| The amount of undistributed earnings of the year | 1,263,097,997 |
| Less: Provision of legal reserve | (126,309,800) |
| Plus: Reversal of special reserve surplus | 1,471,512 |
| Current distributable amount | 1,138,259,709 |
| Plus: Undistributed cumulative earnings of the previous year | 513,834,379 |
| Total distributable amount | \$ 1,652,094,088 |
| 2021 intended earnings distribution | |
| Less: shareholders' bonus (cash dividend NT\$6 per share) | (959,849,490) |
| Undistributed cumulative earnings at the end of the year | \$ 692,244,598 |

Note: The distribution order of earnings is based on the earnings generated in 2021 as the first priority and the deficit, if any, shall be covered by the undistributed earnings of the previous year.

Chairman: Lo Chih-Hsien

Manager: Chen Chao-Liang

Chief Accountant: Hu Yu-Chih

TTET Union Corp.
Comparative List for Amendments to Procedures for
Acquisition or Disposal of Assets

| Clauses after amendment | Clauses before amendment | Explanation |
|---|--|--|
| <p>III. Procedures of Appraisal: (I) Omitted (II) The Company shall, when acquiring or disposing of securities, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the New Taiwan Dollar amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. However, this requirement does not apply to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC). (III)-(V) Omitted.</p> | <p>III. Procedures of Appraisal: (I) Omitted (II) The Company shall, when acquiring or disposing of securities, prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the New Taiwan Dollar amount of the transaction is 20% of the Company's paid-in capital or NT\$300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>Where the certified public accountant needs to apply any expert reports, the certified public accountant shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF).</u> However, this requirement does not apply to publicly quoted prices of securities that have an</p> | <p>Proceeded pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-Shang-Yi-Tzi No. 1110002112, dated February 7, 2022</p> |

| | | |
|---|---|--|
| | <p>active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(III)-(V) Omitted.</p> | |
| <p>V. Public announcement and the regulatory filing procedures:</p> <p>(I) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the SFI's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust</p> | <p>V. Public announcement and the regulatory filing procedures:</p> <p>(I) Under any of the following circumstances, the Company acquiring or disposing of assets shall publicly announce and report the relevant information on the SFI's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>1. When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT\$300 million or more, except in trading domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust</p> | <p>Proceeded pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-Shang-Yi-Tzi No. 1110002112, dated February 7, 2022</p> |

| | | |
|---|---|--|
| <p>enterprises.</p> <ol style="list-style-type: none"> 2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares. 3. The losses from derivative transactions reaching the maximum loss limit on total trading and for individual contracts specified in Paragraph 4, Article 14, Chapter 3 of the Procedure. 4. Where equipment or right-of-use assets for business use are acquired or disposed of, the transaction counterparty is not a related party, with the transaction amount reaching NT\$500 million or more. 5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and the amount the company expects to invest in the transaction reaches NT\$500 million. 6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland | <p>enterprises. <u>For the calculation of 10% of total assets under these Regulations, the total assets stated in the most recent parent company only financial report or individual financial report prepared under the Regulations Governing the Preparation of Financial Reports by Securities Issuers shall be used.</u></p> <ol style="list-style-type: none"> 2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares <u>in accordance with the law.</u> 3. The losses from derivative transactions reaching the maximum loss limit on total trading and for individual contracts specified in Paragraph 4, Article 14, Chapter 3 of the Procedure. 4. Where equipment or right-of-use assets for business use are acquired or disposed of, the transaction counterparty is not a related party, with the transaction amount reaching NT\$500 million or more. 5. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, | |
|---|---|--|

| | | |
|---|--|--|
| <p>China area reaches 20% or more of paid-in capital or NT\$300 million Nonetheless, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds, or <u>foreign domestic bonds with ratings not lower than Taiwan's sovereign rating.</u></p> <p>(2) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) <u>The amount of transactions above shall be calculated as follows:</u></p> <ol style="list-style-type: none"> 1. <u>The amount of any individual transaction.</u> 2. <u>The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</u> 3. <u>The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</u> 4. <u>The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the</u> | <p>or joint construction and separate sale, and the amount the company expects to invest in the transaction reaches NT\$500 million.</p> <p>6. Where an asset transaction other than any of those referred to in the preceding five subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaching 20% or more of paid-in capital or NT\$300 million for <u>the amount of any individual transaction; the cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year; the cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year; and the cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.</u> "Within the preceding year" as used in the preceding paragraph, <u>refers to the year preceding the date of occurrence of</u></p> | |
|---|--|--|

| | | |
|--|--|--|
| <p><u>preceding year.</u></p> <p>(III) <u>"Within the preceding year" as used in the preceding paragraph, refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" need not be counted toward the transaction amount.</u></p> <p>(IV) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the SFI by the 10th day of each month.</p> <p>(V) When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety within two days counting inclusively from the date of knowledge of such error or omission.</p> <p>(VI) The transactions public announced and reported as required in (I), under any of</p> | <p><u>the current transaction.</u></p> <p><u>Items duly announced in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" need not be counted toward the transaction amount.</u></p> <p>Nonetheless, this shall not apply to the following circumstances:</p> <p>(1) Trading of domestic government bonds.</p> <p>(2) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(II) The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the SFI by the 10th day of each month.</p> <p>(III) When the Company at the time of public announcement makes an error or omission in an item required by regulations to be publicly announced and so is required to correct it, all the items shall be again publicly announced and reported in their entirety</p> | |
|--|--|--|

| | | |
|--|--|--|
| <p>the following circumstances, the Company shall publicly announce and report the relevant information on the SFI's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. | <p>within two days counting inclusively from the date of knowledge of such error or omission.</p> <p><u>(IV)</u> The transactions public announced and reported as required in (I), under any of the following circumstances, the Company shall publicly announce and report the relevant information on the SFI's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <ol style="list-style-type: none"> 1. Change, termination, or rescission of a contract signed in regard to the original transaction. 2. The merger, demerger, acquisition, or transfer of shares is not completed by the scheduled date set forth in the contract. 3. Change to the originally publicly announced and reported information. | |
| <p>VI. Procedures of Asset Appraisals: In acquiring or disposing of real property, equipment, or right-of-use assets of other fixed assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery</p> | <p>VI. Procedures of Asset Appraisals: In acquiring or disposing of real property, equipment, or right-of-use assets of other fixed assets where the transaction amount reaches 20% of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of machinery</p> | <p>Proceeded pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-Shang-Yi-Tzi No. 1110002112, dated February 7, 2022</p> |

| | | |
|---|--|--|
| <p>equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion. (I)-(II) Omitted.</p> <p>(III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> 1. The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount. <p>(IV) Omitted</p> | <p>equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions: Where a public company acquires or disposes of assets through court auction procedures, the evidentiary documentation issued by the court may be substituted for the appraisal report or CPA opinion. (I)-(II) Omitted.</p> <p>(III) Where any one of the following circumstances applies with respect to the professional appraiser's appraisal results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <ol style="list-style-type: none"> 1. The discrepancy between the appraisal result and the transaction amount is 20% or more of the transaction | |
|---|--|--|

| | | |
|---|---|--|
| <p><u>Where the Company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20% or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</u></p> | <p>amount. 2. The discrepancy between the appraisal results of two or more professional appraisers is 10% or more of the transaction amount. (IV) Omitted</p> | |
| <p>XI. Resolution Procedure: When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the majority of the Audit Committee, and resolved to be approved by the board of directors.</p> | <p>XI. Resolution Procedure: When the company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party, and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by the majority of the Audit Committee, and resolved to be approved by the board of directors.</p> | <p>Proceeded pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-Shang-Yi-Tzi No. 1110002112, dated February 7, 2022</p> |

| | | |
|---|--|--|
| <p>(I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>(II) The reason for choosing the related party as a transaction counterparty.</p> <p>(III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 12 and Article 13.</p> <p>(IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counter-party's relationship to the company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of the contract's signing, evaluation of the necessity of the transaction, and reasonableness of the funds' utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(VII) Restricted covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when to be conducted between the</p> | <p>(I) The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.</p> <p>(II) The reason for choosing the related party as a transaction counterparty.</p> <p>(III) With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 12 and Article 13.</p> <p>(IV) The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counter-party's relationship to the company and the related party.</p> <p>(V) Monthly cash flow forecasts for the year commencing from the anticipated month of the contract's signing, evaluation of the necessity of the transaction, and reasonableness of the funds' utilization.</p> <p>(VI) An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with the preceding article.</p> <p>(VII) Restricted covenants and other important stipulations associated with the transaction.</p> <p><u>The calculation of the transaction amounts referred to in the preceding paragraph shall be</u></p> | |
|---|--|--|

| | | |
|--|---|--|
| <p>Company and the subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board may be pursuant to Article 4 to delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. <p><u>Where the Company or any subsidiary that is not publicly listed in Taiwan engages the transactions in the first paragraph, and the transaction amount reaches 10% or more of the Company's total assets, the Company shall submit the information specified in each subparagraph of the first paragraph to the Shareholders' Meeting for approval, before proceeding to enter into a transaction contract or make a payment. However, the transactions between the Company and its parent or subsidiary, or transactions among subsidiaries are not subject to the requirement. The calculation of the transaction amounts referred to in the first and preceding paragraph shall be made according to Article 5, paragraph 2 herein, and items approved by the shareholders'</u></p> | <p><u>made in accordance with Article 5, paragraph 2 herein, and items that have been approved by the Audit Committee and the board of directors within the preceding year need not be counted toward the transaction amount.</u></p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and the subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board may be pursuant to Article 4 to delegate the Chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting.</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property right-of-use assets held for business use. | |
|--|---|--|

| | | |
|--|---|---|
| <p><u>meeting and board of directors within the preceding year need not be counted toward the transaction amount.</u></p> | | |
| <p>XIV: Principles and Guidelines for Transactions (I)-(III) Omitted. (IV) The maximum loss limit on total trading and individual contracts. <u>Traders shall assess based on the daily market value; shall any of the following circumstances occur, the countermeasures shall be proposed to the president for further actions:</u> <u>1. Hedging transaction:</u> <u>(1) When the loss of a single transaction is assessed exceeding 20% of the contractual amount of the concerned transaction.</u> <u>(2) When the losses of all transactions are assessed exceeding 20% of the total contractual amount of the concerned transactions.</u> <u>2. Investment transaction:</u> <u>(1) When the loss of a single contract is assessed exceeding 20% of the contractual amount.</u> <u>(2) When the losses of all contracts are assessed exceeding 20% of the total contractual amount of all contracts.</u> (V)-(VII) Omitted</p> | <p>XIV: Principles and Guidelines for Transactions (I)-(III) Omitted. (IV) The maximum loss limit on total trading and individual contracts. <u>The stop-loss is defined for each transaction (the lower amount between US\$500,000 or 20% of the contractual amount of the transaction); also, the stop-loss is defined for all contracts (the lower amount between US\$1,000,000 or 20% of the total contractual amount of all contracts). Traders also assess the profit and loss of each single transaction based on the daily market value; once breaching the maximum loss, they shall report to the line managers and the president immediately, and square the position for stopping loss within two days from the transaction.</u> (V)-(VII) Omitted</p> | <p>Provisions Amended to Adapt the Practice</p> |
| <p>XXV. For the appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions obtained by the Company, the professional appraisers and their officers, certified public</p> | <p>XXV. For the appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions obtained by the Company, the professional appraisers and their officers, certified public</p> | <p>Proceeded pursuant to the letter from Taiwan Stock Exchange Corporation Tai-Zheng-</p> |

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| <p>accounts, attorneys, and securities underwriters shall satisfy the following requirements:</p> <p>(I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or fraud, breach of trust, embezzlement, forgery of documents or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(II) May not be a related party or de facto related party of any party to the transaction.</p> <p>(III) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the self-discipline regulations of the</u></p> | <p>accounts, attorneys, and securities underwriters shall satisfy the following requirements:</p> <p>(I) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or fraud, breach of trust, embezzlement, forgery of documents or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(II) May not be a related party or de facto related party of any party to the transaction.</p> <p>(III) If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> | <p>Shang-Yi-Tzi No. 1110002112, dated February 7, 2022</p> |
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| <p><u>industry association to which the Company belongs and the following:</u></p> <p>(I) Prior to accepting a case, they shall prudently assess their professional capabilities, practical experience, and independence.</p> <p>(II) When <u>executing</u> a case, they shall appropriately plan and execute adequate working procedures to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(III) They shall undertake an item-by-item evaluation of the <u>suitability</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>suitable and</u> reasonable, and have complied with applicable laws and regulations.</p> | <p>(I) Prior to accepting a case, they shall prudently assess their professional capabilities, practical experience, and independence.</p> <p>(II) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(III) They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy, and</u> reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p> <p>(IV) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>reasonable and accurate</u>, and have complied with applicable laws and regulations.</p> | |
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TTET Union Corp.

Details of Position Relieved from the Non-Competition Restrictions for Current Directors

Deadline: December 31, 2021

| Name | Positions Held Concurrently in Other Companies |
|---|---|
| Uni-President Enterprises Corporation Representative: Lo Chih-Hsien | <p>Chairman: Uni-President Enterprises Corp., President Natural Industrial Corporation, Ton Yi Industrial Corp., Prince Housing and Development Corp., PRESIDENT PACKAGING INDUSTRIAL CORP., Woongjin Foods Co.Ltd., Daeyoung Foods Co.Ltd., President International Development Corporation, Uni-President China Holdings Limited, ZhangjiaGang President Nissan Food Co., Ltd., ScinoPharm Taiwan Ltd., Uni-President (Philippines) Corp., Uni-President (Thailand) Ltd., Uni-President (Vietnam) Co., Ltd., Uni-President Enterprises (China) Investment Ltd., President Chain Store Corporation, UNI-PRESIDENT COLD-CHAIN CORP., Presco Netmarketing Inc., Hutubi Uni-President Tomato Product Technology Limited, UNI-PRESIDENT DREAM PARKS CO., President Century Corp., President Property Corporation, Nanlien International Corporation, Prince Real Estate Co., Ltd., Times Square International holdings Corporation, Times Square International Tourism Corporation, Times Square International hotel Corporation, Uni-President Express Corp., Cheng Shi Holdings Co., Ltd.</p> <p>Vice Chairman: President Nisshin Corp.</p> <p>Director: Presicarre Corporation, Uni-Wonder Corporation, Uni-President Organics Corp., Uni-President Glass Industrial Co., Ltd., Cayman President Holdings Ltd., Kai Yu (BVI) Investment Co., Ltd., President Fair Development Corp., Uni-President Southeast Asia Holdings Ltd., Uni-President Asia Holdings Ltd., Uni-President Hong Kong Holdings Limited, Champ Green Capital Limited, Champ Green (Shanghai). Consulting Co., Ltd., Guangzhou President Enterprises Corp., Fuzhou President Enterprises Co., Ltd., Uni-President Enterprises (Xinjiang) Food Co., Ltd., Wuhan President Enterprises Food Co., Ltd., Kunshan United Enterprise Food Co., Ltd., Chengdu Uni-President Enterprise Food Co., Ltd., Shenyang President Enterprises Co., Ltd., Harbin President Enterprises Co., Ltd., Hefei President Enterprises Co., Ltd., Zhengzhou President Enterprises Co., Ltd., Beijing President Enterprises Drinks Co., Ltd., Kunshan President Enterprises Food Co., Ltd., Nanchang President Enterprises Co., Ltd., President (Shanghai) Trading Co., Ltd., Kunming President Enterprise Food Co., Ltd., Yantai Tongli Beverage Industries Co., Ltd., Changsha President Enterprises Co., Ltd., Bama President Mineral Water Co., Ltd., Nanning President Enterprises Co., Ltd., Zanzjiang President Enterprises Co., Ltd., Chongqing President Enterprises Co., Ltd., Taizhou President Enterprises Co., Ltd., Akesu President Enterprises Co., Ltd., Changchun President Enterprises Co., Ltd., Uni-President Shanghai Pearly Century Co., Ltd., Baiyin President Enterprises Co., Ltd., Hainan President Enterprises Co., Ltd., Guiyang President Enterprises Co., Ltd., Jinan President Enterprises Co., Ltd.,</p> |

| Name | Positions Held Concurrently in Other Company |
|---|---|
| Uni-President Enterprises Corporation Representative: Lo Chih-Hsien | Director: Hangzhou President Enterprises Co., Ltd., Wuxue President Mineral Water Co., Ltd., Shijiazhuang President Enterprises Co., Ltd., Xuzhou President Enterprises Co., Ltd., Henan President Enterprises Co., Ltd., President (Kunshan) Trading Co., Ltd., Shanxi President Enterprises Co., Ltd., Jiangsu President Enterprises Co., Ltd., Changbaishan Mountain President Enterprises (Jilin) Mineral Water Co., Ltd., Ningxia President Enterprises Co., Ltd., Shanghai President Enterprises Co., Ltd., Inner Mongolia President Enterprises Co., Ltd., Shaanxi President Enterprises Co., Ltd., Uni-President Enterprises (Shanghai) Drink and Food Co., Ltd., Uni-President Enterprises (Tianjin) Co., Ltd., Hunan President Enterprises Food Co., Ltd., Uni-OAO Travel Service Corp, President Packaging Holdings Ltd., Kuang Chuan Dairy Co., Ltd., Kuang Chuan Foods Ltd., President Energy Development (Cayman Islands) Ltd., Uni-President Development Corp., President Professional Baseball Team Corp., Tait Marketing & Distribution Co., Ltd., Wei Lih Food Industrial Co., Ltd., Howard Beach Resort Kenting Co., Ltd., Keng Ting Enterprises Co., Ltd., President (BVI) International Investment Holdings Ltd., President Chain Store (Labuan Island) Holdings Ltd., Retail Support International Corporation, Uni-President Assets Holdings Ltd., Prince Apartment Management Maintain Corp, Ltd., Top Power Investment Limited. Supervisor: Infinity Holdings Ltd; Eternity Holdings Ltd.; Celestial Prosperities Holdings Ltd. General manager: Presco Netmarketing Inc.; Uni-President Express Corp. |
| Uni-President Enterprises Corporation Representative: Wu Liang-Feng | Chairman: Tianjiang President Enterprises Food Co., Ltd., Qingdao President Feed and Livestock Co., Ltd., Zhongshan President Enterprises Co., Ltd., and Master Channels Corporation, Director: ZhongjiaGang President Nissan Food Co., Ltd., President Chain Store Corporation, and President Nisshin Corp. General Manager: ZhangJiaGang President Nisshin Food Co., Ltd. |
| Uni-President Enterprises Corporation Representative: Lee Ching-Tyan | Director: Shanghai Songjiang President Enterprises Co., Ltd., Tianjiang President Enterprises Food Co., Ltd., Qingdao President Feed and Livestock Co., Ltd., Uni-President (Philippines)Corp, Uni-President (Vietnam) Co.,Ltd., and President Nisshin Corp. General Manager: President Nisshin Corp. |
| Uni-President Enterprises Corporation Representative: Chen Chao-Liang | Director: Master Channels Corporation |
| Uni-President Enterprises Corporation Representative: Chang Li-Hsun | Director: President Securities Corporation |
| Tai Hwa Oil Industrial Co., Ltd. Representative: Chen Yi-Tu | Chairman: Tai Hwa Oil Industrial Co., Ltd.; President International Trade and Investment Corp.; Zhangsheng Investment Co., Ltd. |

| Name | Positions Held Concurrently in Other Company |
|---|--|
| Tai Hwa Oil Industrial Co., Ltd. Representative: Chen I-Tsunz | Chairman: TAI CHENG FLOUR MILL CO., LTD. |
| Great Wall Enterprise Co., Ltd.; Representative: Han Chia-Yau | Chairman: Great Wall Enterprise Co., Ltd., Chu Fu Investment Co., Ltd., River Huang Investment Limited, Saboten Co., Ltd., Gino Pasco, Great Wall Feedtech Co., Ltd., Total Nutrition Technologies Co., Ltd., City Chain Food Ltd., Oriental Best Foods Co., Ltd., Ltd., Oriental Best Foods Co., Ltd., Wan Neng Biomedical Co., Ltd., Honolulu Chain Food and Beverage Co., Neo Foods Company Limited, San Ming Investment Co., Ltd. Director: Anxin Chao Chu Co., Ltd.; De-Jia Investment Co., Ltd. |
| Independent Director: Huang Pei-Wen | Director: Competence Enterprise Co., Ltd. |
| Independent Director: Yu Chung-Ying | Director: Hwa Zhong Construction Co., Ltd. Supervisor: Hwa-Shong Construction Group |

TTET Union Corp.

Articles of Incorporation

Chapter 1 General Principles

Article 1: The Company has been incorporated pursuant to the Company Act. The Chinese name is 大統益股份有限公司, and the English name is TTET Union Corporation.

Article 2: The business operated by the Company are the followings:

- (I) Manufacturing, processing, sales and import and export business for various animal/vegetable oils.
- (II) Manufacturing/processing and sales business for bean flour (soybean slice), featured soybean, beverage (including packaged drinking water and mineral water), flour, noodles, wheaten food product, formula feed, complementary feed, corn flour, and their by-products.
- (III) Import, processing, sales business for amylum, avena sativa, oatmeal, fructose, red bean, mung bean, rice, corn, soya, barley and wheat.
- (IV) Distribution, quotation and bid business for agency of products mentioned above of domestic and foreign vendors.
- (V) Warehousing business for grains and businesses related to the items mentioned above.
- (VI) Business of operating co-generation plant.
- (VII) C102010 Dairy Product Manufacturing
- (VIII) C109010 Seasoning Manufacturing
- (IX) C201010 Prepared Animal Feeds Manufacturing
- (X) C108010 Sugar Manufacturing
- (XI) F101020 Wholesale of Vegetables
- (XII) F101030 Wholesale of Fruits
- (XIII) F101040 Wholesale of Livestock
- (XIV) F101050 Wholesale of Aquatic Products
- (XV) F102010 Manufacturing of Frozen Food
- (XVI) F102020 Wholesale of Edible Fat and Oil
- (XVII) F102030 Wholesale of Tobacco and Alcohol
- (XVIII) F102050 Wholesale of Tea
- (XIX) F102060 Wholesale of Dairy Products
- (XX) F102070 Wholesale of Canned Food
- (XXI) F102080 Wholesale of Dehydrated Food
- (XXII) F102090 Wholesale of Preserved Food
- (XXIII) F102100 Wholesale of Sugar Confectionery
- (XXIV) F102110 Wholesale of Bakery Products
- (XXV) F102120 Wholesale of Carbohydrate
- (XXVI) F102130 Wholesale of Seasoning
- (XXVII) F102140 Wholesale of Noodle
- (XXVIII) F103010 Wholesale of Animal Feeds

(XXIX) ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The headquarters of the Company is set in Tainan City; branches may be established on- and offshore via the resolutions of the Board of Directors.

Article 4: The announcements of the Company conform to the Company Act and related laws and regulations.

Chapter 2 Shares

Article 5: The Company's capital amounted to NT\$1.778 billion, and divided as 177.8 million shares, with a face value NT\$10 per share. The Board is authorized to issue the share in different batches.

Article 6: The shares of the company are registered shares; the shares are to be issued after signed or stamped by one or more directors representing the Company and certified pursuant to laws. The issued registered shares may be exempted from printing.

Article 7: All shareholders shall prepare the seal card to be deposited with the Company. When claiming dividends, bonus, or any written correspondence with the Company, the seal card shall be referred to.

Article 8: When transferring shares, the transferor and the transferee shall fill in the share transfer form, and seal/sign at the back of the shares. The transferee shall bring the shares to the Company for verification and registration to the shareholder register, before the transfer becomes valid. The transfer resulted from heritage, the supporting evidence shall be provided.

Article 9: Should there be any losses of or damage to the shares, it shall be handled pursuant to the "Regulations Governing the Administration of Shareholder Services of Public Companies" issued by the competent authorities.

Article 10: Deleted.

Article 11: The rename and transfer of shares are suspended within 60 days prior to the convening date of a regular shareholders' meeting, within 30 days prior to the convening date of a special shareholders' meeting or within 5 days prior to the target date fixed by the issuing company for distribution of dividends, bonus or other benefits.

Chapter 3 Shareholders Meetings

Article 12: There are two types of shareholders meeting: regular meeting of shareholders, which are convened once every year by the board of directors, within six months after close of each fiscal year. Special meeting of shareholders: to be held when necessary pursuant to laws.

Article 13: Shareholders who cannot attend the shareholders' meeting in person for certain reasons may have a representative attending the meeting instead with the scope of authorization stated in the signed or sealed proxy that is prepared by the Company, or may attend the meeting in an electronic form. The delegation of attendance by the Company's shareholder, shall be handled pursuant to the "Regulations Governing the Use of Proxies

for Attendance at Shareholder Meetings of Public Companies.”

Article 14: Each stock share held by the Company’s shareholders is entitled to one voting right, except for in any of the circumstances stated in Article 179 of the Company Act. The votes can be cast in writing or electronically.

Article 15: For resolutions of the shareholders’ meetings, unless specified in the Company Act and the Articles of Incorporation otherwise, the passage is determined by the favorable votes from the majority of the attending shareholders’ voting rights.

Article 16: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairman of the meeting and shall be distributed to all shareholders of the company within 20 days after the close of the meeting. The distribution of the minutes of shareholders' meeting may be effected by means of a public notice. The minutes of shareholders' meeting shall record the date and place of the meeting, the name of the chairman, the method of adopting resolutions, and a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be kept persistently throughout the life of the company.

Chapter 4 Board of Directors

Article 17: The Company shall designate five to eleven directors (three independent directors included); the number of the directors is authorized to the board of directors to decide. The term is three years for each of them. They may be re-elected.

The candidate nomination system is applied to the directors. The shareholders' meeting shall elect them from the candidate list with the cumulative voting system specified in Article 198 of the Company Act. However, the total registered shares held by the directors shall not be less than a certain percentage of the company's total issued shares; such requirement shall follow the orders of the competent authorities.

For the professional qualifications, shareholdings, restriction of concurrence, recognition of independence, means of nomination and election, authority execution, and other matters to be complied with related to the independent directors, the related laws and regulations shall be followed.

The independent directors and general directors shall be elected at the same time but counted separately for their seats.

When the number of vacancies in the board of directors of the Company equals one-third of the total number of directors, and when all independent directors are discharged, the board of directors shall call, within 60 days, a special meeting of shareholders to elect succeeding directors to fill the vacancies. The terms are to fulfill the terms of the replaced directors. In case any director is unable to attend the board’s meeting, he/she may appoint another director to attend a meeting of the board of directors in his/her behalf with a proxy. A director may accept

the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

Article 17-1: The Company establishes the Audit Committee pursuant to Article 14-4 and 181-2 of the Securities and Exchange Act. The authorities of supervisors specified in the Company Act, the Securities and Exchange Act and other related regulations are carried by the Audit Committee.

The Audit Committee shall consist of all independent directors, with minimum three members. One of them is the convener, and at least of them must have the expertise in accounting or finance.

The charters of the Audit Committee will be established by the board of directors separately.

Article 18: The board of directors is organized by the directors. The chairperson shall be elected among the directors with two third of directors' attendance and consents from the majority of the attending directors.

Article 19: When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint a delegation to act as chair, or, where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair.

Article 20: For the operating guidelines and other material matters, the board of directors is entitled to resolve the executions other than the matters required to be resolved by the shareholders' meetings pursuant to laws and regulations.

Article 21: The authorities of the board of directors are as the follows:

1. Review and discussion of the decisions made in the business plans.
2. Review and discussion of the key articles and agreements.
3. Establishment and dissolution of branches.
4. Review and discussion of budgets and settlements.
5. Assignment and Discharge of Managers.
6. Other authorities set out by laws and regulations, or conferred by shareholders' meetings.

Article 22: Unless the Company Act specifies otherwise, the resolution of the boards shall be deemed passed with majority of directors' attendance and the consents from the majority of the attending directors.

Article 23: Deleted.

Article 24: The directors' remunerations are authorized to the board of directors to decide by referring to the peers' standards.

Article 24-1: The Company may obtain liability insurance for the directors and officials during their terms.

Chapter 5 Managers

Article 25: The Company may have managerial personnel, whose appointment and discharge and the remuneration shall follow Article 29 of the Company Act.

Chapter 6 Accounting

Article 26: The fiscal year of the Company is from January 1 to December 31 of a year.

Article 27: Before the end of each financial year, the Board shall prepare the following documents, and pursuant to mandatory procedures, such documents shall be submitted to the General Shareholders' Meeting for ratification.

1. Business reports
2. Financial statements
3. Proposals of profit allocation or deficit-offsetting provision.

Article 28: In cases of profits for the year, the Company shall set aside no less than 2% to be the remunerations for employees and no more than 2% to be those for board directors and supervisors. If there are accumulated losses, however, the value to make up for the losses should be set aside first.

Profits for the year indicated in the preceding paragraph refer to the interest before employee remunerations and remunerations for directors and supervisors are subtracted from the before-tax interest of the year.

Employee remunerations may be distributed to also employees of subordinate companies meeting certain criteria.

Article 29: In the event that the annual audit renders earnings, the Company shall pay the business income tax according to law and offset losses from previous years and set aside 10% to be the legal reserve in case of surplus, unless the legal reserve reaches the total capital amount. In addition, after the special reserve is set aside or reversed as required by law, it becomes the disposable value for the current term, which, plus the undistributed earnings from the previous year, becomes the total distributable earnings. The Board of Directors is to stipulate the earnings distribution proposal reflective of future operating or re-investment needs and bring it forth in the shareholders' meeting for acknowledgment prior to distribution. Shareholders' bonus, however, shall account for 50% to 100% of the total earnings available for distribution. The industry the Company is in is changing; it is at the steady growth phase of its life cycle. The dividends policy takes into account budget expenditure from the Company's capital in the future and the demand for capital in the future and weighs the necessity of supporting the capital demand with earnings. Cash dividends are prioritized. For the others, stock dividends are assigned. The ratio of stock dividends is limited at 50% of all dividends assigned for the year.

Article 30: The Company may provide external guarantee to meet the business needs. The Company may reinvest in other business to meet the business needs, and may not be restricted for not exceeding 40% of the amount of its own paid-up capital, specified in Article 13 of the Company Act.

Chapter 7 By-laws

Article 31: For any matter is not set out in the Article of Incorporation, the Company Act and other related laws and regulations shall apply.

Article 32: The Articles of Incorporation were enacted on April 23, 1982.

The 1st amendment was made on June 30, 1983.

The 2nd amendment was made on April 6, 1984.

The 3rd amendment was made on June 20, 1984.

The 4th amendment was made on February 15, 1985.

The 5th amendment was made on June 29, 1985.

The 6th amendment was made on June 28, 1986.

The 7th amendment was made on November 9, 1987.

The 8th amendment was made on June 29, 1989.

The 9th amendment was made on April 27, 1990.

The 10th amendment was made on June 15, 1990.

The 11th amendment was made on June 22, 1991.

The 12th amendment was made on April 15, 1992.

The 13th amendment was made on May 8, 1993.

The 14th amendment was made on June 29, 1994.

The 15th amendment was made on May 26, 1995.

The 16th amendment was made on June 10, 1996.

The 17th amendment was made on June 21, 1997.

The 18th amendment was made on June 27, 1998.

The 19th amendment was made on June 25, 1999.

The 20th amendment was made on June 22, 2000.

The 21st amendment was made on June 14, 2002.

The 22nd amendment was made on June 20, 2003.

The 23rd amendment was made on June 9, 2006.

The 24th amendment was made on June 21, 2007.

The 25th amendment was made on June 17, 2008.

The 26th amendment was made on June 11, 2010.

The 27th amendment was made on June 10, 2011.

The 28th amendment was made on June 6, 2012.

The 29th amendment was made on June 11, 2014. The requirements with regards to independent directors in Paragraph 1, Article 17 started to be applied since the election of the directors of the 13rd round.

The 30th amendment was made on June 14, 2016.

The 31st amendment was made on June 14, 2017.

The 32nd amendment was made in June 11, 2019.

The 33rd amendment was made on July 27, 2021

TTET Union Corp.

Representative: Lo, Chih-Hsien

TET Union Corporation

Rules of Procedure for Shareholders Meetings

- I. The Company's shareholders' meetings shall follow the rules.
- II. The shareholder referred in the rules means the shareholders and their proxies.
- III. The Company shall identify the time and venue for acceptance of shareholders' check-in and other requirements to be noted in the shareholders' meeting notice. The time for acceptance of shareholders' check-in referred to in the preceding paragraph shall be 30 minutes prior to when the meeting started. There shall be clear signs at the venue with adequate staff assigned to handle the process. Shareholders shall attend the meeting with the attendance certificate, attendance registry card or other documents presented. The proxy solicitors shall have their identity documents ready for verification. The shareholdings of the attending shareholders includes the shares represented by the attendance cards collected and the voting rights in writing or by electronic system.
- IV. Attendance at shareholders' meetings shall be calculated based on numbers of shares.
- V. The venue for a shareholders' meeting shall be the premises of this Corporation or a place easily accessible to shareholders and suitable for a shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.
- VI. Unless laws and regulations require otherwise, a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the chairperson shall appoint a delegation to act as chair or where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholders' meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves. If the chair declares the shareholders' meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
- VII. The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting. Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.
- VIII. The Company shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders' meeting and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the

Company Act, the recording shall be retained until the conclusion of the litigation.

- IX. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and the number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one-third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175 of the Company Act.

When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may re-submit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

- X. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extempore motions), except by a resolution of the shareholders' meeting.

If the meeting is adjourned through a resolution, the shareholders may not select another chair or hold the meeting in other place. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders and then continue the meeting.

- XI. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.

- XII. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the

agenda item, the chair may terminate the speech.

- XIII. If a juristic person is trusted to attend a shareholders' meeting, the juristic person shall only appoint one representative to attend. When a juristic person shareholder appoints two or more representatives to attend a shareholders' meeting, only one of the representatives so appointed may speak on the same proposal.
- XIV. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.
- XV. Regarding the discussion of proposals, when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. For these proposals called for a vote by the chair, several proposals may be cast at the same time but voted separately.
- XVI. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders' meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, list of the elected with the votes they obtained, list of not elected with the votes they obtained, shall be announced on-site at the meeting, and a record made of the vote.

If any director shall be elected in a shareholders' meeting, the Rules Governing Election of Directors established by the Company shall be followed.

- XVII. When a meeting is in progress, the chair may announce a break based on time considerations.

For the votes to proposals, unless specified in the Company Act and the Articles of Incorporation otherwise, the passage is determined by the favorable votes from the majority of the attending shareholders' voting rights. In case any shareholder is unable to attend the shareholders' meeting for a reason, such shareholders may appoint a proxy to attend the meeting by providing the proxy form issued by the Company, pursuant to the Company Act and the "Regulations Governing the Use of Proxies for Attendance at the Shareholders' Meetings of Public Companies" issued by the competent authorities. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3% of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation. The proxy form referred in the preceding paragraph shall be delivered to the Company before five days prior to the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

- XVIII. For the votes to proposals, unless specified in the Company Act and the Articles of Incorporation otherwise, the passage is determined by the favorable votes from the majority of the attending shareholders' voting rights.
- XIX. When there is an amendment or an alternative to a proposal, the chair shall decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
- XX. The chairperson may instruct the monitors (or security guards) to assist in maintaining the order at the meeting venue.
- XXI. For any matter is not specified in the Rules, the Company Act, the Articles of Incorporation, and other related laws and regulations shall apply.
- XXII. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

TTET Union Corp.
Minimum Shareholdings of All Directors and
Total Shareholdings of All Directors

- I. In accordance with Article 26, the Securities and Exchange Act, and Article 2, Paragraph 1, Subparagraph 3 and Paragraph 2, the total amount of the registered shares held by all the Company's directors shall not be lower than 7.5% of the total amount of the Company's issued shares; the Company also elects three independent directors; other than the independent directors, the shareholding percentage of all directors based on the percentage said in the preceding paragraph decreased to 80% (9,598,494 shares).
- II. As of the date of suspending transferring (March 27, 2022), the shareholdings of all directors recorded in the shareholders' register are as follows:

| Position | Name | Number of shares held |
|----------------------|--|-----------------------|
| Chairman | Representative of Uni-President Enterprises Corporation: Lo Chih-Hsien | 61,594,201 |
| Director | Representative of Uni-President Enterprises Corporation: Wu Liang-Feng | 61,594,201 |
| Director | Representative of Uni-President Enterprises Corporation: Lee Ching-Tyan | 61,594,201 |
| Director | Representative of Uni-President Enterprises Corporation: Chen Chao-Liang | 61,594,201 |
| Director | Representative of Uni-President Enterprises Corporation: Chang Li-Hsun | 61,594,201 |
| Director | Representative of Tai Hwa Oil Industrial Co., Ltd.: Chen Yi-Tu | 29,195,706 |
| Director | Representative of Tai Hwa Oil Industrial Co., Ltd.: Chen I-Tsunz | 29,195,706 |
| Director | Representative of Great Wall Enterprise Co., Ltd.: Han Chia-Yau | 15,416,960 |
| Independent Director | Huang Pei-Wen | 0 |
| Independent Director | Yu Chung-Ying | 0 |
| Independent Director | Chen Hsu-Hwa | 0 |
| Total | | 106,206,867 |

Note: The issued shares by the Company: 159,974,915 shares