

Stock No.: 1232

TTET Union Corporation
2021 Annual General Shareholders' Meeting

Agenda Handbook

June 9, 2021

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2021 Annual General shareholders' meeting agenda of TTET Union Corporation

Time: 10:00 am, June 9 (Wednesday), 2021

Location: No. 32, Gongye West Road, Erzhen Village, Guantian
District, Tainan City (Head Office Building)

Meeting procedures:

I. Call the meeting to order

II. Chairman's opening statement

III. Report Items

1. Presenting the 2020 Business Report.
2. The Supervisors' 2020 Review Report.
3. The company's 2020 Report on the distribution of remuneration to employees and directors.

IV. Ratifications

1. Ratify the company's 2020 business report and financial statements.
2. Ratify the company's earnings distribution proposal for 2020.

V. Discussions

1. Amendments to the company's "Articles of Incorporation"
2. Amendments to the "Procedures for the Acquisition or Disposal of Assets"
3. Amendments to the "Regulations Governing the Making of Endorsements/Guarantees"
4. Amendments to the "Procedures for Loaning of Funds"
5. Amendments to the "Rules of Procedures for Shareholders Meetings"

VI. Elections

The company's election of the board directors (including independent directors).

VII. Other proposals

Lifting the non-compete restriction on the company's newly elected directors.

VIII. Motions

IX. Meeting adjourned

Report Items

- I. Presenting the company's 2020 Business Report (Proposed by the board of directors)

Explanation: Please refer to Page 9~12 of the Meeting Agenda Handbook for the company's 2020 business report.

- II. The Supervisors' 2020 Review Report. (Proposed by the board of directors)

Explanation: The company's 2020 financial statements have been reviewed by the supervisors, with a review report issued. (Please refer to Page 13~15 of the Meeting Agenda Handbook for details.)

- III. The company's 2020 Report on the distribution of remuneration to employees and directors. (Proposed by the board of directors)

Explanation: I. It is to be processed in accordance with Article 28 of the company's "Articles of Incorporation."

II. The company's net income before deducting the remuneration to employees and directors and supervisors in 2020 was NT\$1,639,893,764; also, 2% of the said amount was appropriated as remuneration to employees for an amount of NT\$32,797,875, and 1.5% of the said amount is appropriated as remuneration to directors and supervisors for an amount of NT24,598,406, all paid in cash.

Ratifications

Proposal 1 (Proposed by the board of directors)

Cause of action: The 2020 business report and financial statements are hereby presented for ratifications.

Explanation: (I) The company's 2020 financial statements and consolidated financial statements were audited by CPA Tzu-Yu Lin and CPA Yung-Chih Lin of PwC Taiwan. The business report, financial statements, and consolidated financial statements have been reviewed by the supervisors (please refer to pages 9~12 and pages 16~37 of the Meeting Agenda Handbook).

(II) Please ratify

Resolution:

Proposal 2 (Proposed by the board of directors)

Cause of action: The company's earnings distribution proposal for 2020 is hereby presented for ratifications.

Explanation: (I) The company's 2020 earnings distribution has been proposed by the board of directors in accordance with the Company Act and the company's Articles of Incorporation as below.

(II) Once the shareholders meeting resolves the cash dividend, it is proposed to the shareholders meeting to have the board of directors authorized to schedule the ex-dividend date.

(III) The current cash dividend is calculated according to the distribution ratio and rounded up to a dollar. The total amount of the odd share less than NT\$1 is adjusted, from the higher to lower decimal point and from top down of the account number sequentially, till it is equal to the total cash dividend distributed.

(IV) Please ratify

Resolutions:

TTET Union Corporation
2020 Statements of Earnings Distribution

Unit: NT\$

Item	Amount
Net income after tax	\$ 1,291,828,111
Add: Re-measurement amount of the defined benefit plan – net	1,631,634
Unappropriated earnings of the year	1,293,459,745
Less: Legal reserve	(129,345,975)
Current distributable amount	1,164,113,770
Add: Unappropriated earnings of previous years	309,570,099
Total distributable earnings	\$ 1,473,683,869
Proposed earnings distribution of 2020	
Less: shareholder dividend (cash dividend NT\$6 per share)	(959,849,490)
Cumulative unappropriated earnings at the end of the period	\$ 513,834,379

Explanation: The earnings distribution for the current year is with the 2020 earnings appropriated first and the insufficient fund, if any, will be made up with the unappropriated earnings of the previous periods.

Chairman: Lo, Chih-Hsien

Manager: Chen, Chao-Liang

Chief Accountant: Hu, Yu-chih

Discussions

Proposal 1 (Proposed by the board of directors)

Cause of action: The amendments to the company's "Articles of Incorporation" are hereby presented for discussions.

Explanation: It is proposed to amend some articles of the company's "Articles of Incorporation" in response to the Audit Committee's establishment and the need for business operation. Please refer to Page 38~41 of the Meeting Agenda Handbook for the amendments made.

Resolutions:

Proposal 2 (Proposed by the board of directors)

Cause of action: The amendments to the company's "Procedures for the Acquisition or Disposal of Assets" are hereby submitted for discussion.

Explanation: It is proposed to amend some articles of the company's "Procedures for the Acquisition or Disposal of Assets" in response to establishing the Audit Committee and the need for business operation. Please refer to Page 42~49 of the Meeting Agenda Handbook for the amendments made.

Resolution:

Proposal 3 (Proposed by the board of directors)

Cause of action: Amendments to the "Regulations Governing the Making of Endorsements/Guarantees" are hereby submitted for discussion.

Explanation: It is proposed to amend some articles of the company's "Regulations Governing the Making of Endorsements/Guarantees" in response to the establishment of the Audit Committee and the need for business operation. Please refer to Page 50~59 of the Meeting Agenda Handbook for the amendments made.

Resolution:

Proposal 4 (Proposed by the board of directors)

Cause of action: Amendments to the "Operating Procedures for Loaning of Funds" are hereby submitted for discussion.

Explanation: It is proposed to amend some articles of the company's "Operating Procedures for Loaning of Funds" in response to

the establishment of the Audit Committee and the need for business operation. Please refer to Page 60~64 of the Meeting Agenda Handbook for the amendments made.

Resolution:

Proposal 5 (Proposed by the board of directors)

Cause of action: Amendments to the company's "Rules of Procedure for Shareholders Meetings" are hereby submitted for discussion.

Explanation: It is proposed to amend some articles of the company's "Rules of Procedure for Shareholders Meetings" in response to the establishment of the Audit Committee and the need for business operation. Please refer to Page 65~66 of the Meeting Agenda Handbook for the amendments made.

Resolution:

Elections

Proposal 1 (Proposed by the board of directors)

Cause of action: The company's directors (including independent directors) are to be re-elected after their term of office expires; therefore, it is proposed to have the election planned.

- Explanation: I. The term of office of the 14th board of directors and supervisors of the company will expire on June 12, 2021; therefore, an election is to be arranged in the 2021 regular shareholders meeting.
- II. The 15th board of directors will be elected at the current regular shareholders meeting with 11 directors (including 3 independent directors) to be elected according to the company's Articles of Incorporation and the board of directors' resolution.
- III. An Audit Committee should be organized in accordance with the Securities and Exchange Act and the company's Articles of Incorporation. An Audit Committee shall be composed of all independent directors who shall take office upon the appointment of directors at the shareholders' meeting; also, supervisors shall be dismissed thereafter.
- IV. A candidate nomination system is adopted for the election of the company's directors. Directors are to be elected from the director candidate list in the shareholders' meeting for a 3-year term from June 9, 2021 to June 8, 2024. The original directors and supervisors will be dismissed automatically upon the election of the 15th board of directors at the regular shareholders' meeting.
- V. Please refer to Page 67~69 of the Meeting Agenda Handbook for the director (including independent director) candidates list of the 15th term.

Voting Results:

Other proposals

Proposal 1 (Proposed by the board of directors)

Cause of action: The lifting of the non-compete restriction on the directors is hereby proposed for discussion.

Explanation: I. According to Article 209 of the Company Act, directors who act for themselves or others within the company's business scope shall explain the important content of their actions to and obtain permission from the shareholders meeting.

II. If the directors elected in the company's 2021 regular shareholders meeting have any non-compete act prohibited by Article 209 of the Company Act, under the precondition of not jeopardizing the company's best interests, they may propose to the shareholders meeting to have the said non-compete restriction lifted.

III. Please refer to Page 70~72 of the Meeting Agenda Handbook for the 15th director (including independent director) non-compete clause lifting job responsibilities list.

Resolution:

Motions:

Adjournment

The 2020 Business Report of TTET Union Corporation

I. Management policy and operation overview

The company's operating income was NT\$13.87 billion in 2020, an increase of approximately 0.61% from the year of 2019, and the consolidated operating income was NT\$17.44 billion. The net income before tax was about NT\$1.58 billion in 2020, an increase of about 32.49% from 2019.

Although income was maintained stable in 2020, fortunately, our profit has gone up by more than 30% due to the US-China trade war and the COVID-19 pandemic, a record high in profit since the incorporation of the company. It is owing to the changes in the futures market, the appreciation of the New Taiwan Dollar, and the proper prevention of the pandemic domestically; also, the great achievement could not be realized without the support of the colleagues by exercising their due diligence at work.

The company has been focusing on domestic market operations, especially on soybean-related products (such as soybean oil, soybean flour, soybean flakes, full-fat soybean flour, and edible genetic modification, and non-genetic modification soybeans, etc.) and the production and sale of numerous vegetable oils (such as palm oil, canola oil, sunflower oil, etc.). The current market share of most of the products in operation is in a leading position. But we dare not be complacent and negligent. We will continue to proceed from the company's core competence, focus on the development of the company's business, continue to improve quality and strive to improve service standards. We hope that by listening to customers' voices to satisfy their needs and lay the foundation for the long-term development of the company under the guidance of the corporate culture of "honesty and sincerity."

The company engages in the bulk material business and all the raw materials used by the company are imported from abroad. Therefore, the key tasks of the company include ensuring a stable supply of raw materials, precise control of raw material procurement positions and costs (especially when the market price fluctuates severely), and proper management of US dollar positions have.

The domestic and international issues of concern recently are as follows: 1. The US-China trade dispute, the company will continue to pay attention to its impact on the cost of soybeans and will also make relevant analyses and judgments with necessary countermeasures adopted. 2. The import of Ractopamine pork from the USA, the company will continue to pay attention to its impact on the livestock industry with preparations made in advance. 3. The COVID-19 pandemic, the company will continue to evaluate its impact on the supply of raw materials and market demand.

II. Implementation of operational plan

Unit: NT\$ Thousand
(Except for earnings per share in NT\$)

Item	Actual amount in 2020	Actual amount in 2019	Increase (decrease) %
Operating income	17,440,979	17,150,108	1.70%
Operating profit	1,618,136	1,230,776	31.47%
Net income before tax	1,652,289	1,250,743	32.10%
Earnings per share	8.08	6.09	32.68%

III. Implementation of operating income and expense budget

1. Operating income and expense:

(1) Income: The net consolidated income of 2020 was NT\$17,440,979 thousand.

(2) Expense: The consolidated operating cost of 2020 was NT\$14,992,999 thousand.

The consolidated operating expense of 2020 was NT\$829,844 thousand.

The consolidated net non-operating income and expense of 2020 was NT\$34,153 thousand.

(3) Earnings: The consolidated net income before tax of 2020 was NT\$1,652,289 thousand, income tax expense was NT\$329,666 thousand, and net income was NT\$1,322,623 thousand.

2. The company did not have the 2020 consolidated financial forecast published; therefore, no budget was implemented.

IV. Financial income and expense and profitability analysis

Item		2020	2019
Financial structure (%)	Ratio of Liabilities to Assets (%)	26.90	28.86
	Ratio of Long-term funds to Property, Plant, and Equipment (%)	604.46	651.57
Solvency (%)	Current ratio (%)	359.62	337.41
	Quick ratio (%)	268.02	204.07
Profitability (%)	Ratio of Return on Total Assets (%)	21.84	17.87
	Ratio of Return on Shareholders' Equity (%)	30.15	24.75
	Profit ratio (%)	7.58	5.83
	Basic earnings per share (NT\$)	8.08	6.09

V. Research and development:

The company is committed to the research and development of soybean flour products and edible oil products. The full-fat soybean flour was developed and market launched already. The company launched sunflower oil products in 2019, which were well received by consumers. The company will continue to introduce various products meet customer's one-stop shop needs.

VI. Business prospect

Oil products: The company is the largest domestic supplier for 18-liter barrels of edible oil with the brand name Master and Uncle Charlie's promoted for the products of soybean salad oil, canola oil, palm oil, and deep-pan frying oil. The 18-liter barrel of oil is mainly for the food and beverage channel because the demand is directly linked to the increase or decrease of the dining-out population and the changes in the economy. The increase in the number of people eating out and steady growth in the domestic economy, coupled with the company's dedication to food safety and brand value enhancement, will cause the sale of the barreled oil to grow steadily. In addition, the company's small package products (2.0 / 2.6 / 3.0 liters) have been sold in the supermarkets with the sales volume expected to grow steadily.

The company is also the largest supplier of bulk soybean oil and bulk canola oil in Taiwan. The company has launched bulk sunflower oil and bulk palm oil to meet the needs of customers, mainly for food processing plants, chemical plants, and small-package oil packaging factories.

Appreciating how important edible oil products to consumers in daily life, the company will strive to provide customers with high-quality oil products that are safe and stable at a reasonable price.

Soybean flour: The company is the largest supplier of soybean flour in Taiwan, with high/low protein soybean flour, dry bean-curd nibs, full-fat soybean flour, and dehulled full-fat soybean flour provided. The products are served to the feeds-related industry. Soybean flour is rich in soybean protein. The global feed industry generally regards it as the most high-quality and cost-effective protein source, so it can replace other vegetable protein (such as rapeseed meal, etc.) and animal protein (such as fish meal, etc.) sources. The domestic livestock/aquatic industry is booming. Despite the competition from imported meat products in the past few years, the demand for soybean flour remains stable. The

company's soybean flour products have differentiated quality advantages and have low-cost advantages due to mass production. Therefore, despite the fierce competition in the industry, we are confident to face the challenges ahead.

Other aspects: The company's 18-liter barrel of soybean oil exported to Japan is in a leading position. The company is making shipment steadily for its good quality is appreciated by local consumers. In addition, the company is taking advantage of the distribution channel (channel for food and beverage business) of 18-liter barreled oil channels to actively introduce new products and create added value. The company remains the exclusive distributor of brand "Sevita" non-genetic modification edible soybean in Taiwan that is one of the top three brands in Canada. We will continue to seek the distribution of world-renowned brands to exercise the channel advantage to its fullest.

Chairman: Lo, Chih-Hsien

Manager: Chen, Chao-Liang

Chief Accountant: Hu, Yu-chih

Supervisor's Report of TTET Union Corporation

Approved:

I have reviewed the 2020 business report, financial statement, and statement of earnings distribution that were prepared by the Board of Directors and found no nonconformity therein. Therefore, I hereby issue this supervisor's report in conformity with Article 219 of the Company Act for approval.

Sincerely yours,

2021 General Shareholders' Meeting of the Company

TTET Union Corporation

Supervisor: Lee, Ching-Tyan

March 18, 2021

Supervisor's Report of TTET Union Corporation

Approved:

I have reviewed the 2020 business report, financial statement, and statement of earnings distribution that were prepared by the Board of Directors and found no nonconformity therein. Therefore, I hereby issue this supervisor's report in conformity with Article 219 of the Company Act for approval.

Sincerely yours,

2021 General Shareholders' Meeting of the Company

TTET Union Corporation

Supervisor: Chang, Li-Hsun

March 18, 2021

Supervisor's Report of TTET Union Corporation

Approved:

I have reviewed the 2020 business report, financial statement, and statement of earnings distribution that were prepared by the Board of Directors and found no nonconformity therein. Therefore, I hereby issue this supervisor's report in conformity with Article 219 of the Company Act for approval.

Sincerely yours,

2021 General Shareholders' Meeting of the Company

TTET Union Corporation

Supervisor: Chen, I-Tsunz

March 18, 2021

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, 2020 and 2019, 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, 2020 and 2019, 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 (R.O.C. GAAS). Our responsibilities under those standards are further described in the Auditor's 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 Company's 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 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 consider 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 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 bank.

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. For the year ended December 31, 2020, inventory and allowance for market price decline amounted to \$812,863 thousand and \$1,762 thousand, respectively, with the net amount constituting 15% 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 consider 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 the board of directors and supervisors, are responsible for overseeing the Company’s financial reporting process.

Auditor’s responsibilities for the audit of the parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with R.O.C. GAAS 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 R.O.C. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Lin, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 16, 2021

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, 2020 AND 2019

(Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Assets		Notes	December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,673,977	49	\$ 1,811,133	37
1110	Financial assets at fair value through profit or loss - current	6(2) and 12	9,327	-	-	-
1150	Notes receivable, net	6(3)	120,616	2	106,758	2
1170	Accounts receivable, net	6(3)	355,651	7	297,838	6
1180	Accounts receivable - related parties	6(3) and 7	118,016	2	118,260	2
1200	Other receivables		4,671	-	7,114	-
130X	Inventories	5(2) and 6(4)	811,101	15	1,409,859	28
1410	Prepayments		289,991	6	287,559	6
11XX	Total current Assets		4,383,350	81	4,038,521	81
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	1,275	-	1,275	-
1550	Investments accounted for under equity method	6(6)	354,102	7	289,291	6
1600	Property, plant and equipment	6(7) and 8	607,507	11	575,020	12
1755	Right-of-use assets	6(8)	51,127	1	34,385	1
1780	Intangible assets	6(9)	1,432	-	1,772	-
1840	Deferred income tax assets	6(22)	21,717	-	23,479	-
1920	Guarantee deposits paid		12,621	-	9,024	-
15XX	Total non-current assets		1,049,781	19	934,246	19
1XXX	Total assets		\$ 5,433,131	100	\$ 4,972,767	100

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
 (Expressed in thousands of New Taiwan dollars, except as otherwise indicated)

Liabilities and Equity			December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(10)	\$ 79,744	1	\$ 123,837	3
2120	Financial liabilities at fair value through profit or loss - current	6(2) and 12	-	-	6,791	-
2130	Current contract liabilities	6(15)	51,140	1	16,057	-
2150	Notes payable		4,788	-	4,389	-
2170	Accounts payable		139,534	3	250,292	5
2180	Accounts payable - related parties	7	37,077	1	45,266	1
2200	Other payables		295,066	5	269,689	6
2230	Current income tax liabilities	6(22)	177,352	3	117,051	2
2280	Lease liabilities - current	6(8)	1,063	-	676	-
21XX	Total current Liabilities		785,764	14	834,048	17
Non-current liabilities						
2570	Deferred income tax liabilities	6(22)	13,853	-	11,868	-
2580	Lease liabilities - non-current	6(8)	50,446	1	33,851	1
2640	Net defined benefit liabilities - non-current	6(11)	26,709	1	30,256	-
2645	Guarantee deposits received		2,410	-	2,380	-
25XX	Total non-current liabilities		93,418	2	78,355	1
2XXX	Total Liabilities		879,182	16	912,403	18
Equity						
Share capital						
3110	Common stock	6(12)	1,599,749	30	1,599,749	32
3200	Capital surplus	6(13)	23,784	-	23,784	1
	Retained earnings	6(14)				
3310	Legal reserve		1,327,386	24	1,229,453	25
3320	Special reserve		7,000	-	7,000	-
3350	Unappropriated retained earnings		1,603,030	30	1,207,378	24
3400	Other equity interest		(7,000)	-	(7,000)	-
3XXX	Total equity		4,553,949	84	4,060,364	82
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	Total liabilities and equity		\$ 5,433,131	100	\$ 4,972,767	100

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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

			Year ended December 31			
Items		Notes	2020		2019	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(15) and 7	\$ 13,866,157	100	\$ 13,781,934	100
5000	Operating costs	6(4)(9)(11)(20)(21) and 7	(12,018,335)	(87)	(12,318,913)	(89)
5900	Net operating margin		1,847,822	13	1,463,021	11
	Operating expenses	6(9)(11)(20)(21) and 7				
6100	Selling expenses		(234,527)	(2)	(227,343)	(2)
6200	General & administrative expenses		(182,578)	(1)	(155,055)	(1)
6300	Research and development expenses		(9,207)	-	(7,297)	-
6450	Expected credit (losses) gains	12	(240)	-	34	-
6000	Total operating expenses		(426,552)	(3)	(389,661)	(3)
6900	Operating profit		1,421,270	10	1,073,360	8
	Non-operating income and expenses					
7100	Interest income	6(16)	8,431	-	8,195	-
7010	Other income	6(17)	11,059	-	10,231	-
7020	Other gains and losses	6(2)(18) and 12	19,983	-	10,407	-
7050	Finance costs	6(8)(19)	(3,616)	-	(7,617)	-
7070	Share of profit of subsidiaries, associates and joint ventures accounted for using equity method, net	6(6)	125,262	1	99,786	1
7000	Total non-operating revenue and expenses		161,119	1	121,002	1
7900	Profit before income tax		1,582,389	11	1,194,362	9
7950	Income tax expense	6(22)	(290,561)	(2)	(219,790)	(2)
8200	Profit for the year		\$ 1,291,828	9	\$ 974,572	7
	Other comprehensive income					
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Remeasurements of defined benefit	6(11)	\$ 2,353	-	\$ 5,884	-
8330	Share of other comprehensive (loss) income of subsidiaries, associates and joint ventures accounted for using equity method	6(6)	(251)	-	56	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	(470)	-	(1,177)	-
8300	Other comprehensive income for the year		\$ 1,632	-	\$ 4,763	-
8500	Total comprehensive income for the year		\$ 1,293,460	9	\$ 979,335	7
	Basic earnings per share (in dollars)	6(23)				
9750	Basic		\$ 8.08		\$ 6.09	
9850	Diluted		\$ 8.06		\$ 6.08	

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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

		Retained Earnings			Other Equity		
					Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Total equity	
	Notes	Share capital - common stock	Capital surplus	Legal reserve	Unappropriated retained earnings		
<u>For the year ended December 31, 2019</u>							
Balance at January 1, 2019		\$ 1,599,749	\$ 23,784	\$ 1,138,765	\$ 1,125,606	\$ 3,880,904	
Net income for 2019		-	-	-	974,572	974,572	
Other comprehensive income for 2019		-	-	-	4,763	4,763	
Total comprehensive income for 2019		-	-	-	979,335	979,335	
Distribution of 2018 net income:							
Legal reserve		-	-	90,688	(90,688)	-	
Special reserve		-	-	-	7,000	-	
Cash dividends	6(14)	-	-	-	(799,875)	(799,875)	
Balance at December 31, 2019		\$ 1,599,749	\$ 23,784	\$ 1,229,453	\$ 1,207,378	\$ 4,060,364	
<u>For the year ended December 31, 2020</u>							
Balance at January 1, 2020		\$ 1,599,749	\$ 23,784	\$ 1,229,453	\$ 1,207,378	\$ 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	\$ 1,603,030	\$ 4,553,949	

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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,582,389	\$ 1,194,362
Adjustments			
Adjustments to reconcile profit (loss)			
(Gain) loss on financial assets at fair value through profit or loss		(16,118)	7,014
Expected credit losses (gains)	12	240	(34)
Provision (reversal of allowance) for inventory market price decline	6(4)	106	(882)
Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(6)		
Depreciation	6(7)(8)(20)	(125,262)	(99,786)
Loss on disposal of property, plant and equipment	6(18)	114,274	103,153
Property, plant and equipment recognized as expense	6(7)	428	558
Loss from lease modification	6(8)(18)	4,080	8,021
Amortization	6(9)(20)	100	-
Interest income	6(16)	1,336	1,406
Finance costs	6(19)	(8,431)	(8,195)
Changes in operating assets and liabilities		3,616	7,617
Changes in operating assets			
Notes receivable		(13,908)	42,395
Accounts receivable		(58,003)	42,844
Accounts receivable - related parties		244	(8,859)
Other receivables		2,443	5,580
Inventories		598,652	39,534
Prepayments		(2,432)	2,672
Changes in operating liabilities			
Current contract liabilities		35,083	(42,908)
Notes payable		399	4,389
Accounts payable		(110,758)	(142,304)
Accounts payable - related parties		(8,189)	5,429
Other payables		25,431	22,522
Net defined benefit liabilities - non-current		(1,194)	(707)
Cash inflow generated from operations		2,024,526	1,183,821
Dividend received from investment accounted for under equity method	6(6)	60,200	60,200
Interest received		8,431	8,195
Interest paid		(3,670)	(7,603)
Income tax paid		(226,983)	(229,770)
Net cash flows from operating activities		1,862,504	1,014,843

(Continued)

TTET UNION CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	<u>Notes</u>	<u>For the years ended December 31,</u>	
		<u>2020</u>	<u>2019</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(7)	(\$ 137,908)	(\$ 112,802)
Increase in intangible assets	6(9)	(996)	(1,136)
Increase in guarantee deposits paid		(3,597)	(2,702)
Net cash flows used in investing activities		(142,501)	(116,640)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(24)	(44,093)	52,888
Repayments of lease principal	6(24)	(13,221)	(10,418)
Increase in guarantee deposit received	6(24)	30	650
Payment of cash dividends	6(14)	(799,875)	(799,875)
Net cash flows used in financing activities		(857,159)	(756,755)
Net increase in cash and cash equivalents		862,844	141,448
Cash and cash equivalents at beginning of year	6(1)	1,811,133	1,669,685
Cash and cash equivalents at end of year	6(1)	<u>\$ 2,673,977</u>	<u>\$ 1,811,133</u>

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, 2020 and 2019, 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, 2020 and 2019, 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 (R.O.C. GAAS). 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 Code of Professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis 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 Group's 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 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 consider 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 of inventory recognition.
2. Tested the purchase transactions that took place after the balance sheet date, by inspecting 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 bank.

Inventory valuation

Description

Refer to Notes 4(9) and 6(4) to the consolidated financial statements for the accounting policy and the details of accounting relating to inventory valuation. For the year ended December 31, 2020, inventory and allowance for market price decline amounted to \$1,043,506 thousand and \$6,342 thousand, respectively, with the net amount constituting 16% 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 of 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 consider 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, 2020 and 2019.

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 the board of directors and supervisors, are responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

Liu, Tzu-Shu

Independent Accountants

Lin, Yung-Chih

PricewaterhouseCoopers, Taiwan

Republic of China

March 16, 2021

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 report of independent accountants 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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 2,848,348	45	\$ 1,952,494	34
1110	Financial assets at fair value through profit or loss - current	6(2) and 12	9,327	-	-	-
1150	Notes receivable, net	6(3)	143,700	2	129,226	2
1170	Accounts receivable, net	6(3)	806,165	13	744,485	13
1180	Accounts receivable - related parties	6(3) and 7	93,477	2	102,774	2
1200	Other receivables		20,261	-	23,008	-
130X	Inventory	5(2) and 6(4)	1,037,164	16	1,624,677	28
1410	Prepayments		302,858	5	304,163	5
11XX	Total current assets		5,261,300	83	4,880,827	84
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(5)	1,275	-	1,275	-
1600	Property, plant and equipment	6(6) and 8	808,271	13	669,296	12
1755	Right-of-use assets	6(7) and 7	211,929	3	194,077	3
1780	Intangible assets	6(8)	1,462	-	2,108	-
1840	Deferred income tax assets	6(22)	26,690	-	28,136	-
1920	Guarantee deposits paid		37,382	1	31,725	1
1990	Other non-current asset		379	-	41	-
15XX	Total non-current assets		1,087,388	17	926,658	16
1XXX	Total assets		\$ 6,348,688	100	\$ 5,807,485	100

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TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity		Notes	December 31, 2020		December 31, 2019	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(9)	\$ 79,744	1	\$ 123,837	2
2110	Short-term notes and bills payable	6(10)	19,998	-	11,000	-
2120	Financial liabilities at fair value through profit or loss - current	6(2) and 12	-	-	6,791	-
2130	Current contract liabilities	6(15)	52,186	1	16,647	-
2150	Notes payable		4,788	-	4,389	-
2170	Accounts payable		575,658	9	660,782	12
2180	Accounts payable - related parties	7	61,314	1	68,258	1
2200	Other payables		435,911	7	387,345	7
2230	Current income tax liabilities	6(22)	200,892	3	136,947	2
2280	Lease liabilities - current	6(7) and 7	32,539	1	30,580	1
21XX	Total current liabilities		1,463,030	23	1,446,576	25
Non-current liabilities						
2570	Deferred income tax liabilities	6(22)	13,853	-	11,868	-
2580	Lease liabilities - non-current	6(7) and 7	186,008	3	168,596	3
2640	Net defined benefit liabilities -non-current	6(11)	41,003	1	45,200	1
2645	Guarantee deposits received		3,790	-	3,760	-
25XX	Total non-current liabilities		244,654	4	229,424	4
2XXX	Total Liabilities		1,707,684	27	1,676,000	29
Equity attributable to owners of parent						
Share capital						
3110	Common stock	6(12)	1,599,749	25	1,599,749	28
3200	Capital surplus	6(13)	23,784	1	23,784	-
	Retained earnings	6(14)				
3310	Legal reserve		1,327,386	21	1,229,453	21
3320	Special reserve		7,000	-	7,000	-
3350	Unappropriated retained earnings		1,603,030	25	1,207,378	21
Other equity interest						
3400	Other equity interest		(7,000)	-	(7,000)	-
31XX	Equity attributable to owners of the parent		4,553,949	72	4,060,364	70
36XX	Non-controlling interest		87,055	1	71,121	1
3XXX	Total equity		4,641,004	73	4,131,485	71
	Significant contingent liabilities and unrecognized contract commitments	9				
3X2X	Total liabilities and equity		\$ 6,348,688	100	\$ 5,807,485	100

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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars, except for earnings per share amounts)

				Year ended December 31			
				2020		2019	
Items	Notes			AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(15) and 7	\$	17,440,979	100	\$	17,150,108	100
5000 Operating costs	6(4)(8)(11)(20)(21) and 7	(	14,992,999)	(86)	(	15,131,192)	(88)
5900 Net operating margin			2,447,980	14		2,018,916	12
Operating expenses	6(8)(11)(20)(21)						
6100 Selling expenses		(	566,157)	(3)	(	558,860)	(3)
6200 General and administrative expenses		(	252,895)	(1)	(	220,087)	(2)
6300 Research and development expenses		(	9,207)	-	(	7,297)	-
6450 Expected credit losses	12	(	1,585)	-	(	1,896)	-
6000 Total operating expenses		(	829,844)	(4)	(	788,140)	(5)
6900 Operating profit			1,618,136	10		1,230,776	7
Non-operating income and expenses							
7100 Interest income	6(16)		8,879	-		8,723	-
7010 Other income	6(17)		11,746	-		11,236	-
7020 Other gains and losses	6(2)(18) and 12		19,898	-		10,458	-
7050 Finance costs	6(7)(19) and 7	(	6,370)	-	(	10,450)	-
7000 Total non-operating income and expenses			34,153	-		19,967	-
7900 Profit before income tax			1,652,289	10		1,250,743	7
7950 Income tax expense	6(22)	(	329,666)	(2)	(	251,639)	(1)
8200 Profit for the year		\$	1,322,623	8	\$	999,104	6
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)	\$	1,963	-	\$	5,970	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(22)	(	392)	-	(	1,194)	-
8300 Other comprehensive income for the year		\$	1,571	-	\$	4,776	-
8500 Total comprehensive income for the year		\$	1,324,194	8	\$	1,003,880	6
Profit attributable to:							
8610 Owners of the parent		\$	1,291,828	8	\$	974,572	6
8620 Non-controlling interest			30,795	-		24,532	-
		\$	1,322,623	8	\$	999,104	6
Comprehensive income attributable to:							
8710 Owners of the parent		\$	1,293,460	8	\$	979,335	6
8720 Non-controlling interest			30,734	-		24,545	-
		\$	1,324,194	8	\$	1,003,880	6
Earnings per share (in dollars)							
9750 Basic	6(23)			8.08			6.09
9850 Diluted				8.06			6.08

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, 2020 AND 2019
(Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent						Unappropriated retained earnings	Other Equity		Non-controlling interest	Total equity
		Share capital - common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Unrealized gains (losses) from financial assets measured at fair value					
<u>For the year ended December 31, 2019</u>												
Balance at January 1, 2019		\$ 1,599,749	\$ 23,784	\$ 1,138,765	\$ -	\$ 1,125,606	(\$ 7,000)		\$ 3,880,904	\$ 61,376	\$ 3,942,280	
Net income for 2019		-	-	-	-	974,572	-		974,572	24,532	999,104	
Other comprehensive income for 2019		-	-	-	-	4,763	-		4,763	13	4,776	
Total comprehensive income for 2019		-	-	-	-	979,335	-		979,335	24,545	1,003,880	
Distribution of 2018 net income:												
Legal reserve		-	-	90,688	-	(90,688)	-		-	-	-	
Special reserve		-	-	-	7,000	(7,000)	-		-	-	-	
Cash dividends	6(14)	-	-	-	-	(799,875)	-		(799,875)	-	(799,875)	
Decrease in non-controlling interest		-	-	-	-	-	-		-	(14,800)	(14,800)	
Balance at December 31, 2019		\$ 1,599,749	\$ 23,784	\$ 1,229,453	\$ 7,000	\$ 1,207,378	(\$ 7,000)		\$ 4,060,364	\$ 71,121	\$ 4,131,485	
<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	\$ 71,121	\$ 4,131,485	
Net income for 2020		-	-	-	-	1,291,828	-		1,291,828	30,795	1,322,623	
Other comprehensive income (loss) for 2020		-	-	-	-	1,632	-		1,632	(61)	1,571	
Total comprehensive income for 2020		-	-	-	-	1,293,460	-		1,293,460	30,734	1,324,194	
Distribution of 2019 net income:												
Legal reserve		-	-	97,933	-	(97,933)	-		-	-	-	
Cash dividends	6(14)	-	-	-	-	(799,875)	-		(799,875)	-	(799,875)	
Decrease in non-controlling interest		-	-	-	-	-	-		-	(14,800)	(14,800)	
Balance at December 31, 2020		\$ 1,599,749	\$ 23,784	\$ 1,327,386	\$ 7,000	\$ 1,603,030	(\$ 7,000)		\$ 4,553,949	\$ 87,055	\$ 4,641,004	

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

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31, 2020	2019
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 1,652,289	\$ 1,250,743
Adjustments			
Adjustments to reconcile profit (loss)			
(Gain) loss on financial assets at fair value through profit or loss		(16,118)	7,014
Expected credit losses	12	1,585	1,896
Provision for inventory market price decline	6(4)	1,456	961
Depreciation	6(6)(7)(20)	162,306	161,381
Loss on disposal of property, plant and equipment	6(18)	428	507
Property, plant and equipment recognized as expense	6(6)	4,080	8,020
Loss from lease modification	6(7)(18)	185	-
Amortization	6(8)(20)	1,642	1,997
Interest income	6(16)	(8,879)	(8,723)
Finance costs	6(19)	6,370	10,450
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable		(14,523)	43,988
Accounts receivable		(63,216)	(918)
Accounts receivable - related parties		9,297	(9,812)
Other receivables		2,747	4,461
Inventories		586,057	24,631
Prepayments		1,305	(4,052)
Changes in operating liabilities			
Current contract liabilities		35,539	(42,318)
Notes payable		399	4,389
Accounts payable		(85,124)	(127,897)
Accounts payable - related parties		(6,944)	13,672
Other payables		48,620	45,312
Net defined benefit liabilities - non-current		(2,234)	(1,703)
Cash inflow generated from operations		2,317,267	1,383,999
Interest received		8,879	8,723
Interest paid		(6,426)	(10,436)
Income tax paid		(262,682)	(259,686)
Net cash flows from operating activities		2,057,038	1,122,600

(Continued)

TTET UNION CORPORATION AND SUBSIDIARY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31,	
		2020	2019
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(6)	(\$ 253,802)	(\$ 158,225)
Proceeds from disposal of property, plant and equipment		-	171
Increase in intangible assets	6(8)	(996)	(1,136)
Increase in guarantee deposits paid		(5,657)	(2,807)
(Increase) decrease in other non-current assets		(338)	52
Net cash flows used in investing activities		(260,793)	(161,945)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
(Decrease) increase in short-term borrowings	6(25)	(44,093)	52,888
Increase in short-term notes and bills payable	6(25)	9,000	11,000
Repayments of lease principal	6(25)	(50,653)	(49,465)
Increase in guarantee deposit received	6(25)	30	650
Payment of cash dividends	6(14)	(799,875)	(799,875)
Decrease in non-controlling interest		(14,800)	(14,800)
Net cash flows used in financing activities		(900,391)	(799,602)
Net increase in cash and cash equivalents		895,854	161,053
Cash and cash equivalents at beginning of year	6(1)	1,952,494	1,791,441
Cash and cash equivalents at end of year	6(1)	\$ 2,848,348	\$ 1,952,494

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

TTET Union Corporation

The “Articles of Incorporation” amendment list

Clauses after amendment	Clauses before amendment	Explanation
<p>Article 13:</p> <p>A shareholder who cannot attend the shareholders' meeting for reasons may have the proxy form of the company issued with the scope of authorization detailed and signed or sealed for the agent to attend the meeting instead, or it can be exercised electronically. A shareholder may appoint a proxy to attend the meeting in accordance with the “Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies” that is announced by the competent authority.</p>	<p>Article 13:</p> <p><u>A shareholder attends the meeting in person, or</u> a shareholder who cannot attend a shareholder meeting for reasons may appoint a proxy to attend the meeting by providing the proxy form issued by the company with the scope of the authorization stated, or it can be exercised electronically. A shareholder may appoint a proxy to attend the meeting in accordance with the “Regulations Governing the Use of Proxies for Attendance at Shareholders Meetings of Public Companies” that is announced by the competent authority.</p>	Amendments of some of the articles.
Chapter 4 <u>Board</u> of Directors	Chapter 4 Directors <u>and supervisors</u>	In line with the establishment of the Audit Committee
<p>Article 17:</p> <p>The company has five to eleven directors (of which, 3 independent directors) to be appointed, which is to be determined by the board of directors, for a 3-year term and eligible for re-election.</p> <p>A candidate nomination system is adopted for the election of directors. Directors are elected from the candidate list in the shareholders' meeting in accordance with the cumulative voting system defined in Article 198 of the Company Act. However, the total number of registered shares held by all directors shall not be less than a certain percentage of the total issued shares of the company. The equity rules in the preceding paragraph shall be enacted in accordance with the order of the competent authority. Independent directors' professional</p>	<p>Article 17:</p> <p>The company has five to eleven directors (of which, 3 independent directors) to be appointed, which is to be determined by the board of directors, and <u>three supervisors, all of them</u> for a 3-year term and eligible for re-election.</p> <p>A candidate nomination system is adopted for the election of directors <u>and supervisors</u> who are elected from the candidate list in the shareholders' meeting in accordance with the cumulative voting system defined in Article 198 of the Company Act. However, the total number of registered shares held by all directors <u>and supervisors</u> shall not be less than a certain percentage of the total issued shares of the company. The equity rules in the preceding paragraph shall be enacted in accordance with the order</p>	

<p>qualifications, shareholdings, restrictions on part-time jobs, determination of independence, methods of nomination and selection, the exercise of powers, and other procedures for compliance shall be handled in accordance with relevant law and regulations.</p> <p>Independent directors and non-independent directors shall be elected together and the number of elected seats should be counted separately.</p> <p>When the number of vacancies in the board of directors equals one-third of the total number of directors, the board of directors shall call, within 60 days, a special shareholders meeting to elect succeeding directors to fill the vacancies for the remaining service time of the dismissed directors. If a director is unable to attend the board meeting for reasons, he/she may issue a proxy to entrust other directors to attend the meeting. The proxy mentioned in the preceding paragraph is limited to only one proxy.</p>	<p>of the competent authority.</p> <p>Independent directors' professional qualifications, shareholdings, restrictions on part-time jobs, determination of independence, methods of nomination and selection, the exercise of powers, and other procedures for compliance shall be handled in accordance with relevant law and regulations.</p> <p>Independent directors and non-independent directors shall be elected together and the number of elected seats should be counted separately.</p> <p>When the number of vacancies in the board of directors equals one-third of the total number of directors, <u>supervisors</u>, and independent directors, the board of directors shall call, within 60 days, a special shareholders meeting to elect succeeding directors, supervisors, and independent directors to fill the vacancies for the remaining service time of the dismissed directors, supervisors, and independent directors. If a director is unable to attend the board meeting for reasons, he/she may issue a proxy to entrust other directors to attend the meeting. The proxy mentioned in the preceding paragraph is limited to only one proxy.</p>	
<p>Article 17-1: <u>The company</u> has set up an Audit Committee in accordance with Article 14-4 and Article 181-2 of the Securities and Exchange Act. <u>The Audit Committee is responsible for the responsibilities that were enforced by the supervisors previously in accordance with the Company Act,</u></p>	<p>Article 17-1: According to Article 14-4 and Article 181-2 of the Securities Exchange Act, <u>the company may establish an Audit Committee. The supervisors shall be dismissed on the date the Audit Committee established.</u> The Audit Committee is responsible for the responsibilities <u>enforced</u> by the</p>	

Securities and Exchange Act, and other relevant laws and regulations. The Audit Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. The Audit Committee Charter shall be separately formulated by the board of directors.	supervisors previously in accordance with the Company Act, Securities Exchange Act, and other relevant laws and regulations. The Audit Committee shall be composed of the entire number of independent directors. It shall not be fewer than three persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. The Audit Committee Charter shall be separately formulated by the board of directors.	
Article 23: Deleted	Article 23: <u>The responsibilities of the supervisor are as follows:</u> 1. <u>Investigation of the company's financial status.</u> 2. <u>Review of the company's documents and books.</u> 3. <u>Inquiry about the company's business operation.</u> 4. <u>Attend the board meeting to express their opinions without voting rights.</u> 5. <u>Exercising powers in accordance with the Company Act.</u>	
Article 24: The board of directors is authorized to determine the remuneration to directors according to the industry payment level.	Article 24: According to the industry payment level, the board of directors is authorized to determine the remuneration to directors <u>and supervisors.</u>	
Article 24-1: The company may purchase liability insurance for directors and key employees throughout the term of office.	Article 24-1: The company may purchase liability insurance for directors, <u>supervisors</u> , and key employees throughout the term of office.	
Article 27: The board of directors at the end of each fiscal year shall prepare the following reports for the ratification	Article 27: At the end of each fiscal year, the board of directors shall prepare the following reports <u>for the review of</u>	

<p>of the shareholders' meeting in accordance with the legal procedure.</p> <p>1. Business report.</p> <p>2. Financial statements.</p> <p>3. Proposal for the distribution of earnings and appropriation for making up losses.</p>	<p>the supervisors 30 days before the scheduled regular shareholders meeting and for the ratification of the shareholders meeting in accordance with the legal procedure.</p> <p>1. Business report.</p> <p>2. Financial statements.</p> <p>3. Proposal for the distribution of earnings and appropriation for making up losses.</p>	
<p>Article 32:</p> <p>The Articles of Incorporation was enacted on April 23, 1982.</p> <p>The 1st amendment was made on June 30, 1983.</p> <p>.</p> <p>.</p> <p>The 30th amendment was made on June 14, 2016.</p> <p>The 31st amendment was made on June 14, 2017.</p> <p>The 32nd amendment was made on June 11, 2019.</p> <p>The 33rd amendment was made on June____, 2021.</p>	<p>Article 32:</p> <p>The Articles of Incorporation was enacted on April 23, 1982.</p> <p>The 1st amendment was made on June 30, 1983.</p> <p>.</p> <p>.</p> <p>The 30th amendment was made on June 14, 2016.</p> <p>The 31st amendment was made on June 14, 2017.</p> <p>The 32nd amendment was made on June 11, 2019.</p>	

TTET Union Corporation
The “Procedures for the Acquisition or Disposal of Assets”
amendments list

Clauses after amendment	Clauses before amendment	Explanation
<p>IV. Operating procedures: (I) Authorization amount and level 1~2 omitted. 3. Related party transactions: They should be <u>handled</u> in accordance with the provisions of Chapter 2 of the “Procedures.”</p> <p>Omitted hereinafter</p>	<p>IV. Operating procedures: (I) Authorization amount and level 1~2 omitted. 3. Related party transactions: They should be handled in accordance with the provisions of Chapter 2 of the “Procedures;” also, <u>related data should be submitted to the board of directors and supervisors for ratifications before enforcement.</u> Omitted hereinafter</p>	<p>In line with the establishment of the Audit Committee</p>
<p>VIII. Control and management of the subsidiary’s acquisition or disposal of assets: (I) The acquisition or disposal of assets by the company’s subsidiaries shall be handled in accordance with the respectively stipulated “Internal Control System” and “Procedures for the Acquisition or Disposal of Assets.” The acquisition or disposal of one asset or similar cumulative assets for an amount over NT\$10 million and the derivatives transactions conducted in the previous month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary’s acquisition or disposal of assets as one of the audit items; also, the audit performed should be included as a necessary item to be reported to the board of directors and the <u>Audit Committee.</u></p>	<p>VIII. Control and management of the subsidiary’s acquisition or disposal of assets: (I) The acquisition or disposal of assets by the company’s subsidiaries shall be handled in accordance with the respectively stipulated “Internal Control System” and “Procedures for the Acquisition or Disposal of Assets.” The acquisition or disposal of one asset or similar cumulative assets for an amount over NT\$10 million and the derivatives transactions conducted in the previous month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary’s acquisition or disposal of assets as one of the audit items; also, the audit performed should be included as a necessary item to be reported to the board of directors and the <u>supervisors.</u></p>	

<p>(II) If a subsidiary of the company is not a public offering company, and its acquisition or disposal of assets meets the standards for announcement and reporting, it shall notify the company on the date of occurrence, and the company shall handle the announcement and reporting on the designated website in accordance with the regulations.</p>	<p>(II) If a subsidiary of the company is not a public offering company, and its acquisition or disposal of assets meets the standards for announcement and reporting, it shall notify the company on the date of occurrence, and the company shall handle the announcement and reporting on the designated website in accordance with the regulations.</p>	
<p>XI. Resolution procedure: For the acquisition and disposal of property or use-of-right assets with the related party, or the acquisition and disposal of assets other than the property or right-of-right assets for an amount exceeding 20% of the company's paid-in capital, 10% of the total assets, or NT\$300 million, except for the trade of domestic bonds, R/P and R/S bonds, subscription, or R/P of monetary fund issued by domestic securities investment trusts industry, <u>the execution unit should have the following information submitted to the Audit Committee for the approval of a majority of the members and the board of directors for approval</u> before having the trade contract signed and payment made.</p> <p>(I) The purpose, necessity, and expected benefits for the acquisition and disposal of assets;</p> <p>(II) The reason for having the related party selected as the counterparty;</p>	<p>XI. Resolution procedure: For the acquisition and disposal of property or use-of-right assets with the related party, or the acquisition and disposal of assets other than the property or right-of-right assets for an amount exceeding 20% of the company's paid-in capital, 10% of the total assets, or NT\$300 million, except for the trade of domestic bonds, R/P and R/S bonds, subscription, or R/P of monetary fund issued by domestic securities investment trusts industry, <u>the following information should be submitted to the board of directors for approval and to the supervisors for ratification</u> before having the trade contract signed and payment made.</p> <p>(I) The purpose, necessity, and expected benefits for the acquisition and disposal of assets;</p> <p>(II) The reason for having the related party selected as the counterparty;</p> <p>(III) The relevant information used to assess the reasonableness</p>	

<p>(III) The relevant information used to assess the reasonableness of the trade conditions related to the acquisition and disposal of property and use-of-right assets with the related party according to the provisions of Article 12 and Article 13;</p> <p>(IV) The original acquisition date and price of the related party, the counterparty, and its relationship with the company and the related party;</p> <p>(V) The monthly cash receipts and payments forecast in the coming year starting from the contracting month, and assessing the necessity of the transaction and the rationality of the use of funds;</p> <p>(VI) The appraisal report issued by the professional appraiser or accountant's opinion obtained in accordance with the provisions stated in the preceding paragraph;</p> <p>(VII) The restrictions and other important agreed matters of this transaction;</p> <p>The calculation of the transaction amount stated in the preceding paragraph should be handled in accordance with Paragraph 2 of Article 5, and the so-called "within one year" should be retroactively calculated for one year based on the date of occurrence. According to the provision of the " Regulations, " the transactions that are approved by the <u>Audit Committee and the board of directors</u> are exempted from being incorporated into the retroactive calculation.</p>	<p>of the trade conditions related to the acquisition and disposal of property and use-of-right assets with the related party according to the provisions of Article 12 and Article 13;</p> <p>(IV) The original acquisition date and price of the related party, the counterparty, and its relationship with the company and the related party;</p> <p>(V) The monthly cash receipts and payments forecast in the coming year starting from the contracting month, and assessing the necessity of the transaction and the rationality of the use of funds;</p> <p>(VI) The appraisal report issued by the professional appraiser or accountant's opinion obtained in accordance with the provisions stated in the preceding paragraph;</p> <p>(VII) The restrictions and other important agreed matters of this transaction;</p> <p>The calculation of the transaction amount stated in the preceding paragraph should be handled in accordance with Paragraph 2 of Article 5, and the so-called "within one year" should be retroactively calculated for one year based on the date of occurrence. According to the provision of the " Regulations, " <u>the transactions approved by the board of directors and supervisors</u> are exempted from being incorporated into the retroactive calculation.</p> <p>For the following transactions conducted between the company and the subsidiaries or between</p>	
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<p>For the following transactions conducted between the company and the subsidiaries or between subsidiaries that are with 100% shareholding or total capital stock held directly or indirectly by the company, the board of directors may authorize the chairman to make a discretionary decision for a certain amount in accordance with Article 4, and then report it in the most recent board meeting afterward for approval:</p> <ol style="list-style-type: none"> 1. Acquisition of disposal of the equipment or its use-of-right assets for business operation. 2. Acquisition of disposal of the property or its use-of-right assets for business operation. 	<p>subsidiaries that are with 100% shareholding or total capital stock held directly or indirectly by the company, the board of directors may authorize the chairman to make a discretionary decision for a certain amount in accordance with Article 4, and then report it in the most recent board meeting afterward for approval:</p> <ol style="list-style-type: none"> 1. Acquisition of disposal of the equipment or its use-of-right assets for business operation. 2. Acquisition of disposal of the property or its use-of-right assets for business operation. <p><u>In the event that the independent directors are appointed and it is reported to the company's board of directors for discussion in accordance with paragraph 1, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes.</u></p>	
<p>XIII. Things to do when the computed transaction cost is lower than the transaction price:</p> <p>Item 1 Omitted</p> <p>Item 2 Omitted</p> <p>If the company's acquisition of property or its right-of-use assets from the related parties is with a transaction cost lower than the transaction price according to the provisions stated in the preceding paragraph, the following matters shall be handled:</p> <p>(I) For the difference between the transaction price and assessed</p>	<p>XIII. Things to do when the computed transaction cost is lower than the transaction price:</p> <p>Item 1 Omitted</p> <p>Item 2 Omitted</p> <p>If the company's acquisition of property or its right-of-use assets from the related parties is with a transaction cost lower than the transaction price according to the provisions stated in the preceding paragraph, the following matters shall be handled:</p> <p>(I) For the difference between the transaction price and assessed</p>	

<p>cost of the property and its use-of-right assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed. The appropriated special reserve cannot be used until the assets purchased or leased at a high price is with the loss in valuation recognized, disposed, or properly compensated or resumed to its original form, or concluded as reasonable with proof, and with the approval of the Financial Supervisory Commission.</p> <p>(II) <u>The independent directors of the Audit Committee</u> shall handle the matter in accordance with Article 218 of the Company Act.</p> <p>(III) The processes stated in Paragraph (I) and Paragraph (II) should be reported in the shareholders' meeting and the details of the transaction should be disclosed in the annual report and the prospectus.</p>		<p>cost of the property and its use-of-right assets, a special reserve shall be appropriated in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act, and it shall not be distributed or capitalized with stock shares distributed. The appropriated special reserve cannot be used until the assets purchased or leased at a high price is with the loss in valuation recognized, disposed, or properly compensated or resumed to its original form, or concluded as reasonable with proof, and with the approval of the Financial Supervisory Commission.</p> <p>(II) The <u>supervisor</u> shall handle the matter in accordance with Article 218 of the Company Act.</p> <p>(III) The processes stated in Paragraph (I) and Paragraph (II) should be reported in the shareholders' meeting and the details of the transaction should be disclosed in the annual report and the prospectus.</p>										
<p>XIV. Trading principles and guidelines:</p> <p>(I) Omitted</p> <p>(II) Omitted</p> <p>(III) Transaction amount:</p> <p>Forward contract transactions in U.S. dollars and other foreign currencies</p> <table><tr><td>Levels</td><td>Total amount (cumulative un-offset position)</td></tr><tr><td>Chairman</td><td>Long or short positions of up to US\$80 million</td></tr></table>		Levels	Total amount (cumulative un-offset position)	Chairman	Long or short positions of up to US\$80 million	<p>XIV. Trading principles and guidelines:</p> <p>(I) Omitted</p> <p>(II) Omitted</p> <p>(III) Transaction amount:</p> <p>Forward contract transactions in U.S. dollars and other foreign currencies</p> <table><tr><td>Levels</td><td>Total amount (cumulative un-offset position)</td></tr><tr><td>Chairman</td><td>Long or short positions of up to US\$60 million</td></tr></table>		Levels	Total amount (cumulative un-offset position)	Chairman	Long or short positions of up to US\$60 million	Amendments of some of the articles.
Levels	Total amount (cumulative un-offset position)											
Chairman	Long or short positions of up to US\$80 million											
Levels	Total amount (cumulative un-offset position)											
Chairman	Long or short positions of up to US\$60 million											

President	Long or short positions of up to US\$60 million	President	Long or short positions of up to US\$40 million	
Financial Officer	Authorized by the President	Financial Officer	Authorized by the President	
Traders	Authorized by the financial officer	Traders	Authorized by the financial officer	
<p>Explanation:</p> <p>The definition of the “cumulative un-offset position:” The undelivered pre-ordered forward exchange amount deducts the amount of the foreign letter of credit <u>due</u>. The net amount is greater than 0 as a “long position” and is less than 0 as a “short position.”</p>		<p>Explanation:</p> <p>The definition of the “cumulative un-offset position:” The undelivered pre-ordered forward exchange amount deducts <u>the amount of the outstanding (due and not yet due)</u> foreign letter of credit. The net amount is greater than 0 as a “long position” and is less than 0 as a “short position.”</p>		
<p>XVI. Internal audit system:</p> <p>The internal auditors should regularly understand the adequacy of the internal control for derivative product transactions and audit the compliance of the trade department in derivative product transactions on a monthly basis with an audit report <u>issued</u>.</p>		<p>XVI. Internal audit system:</p> <p>The internal auditors should regularly understand the adequacy of the internal control for derivative product transactions, audit the compliance of the trade department in derivative product transactions on a monthly basis, and <u>analyze transaction cycles with an audit report issued. The audit report and the annual audit status of internal audit operations should be reported to the Financial Supervisory Commission by the end of February of the following year. The corrective actions for the nonconformities should be reported to the Securities and Futures Institute for future reference before the end of May of the following year.</u></p>		Amendments of some of the articles.
<p>XVII. Regular evaluation methods and abnormal situation handling:</p> <p>1. According to the division of</p>		<p>XVII. Regular evaluation methods and abnormal situation handling:</p> <p>1. According to the division of</p>		In line with the establishment

<p>powers and responsibilities, traders engaged in derivative products and operators for confirmation and settlement shall not be the same individuals. The auditors shall report to the President and the board of directors regarding risk measurement, supervision, and control. The Audit Office shall report to any major violations identified to the <u>Audit Committee</u> in writing immediately.</p> <p>2~3 omitted</p>	<p>powers and responsibilities, traders engaged in derivative products and operators for confirmation and settlement shall not be the same individuals. The auditors shall report to the President and the board of directors regarding risk measurement, supervision, and control. The Audit Office shall report any major violations identified to the <u>supervisors</u> in writing immediately. <u>If independent directors have been appointed in accordance with this regulation, the independent directors shall also be notified in writing while the supervisors are notified as stated in the preceding paragraph.</u></p> <p>2~3 omitted</p>	<p>of the Audit Committee</p>
<p>XXVI. In the event that the acquisition and disposal of an asset must be reported to the company's board of directors for approval in accordance with the Procedures or other law, if a director expresses an objection with a record or written statement on file, the information of the director's objection shall be sent to the <u>Audit Committee</u>; also, the opinions of each independent director shall be fully considered. <u>If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes. The company's major assets or derivative product transactions shall be approved by a majority of the Audit Committee members, resolved by the board of directors, and subject to the provisions of</u></p>	<p>XXVI. In the event that the acquisition and disposal of an asset must be reported to the company's board of directors for approval in accordance with the Procedures or other law and regulations, if a director expresses an objection with a record or written statement on file, the information of the director's objection shall be sent to <u>each supervisor. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</u></p>	

<p><u>Paragraph 2 and 3 of Article 27.</u></p> <p>XXVII. The “Operational Procedures” <u>shall be approved by a majority of the Audit Committee members, resolved by the board of directors, and approved by the shareholders meeting before implementation, so are the amendments. If a director expresses an objection with a record or written statement on file, the information of the director’s objection shall be sent to the Audit Committee. When the “Operational Procedures” is reported to the board of directors for discussion, the opinions of each independent director shall be fully considered. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes. If the approval of one-half or more of all Audit Committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting. The members of the Audit Committee mentioned in Paragraph 1 and the board directors mentioned in the preceding paragraph are counted by the actual incumbent.</u></p>	<p>XXVII. The “Operational Procedures” after <u>being approved by the board of directors shall be forwarded to each supervisor and submitted to the shareholders' meeting for approval before implementation, as well as the amendments. If a director expresses an objection with a record or written statement on file, the information of the director’s objection shall be sent to each supervisor. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</u></p>	
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TTET Union Corporation
The “Regulations Governing Making of Endorsements/Guarantees”
amendment list

Clauses after amendment	Clauses before amendment	Explanation
<p>Article 5 Hierarchy of decision-making authority and delegation thereof</p> <p>The company shall have the endorsements/guarantees handled in accordance with the signing and approval procedure as defined in Article 6 of the Regulations and it shall be processed with the approval of the board of directors. If the board of directors is not convened in time, the board of directors may authorize the chairman to make a discretionary decision in accordance with Article 4 of the Regulations in response to the urgent needs and then report it to the board of directors for approval afterward. Before making any endorsement/guarantee pursuant to Article 3, paragraph 4, a subsidiary in which the company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the company’s board of directors for a resolution. Provided that this restriction shall not apply to endorsements/guarantees made between companies in which the company holds, directly or indirectly, 100% of the voting shares. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the</p>	<p>Article 5 Hierarchy of decision-making authority and delegation thereof</p> <p><u>I.</u> The company shall have the endorsements/guarantees handled in accordance with the signing and approval procedure as defined in Article 6 of the Regulations and it shall be processed with the approval of the board of directors. If the board of directors is not convened in time, the board of directors may authorize the chairman to make a discretionary decision in accordance with Article 4 of the Regulations in response to the urgent needs and then report it to the board of directors for approval afterward. Before making any endorsement/guarantee pursuant to Article 3, paragraph 4, a subsidiary in which the company holds, directly or indirectly, 90% or more of the voting shares shall submit the proposed endorsement/guarantee to the company’s board of directors for a resolution. Provided that this restriction shall not apply to endorsements/guarantees made between companies in which the company holds, directly or indirectly, 100% of the voting shares. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the</p>	<p>Part of the Article is deleted.</p>

<p>board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</p>	<p>board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</p> <p><u>II. When the company needs to exceed the endorsement/guarantee limits set out in Article 4 of the “Regulations” to satisfy its business requirements, the company shall obtain approval from the board of directors and the joint guarantee of half or more of the directors in advance. The company shall also amend the operating procedure accordingly and submit it to the shareholders' meeting for ratification. If the shareholders meeting does not approve it, the company shall formulate a plan to offset the amount in excess within a given time limit.</u></p>	
<p>Article 6 Endorsement/guarantee procedures, detailed review procedures</p> <p>I. Operating procedure</p> <p>(I) When the guaranteed company requests the company’s making of endorsements/guarantees, the relevant endorsements/guarantees matters must be approved by the company’s board of directors, and the endorsements/guarantees materials shall be affixed with a seal and then forwarded to the company for processing along with the board meeting minutes.</p> <p>(II) For the making of endorsements/ guarantees, the Finance Department shall, in accordance with the application</p>	<p>Article 6 Endorsement/guarantee procedures, detailed review procedures</p> <p>I. Operating procedure</p> <p>(I) When the guaranteed company requests the company’s making of endorsements/guarantees, the relevant endorsements/guarantees matters must be approved by the company’s board of directors, and the endorsements/guarantees materials shall be affixed with a seal and then forwarded to the company for processing along with the board meeting minutes.</p> <p>(II) For the making of endorsements/ guarantees, the Finance Department shall, in accordance with the application</p>	<p>In line with the establishment of the Audit Committee</p>

<p>of the endorsement/guarantee party, review their qualifications and amounts item by item to see if it meets the requirements of the Procedures, and have the <u>evaluation</u> result reported to the President for approval and the board of directors for <u>resolutions</u> before implementation. <u>The majority of the Audit Committee members'</u> <u>significant endorsements/guarantees must be approved and resolved by the board of directors.</u> If it remains within the authorized amount, the chairman will make a decision discretionally according to the creditability and financial status of the endorsed/guaranteed party and then report it in the most recent board meeting for ratification.</p> <p>(III) The Finance Department shall prepare a memorandum book for its endorsement/guarantee activities After the board approves the endorsement/guarantee of directors or the chairman, in addition to applying for seals in accordance with the prescribed procedures, the endorsement/guarantee party, amount, the date of approval by the board of directors or the decision made by the chairman, the endorsement/guarantee, and the matters carefully evaluated according to the Procedures shall be published in detail for future reference; also, the relevant notes, agreements, and other documents shall also be photocopied for safekeeping.</p> <p>(IV) The Audit Office shall audit</p>	<p>of the endorsement/guarantee party, review their qualifications and amounts item by item to see if it meets the requirements of the Procedures, and have the <u>evaluation</u> result reported to the President for approval and the board of directors for <u>resolutions</u> before implementation. If it remains within the authorized amount, the chairman will make a decision discretionally according to the creditability and financial status of the endorsed/guaranteed party and then report it in the most recent board meeting for ratification.</p> <p>(III) The Finance Department shall prepare a memorandum book for its endorsement/guarantee activities After the board approves the endorsement/guarantee of directors or the chairman, in addition to applying for seals in accordance with the prescribed procedures, the endorsement/guarantee party, amount, the date of approval by the board of directors or the decision made by the chairman, the endorsement/guarantee, and the matters carefully evaluated according to the Procedures shall be published in detail for future reference; also, the relevant notes, agreements, and other documents shall also be photocopied for safekeeping.</p> <p>(IV) The Audit Office shall audit the endorsement/guarantee operating procedures and its implementation quarterly and inform <u>each supervisor and independent director</u> in writing</p>	
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<p>the endorsement/guarantee operating procedures and its implementation quarterly and inform the <u>Audit Committee</u> in writing for any major violation identified.</p> <p>(V) The Finance Department shall prepare a detailed list of the guarantee events occurred and cancelled on a monthly basis in order to control, track, and handle announcements and reporting; also, shall assess and recognize the contingent losses of the endorsement/guarantee on a quarterly basis, and disclose the endorsement/guarantee information in the financial report and provide relevant information on the independent auditors.</p> <p>(VI) If the endorsed/guaranteed party had met the requirements originally but did not meet subsequently, or the endorsement/guarantee amount exceeds the limit due to changes in the calculation basis, the Finance Department shall make an improvement plan for the endorsement/guarantee amount or the exceeding amount of the said party. It is to be offset within the defined period with the approval of the President and the Chairman; also, the relevant improvement plans shall be forwarded to each <u>Audit Committee</u>.</p> <p>(VII) The Finance Department shall take the initiative to notify the guaranteed company before the end of the endorsement/guarantee date to retrieve the guarantee notes that</p>	<p>for any major violation identified.</p> <p>(V) The Finance Department shall prepare a detailed list of the guarantee events occurred and cancelled on a monthly basis in order to control, track, and handle announcements and reporting; also, shall assess and recognize the contingent losses of the endorsement/guarantee on a quarterly basis, and disclose the endorsement/guarantee information in the financial report and provide relevant information on the independent auditors.</p> <p>(VI) If the endorsed/guaranteed party had met the requirements originally but did not meet subsequently, or the endorsement/guarantee amount exceeds the limit due to changes in the calculation basis, the Finance Department shall make an improvement plan for the endorsement/guarantee amount or the exceeding amount of the said party. It is to be offset within the defined period with the approval of the President and the Chairman; also, the relevant improvement plans shall be forwarded to <u>each supervisor and independent director</u>.</p> <p>(VII) The Finance Department shall take the initiative to notify the guaranteed company before the end of the endorsement/guarantee date to retrieve the guarantee notes that are retained by the bank or creditor institution, and cancel the endorsement/guarantee related deeds.</p>	
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are retained by the bank or creditor institution, and cancel the endorsement/guarantee related deeds.		
<p>Article 8. Announcement and reporting procedures</p> <p>The company shall handle the relevant announcement matters of endorsement/guarantee in accordance with the announcement standards stipulated in the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” by the Financial Supervisory Commission.</p>	<p>Article 8. Announcement and reporting procedures</p> <p>I. The Finance Department shall report the endorsement/guarantee balance of the previous month of the company and subsidiaries to the Accounting Office before the 10th day of each month; also, make a monthly announcement and report along with the sales amount within the prescribed time limit.</p> <p>II. In addition to the monthly announcement and reporting of the endorsement/guarantee balance, the company and its subsidiaries whose balance of endorsements/guarantees reaches one of the following standards shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <p>(I) The balance of the endorsements/guarantees reaches 50% or more of the company’s net worth as stated in the latest financial statements.</p> <p>(II) The balance of endorsements/guarantees for a single enterprise reaches 20% or more of the company’s net worth as stated in the latest financial statements.</p> <p>(III) The balance of endorsements/guarantees for a single enterprise reaches NT\$10 million or more and the total amount of the endorsements/guarantees, book</p>	Simplified provisions

	<p><u>amount of investment under equity method, and balance of loans for the said single enterprise reaches 30% or more of the company's net worth as stated in the latest financial statements.</u></p> <p><u>(IV) The new endorsements/guarantees amount reaches NT\$30 million or more that is equivalent to 5% or more of the company's net worth as stated in the latest financial statements.</u></p> <p><u>III. The term "Date of Occurrence" in the preceding paragraph refers to the date of contract signing, date of payment, board meeting resolution date, or other date that can confirm the counterparty and monetary amount of the endorsement/guarantee, whichever date is earlier.</u></p>	
<p>Article 9 Control procedures for the making of endorsements/guarantees</p> <p>I. The making of endorsements/guarantees by the company's subsidiaries shall be handled in accordance with the respectively stipulated "Internal Control System" and "Procedures for Making of Endorsements/Guarantees."</p> <p>Also, the balance, counterparty, and period of the endorsement/guarantee made in the last month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary's making of endorsement/guarantee as one of the audit items; also, the audit</p>	<p>Article 9 Control procedures for the making of endorsements/guarantees</p> <p>I. The making of endorsements/guarantees by the company's subsidiaries shall be handled in accordance with the respectively stipulated "Internal Control System" and "Procedures for Making of Endorsements/Guarantees."</p> <p>Also, the balance, counterparty, and period of the endorsement/guarantee made in the last month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary's making of endorsement/guarantee as one of the audit items; also, the audit</p>	<p>In line with the establishment of the Audit Committee</p>

performed should be included as a necessary item to be reported to the board of directors and the <u>Audit Committee</u> .	performed should be included as a necessary item to be reported to the board of directors and <u>supervisors</u> .	
Omitted hereinafter	Omitted hereinafter	
<p>Article 10 Penalties</p> <p>The relevant undertakers of the company's endorsement guarantee who violate the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" announced by the Financial Supervisory Commission or the Procedures shall be handled in accordance with the following regulations. The violation record will be referred for the annual performance evaluation of each individual.</p> <p>I. Violating the scope of authorization: A verbal warning is issued to the first-time offender. A written warning is issued to the second-time offender who is also obliged to attend the company's internal control system training courses. A repeating offender or an offender of a severe violation will be transferred to another job position.</p> <p>II. Violating the review procedure: A verbal warning is issued to the first-time offender. A written warning is issued to the second-time offender who is also obliged to attend the company's internal control system training courses. A repeating offender or an offender of a severe violation will be transferred to another job position.</p>	<p>Article 10 Penalties</p> <p>The relevant undertakers of the company's endorsement guarantee who violate the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies" announced by the Financial Supervisory Commission or the Procedures shall be handled in accordance with the following regulations. The violation record will be referred for the annual performance evaluation of each individual.</p> <p>I. Violating the scope of authorization: A verbal warning is issued to the first-time offender. A written warning is issued to the second-time offender who is also obliged to attend the company's internal control system training courses. A repeating offender or an offender of a severe violation will be transferred to another job position.</p> <p>II. Violating the review procedure: A verbal warning is issued to the first-time offender. A written warning is issued to the second-time offender who is also obliged to attend the company's internal control system training courses. A repeating offender or an offender of a severe violation will be transferred to another job position.</p>	

<p>III. Violating the announcement and reporting: A verbal warning is issued to the first-time offender and a written warning is issued to the second-time offender. A repeating offender or an offender of a severe violation will be transferred to another job position.</p> <p>IV. The supervisor of the offender should also be punished unless there is a justification given.</p> <p>V. If the board of directors or directors violates relevant regulations and the resolutions of the shareholders meeting in business operations, <u>the independent directors of the Audit Committee</u> shall notify the board of directors or directors to cease their actions in accordance with Article 218-2 of the Company Act.</p>	<p>III. Violating the announcement and reporting: A verbal warning is issued to the first-time offender and a written warning is issued to the second-time offender. A repeating offender or an offender of a severe violation will be transferred to another job position.</p> <p>IV. The supervisor of the offender should also be punished unless there is a justification given.</p> <p>V. If the board of directors or directors violates relevant regulations and the resolutions of the shareholders meeting in business operations, <u>the supervisors</u> shall notify the board of directors or directors to cease their actions in accordance with Article 218-2 of the Company Act.</p>	
<p>Article 11 Other matters</p> <p>I. If the endorsed/guaranteed party is a subsidiary with a net worth below 50% of the paid-in capital, it should be reported to the board of directors with the subsequent control measures stipulated.</p> <p>II. The handling of endorsement/guarantees and related matters of the company and its subsidiaries in each business year shall be reported in the next annual shareholder's meeting for reference.</p> <p>III. The company shall evaluate or recognize the contingent loss of the endorsement/guarantee, disclose the endorsement/guarantee information in the financial</p>	<p>Article 11 Other matters</p> <p>I. If the endorsed/guaranteed party is a subsidiary with a net worth below 50% of the paid-in capital, it should be reported to the board of directors with the subsequent control measures stipulated.</p> <p>II. The handling of endorsement/guarantees and related matters of the company and its subsidiaries in each business year shall be reported in the next annual shareholder's meeting for reference.</p> <p>III. The company shall evaluate or recognize the contingent loss of the endorsement/guarantee, disclose the endorsement/guarantee information in the financial</p>	

<p>report, and provide relevant information to the independent auditor for the performance of necessary auditing procedures.</p> <p>IV. The “Operational Procedures” shall be implemented with the ratification of the shareholders' meeting. The amendment to the operating procedures must be approved by a majority of the Audit Committee members, resolved by the board of directors, and approved by the shareholders meeting before implementation. If the approval of one-half or more of all Audit Committee members is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting and submitted to the shareholders meeting for resolutions before implementation. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes.</p>	<p>report, and provide relevant information to the independent auditor for the performance of necessary auditing procedures.</p> <p>IV. The formulated Operational Procedures shall be resolved by the board of directors and then submit it to each supervisor and the shareholders meeting for approval. If a director expresses an objection with a record or written statement on file, the information of the director's objection shall be sent to each supervisor and the shareholders meeting for discussion, so are the amendments. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes.</p>	
<p><u>Article 12</u></p> <p><u>The matters not addressed in the Regulations shall be handled in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” announced</u></p>		New Articles

by the Financial Supervisory Commission.		
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TTET Union Corporation

The “Procedures for Loaning of Funds” amendment list

Clauses after amendment	Clauses before amendment	Explanation
<p>Article 5: Loaning of funds operation</p> <p>(I) Operating procedure</p> <p>1. The company’s loaning of funds or handling short-term financing matters must be submitted by the responsible department to the President for approval and to the board of directors for resolutions before implementation. No other person shall be authorized to make a decision. <u>Major loaning of funds must be approved by a majority of the Audit Committee members and resolved by the board of directors.</u> If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</p> <p>2. The Finance Department shall prepare a memorandum book for its endorsement/guarantee activities Once the board of directors resolves the loaning of funds, the following information should be truthfully recorded: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated in accordance with the review procedures.</p> <p>3. The internal auditors shall audit the Procedures for Loaning</p>	<p>Article 5: Loaning of funds operation</p> <p>(I) Operating procedure</p> <p>1. The company’s loaning of funds or handling short-term financing matters must be submitted by the responsible department to the President for approval and to the board of directors for resolutions before implementation. No other person shall be authorized to make a decision. If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. The clear consent or opposition and the reasons for an objection of the independent director shall be stated in the board meeting minutes.</p> <p>2. The Finance Department shall prepare a memorandum book for its endorsement/guarantee activities Once the board of directors resolves the loaning of funds, the following information should be truthfully recorded: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated in accordance with the review procedures.</p> <p>3. The internal auditors shall audit the Procedures for Loaning of Funds and the implementation thereof on a quarterly basis with a written record documented and inform <u>each supervisor and</u></p>	<p>In line with the establishment of the Audit Committee</p>

<p>of Funds and the implementation thereof on a quarterly basis with a written record documented and inform the <u>Audit Committee</u> in writing for any major violation identified.</p> <p>4. Omitted</p> <p>5. If the loaning of fund balance exceeds the limit due to changes that occurred, the Finance Department shall make an improvement plan and have it forwarded to the <u>Audit Committee</u>.</p>	<p><u>independent director</u> in writing for any major violation identified.</p> <p>4. Omitted</p> <p>5. If the loaning of fund balance exceeds the limit due to changes that occurred, the Finance Department shall make an improvement plan and have it forwarded to each <u>supervisor and independent director</u>.</p>	
<p>Article 8: Announcement and reporting procedures</p> <p><u>The company shall handle the relevant announcement matters of the loaning of funds in accordance with the announcement standards stipulated in the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” by the Financial Supervisory Commission.</u></p>	<p>Article 8: Announcement and reporting procedures</p> <p><u>(I) The Finance Department shall report the loaning of funds balance of the previous month of the company and subsidiaries to the Accounting Office before the 10th day of each month; also, make a monthly announcement and reporting along with the sales amount within the prescribed time limit.</u></p> <p><u>(II) In addition to the monthly announcement and reporting of the loaning of funds balance, the company and its subsidiaries whose balance of loaning of fund reaches one of the following standards shall announce and report such event within two days commencing immediately from the date of occurrence:</u></p> <p><u>1. The balance of the loaning of the fund reaches 20% or more of the company’s net worth as stated in the latest financial statements.</u></p> <p><u>2. The balance of loaning of funds for a single enterprise reaches 10% or more of the company’s net worth, as stated in</u></p>	<p>Simplified provisions</p>

	<p>the latest financial statements.</p> <p>3. The new loaning of fund amount reaches NT\$10 million or more equivalent to 2% or more of the company's net worth as stated in the latest financial statements.</p> <p>(III) The term "Date of Occurrence" in the preceding paragraph refers to the date of contract signing, date of payment, board meeting resolution date, or other date that can confirm the counterparty and monetary amount of the loans, whichever date is earlier.</p>	
<p>Article 9: Procedures for controlling and managing loaning of funds by subsidiaries</p> <p>(I) The loaning of funds by the company's subsidiaries shall be handled in accordance with the respectively stipulated "Internal Control System" and "Procedures for Loaning of Funds." The balance, counterparty, and period of the loaning of funds conducted in the previous month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary's loaning of funds as one of the audit items; also, the audit performed should be included as a necessary item to be reported to the board of directors and the <u>Audit Committee</u>.</p> <p>(II)~(III) omitted</p>	<p>Article 9: Procedures for controlling and managing loaning of funds by subsidiaries</p> <p>(I) The loaning of funds by the company's subsidiaries shall be handled in accordance with the respectively stipulated "Internal Control System" and "Procedures for Loaning of Funds." The balance, counterparty, and period of the loaning of funds conducted in the previous month should be reported to the company in writing on the 5th day of each month. The auditing unit of the company shall list the subsidiary's loaning of funds as one of the audit items; also, the audit performed should be included as a necessary item to be reported to the board of directors and <u>supervisors</u>.</p> <p>(II)~(III) omitted</p>	In line with the establishment of the Audit Committee
<p>Article 10: Penalties</p> <p>The relevant undertakers of the company's loaning of funds who violate the "Regulations</p>	<p>Article 10: Penalties</p> <p>The relevant undertakers of the company's loaning of funds who violate the "Regulations</p>	

<p>Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” announced by the Financial Supervisory Commission or the Procedures shall be handled in accordance with the following regulations. The violation record will be referred for the annual performance evaluation of each individual.</p> <p>(I)~(IV) omitted</p> <p>(V) If the board of directors or directors violates relevant regulations and the resolutions of the shareholders meeting in business operations, <u>the independent directors of the Audit Committee</u> shall notify the board of directors or directors to cease their actions in accordance with Article 218-2 of the Company Act.</p> <p>(VI) If the company's responsible person violates the proviso of Article 2 and Article 4, he/she will be held responsible jointly and severally with the borrower; also, the responsible person will be held liable for compensating the damages of the company.</p>	<p>Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” announced by the Financial Supervisory Commission or the Procedures shall be handled in accordance with the following regulations. The violation record will be referred for the annual performance evaluation of each individual.</p> <p>(I)~(IV) omitted</p> <p>(V) If the board of directors or directors violates relevant regulations and the resolutions of the shareholders meeting in business operations, <u>the supervisor</u> shall notify the board of directors or directors to cease their actions in accordance with Article 218-2 of the Company Act.</p> <p>(VI) If the company's responsible person violates the proviso of Article 2 and Article 4, he/she will be held responsible jointly and severally with the borrower; also, the responsible person will be held liable for compensating the damages of the company.</p>	
<p>Article 11: The “Operational Procedures” <u>shall be implemented with the ratification of the shareholders' meeting. The amendment to the operating procedures must be approved by a majority of the Audit Committee members, resolved by the board of directors, and approved by the shareholders meeting before implementation. If the approval of one-half or more of all Audit Committee</u></p>	<p>Article 11: The formulated Operational Procedures <u>shall be resolved by the board of directors and then submit it to each supervisor and the shareholders meeting for approval. If a director expresses an objection with a record or written statement on file, the information of the director’s objection shall be sent to each supervisor and the shareholders meeting for discussion, so are the</u></p>	

<p><u>members is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the Audit Committee shall be recorded in the minutes of the board of directors meeting and submitted to the shareholders meeting for resolutions before implementation.</u></p> <p>If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes.</p>	<p><u>amendments.</u></p> <p>If the company has independent directors appointed, the opinions of each independent director shall be fully considered at the discussion session of the board meeting. If the independent director has had any objection or reservation, it shall be stated in the board meeting minutes.</p>	
<p><u>Article 12: The matters not addressed in the Operating Procedures shall be handled in accordance with the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies” announced by the Financial Supervisory Commission.</u></p>		<p>New Articles</p>

TTET Union Corporation
The “Rules of Procedures for Shareholders Meetings”
amendment list

Clauses after amendment	Clauses before amendment	Explanation
<p>Article 9</p> <p>The chair shall call the meeting to order at the scheduled meeting time. <u>Also, the information of the shares with voting rights and without rights should be announced at the same time.</u></p> <p>However, the chair may have the meeting postponed if the attending shareholders do not represent more than half of the total shares issued. The meeting postponement is limited to 2 times for a total of less than 1 hour. If the quorum is not met after two postponements, 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.</p> <p>When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>Article 9</p> <p>The chair shall call the meeting to order at the scheduled meeting time; however, the chair may have the meeting postponed if the attending shareholders do not represent more than half of the total shares issued. The meeting postponement is limited to 2 times for a total of less than 1 hour. If the quorum is not met after two postponements, 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.</p> <p>When, prior to the conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.</p>	<p>Amendments are made in line with the law.</p>
<p>Article 16</p> <p>The 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</p>	<p>Article 16</p> <p>The 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</p>	

<p>shall be conducted in public at the place of the shareholders' meeting. The voting results, including the statistical votes, <u>the list of the elected and non-elected candidates and their respective received votes</u>, shall be announced on-site at the meeting with a record made immediately upon the completion of the vote counting.</p>	<p>shall be conducted in public at the place of the shareholders' meeting. The results of the voting, including the statistical votes, shall be announced on-site at the meeting, with a record made immediately upon the completion of the vote counting.</p>	
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TTET Union Corporation
The 15th Director and Independent Director Candidate List

Serial No.	Account No./ID Card No.	Candidate Status	Candidate Name	Education	Work experience	Number of shares held Unit: Shares
1	2	Directors	Uni-President Enterprises Corporation Representative: Lo, Chih-Hsien	MBA of University of California, Los Angeles	Current employment: Chairman and Strategy Director of Uni-President Enterprise Corporation Chairman of President Chain Store Corporation Chairman of Ton Yi Industrial Corp. Chairman of ScinoPharm Taiwan, Ltd. Chairman of TTET Union Corporation Work experience: President of Uni-President Enterprise Corporation Director of Uni-President Enterprise Corporation Director of President Chain Store Corporation Director of Ton Yi Industrial Corp.	61,594,201
2	2	Directors	Uni-President Enterprises Corporation Representative: Wu Liang-Feng	Department of Japanese, Tamkang University	Current employment: Aide to Chairman of Uni-President Enterprises (China) Investment Co., Ltd, Chairman of Master Channels Corporation Work experience: Vice Supervisor of Purchasing I of Purchasing Department of Uni-President Enterprise Corporation Supervisory of Purchasing Div. I of Purchasing Department of Uni-President Enterprise Corporation Assisting Manager of Purchasing Div. I and Supervisor of Purchasing Div. I of Purchasing Department of Uni-President Enterprise Corporation Supervisor of Purchasing Div. I of Purchase Department of Uni-President Enterprise Corporation Supervisor of Oil Sales Div. I Uni-President Enterprise Corporation Manager of Oil Department of Uni-President Enterprise Corporation President of President Nisshin Corp. Junior VP of Food Group of Uni-President Enterprise Corporation Junior VP of the President Office of Uni-President Enterprise Corporation VP of the President Office of Uni-President Enterprise Corporation	
3	2	Directors	Uni-President Enterprises Corporation Representative: Lee, Ching -Tyan	MBA of THUNDERBIRD, USA Bachelor of Business Management of	Current employment: President of Uni-President Enterprise Corporation Work experience: President of Uni-President Vietnam Co., Ltd	

				National Chung Shan University	President of Uni-President Indonesia President of Uni-President (Philippines) Corp.	
4	2	Directors	Uni-President Enterprises Corporation Representative: Chen, Chao-Liang	MBA of Wright State University	Current employment: President of TTET Union Corporation Director of Master Channels Corporation Work experience: Finance Department of Uniglory Marine Corporation Legal Person Department of President Futures Co., Ltd. Acer Computer International, Ltd. Executive Vice President of TTET Union Corporation	
5	2	Directors	Uni-President Enterprises Corporation Representative: Chang, Li- Hsun	MBA of National Cheng Kung University	Current employment: Chairman Office Manager of Uni-President Enterprise Corporation Work experience: Financial Planning Department, Accounting Department, and President Secretary of Uni-President Enterprise Corporation	
6	4	Directors	Tai Hwa Oil Industrial Co., Ltd. Representative: Chen, Yi-Tu	MBA of Armstrong University, USA	Current employment: Chairman of Tai Hwa Oil Industrial Co., Ltd. Chairman of Tong-Tai Investment Co., Ltd. Chairman of Jen-Shen Investment Co., Ltd. Work experience: Manager of Administration Office of TTET Union Corporation President of Tai Hwa Oil Industrial Co., Ltd.	30,468,706
7	4	Directors	Tai Hwa Oil Industrial Co., Ltd. Representative: Chen, I-Tsunz	Master Degree of Keio University	Current employment: Chairman of TaiCheng Flour Mill Co., Ltd. Work experience: President of Shin Tai Industry Co., Ltd. Vice President of Tai Hwa Oil Industrial Co., Ltd.	30,468,706
8	1	Directors	Great Wall Enterprise, Co., Ltd. Representative: Han, Chia-Yau	Master of University of Connecticut, USA	Current employment: Chairman of Dachan Great Wall Enterprise, Co., Ltd. Chairman of Fu-G Investment Co., Ltd. Chairman of Nisshi Chain Co., Ltd. Chairman of Yellow River Investment Co., Ltd. Chairman of Saboten Co., Ltd. Chairman of Kouchan Mill Co., Ltd. Chairman of Total Nutrition Technologies Co., Ltd. Chairman of Oriental Best Foods Co., Ltd. Chairman of City Chain Food Ltd. Chairman of Great Wall Feedtech Co.,Ltd. Chairman of Honolulu Chain Food & Beverage Co., Ltd. Chairman of Wonder Vax Company	15,416,960

					Limited Chairman of Neo Foods Company Limited Director of TTET Union Corporation Work experience: ITT Senior engineer Vice Chairman of Dachan Great Wall Enterprise, Co., Ltd.	
9	H120xxxxxx	Independent Directors	Huang, Pei-Wen	Ph.D of Institute of Human Resource Management, NSYSU Master Degree of the Graduate School of Commerce, Waseda University	Current employment: Director: Competence Co. Ltd. Work experience: Associate Professor of the Department of Business Administration, Southern Taiwan University of Science and Technology Southern Taiwan University of Science and Technology – Dean of Technical and Vocational Education and Human Resources Development Dean of Tourism Department of Southern Taiwan University of Science and Technology	0
10	S121xxxxxx	Independent Directors	Yu, Chung-Ying	School of Law, National Cheng Chi University	Current employment: Jar-Her Law Firm Supervisor: Hwa-Shong Construction Co., Ltd. Director: Hwa Zhong Construction Co., Ltd. Work experience: China Steel Corporation Personnel, Legal Manager	0
11	A120xxxxxx	Independent Directors	Chen, Hsu-Hwa	Bachelor of Business Management Department, Fu Jen Catholic University MBA, California State University, Long-Beach, USA	Current employment: None Work experience: Certified Public Accountant of Taiwan ROC Certified Public Accountant of Illinois, USA Deputy Officer of Auditing Department of Deloitte Taiwan Officer of Auditing Department of Chien Yeh CPA Firm Specialist of Material Department of Walsin Lihwa Corporation (Head Office) Assistant Manager of the Administration Office, Concord Venture Capital Group Junior VP of Auditing Department of KPMG Taiwan	0

TTET Union Corporation

The 15th director (including independent director) non-compete clause lifting job responsibilities list

Deadline: April 12, 2021

Name	Current employment with other companies
<p>Uni-President Enterprises Corporation Representative: Lo, Chih-Hsien</p>	<p>Chairman: Uni-President Enterprise Corporation, President Natural Industrial Corporation, Ton Yi Industrial Corp., Prince Housing & Development Corp., President Packaging Co., Ltd., Woongjin Foods Co., Ltd., Daeyoung Foods Co., Ltd., President International Development Corp., Uni-President China Holdings Ltd., Zhangjiagang President Nisshin Corp., ScinoPharm Taiwan, Ltd., Uni-President (Philippines) Corp., Uni-President (Thailand) Ltd., Uni-President (Vietnam) Co., Ltd., Uni-President (China) Investment Co., Ltd, President Chain Store Corporation, Uni-President Cold-Chain Corp., PRESCO, Uni-President Dream Parks Co., Uni-President Department Store, President Property Corporation, Nanlien International Corporation, Prince Group Holding Ltd., Times Square International Holding Company, Times Square International Stays Corporation, W Hotel Taipei, Tong-Liu Development Co., Ltd., and Honesty Investment Holding Ltd.</p> <p>Vice Chairman: President Nisshin Corp.</p> <p>Director: Presicarre Corporation, Uni-wonder Corporation, Organic Shops Co., Ltd., 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, Huang-Ming Capital Company, Huang-Ming Business Management Consulting (Shanghai) Company, Canton Uni-President Enterprise Corporation, Fuzhou Uni-President Enterprise Corporation, Xinjiang Uni-President Foods Co., Ltd., Wuhan Uni-President Foods Co., Ltd., Kunshan Uni-President Foods Co., Ltd., Chengdu Uni-President Co., Ltd., Senyang Uni-President Enterprise Corporation, Halbin Uni-President Enterprise Corporation, Hefei Uni-President Enterprise Corporation, Zhengzhou Uni-President Enterprise Corporation, Beijing Uni-President Beverage Company, Uni-President (Kunshan) Foods Technology Company, Nanchang Uni-President Enterprise Corporation, Uni-President (Shanghai) Trading Company, Kunming Uni-President Foods Co., Ltd., Yantak Tong-Li Beverage Company, Changsha Uni-President Enterprise Corporation, Barma Uni-President Mineral Water Company, Nan-Ning Uni-President Enterprise Corporation, Tsankiang Uni-President Enterprise Corporation, Chungking Uni-President Enterprise Corporation, Taizhou Uni-President Enterprise Corporation, Aqsu Uni-President Enterprise Corporation, Chang-Chun Uni-President Enterprise Corporation, Shanghai Uni-President Bellavita Company, Bei-Yin Uni-President Enterprise Corporation, Hai-Nan Uni-President Enterprise Corporation, Guiyang Uni-President Enterprise Corporation, Tsinan Uni-President Enterprise Corporation, Hangchow Uni-President Enterprise Corporation, Wuxue Uni-President Mineral Water Company, Shihkiachwang Uni-President Enterprise Corporation, Hsuchow Uni-President Enterprise Corporation, Henan Uni-President Enterprise Corporation, Uni-President Trading</p>

	<p>(Kunshan) Company, Shanxi Uni-President Enterprise Corporation, Jiangsu Uni-President Enterprise Corporation, Changbai mountain Uni-President (Giling) Mineral Water Company, Ningxia Uni-President Enterprise Corporation, Shanghai Uni-President Enterprise Corporation, Nei-Monggol Uni-President Enterprise Corporation, Sunxi Uni-President Enterprise Corporation, Hutubi Uni-President Tomato Products Technology Company, Shanghai Uni-president Beverage Company, Tientsin Uni-President Enterprise Corporation, Hunan Uni-President Enterprise Corporation, Uni-President Yo-Yo Travel Agency, President Packaging Holdings Ltd., Kuang Chuan Dairy Co. Ltd., Kuang Chuan Foods Co., Ltd., President Energy Development (Cayman Islands) Ltd., Uni-President Development Co., Ltd., Uni-President Baseball Co., Ltd., Tait Marketing & Distribution Co., Ltd., Wei Lih Food Industrial Co., Ltd., Howard Beach Resort Kenting Co., Ltd., President Chain Store Corporation Vikings Holdings, President Chain Store Corporation Labuan Island Holdings, Retail Support International , Uni-President Assets Holdings Ltd., Prince Property Management Co., Ltd., and Kao-Chuan Investment Co., Ltd.</p> <p>Supervisor: Infinity Holdings Ltd. and Eternity Holdings Ltd. President: PRESCO and Uni-President Express Corp.</p>
Uni-President Enterprises Corporation Representative: Wu Liang-Feng	<p>Chairman: Zhongshan President Enterprises Co. Ltd., Tientsin President Enterprise Foods Co., Ltd., Qingdao President Feed & Livestock Co., Ltd., and Master Channels Corporation</p> <p>Director: Zhangjiagang President Nisshin Corp., President Chain Store Corporation, and President Nisshin Corp.</p> <p>President: Zhangjiagang President Nisshin Corp.</p>
Uni-President Enterprises Corporation Representative: Lee, Ching -Tyan	<p>Director: Shanghai Songjiang President Enterprises Co. Ltd., Tientsin President Enterprise Foods Co., Ltd., Qingdao President Feed & Livestock Co., Ltd., Uni-President (Philippines) Corp., Uni-President (Vietnam) Co., Ltd., and President Nisshin Corp.</p> <p>President: Uni-President Enterprises Corporation</p>
Uni-President Enterprises Corporation Representative: Chen, Chao-Liang	<p>Director: Master Channels Corporation</p>
Uni-President Enterprises Corporation Representative: Chang, Li- Hsun	<p>Director: President Securities Corporation</p>
Tai Hwa Oil Industrial Co., Ltd. Representative: Chen, Yi-Tu	<p>Chairman: Tai Hwa Oil Industrial Co., Ltd., Tong-Tai Investment Co., Ltd., and Jen-Shen Investment Co., Ltd.</p>
Tai Hwa Oil Industrial Co., Ltd. Representative: Chen, I-Tsunz	<p>Chairman: TaiCheng Flour Mill Co., Ltd.</p>

Great Wall Enterprise Co., Ltd. Representative: Han, Chia-Yau	Chairman: Dachan Great Wall Enterprise Co., Ltd., Fu-G Investment Co., Ltd., Yellow River Investment Co., Ltd., Saboten Co., Ltd., Nisshi Chain Co., Ltd., GWF, Total Nutrition Technologies CO., LTD., Kouchan Mill Co., Ltd., City Chain Food Ltd., Oriental Best Foods Co., Ltd., Wonder Vax Company Limited, Honolulu Chain Food & Beverage Co., Ltd., Neo Foods Company Limited, and Sun-Min Investment Co., Ltd. Director: Dachan Great Meat Kitchen Co., Ltd. and Deh-Jar Investment Co., Ltd.
Independent Director: Huang, Pei-Wen	Director: Competence Co. Ltd.
Independent Director: Yu, Chung-Ying	Director: Hwa Zhong Construction Co., Ltd. Supervisor: Hwa-Shong Construction Co., Ltd.

TTET Union Corporation

Articles of Incorporation

Chapter One: 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 Products 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 Animal Husbandry
- (XIV) F101050 Wholesale of Aquatic Products
- (XV) F102010 Wholesale of Frozen Prepared Foods
- (XVI) F102020 Wholesale of Edible Oil
- (XVII) F102030 Wholesale of Tobacco Products and Alcoholic Beverages
- (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 Product
- (XXV) F102120 Wholesale of Granulated Sugar
- (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 Two Shares

Article 5: The capital of the Company is amounted as One Billion Seven Hundred Seventy-Eight Million New Taiwan Dollars, and divided as One Hundred Seventy-Eight Thousand shares, with face value Ten New Taiwan Dollars 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 Three Shareholders Meeting

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 Four Directors and Supervisors

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

The candidate nomination system is applied to the directors and supervisors. 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 and supervisors shall not be less than a certain percentage of the total issued shares of the Company; 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 a company equals to one third of the total number of directors, 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 may establish the Audit Committee pursuant to Article 14-4 and Article 181-2. On the day of the Audit Committee's establishment, the supervisors will be abolished. All the supervisor's authorities set out in the Company Act and Securities and Exchange Act, will be carried out 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: The authorities of the supervisors are as the follows:

1. Investigate the Company's financial positions.
2. Audit the Company's documents and books.
3. Inquire about the Company's business status.
4. Attend the meeting of the board of directors to express their opinions without voting rights.
5. Execute other authorities conferred by the Company Act.

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

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

Chapter Five Managerial Personnel

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

Chapter Six 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,

to be submitted for the review of the Supervisors 30 days before the General Shareholders' Meeting; pursuant to mandatory procedures, such documents shall be submitted to the General Shareholders' Meeting for acknowledgment.

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 Seven 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.

TTET Union Corporation

Representative: Lo, Chih-Hsien

TTET Union Corporation “Rules of Procedures for Shareholders Meetings”

- I. The shareholders meeting of the company shall be conducted in accordance with the “Rules.”
- II. The shareholders mentioned in the “Rules” refer to the shareholders and the representatives entrusted by the shareholders.
- III. The company shall specify in the meeting notice the time and place for the sign-in of the shareholders and other related matters.

The shareholders’ meeting reporting time referred to in the preceding paragraph shall be 30 minutes prior to the meeting started. There should be clear signs at the reporting place with adequate staff assigned to handle the process.

Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The number of shares in attendance shall be calculated according to the shares indicated by the sign-in cards handed in, plus the number of shares whose voting rights are exercised by correspondence or electronically.
- IV. Attendance and voting at shareholders' meetings shall be calculated based on the number of shares.
- V. The venue for a shareholders' meeting shall be the premises of the company, 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 otherwise provided by law or regulation, the Company’s shareholders' meetings shall be convened by the board of directors and 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 one director to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. If a shareholder meeting is convened by a party with the 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 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 by agreement of a majority of the voting rights 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 shareholder meeting. Staff handling administrative affairs of a shareholders meeting shall wear identification cards or armbands.
- VIII. The company shall make an uninterrupted audio and video recording of the shareholders' proceedings and the voting and vote counting procedures.

The audio and video recording referred to in the preceding paragraph shall be kept in proper custody for at least one year. However, for the litigation filed by the

shareholders in accordance with Article 189 of the Company Act, it should be reserved until the end of the proceedings.

IX. The chair shall call the meeting to order at the scheduled meeting time. 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, 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 resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

X. If a shareholder 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.

If the meeting of shareholders is convened by an authorized person other than the board of directors, the provision referred to above is applicable. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including motions), except by a resolution of the shareholders' meeting.

Shareholders may not select another chairman to continue the meeting at the original meeting place or at another place after the meeting was adjourned. 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 by agreement of a majority of the voting rights 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.

Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is a discrepancy found between the text of the speech and the speech slip submitted, the contents of the speech shall prevail. Attending shareholders may not interfere with the speaking shareholders without the Chairman's consent and the speaking shareholders. The Chairman will have the violating shareholders stopped.

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. The juridical person who has attended the shareholder's meeting by proxy can authorize only one representative to attend the meeting. If the juridical person shareholder has more than two representatives assigned to attend the meeting of

shareholders, only one of the two representatives 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. When the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote. If the chairman has decided to have a resolution reached by voting, several proposals could be voted at the same time with each proposal resolved individually.

XVI. The 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. The results of the voting, including the statistical votes, shall be announced on-site at the meeting, with a record made immediately upon the completion of the vote counting. When the shareholders meeting elects directors, the election shall take place in accordance with the applicable election rules established by the Company.

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

For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending shareholders shall prevail. A shareholder who cannot attend the shareholders meeting for reasons may have the proxy form of the company issued for the agent to attend the meeting instead of in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" announced in accordance with the Company Act and complied with the competent authority. Except for Trust agencies or stock agencies approved by the securities regulatory authorities, the votes of the representative delegated by two or more shareholders shall not exceed 3% of the total votes representing the total number of shares issued; also, the votes exceeding the threshold shall not be counted. The aforementioned proxies must be delivered to the company at least 5 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, an exception is granted if the shareholder issues a proper declaration to withdraw the previous instruction.

XVIII. For the resolution of proposals, unless otherwise provided in the Company Act and the Articles of Incorporation, the consent of a majority vote of the attending shareholders shall prevail.

XIX. If 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. If one of the motions has been passed, the other motions shall be deemed rejected without further resolution.

XX. The Chairman may direct disciplinary personnel or security personnel to help keep the meeting place in order.

XXI. The matters not addressed in the Rules should be processed in accordance with the Company Act, the company's Articles of Incorporation, and other related laws and regulations.

XXII. The "Rules" is implemented after the resolution reached in the meeting of shareholders, so is the amendment.

TTET Union Corporation

The “Regulations Governing Election of Directors”

Date of amendment: June 11, 2014

Date of amendment: June 14, 2017

Date of amendment: June 9, 2020

- Article 1: The election of the directors of the company shall be conducted in accordance with the “Regulations Governing Election of Directors.”
The election of directors is to be handled in accordance with the “Regulations” unless otherwise provided by the company’s Articles of Incorporation and related law and regulations.
- Article 2: The election of the company’s directors adopts the registered and cumulative election method. The names of the voters can be replaced by the attendance certificate number printed on the ballot. For the election of the company’s directors, each share has the same voting rights as the number of candidates to be elected, with all votes cast to one candidate or several candidates.
- Article 3: Elections of directors of the company shall be conducted in accordance with the candidate nomination system and procedures; also, shareholders shall select them from the director candidates list. The number of directors to be elected will be as specified in the company’s Articles of Incorporation. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
- Article 4: The chair, before the beginning of the election, shall appoint a number of monitoring and counting personnel to perform the respective duties of vote.
- Article 5: The board of directors shall prepare the election ballots, have them numbered according to the attendance certificate number, and fill in the number of voting rights. However, no voting ballots will be specially prepared for those who vote electronically.
- Article 6: If the candidate is a shareholder, the voter must fill in the name in the “Candidate” column of the ballot with the candidate’s shareholder account name and number noted. If the candidate is not a shareholder, the name and the ID card number or passport number of the candidate should be filled in the said column of the ballot. However, when the government or corporate shareholder is a candidate, the title of the government or corporate should be filled in the “Candidate” column of the ballot with the name of its representative stated. If there is more than one representative appointed, they can be selected separately.
- Article 7: An election ballot is invalid under any of the following circumstances:
1. The ballot is not prepared in accordance with the provisions of the “Regulations.”
 2. A blank ballot is placed in the ballot box.

3. The writing is unclear and unreadable.
4. The candidate whose name is entered in the ballot is a shareholder and his/her account name and shareholder account number does not conform to the shareholder registry, or the candidate whose name is entered in the ballot is not a shareholder and does not conform to the name and identity card number provided.
5. Other words or marks are entered in addition to the name (title) of the candidate and the shareholder number (or ID card number).
6. The name of the candidate is the same as other shareholders, and there is no candidate account number (name) or the shareholder account number (or ID card number) available for identification.
7. There are two or more names of candidates entered in one election ballot.

Article 8: The voting rights shall be calculated on-site immediately after the end of the poll; and the results of the calculation shall be announced by the chair on the site.

Article 9: The board of directors of the company shall issue notifications to the persons elected as directors.

Article 10: Matters not specified in the “Regulations” shall be handled in accordance with the provisions of the Company Act, the Articles of Incorporation, and relevant law and regulations.

Article 11: The “Regulations” shall be implemented after being resolved in the regular shareholders' meeting. The Articles amended on June 9, 2020 are to be implemented on the date the election of directors held in 2021; also, the subsequent amendments thereto shall be handled in the same manner.

Shareholdings of Directors and Supervisors Statement:

- 一、 Pursuant to Paragraph 2, Article 26 of the Securities and Exchange Act, and Paragraph 3, Article 2 of the “ Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies,” the minimum mandatory shareholdings of all directors of the Company shall be 9,598,494 shares, and 959,849 shares for the supervisors.
- 二、 As of the date of suspending transferring, the detailed shareholdings of the directors and supervisors recorded in the shareholders’ register are as the following:

April 11, 2021

Title	Name	Date of Elected	Term of Office	Shareholdings on election		Current shareholdings		Remarks
				Number of shares	Percentage of shares held (%)	Number of shares	Percentage of shares held (%)	
Chairman	Lo, Chih-Hsien	2018.6.13	3 years	61,594,201	38.50	61,594,201	38.50	Representative of Uni-President Enterprises Corporation.
Director	Wu, Liang-Feng	2018.6.13	3 years					
Director	Chen, Yi-Tu	2018.6.13	3 years	31,186,706	19.49	30,468,706	19.05	Representative of Tai Hwa Oil Industrial Co., Ltd.
Director	Han, Chia-Yau	2018.6.13	3 years	15,416,960	9.64	15,416,960	9.64	Representative of Great Wall Enterprise Co., Ltd.;
Director	Huang, Yi-Shen	2018.6.13	3 years	410,054	0.26	410,054	0.26	
Independent Director	Huang, Pei-Wen	2018.6.13	3 years	-	-	-	-	
Independent Director	Yu, Chung-Ying	2018.6.13	3 years	-	-	-	-	
Independent Director	Hsia, Liang-Chou	2018.6.13	3 years	-	-	-	-	
Subtotal				108,607,921		107,889,921		
Supervisor	Lee, Ching-Tyan	2018.6.13	3 years	-	-	-	-	
Supervisor	Chang, Li-Hsun	2018.6.13	3 years	4,000	-	4,000	-	
Supervisor	Chen, I-Tsunz	2018.6.13	3 years	55,131	0.03	55,131	0.03	
Subtotal				59,131		59,131		