

Stock Code: 1308

Asia Polymer Corporation

Handbook for the

2023 Annual General Meeting of Shareholders

Date: May 30, 2023

**Location: 5F, No.2, Yuanshan Rd., Niasong Dist.,
Kaohsiung City, Taiwan (R.O.C.)**

**The Kaohsiung Grand Hotel, Po Shou Hall
(Physical shareholders meeting)**

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Asia Polymer Corporation

Procedure of the 2023 Annual General Meeting of Shareholders

1. Calling the Meeting to Order
2. Chairperson Takes Chair
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4. Report Items
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6. Extemporaneous Motions
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Asia Polymer Corporation
Year 2023
Agenda of Annual General Meeting of Shareholders

Date : May 30, 2023 (Tuesday) AM 09:00

Location: 5F, No.2, Yuanshan Rd., Niasong Dist., Kaohsiung City, Taiwan
(R.O.C.)

The Kaohsiung Grand Hotel, Po Shou Hall
(Physical shareholders meeting)

1. Report Items:

- (1) To report 2022 operating results.
- (2) To report Audit Committee's Review Reports of 2022 Financial Statement.
- (3) To report 2022 remuneration of directors and employees.

2. Matters for Ratification and Discussion:

- (1) To ratify 2022 Business Report and Financial Statements.
- (2) To ratify 2022 earnings distribution.
- (3) To approve the amendment to the “Articles of Incorporation”.
- (4) To approve the amendment to the “Parliamentary Rules for Shareholders’ Meetings”.
- (5) To approve the amendment to the “Rules for Election of Directors”.
- (6) To approve the permission of directors for competitive actions.

3. Extemporary Motions:

4. Adjournment

I. Report Items:

Report 1

To report 2022 operating results

Asia Polymer Corporation 2022 Business Report

The 2022 revenue income increased NT\$323 million over last year to NT\$9.615 billion, with a budget achievement percentage of 139%. Profit before income tax reduced by NT\$1.92 billion to NT\$1.813 billion, with a budget achievement percentage of 108%. Net profit for the year was NT\$1.447 billion.

In review of annual sales operating status, the geopolitical turmoil in Eastern Europe at the beginning of the year and worldwide oil price surging over US\$100 per barrel pushed high cost of raw materials. The persistent interference from the pandemic also slowed down the global economic recovery. The EVA demand for solar energy was strong at the beginning of the year, which raised the EVA price. The price reached the peak in the first half of the year. Due to the high price of raw materials, solar module manufacturers were unable to transfer the cost in time to their products, which caused weaker demand, on encapsulant films. In addition, weak shoe market that caused shoe manufacturers less demand on EVA foaming. The EVA price had a downturn in the middle of the year. The price levelled off for a while, but later it again has gone down before it was stable at the end of the year. In terms of annual sales volume, LDPE sales volume reduced by 11% while EVA

sales volume increased by 2% over last year, and the average selling prices remained the same for LDPE and went up by 5% for EVA. In production, the cost of raw materials increased as price of both ethylene and VAM went up. The combined annual output of LDPE/EVA reduced by 4% over last year to about 130,000 MT. We will continuously set up our process safety management system (PSM) and reinforce the relevant personnel training. In response to energy saving and carbon reduction issue, we have started to carry out the quantification and verification of greenhouse gas emission, and the lay-out plans for green energy strategy, such as efficient test and review of energy conservation for major facilities. We sustain to refine our practices in reduction of greenhouse gas emission.

In summary of the annual operating results, the product selling price was unable to catch up with high cost of raw materials due to inflation issue and supply-demand status, which narrowed margin. The profit from operations for the year was NT\$2.936 billion, a decrease of NT\$364 million compared with last year. The net non-operating expenses of NT\$1.123 billion, and the difference from last year was mainly caused by the investment loss recognized by using the equity method.

Looking forward to 2023, worldwide central banks continuously raise interest rates for tightening currencies policy to combat inflation, which will cause a slowdown in the global economic growth. China lifted its lockdown policy the early year, which is expected to boost the increase of consumption and economic growth. With the increasing

uncertainty of recent economic trends, the Company will persistently pay attention on the operation and respond in any time. Many countries have actively focused on green energy policies in response to the trends of energy saving and carbon reduction, which stimulates the demand for renewable energy. The price change of polysilicon due to the increase of upcoming polysilicon production lines has brought optimism on the long-term demand for solar energy, which creates a favorable support for the Company's EVA products. The competition in the EVA market remains austerity as new capacities become available. The company will adopt the product differentiation approach and flexible adjustment on product mix, which will help to cover the existing markets. The company will also explore new sales channels for markets outside of China to disperse risks, by which to continue to maintain our profit growth and maximize benefit for the Company and the shareholders.

Chairperson: Quintin Wu

President: Pei-Ji Wu

Chief Accounting Officer: Cheng-shun Chen

Report Items:

Report 2

To report Audit Committee's Review Reports of 2022 Financial Statement.

Asia Polymer Corporation Audit Report

This Audit Committee has audited the 2022 Business Report produced by the Board of Directors, the financial statements (including individual and consolidated financial statements) audited and certified by CPA Cheng-Chun Chiu and CPA Pi-Yu Chuang of Deloitte Taiwan, and the proposal for profit distribution and found no nonconformity. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is presented for approval to AGM.

To

The 2023 Annual General Meeting of Shareholders

Audit Committee, Asia Polymer
Corporation
Independent Director: Shang-Hung Shen
Independent Director: Da-Xiong Chen
Independent Director: Dun-Qian Zheng
Independent Director: Chien-Ping Chen

March 10, 2023

Report Items:

Report 3

To report 2022 remuneration of directors and employees.

Description: 1. Proceeded in accordance with related orders of the Ministry of Economic Affairs and Article 18 of the Articles of Incorporation of the Company.

2. The remuneration of 2022 for employees will be distributed in cash at 1%, NT\$18,309,474, of the 2022 earnings, and no remuneration will be distributed to directors.

II. Matters for Ratification and Discussion:

Proposal 1

Proposed by the Board

To ratify 2022 Business Report and Financial Statements.

Description: 1. The 2022 financial statements (including individual and consolidated financial statements) approved by the Board on March 3, 2023 are audited by CPA Cheng-Chun Chiu and CPA Pi-Yu Chuang of Deloitte Taiwan and the Audit Committee for the record.

2. Please refer to p. 4-6 of this Handbook for the 2022 Business Report and p. 10-27 for the CPA Audit Report and the financial statements.

Resolution:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Asia Polymer Corporation

Opinion

We have audited the accompanying financial statements of Asia Polymer Corporation (the "Company"), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, 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 audit of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters related to the Company's financial statements for the year ended December 31, 2022 are stated as follows:

Recognition of Sales Revenue from Specific Customers

The amount of sales revenue for the year ended December 31, 2022 was NT\$9,614,583 thousand, which was approximately 3.47% higher than the sales revenue for the year ended December 31, 2021 of NT\$9,291,720 thousand. Nevertheless, the sales revenue from specific customers has grown significantly compared to the average growth of total sales revenue. Therefore, recognition of revenue from these specific customers has been identified as a key audit matter.

The audit procedures that we performed in response to the risk were as follows:

1. We obtained an understanding of the design and implementation of internal controls about these specific customers and tested if these controls were performed effectively. Such controls include credit assessments of customers, revenue recognition and receivables collection.
2. We sampled and inspected purchase orders from these specific customers, shipping confirmations and receivables collection receipts in order to verify the accuracy of sales revenue.
3. We reviewed sales returns and discounts recognized and the amounts received in subsequent periods to assess for any abnormalities.

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

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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 statements 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 financial statements for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are

Chiu, Cheng-Chun (Financial Supervisory Commission, Jin Guan Zheng Liu Zi No. 0930160267)

and Chuang, Pi-Yu (Financial Supervisory Commission, Jin Guan Zheng Shen Zi No. 1070323246)

Deloitte & Touche

Taipei, Taiwan
Republic of China

March 10, 2023

Notice to Readers:

The financial statement (Chinese version) of our company is audited by the CPA Cheng-Chun Chiu and CPA Pi-Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

ASIA POLYMER CORPORATION

BALANCE SHEETS

DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents	\$ 1,056,954	7	\$ 393,497	2
1110	Financial assets at fair value through profit and loss - current	457,732	3	1,039,864	6
1120	Financial assets at fair value through other comprehensive income - current	21,162	-	44,346	-
1170	Accounts Receivable	868,078	5	990,912	5
1180	Accounts receivable from related parties	235,587	1	441,506	2
1200	Other receivables	494	-	10,430	-
1210	Other receivables from related parties	3,336	-	1,472	-
130X	Inventories	517,666	3	569,188	3
1410	Prepayments	164,319	1	145,168	1
1470	Other current assets	110	-	110	-
11XX	Total current assets	<u>3,325,438</u>	<u>20</u>	<u>3,636,493</u>	<u>19</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current	3,095,256	19	4,120,424	22
1535	Financial assets at amortized cost - non-current	8,350	-	21,786	-
1550	Investments accounted for using the equity method	5,735,988	35	7,187,819	38
1600	Property, plant and equipment	3,363,200	21	3,376,208	18
1755	Right-of-use assets	10,451	-	8,143	-
1760	Investment properties	436,208	3	442,976	2
1840	Deferred income tax assets	356,127	2	104,798	1
1990	Other non-current assets	7,448	-	15,508	-
15XX	Total non-current assets	<u>13,013,028</u>	<u>80</u>	<u>15,277,662</u>	<u>81</u>
1XXX	TOTAL ASSETS	<u>\$ 16,338,466</u>	<u>100</u>	<u>\$ 18,914,155</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings	\$ 120,000	1	\$ 500,000	3
2120	Financial liabilities at fair value through profit or loss - current	3,012	-	860	-
2170	Accounts payable to unrelated parties	256,872	2	218,005	1
2180	Accounts payable to related parties	23,023	-	32,904	-
2219	Other payables to unrelated parties	219,449	1	230,301	1
2220	Other payables to related parties	178,997	1	207,274	1
2230	Current tax liabilities	652,253	4	663,564	4
2280	Lease liabilities - current	6,524	-	5,765	-
2365	Refund liabilities - current	5,899	-	5,899	-
2399	Other current liabilities	34,609	-	14,207	-
21XX	Total current liabilities	<u>1,500,638</u>	<u>9</u>	<u>1,878,779</u>	<u>10</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings	450,636	3	1,369,746	7
2570	Deferred income tax liabilities	29,667	-	30,601	-
2580	Lease liabilities - non-current	17,709	-	21,530	-
2640	Net defined benefit liabilities - non-current	112,106	1	135,005	1
2670	Other non-current liabilities	10,752	-	16,445	-
25XX	Total non-current liabilities	<u>620,870</u>	<u>4</u>	<u>1,573,327</u>	<u>8</u>
2XXX	Total liabilities	<u>2,121,508</u>	<u>13</u>	<u>3,452,106</u>	<u>18</u>
	EQUITY				
	Share Capital				
3110	Ordinary shares	5,937,438	36	5,937,438	32
3200	Capital Surplus	37,142	-	35,319	-
	Retained Earnings				
3310	Legal Reserve	2,223,200	14	1,906,008	10
3320	Special Reserve	565,379	3	565,379	3
3350	Unappropriated Earnings	4,511,018	28	5,139,359	27
3300	Total retained earnings	<u>7,299,597</u>	<u>45</u>	<u>7,610,746</u>	<u>40</u>
3400	Other equity	942,781	6	1,878,546	10
3XXX	Total equity	<u>14,216,958</u>	<u>87</u>	<u>15,462,049</u>	<u>82</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$ 16,338,466</u>	<u>100</u>	<u>\$ 18,914,155</u>	<u>100</u>

ASIA POLYMER CORPORATION

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
4100	NET REVENUE	\$ 9,614,583	100	\$ 9,291,720	100
5110	OPERATING COSTS	<u>6,400,965</u>	<u>66</u>	<u>5,720,361</u>	<u>62</u>
5900	GROSS PROFIT	<u>3,213,618</u>	<u>34</u>	<u>3,571,359</u>	<u>38</u>
	OPERATING EXPENSES				
6100	Selling and marketing expenses	148,553	2	148,809	2
6200	General and administrative expenses	122,774	1	116,177	1
6300	Research and development expenses	<u>6,467</u>	<u>-</u>	<u>6,154</u>	<u>-</u>
6000	Total operating expenses	<u>277,794</u>	<u>3</u>	<u>271,140</u>	<u>3</u>
6900	PROFIT FROM OPERATIONS	<u>2,935,824</u>	<u>31</u>	<u>3,300,219</u>	<u>35</u>
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income	6,637	-	1,799	-
7010	Other income	351,788	3	260,074	3
7020	Other gains and losses	(7,856)	-	74,079	1
7510	Interest expense	(10,311)	-	(22,743)	-
7060	Share of profit or loss of associates	(<u>1,463,444</u>)	(<u>15</u>)	<u>118,745</u>	<u>1</u>
7000	Total non-operating income and expenses	(<u>1,123,186</u>)	(<u>12</u>)	<u>431,954</u>	<u>5</u>
7900	PROFIT BEFORE INCOME TAX	1,812,638	19	3,732,173	40
7950	INCOME TAX EXPENSE	<u>365,269</u>	<u>4</u>	<u>631,046</u>	<u>6</u>
8200	NET PROFIT FOR THE YEAR	<u>1,447,369</u>	<u>15</u>	<u>3,101,127</u>	<u>34</u>
	OTHER COMPREHENSIVE INCOME (LOSS)				
8310	Items that will not be reclassified subsequently to profit or loss				
8311	Remeasurement of defined benefit plans	\$ 11,338	-	(\$ 1,434)	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(1,028,899)	(11)	945,328	10

(Continued)

(Continued)

Code		2022		2021	
		Amount	%	Amount	%
8330	Share of the other comprehensive income (loss) of associates accounted for using the equity method	(24,183)	-	52,062	1
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(<u>1,864</u>)	<u>-</u>	(<u>2,572</u>)	<u>-</u>
		(<u>1,043,608</u>)	(<u>11</u>)	<u>993,384</u>	<u>11</u>
8360	Items that may be reclassified subsequently to profit or loss				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	150,506	2	(49,087)	(1)
8380	Share of the other comprehensive income (loss) of associates accounted for using the equity method	10,152	-	(6,262)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(<u>30,101</u>)	<u>-</u>	<u>9,817</u>	<u>-</u>
		<u>130,557</u>	<u>2</u>	(<u>45,532</u>)	(<u>1</u>)
8300	Other comprehensive loss for the year, net of income tax	(<u>913,051</u>)	(<u>9</u>)	<u>947,852</u>	<u>10</u>
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 534,318</u>	<u>6</u>	<u>\$ 4,048,979</u>	<u>44</u>
	EARNINGS PER SHARE				
9710	Basic	<u>\$ 2.44</u>		<u>\$ 5.22</u>	
9810	Diluted	<u>\$ 2.43</u>		<u>\$ 5.21</u>	

ASIA POLYMER CORPORATION

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code	Equity Attributable to Owners of the Company						Other equity		Total Equity	
	Share Capital		Capital Surplus	Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
	Shares (In Thousands)	Amount		Legal Reserve	Special Reserve	Unappropriated Earnings				
A1	BALANCE AT JANUARY 1, 2021	582,101	\$ 5,821,018	\$ 33,272	\$ 1,798,210	\$ 565,379	\$ 2,890,180	(\$ 194,428)	\$ 1,195,914	\$ 12,109,545
	Appropriation of the 2020 earnings									
B1	Legal reserve	-	-	-	107,798	-	(107,798)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(698,522)	-	-	(698,522)
B9	Share dividends distributed	11,642	116,420	-	-	-	(116,420)	-	-	-
C3	Reclassification of past dividends to capital surplus	-	-	1,913	-	-	-	-	-	1,913
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	134	-	-	-	-	-	134
D1	Net profit for the year ended December 31, 2021	-	-	-	-	-	3,101,127	-	-	3,101,127
D3	Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(1,390)	(45,532)	994,774	947,852
D5	Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	3,099,737	(45,532)	994,774	4,048,979
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	72,182	-	(72,182)	-
Z1	BALANCE AT DECEMBER 31, 2021	593,743	5,937,438	35,319	1,906,008	565,379	5,139,359	(239,960)	2,118,506	15,462,049
	Appropriation of the 2021 earnings									
B1	Legal reserve	-	-	-	317,192	-	(317,192)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(1,781,232)	-	-	(1,781,232)
C3	Reclassification of past dividends to capital surplus	-	-	1,494	-	-	-	-	-	1,494
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	329	-	-	111	-	(111)	329
D1	Net profit for the year ended December 31, 2022	-	-	-	-	-	1,447,369	-	-	1,447,369
D3	Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	22,413	130,557	(1,066,021)	(913,051)
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	1,469,782	130,557	(1,066,021)	534,318
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	190	-	(190)	-
Z1	BALANCE AT DECEMBER 31, 2022	593,743	\$ 5,937,438	\$ 37,142	\$ 2,223,200	\$ 565,379	\$ 4,511,018	(\$ 109,403)	\$ 1,052,184	\$ 14,216,958

ASIA POLYMER CORPORATION
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	CASH FLOWS FROM OPERATING ACTIVITIES		
A10000	Income before income tax	\$ 1,812,638	\$ 3,732,173
A20010	Adjustments for:		
A20100	Depreciation expenses	302,505	310,134
A20200	Amortization expenses	35	18
A20400	Net loss (gain) on fair value change of financial assets at fair value through profit or loss	71,433	(1,012)
A20900	Interest expense	10,311	22,743
A21200	Interest income	(6,637)	(1,799)
A21300	Dividend income	(288,990)	(201,073)
A22400	Share of profit or loss of associates	1,463,444	(118,745)
A23800	Loss on write-down of inventories	267	757
A24100	Net (gain) loss on foreign currency exchange	(111)	4,641
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	512,851	(34,604)
A31150	Accounts Receivable	120,851	(444,789)
A31160	Accounts receivable from related parties	206,127	(231,685)
A31180	Other receivables	10,406	(8,014)
A31190	Other receivables from related parties	(1,858)	493
A31200	Inventories	51,255	(275,099)
A31230	Prepayments	(19,151)	(20,940)
A32150	Accounts payable from unrelated parties	40,747	(20,358)
A32160	Accounts payable from related parties	(9,886)	17,410
A32180	Other payables from unrelated parties	(13,359)	38,101
A32190	Other payables from related parties	(28,734)	156,496
A32230	Other current liabilities	18,467	(16,776)
A32240	Net defined benefit liabilities - non-current	(<u>11,561</u>)	(<u>21,486</u>)
A33000	Cash generated from operations	4,241,050	2,886,586
A33100	Interest received	6,167	1,898
A33300	Interest paid	(10,774)	(23,850)
A33500	Income tax paid	(<u>660,808</u>)	(<u>180,387</u>)
AAAA	Net cash generated from operating activities	<u>3,575,635</u>	<u>2,684,247</u>

(Continued)

(Continued)

Code		2022	2021
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Purchase of financial assets at fair value through other comprehensive income - current	\$ -	(\$ 1,234)
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	216	100,201
B00030	Capital reduction of financial assets at fair value through other comprehensive income	19,237	20,897
B02700	Payments for property, plant and equipment	(259,323)	(403,612)
B04500	Payments for intangible assets	(321)	-
B05400	Acquisition of investment properties	(884)	-
B09900	Decrease in other non-current assets	8,346	6,657
B07600	Dividends received	<u>414,180</u>	<u>291,263</u>
BBBB	Net cash generated from investing activities	<u>181,451</u>	<u>14,172</u>
	NET CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Repayments of short-term borrowings	(380,000)	(200,000)
C01600	Proceeds from long-term borrowings	3,128,884	9,475,000
C01700	Repayments of long-term borrowings	(4,050,000)	(11,150,000)
C03100	Decrease in refundable deposits	1,935	1,109
C04020	Repayment of the principal portion of lease liabilities	(6,096)	(6,263)
C04400	Decrease in other non-current liabilities	(5,693)	(313)
C04500	Payment of dividends	<u>(1,782,659)</u>	<u>(698,597)</u>
CCCC	Net cash used in financing activities	<u>(3,093,629)</u>	<u>(2,579,064)</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	663,457	119,355
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>393,497</u>	<u>274,142</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,056,954</u>	<u>\$ 393,497</u>

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Asia Polymer Corporation

Opinion

We have audited the accompanying financial statements of Asia Polymer Corporation (the "Group"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the 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 of December 31, 2022 and 2021, 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 International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission (FSC) of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Recognition of Sales Revenue from Specific Customers

The amount of sales revenue for the year ended December 31, 2022 was NT\$9,815,332 thousand, which was approximately 2.61% higher than the sales revenue for the year ended December 31, 2021 of NT\$9,565,813 thousand. Nevertheless, the sales revenue from specific customers has grown significantly compared to the average growth of total sales revenue. Therefore, recognition of revenue from these specific customers has been identified as a key audit matter.

The audit procedures that we performed in response to the risk were as follows:

1. We obtained an understanding of the design and implementation of internal controls about these specific customers and tested if these controls were performed effectively. Such controls include credit assessments of customers, revenue recognition and receivables collection.
2. We sampled and inspected purchase orders from these specific customers, shipping confirmations and receivables collection receipts in order to verify the accuracy of sales revenue.
3. We reviewed sales returns and discounts recognized and the amounts received in subsequent periods to assess for any abnormalities.

Other Matter

We have also audited the parent company only financial statements of Asia Polymer Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the FSC of the Republic of China, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 statements 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 for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are

Chiu, Cheng-Chun (Financial Supervisory Commission, Approval No. 0930160267)

and Chuang, Pi-Yu (Financial Supervisory Commission, Approval No. 1070323246)

Deloitte & Touche

Taipei, Taiwan

Republic of China

March 10, 2023

Notice to Readers:

The consolidated financial statement (Chinese version) of our company is audited by the CPA Cheng-Chun Chiu and CPA Pi-Yu Chuang of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

Code	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	CURRENT ASSETS				
1100	Cash and cash equivalents	\$ 1,481,970	9	\$ 763,936	4
1110	Financial assets at fair value through profit and loss - current	499,776	3	1,118,714	6
1120	Financial assets at fair value through other comprehensive income - current	21,162	-	44,346	-
1170	Accounts receivable	868,078	5	990,914	5
1180	Accounts receivable from related parties	202,757	1	428,395	3
1200	Other receivables	950	-	17,867	-
1210	Other receivables from related parties	3,602	-	1,829	-
1310	Inventories	540,844	4	584,086	3
1410	Prepayments	165,484	1	148,731	1
1470	Other current assets	110	-	110	-
11XX	Total current assets	<u>3,784,733</u>	<u>23</u>	<u>4,098,928</u>	<u>22</u>
	NON-CURRENT ASSETS				
1517	Financial assets at fair value through other comprehensive income - non-current	3,189,863	19	4,206,995	22
1535	Financial assets at amortized cost - non-current	8,350	-	21,786	-
1550	Investments accounted for using the equity method	5,158,490	32	6,634,522	35
1600	Property, plant and equipment	3,363,478	21	3,376,590	18
1755	Right-of-use assets	10,451	-	8,143	-
1760	Investment properties	510,955	3	511,258	3
1840	Deferred income tax assets	356,127	2	104,798	-
1990	Other non-current assets	7,622	-	15,526	-
15XX	Total non-current assets	<u>12,605,336</u>	<u>77</u>	<u>14,879,618</u>	<u>78</u>
1XXX	TOTAL ASSETS	<u>\$ 16,390,069</u>	<u>100</u>	<u>\$ 18,978,546</u>	<u>100</u>
	LIABILITIES AND EQUITY				
	CURRENT LIABILITIES				
2100	Short-term borrowings	\$ 120,000	1	\$ 500,000	3
2120	Financial liabilities at fair value through profit or loss - current	3,012	-	860	-
2170	Accounts payable	257,607	2	218,770	1
2180	Accounts payable to related parties	53,653	-	79,397	-
2200	Other payables	219,889	1	230,736	1
2220	Other payables to related parties	178,903	1	207,259	1
2230	Current tax liabilities	656,238	4	665,205	4
2280	Lease liabilities - current	6,524	-	5,765	-
2365	Refund liabilities - current	5,899	-	5,899	-
2399	Other current liabilities	48,384	-	28,186	-
21XX	Total current liabilities	<u>1,550,109</u>	<u>9</u>	<u>1,942,077</u>	<u>10</u>
	NON-CURRENT LIABILITIES				
2540	Long-term borrowings	450,636	3	1,369,746	8
2570	Deferred income tax liabilities	29,667	-	30,601	-
2580	Lease liabilities - non-current	17,709	-	21,530	-
2640	Net defined benefit liabilities - non-current	112,106	1	135,005	1
2650	Credit balance of investments accounted for using the equity method	330	-	-	-
2670	Other non-current liabilities	12,554	-	17,538	-
25XX	Total non-current liabilities	<u>623,002</u>	<u>4</u>	<u>1,574,420</u>	<u>9</u>
2XXX	Total liabilities	<u>2,173,111</u>	<u>13</u>	<u>3,516,497</u>	<u>19</u>
	EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
	Share Capital				
3110	Ordinary shares	5,937,438	36	5,937,438	31
3200	Capital Surplus	37,142	-	35,319	-
	Retained Earnings				
3310	Legal Reserve	2,223,200	14	1,906,008	10
3320	Special Reserve	565,379	3	565,379	3
3350	Unappropriated Earnings	4,511,018	28	5,139,359	27
3300	Total retained earnings	<u>7,299,597</u>	<u>45</u>	<u>7,610,746</u>	<u>40</u>
3400	Other equity	942,781	6	1,878,546	10
3XXX	Total equity	<u>14,216,958</u>	<u>87</u>	<u>15,462,049</u>	<u>81</u>
	TOTAL LIABILITIES AND EQUITY	<u>\$ 16,390,069</u>	<u>100</u>	<u>\$ 18,978,546</u>	<u>100</u>

ASIA POLYMER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

Code		2022		2021	
		Amount	%	Amount	%
4100	NET REVENUE	\$ 9,815,332	100	\$ 9,565,813	100
5110	OPERATING COSTS	<u>6,582,460</u>	<u>67</u>	<u>5,968,145</u>	<u>62</u>
5900	GROSS PROFIT	<u>3,232,872</u>	<u>33</u>	<u>3,597,668</u>	<u>38</u>
	OPERATING EXPENSES				
6100	Selling and marketing expenses	151,638	2	151,241	2
6200	General and administrative expenses	127,858	1	121,018	1
6300	Research and development expenses	<u>6,468</u>	<u>-</u>	<u>6,154</u>	<u>-</u>
6000	Total operating expenses	<u>285,964</u>	<u>3</u>	<u>278,413</u>	<u>3</u>
6900	PROFIT FROM OPERATIONS	<u>2,946,908</u>	<u>30</u>	<u>3,319,255</u>	<u>35</u>
	NON-OPERATING INCOME AND EXPENSES				
7100	Interest income	11,475	-	4,381	-
7010	Other income	364,988	4	268,292	3
7020	Other gains and losses	(23,569)	-	105,050	1
7510	Interest expense	(10,311)	-	(22,743)	-
7060	Share of profit or loss of associates	(<u>1,471,720</u>)	(<u>15</u>)	<u>63,971</u>	<u>-</u>
7000	Total non-operating income and expenses	(<u>1,129,137</u>)	(<u>11</u>)	<u>418,951</u>	<u>4</u>
7900	PROFIT BEFORE INCOME TAX	1,817,771	19	3,738,206	39
7950	INCOME TAX EXPENSE	<u>370,402</u>	<u>4</u>	<u>637,079</u>	<u>7</u>
8200	NET PROFIT FOR THE YEAR	<u>1,447,369</u>	<u>15</u>	<u>3,101,127</u>	<u>32</u>
	OTHER COMPREHENSIVE INCOME (LOSS)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	\$ 11,338	-	(\$ 1,434)	-
8316	Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	(1,030,919)	(11)	959,622	10

(Continued)

(Continued)

Code		2022		2021	
		Amount	%	Amount	%
8330	Share of the other comprehensive income (loss) of associates accounted for using the equity method	(22,163)	-	37,768	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(1,864)	-	(2,572)	-
8310		(1,043,608)	(11)	993,384	10
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange Differences on Translating the Financial Statements of Foreign Operations	150,506	1	(49,087)	-
8370	Share of the other comprehensive income (loss) of associates accounted for using the equity method	10,152	-	(6,262)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(30,101)	-	9,817	-
8360		130,557	1	(45,532)	-
8300	Other comprehensive income (loss) for the year, net of income tax	(913,051)	(10)	947,852	10
8500	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$ 534,318</u>	<u>5</u>	<u>\$ 4,048,979</u>	<u>42</u>
	EARNINGS PER SHARE				
9710	Basic	<u>\$ 2.44</u>		<u>\$ 5.22</u>	
9810	Diluted	<u>\$ 2.43</u>		<u>\$ 5.21</u>	

ASIA POLYMER CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

		EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						Other equity		
		Share Capital		Retained Earnings			Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Total Equity	
Code		Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings			
A1	BALANCE AT JANUARY 1, 2021	582,101	\$ 5,821,018	\$ 33,272	\$ 1,798,210	\$ 565,379	\$ 2,890,180	(\$ 194,428)	\$ 1,195,914	\$ 12,109,545
	Appropriation of the 2020 earnings									
B1	Legal reserve	-	-	-	107,798	-	(107,798)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(698,522)	-	-	(698,522)
B9	Ordinary share dividends	11,642	116,420	-	-	-	(116,420)	-	-	-
C3	Reclassification of past dividends to capital surplus	-	-	1,913	-	-	-	-	-	1,913
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	134	-	-	-	-	-	134
D1	Net profit for the year ended December 31, 2021	-	-	-	-	-	3,101,127	-	-	3,101,127
D3	Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	(1,390)	(45,532)	994,774	947,852
D5	Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	3,099,737	(45,532)	994,774	4,048,979
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	72,182	-	(72,182)	-
Z1	BALANCE AT DECEMBER 31, 2021	593,743	5,937,438	35,319	1,906,008	565,379	5,139,359	(239,960)	2,118,506	15,462,049
	Appropriation of the 2021 earnings									
B1	Legal reserve	-	-	-	317,192	-	(317,192)	-	-	-
B5	Cash dividends distributed	-	-	-	-	-	(1,781,232)	-	-	(1,781,232)
B9	Share dividends distributed	-	-	-	-	-	-	-	-	-
C3	Reclassification of past dividends to capital surplus	-	-	1,494	-	-	-	-	-	1,494
C7	Changes in capital surplus from investments in associates accounted for using the equity method	-	-	329	-	-	111	-	(111)	329
D1	Net profit for the year ended December 31, 2022	-	-	-	-	-	1,447,369	-	-	1,447,369
D3	Other comprehensive income (loss) for the year ended December 31, 2022, net of income tax	-	-	-	-	-	22,413	130,557	(1,066,021)	(913,051)
D5	Total comprehensive income (loss) for the year ended December 31, 2022	-	-	-	-	-	1,469,782	130,557	(1,066,021)	534,318
Q1	Disposal of investments in equity instruments designated as at fair value through other comprehensive income	-	-	-	-	-	190	-	(190)	-
Z1	BALANCE AT DECEMBER 31, 2022	593,743	\$ 5,937,438	\$ 37,142	\$ 2,223,200	\$ 565,379	\$ 4,511,018	(\$ 109,403)	\$ 1,052,184	\$ 14,216,958

ASIA POLYMER CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In Thousands of New Taiwan Dollars)

Code		2022	2021
	CASH FLOWS FROM OPERATING		
	ACTIVITIES		
A10000	Income before income tax	\$ 1,817,771	\$ 3,738,206
A20010	Adjustments for:		
A20100	Depreciation expenses	305,172	312,426
A20200	Amortization expenses	35	18
A20400	Net loss on fair value change of financial assets at fair value through profit or loss	93,817	3,385
A20900	Interest expense	10,311	22,743
A21200	Interest income	(11,475)	(4,381)
A21300	Dividend income	(295,798)	(204,242)
A22300	Share of profit or loss of associates	1,471,720	(63,971)
A23700	Loss on write-down of inventories	628	757
A24100	Net (gain) loss on foreign currency exchange	(112)	4,640
A30000	Changes in operating assets and liabilities		
A31115	Financial assets mandatorily classified as at fair value through profit or loss	527,273	(39,300)
A31150	Accounts receivable	120,853	(444,791)
A31160	Accounts receivable from related parties	225,846	(231,036)
A31180	Other receivables	17,479	(13,369)
A31190	Other receivables from related parties	(1,767)	196
A31200	Inventories	42,615	(272,719)
A31230	Prepayments	(16,753)	(23,972)
A32150	Accounts payable	40,717	(20,153)
A32160	Accounts payable from related parties	(25,749)	30,700
A32180	Other payables	(14,219)	38,300
A32190	Other payables from related parties	(28,813)	156,577
A32230	Other current liabilities	18,263	(14,000)
A32240	Net defined benefit liabilities - non-current	(11,561)	(21,486)
A33000	Cash generated from operations	4,286,253	2,954,528
A33100	Interest received	10,913	4,486
A33300	Interest paid	(10,870)	(23,927)
A33500	Income tax paid	(663,597)	(188,553)
AAAA	Net cash generated from operating activities	3,622,699	2,746,534

(Continued)

(Continued)

Code		2022	2021
	CASH FLOWS FROM INVESTING ACTIVITIES		
B00010	Purchase of financial assets at fair value through other comprehensive income - current	\$ -	(\$ 1,234)
B00020	Proceeds from sale of financial assets at fair value through other comprehensive income	216	100,201
B00030	Capital reduction of financial assets at fair value through other comprehensive income	19,237	20,897
B01800	Acquisition of associates	(13,203)	(22,500)
B02700	Payments for property, plant and equipment	(258,519)	(403,612)
B04500	Payments for intangible assets	(479)	-
B05400	Payments for investment properties	(2,214)	-
B07600	Dividends received	420,987	294,432
B09900	Decrease in other non-current assets	<u>8,348</u>	<u>6,655</u>
BBBB	Net cash generated from (used in) investing activities	<u>174,373</u>	<u>(5,161)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES		
C00200	Repayments of short-term borrowings	(380,000)	(200,000)
C01600	Proceeds from long-term borrowings	3,128,884	9,475,000
C01700	Repayments of long-term borrowings	(4,050,000)	(11,150,000)
C03100	Decrease in refundable deposits	1,935	1,109
C04020	Repayment of the principal portion of lease liabilities	(6,096)	(6,263)
C04400	Decrease in other non-current liabilities	(4,984)	(503)
C04500	Dividends paid to owners of the Group	<u>(1,782,659)</u>	<u>(698,597)</u>
CCCC	Net cash used in financing activities	<u>(3,092,920)</u>	<u>(2,579,254)</u>
DDDD	EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>13,882</u>	<u>(3,827)</u>
EEEE	NET INCREASE IN CASH AND CASH EQUIVALENTS	718,034	158,292
E00100	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>763,936</u>	<u>605,644</u>
E00200	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,481,970</u>	<u>\$ 763,936</u>

Matters for Ratification and Discussion:

Proposal 2

Proposed by the Board

Description : 1. In 2022, the net profit was NT\$ 1,470,082,597. After appropriating NT\$ 147,008,260 as the legal reserve, the distributable net profit of 2022 is NT\$ 1,323,074,337. By the end of 2022, the accumulated distributable earnings is NT\$ 4,364,008,696 and will be distributed cash dividend NT\$ 712,492,702, i.e. NT\$1.2 per share.

The unappropriated earnings after distribution will be NT\$ 3,651,515,994.

2. Please refer to next page, “Profit Distribution Table”, for details.
3. According to this proposal, the profit of 2022 will first be distributed, and the insufficiency will be distributed from the profit of previous years.
4. The cash dividends allocated to each shareholder shall be rounded down to a whole dollar amount of New Taiwan Dollars, and the total amount of allocation will be subject to the actual amount allocated.
5. Please authorize the Chairman to set a target date for the distribution of cash dividends after the adoption of this proposal.

Resolution:

Asia Polymer Corporation 2022 Profit Distribution Table

	expressed in NTD
Net profit before tax of 2022	1,812,637,897
Less: Income tax	<u>(365,268,708)</u>
Net profit of 2022	1,447,369,189
Add: Measuring the gain of equity instruments by fair value through other comprehensive gains and losses	301,205
Add: Retained earnings adjusted for the defined benefit plan after re-measurement	<u>22,412,203</u>
Earnings after tax of 2022	1,470,082,597
Less: Legal reserve	<u>(147,008,260)</u>
Distributable net profit of 2022	1,323,074,337
Add: Beginning unappropriated earnings	<u>3,040,934,359</u>
Accumulated distributable earnings at the end of 2022	<u><u>4,364,008,696</u></u>
Distributable items: (total issued shares: 593,743,919)	
Cash dividend: 1.2/share	<u>712,492,702</u>
Total of distributable items	<u>712,492,702</u>
Unappropriated earnings at the end of 2022 transferred to the next year	<u><u>3,651,515,994</u></u>

Chairperson: Yih-Guei Wu President: Pei-Ji Wu Chief Accounting Officer: Cheng-shun Chen

Matters for Ratification and Discussion:

Proposal 3

Proposed by the Board

To approve the amendment to the “Articles of Incorporation”.

Description :

1. In order to make the company's method of convening shareholders' meetings can be held by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Articles of Incorporation”.
2. The amendment to the “Articles of Incorporation” is shown in the next page.

Resolution :

Asia Polymer Corporation

The Amendment to the “Articles of Incorporation”

After amendment	Before amendment	Description
<p>Article 8-1: <u>Shareholders’ meeting of the company can be held by video conferencing or other methods announced by the central competent authority.</u></p>		<p>1. New provisions added. 2 It proclaim that the shareholders' meeting can be held by video conferencing.</p>
<p>Article 9: Resolutions at a shareholders’ meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of <u>writing or electronic transmission</u> shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.</p>	<p>Article 9: Resolutions at a shareholders’ meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.</p>	<p>In order to cooperate with the current shareholder services affairs operation, the text shall be revised as appropriate.</p>
<p>Article 17-1: The Company <u>shall</u> purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.</p>	<p>Article 17-1: The Company <u>may</u> purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.</p>	<p>Amended in accordance with the law.</p>
<p>Article 21: The Articles of Incorporation was established on November 30, 1976. (following content omitted) <u>36th amendments hereto were made on May 30, 2023.</u></p>	<p>Article 21: The Articles of Incorporation was established on November 30, 1976. (following content omitted) <u>35th amendments hereto were made on June 24, 2019.</u></p>	<p>Add the revision date.</p>

Matters for Ratification and Discussion:

Proposal 4

Proposed by the Board

To approve the amendment to the “Parliamentary Rules for Shareholders’ Meetings”.

Description :

1. In order to add the relevant provisions of the shareholders' meeting to be convened by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Parliamentary Rules for Shareholders' Meetings” .
2. The amendment to the “Parliamentary Rules for Shareholders' Meetings” is shown in the next page.

Resolution :

Asia Polymer Corporation
The Amendment to the “Parliamentary Rules for Shareholders’
Meetings”

After amendment	Before amendment	Description
<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. <u>Any changes to the convening of a shareholders meeting shall be resolved by the board meeting, which should be completed at the latest before the notice of the shareholders meeting is sent.</u> This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, <u>and the shareholders meeting agenda and supplemental meeting materials,</u> and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation. <u>The abovementioned meeting agenda and supplementary materials shall be made available by this Corporation to</u></p>	<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. <u>This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting.</u> In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation <u>and distributed on-site at the meeting place.</u> The reasons for convening a shareholders meeting shall be specified in the meeting</p>	<p>1. Revised with respect to the legal amendments and business practices. 2. In accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies (referred to as the Regulations Governing the Administration of Shareholder Services) and the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings (referred to as the Sample Template) issued by the Taiwan Stock Exchange Corporation, add the methods of providing the meeting agenda and supplementary materials for the shareholders meeting that is convened through video conferencing. 3. In terms of the operations and procedures for</p>

<p><u>shareholders in the following ways on the day of the shareholders meeting:</u></p> <ol style="list-style-type: none"> <u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u> <u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the video conferencing platform.</u> <u>3. For virtual-only shareholders meetings, electronic documents should be shared on the video conferencing platform.</u> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and publish, and the main contents for the reason should be listed and explained according to law, and shall not be raised by an extraordinary motion. If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their</p>	<p>notice and public.</p> <p><u>Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with this Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, or demerger of the corporation, any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the subjects to be described and the essential contents shall be explained in the notice to convene the shareholders meeting.</u> None of the above matters may be raised by an extraordinary motion.</p> <p>If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. <u>A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of</u></p>	<p>shareholder services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
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<p>submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p>	<p><u>shareholders by the board of directors.</u> In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p><u>Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</u></p>	
<p>Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall</p>	<p>Article 4: For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p> <p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the requirements for a meeting which the shareholder wishes to</p>

<p>deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>Should the shareholder decide to attend the shareholders meeting by video conferencing after a proxy form has been received by this Corporation, a written notice of proxy cancellation shall be sent to this Corporation 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>attend through video conferencing if this Corporation convenes a shareholders meeting by video conferencing.</p>
<p>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p> <p><u>The restriction on the place of the meeting shall not apply when this Corporation convenes a virtual-only.</u></p>	<p>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add that the restriction on the place of the meeting shall not apply when this Corporation convenes a virtual-only.</p>
<p>Article 6: (Preparation of documents such as the attendance book)</p> <p>This Corporation shall specify in its</p>	<p>Article 6: (Preparation of documents such as the attendance book)</p> <p>This Corporation shall specify in its</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services</p>

<p>shareholders meeting notices the time during which shareholder, <u>solicitors and proxies (collectively "shareholders")</u> attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><u>Registering to the video conferencing platform of the shareholders meeting should be completed at least 30 minutes before the meeting starts, those who complete the registration process are considered to have attended the meeting in person.</u></p> <p>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.</p> <p>This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic</p>	<p>shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><u>Shareholders and their proxies (collectively "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.</u> Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.</p> <p>This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	<p>and the Sample Template, add the requirements for check-in and registration of shareholders attending the shareholders meeting through video conferencing and the disclosure of meeting materials if this Corporation convenes a shareholders meeting by video conferencing.</p>
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<p>person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>For shareholders meetings that are held by video conferencing, shareholders who would like to attend the video conferencing of shareholders meeting should register with this Corporation at least two days before the shareholders meeting.</u></p> <p><u>For shareholders meetings that are held by video conferencing, this Corporation shall upload the meeting agenda, annual report and other relevant information to the video conferencing platform 30 minutes before the shareholders meeting, and keep this information disclosed until the end of the meeting.</u></p>		
<p><u>Article 6-1:</u> <u>(Matters to be included in the notice for the shareholders meeting conducted via video conferencing)</u></p> <p><u>The shareholders meeting notice should specify the following matters if the meeting is also made available through video conferencing:</u></p> <p><u>1. Methods of participation in the meeting through video conferencing and for exercising their rights.</u></p> <p><u>2. The handling of issues with the video conferencing platform or participation in the video conference due to natural disasters, incidents or other force majeure events.</u></p> <p><u>3. Other matters as required by law.</u></p>		<p>1. This article adds.</p> <p>2 In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add items that should be specified in the meeting notice if this Corporation convenes a shareholders meeting by video conferencing.</p>
<p>Article 7: (The chair and non-voting participants of a shareholders meeting)</p> <p>If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board.</p> <p>When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice</p>	<p>Article 7: (The chair and non-voting participants of a shareholders meeting)</p> <p>If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board.</p> <p>When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice</p>	<p>In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

<p>chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors 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.</p> <p>This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.</p>	<p>chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors 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.</p> <p><u>When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of this Corporation.</u></p> <p><u>It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by the directors. The attendance shall be recorded in the meeting minutes.</u></p> <p><u>If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.</u></p> <p>This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.</p>	
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<p>Article 8: (Documentation of a shareholders meeting by audio or video) This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation. <u>For the shareholders meetings held by video conferencing, this Corporation shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting.</u> <u>The abovementioned materials and audio and video recordings shall be properly retained by this Corporation during the period of existence.</u></p>	<p>Article 8: (Documentation of a shareholders meeting by audio or video) This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the requirements for audio and video recording needed for video conferencing meetings if this Corporation convenes a shareholders meeting by video conferencing.</p>
<p>Article 9: Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book <u>and number of shares represented as checked in to the video conferencing meeting platform</u>, and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of</p>	<p>Article 9: Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc. However, when the attending shareholders do not represent a</p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the calculation method for the number of shares present if this Corporation convenes a shareholders meeting by video conferencing.</p>

<p>non-voting shares and the number of shares in attendance, etc. 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 1 hour, may be made.</p>	<p>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 1 hour, may be made. <u>If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</u> <u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</u> <u>When, prior to 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.</u></p>	<p>2. In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
<p>Article 10: (Discussion of proposals) If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. The chair may not declare the meeting adjourned prior to completion of</p>	<p>Article 10: (Discussion of proposals) If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. <u>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders</u></p>	<p>In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

<p>deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</p> <p>When the chair is of the opinion that a proposal and of amendments or extraordinary motions has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and <u>Specify the voting time, and that the shareholders present should complete voting before the voting time ends.</u></p>	<p><u>meeting convened by a party with the power to convene that is not the board of directors.</u></p> <p><u>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</u></p> <p><u>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. The time for voting shall be sufficient.</u></p>	
<p>Article 11: (Shareholder speech)</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p>	<p>Article 11: (Shareholder speech)</p> <p>Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the methods, procedures and restrictions for shareholders asking questions if this Corporation convenes a shareholders meeting by video conferencing.</p>

<p>Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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 3 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>For the shareholders meetings held by video conferencing, the shareholders who attend the meeting by video conferencing may raise their questions in text on the video conferencing platform after the chair announces the start of the meeting and before the chair announces the ending of the meeting. A shareholder may not raise their questions more than twice for a single motion, and each question is limited to 200 words.</u></p>	<p>Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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 3 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair <u>and the shareholder that has the floor</u>; the chair shall stop any violation.</p> <p>When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	
<p>Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting</p>	<p>Article 13: A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act. When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by</p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the relevant regulations for resolutions on various motions and</p>

<p>rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person <u>or by video conferencing</u>, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the</p>	<p>correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail. Except as otherwise provided in the Company Act and in this Corporation's</p>	<p>voting if this Corporation convenes a shareholders meeting by video conferencing.</p> <p>2. Text Correction.</p>
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<p>Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.</p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> <p><u>After the chair announces the start of the meeting, the shareholders who participate in the meeting through video conferencing shall conduct voting on various motions and election through the video conferencing platform, and must complete the voting before the chair announces the close of voting. Those who do not complete the voting before the announced</u></p>	<p>articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.</p> <p><u>After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p>Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	
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<p><u>ending time are considered abstention.</u> <u>For the shareholders meetings held by video conferencing, the votes shall be counted once after the chair announces the close of voting, and the results of the voting and election will be announced.</u></p>		
<p>Article 16: (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies <u>and number of shares whose voting rights are exercised by correspondence or electronically</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>For shareholders meetings that are held by video conferencing, this Corporation shall upload the above information to the video conferencing platform 30 minutes before the shareholders meeting, and keep it disclosed until the end of the meeting.</u> <u>When the shareholders meeting by video conferencing is announced to start, the number of voting rights of the attending shareholders shall be disclosed on the video conferencing platform. The same applies to when the total number of shares of the shareholders in attendance and a new tally of votes is released during the meeting.</u></p>	<p>Article 16: (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the relevant regulations on the disclosure of the number of shares present if this Corporation convenes a shareholders meeting by video conferencing.</p> <p>2 In terms of the operations and procedures for shareholder services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
<p>Article 18: (Recess and resumption of a shareholders meeting) When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances,</p>	<p>Article 18: (Recess and resumption of a shareholders meeting) When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the</p>	<p>In terms of the operations and procedures for shareholder services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

<p>the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p>	<p>meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p> <p><u>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.</u></p>	
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Matters for Ratification and Discussion:

Proposal 5

Proposed by the Board

To approve the amendment to the “Rules for Election of Directors”.

Description :

1. In order to add the relevant provisions of the shareholders' meeting to be convened by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Rules for Election of Directors” .
2. The amendment to the “Rules for Election of Directors” is shown in the next page.

Resolution :

Asia Polymer Corporation
The Amendment to the “Rules for Election of Directors”

After amendment	Before amendment	Description
<p>Article 6 (the above omitted) The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders’ meeting plus <u>written vote or e-votes</u>. (the rest omitted)</p>	<p>Article 6 (the above omitted) The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders’ meeting plus e-votes. (the rest omitted)</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>
<p>Article 10 <u>Electors should check only one of the candidates listed in the “To be Elected” field of each ballot. However, if shareholders exercise their votes in an electronic form, their voting shall be handled in accordance with the relevant laws and regulations of the competent authority.</u></p>	<p>Article 10 <u>The voters shall complete the relevant information based on the name list of candidates identified in the shareholders’ meeting handbook. Each ballot may enter only one candidate. When the candidate is a shareholder, please enter his/her account number and account name; otherwise, please enter the candidate’s name and ID No. When the candidate is a governmental organization or juristic person, the name of the governmental organization or juristic person shall be entered or both the name of the governmental organization or juristic person and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered. Shareholders may enter their seals to replace completion of the information about candidates referred to in the preceding paragraph.</u></p>	<p>Adjust the ballot format.</p>
<p>Article 11 A ballot is invalid under any of the following circumstances at the shareholders’ meeting: I. The ballot adopted is not that prepared pursuant to the Rules. II. A blank ballot <u>that has not been checked</u> is placed in the ballot box. III. The <u>checkmark</u> is unclear and indecipherable.</p>	<p>Article 11 A ballot is invalid under any of the following circumstances at the shareholders’ meeting: I. The ballot adopted is not that prepared pursuant to the Rules. II. A blank ballot is placed in the ballot box. III. The <u>writing</u> is unclear and indecipherable.</p>	<p>In line with the adjustment of the format of the ballot, the text shall be revised as appropriate.</p>

<p>IV. <u>The candidate that has been checked</u>, or the number of voting rights allotted is altered.</p> <p>V. Other words or marks are entered in addition to the information <u>checked</u> pursuant to the preceding Article and the number of voting rights allotted.</p> <p>VI. <u>There are more than two candidates on the same ballot.</u></p> <p>VII. <u>The total number of checked candidates exceeds the number of candidates to be elected.</u></p> <p>VIII. Total of voting rights allotted exceed the number of votes held by voters.</p> <p>Where the shareholders exercise their votes in <u>writing or</u> an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.</p>	<p>IV. <u>Names and related information of the candidates</u>, or the number of voting rights allotted is altered.</p> <p>V. <u>The check shows that the information completed pursuant to the preceding Article is inconsistent with the information related to the nominated candidate.</u></p> <p>VI. Other words or marks are entered in addition to the information <u>completed</u> pursuant to the preceding Article and the number of voting rights allotted.</p> <p>VII. <u>The candidate identified is not a candidate who is nominated, or the quota of candidates exceed the number of candidates to be elected.</u></p> <p>VIII. Total of voting rights allotted exceed the number of votes held by voters.</p> <p>Where the shareholders exercise their votes in an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.</p>	
<p>Article 13</p> <p>The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of <u>written vote or e-voting</u>, shall be announced by the chairperson on the site.</p>	<p>Article 13</p> <p>The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of e-voting, shall be announced by the chairperson on the site.</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>
<p>Article 15</p> <p>The ballots for the election cast on the site, together with the <u>written vote or</u> e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company in</p>	<p>Article 15</p> <p>The ballots for the election cast on the site, together with the e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company in</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>

<p>proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>	<p>proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</p>	
<p>Article 16 <u>If the shareholder meeting is held by video conferencing or other methods announced by the central competent authority, and there are other rules to be complied with as specified by the securities authority, the Company shall also comply with those rules.</u></p>	<p>Article 16</p>	<ol style="list-style-type: none"> 1. New provisions added. 2. Add that the Company shall comply with other relevant rules if the Company convenes a shareholder meeting by video conferencing.
<p>Article 16-1 Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.</p>	<p>Article 16 Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.</p>	<p>Order of clauses amended.</p>

Matters for Ratification and Discussion:

Proposal 6

Proposed by the Board

To approve the permission of directors for competitive actions.

Description : 1. Referring to Article 209 of the Company Act, “A director, who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.”

2. Directors of the Company engage in business within the scope of business of the Company are tabulated below. Without harming the interest of the Company, it is proposed to allow their act in accordance with the Company Act.

Name of Directors	Concurrent Employers	Title
Pei-Ji Wu (Representative of USIFE Investment Co., Ltd.)	USIG (Shanghai) Co., Ltd.	Chairman/ President
	USI Green Energy Corporation	Chairman
	USI Corporation	Director / President
	Golden Amber Enterprises Ltd., Swanlake Traders Ltd., USI (Hong Kong) Company Limited, USI Optronics Corporation,	Director

	USIFE Investment Co., Ltd., China General Plastics Corp., Union Polymer International Investment Corporation	
	Chong Loong Trading Co. Ltd.	President
Independent Director Shang-Hong Shen	Acrocyte Therapeutics Inc.	Director
Independent Director Dun-Qian Zheng	UPI Semiconductor Corp.	Director

Resolution :

III. Extemporaneous Motions

IV. Meeting Adjournment

Appendix 1

Asia Polymer Corporation Parliamentary Rules for Shareholders' Meetings (before amendment)

Amended on July 26, 2021

Article 1

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3

(Convening shareholders meetings and shareholders meeting notices)

Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and distributed on-site at the meeting place.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, or demerger of the corporation, any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the subjects to be described and the essential contents shall be explained in the notice to convene the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.

A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the

board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5

(Principles determining the time and place of a shareholders meeting)

The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 6

(Preparation of documents such as the attendance book)

This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7

(The chair and non-voting participants of a shareholders meeting)

If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the directors 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.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by the directors. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8

(Documentation of a shareholders meeting by audio or video)

This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9

Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc. 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 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

When, prior to 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.

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without

a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. The time for voting shall be sufficient.

Article 11

(Shareholder speech)

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

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

Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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 3 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12

(Calculation of voting shares and recusal system)

Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by

correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

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

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.

Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 14 (Election)

The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the numbers of votes with which they were elected and the names not-elected as directors and the number of votes obtained.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results of resolution (including a record made of the vote); where there is an election of directors, shall record the number of the vote for each candidate who is nominated and the minutes shall be retained for

the duration of the existence of this Corporation.

Article 16

(Public disclosure)

On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17

(Maintaining order at the meeting place)

Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18

(Recess and resumption of a shareholders meeting)

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19

These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 2

ASIA POLYMER CORPORATION Articles of Incorporation (before amendment)

Section 1. General Provisions

- Article 1: The Company is incorporated under the Company Act of the Republic of China and named “亞洲聚合股份有限公司” and “ASIA POLYMER CORPORATION” in English.
- Article 2: The scope of the Company’s business is specified as follows:
1. Manufacturing, Fabricating & Sales of Low Density Polyethylene Resins.
 2. Manufacturing, Fabricating & Sales of Medium Density Polyethylene Resins.
 3. Sales of High Density Polyethylene Resins.
 4. Sales of Linear Low Density Polyethylene Resins.
 5. Manufacturing, Fabricating & Sales of Ethylene Vinyl Acetate Copolymer Resins.
 6. Manufacturing & Sales of Degradable Plastic Resins.
 7. F113010 Wholesale of Machinery.
 8. ZZ99999 Other than business requiring special approval, any business not prohibited or restricted by laws or regulations.
- Article 2-1: The Company’s total investment may be exempted from the restriction for no more than 40% of the paid-in capital prescribed by Article 13 of the Company Act.
- Article 2-2: The Company may make endorsement/guarantee externally due to the Company’s business needs or investment needs. The endorsement/guarantee shall be signed by the Chairman on behalf of the Company and comply with the Company’s operating procedure for making endorsement/guarantee.
- Article 3: The Company’s head office is situated in Kaohsiung City, Taiwan, the R.O.C., and, when necessary, may set up branches, offices and factories considered by the Company as adequate for promoting its business.
- Article 4: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section 2. Stocks

- Article 5: The total capital stock of the Company shall be in the amount of NT\$6,200,000,000, divided into 620,000,000 common shares, at a par value of NT\$10 per share, and may be issued in installments.
- Article 5-1: For the shares to be issued to the public by the Company, the Company may be exempted from printing any share certificate for the shares issued, shall register the issued shares with a centralized securities depository enterprise, printing any share certificate for the shares issued. The Company’s share certificates shall be registered and affixed with the signatures or personal seals of the directors representing the Company, be assigned with serial numbers, and certified by the law prior to issuance.
- Article 6: The Company’s handling of it’s shareholders services shall comply with the “Regulations

Governing the Administration of Shareholder Services of Public Companies” prescribed by the competent securities authority’s.

Article 6-1: (Deleted)

Article 6-2: The transfer of shares shall not be registered within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within five (5) days prior to the record date fixed by the Company for distribution of dividends, bonus or other benefits.

Section 3. Shareholders’ Meeting

Article 7: (Deleted)

Article 8: Convening of a general shareholders’ meeting shall be notified thirty (30) days ago. Convening of a special shareholders’ meeting shall be notified fifteen (15) days ago.

Article 9: Resolutions at a shareholders’ meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.

Article 9-1: Where any shareholder fails to attend a shareholders’ meeting, he/she/it may appoint a proxy, pursuant to the Company Act and “Regulations Governing the Use of Proxies for Attendance at Shareholders’ Meeting of Public Companies”_prescribed by the competent securities authority’s, to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy.

Article 10: Unless otherwise provided for in under laws or the Articles, each of shares held by each shareholder shall have the right to one (1) vote.

Section 4. Directors and Audit Committee

Article 11: The Chairman of the Board of Directors shall be elected from among the directors pursuant to Article 208 of the Company Act. The chairman of the Board of Directors shall internally preside the shareholders' meeting and the directors' meeting, and shall externally represent the Company except as otherwise provided for in laws.

A candidates nomination system shall be adopted by the Company for election of independent directors and non-independent directors. The Company shall have 9~11 directors who shall be elected by the shareholders' meeting from among the name list of candidates.

The term of a Director is three years and may be eligible for re-election.

The total shares of the Company’s registered share certificates held by the whole directors shall be no less than the proportion prescribed by the Securities and Exchange Act.

Article 11-1: The directors referred to in the preceding Article shall include at least three (3) independent directors.

The professional qualifications, shares held, restrictions on concurrent positions held, method of nomination and election, and other matters for compliance with respect to

independent directors shall be governed by the competent securities authority's related regulations.

- Article 11-2: The Company shall establish an Audit Committee pursuant to the Securities and Exchange Act, which shall consist of all independent directors of the Company. The Audit Committee or the committee members shall be responsible for exercising a supervisor's power prescribed by the Company Act, Securities and Exchange Act, and other related laws.
- Article 11-3: The Company's Board of Directors may establish other functional committees. The articles of association thereof shall be established by the Board of Directors.
- Article 12: Directors' meetings shall be convened by the Chairman, except as otherwise provided for in laws. The convener shall notify each director of the agenda within seven (7) days prior to the meeting. However, in the case of emergency, the meeting may be convened at any time.
A directors' meeting may be convened in writing or by electronic transmission .
- Article 13: Where any director fails to attend a director s' meeting, he/she may authorize another director in writing to attend the directors' meeting on behalf of him/her pursuant to laws, provided that a director may accept the appointment to act as the proxy of one other director only. The documentation of the appointment form a part of the meeting minutes and shall be well preserved by the Company.
- Article 14: Resolutions at a directors' meeting shall, unless otherwise provided for in laws or the Articles, be adopted by a majority of eligible votes of the directors at a meeting attended by a majority of the whole directors.
- Article 15: The functions of the Board of Directors shall be implemented in accordance with the Company Act and other related laws.
- Article 15-1: The amounts of remuneration to directors shall be determined by the shareholders' meeting based on the rate prevailing in fellow companies and the directors' participation in and contribution to the Company's operation, regardless of whether or not the Company operates of profit. If a director serves other position concurrently in the Company, he/she may be remunerated with salary according to general standard.
- Article 15-2: The Board of Directors has set up a Secretariat of the Board dedicated to handling the affairs related to the Board of Directors.

Section 5. Managerial Personnel

- Article 16: Job title, appointment, discharge and remuneration of the Company's managerial personnel, if any, shall be decided by a majority of the directors present at a meeting attended by a majority of the whole directors.
- Article 17: The Company's managerial personnel shall process the Company's routine affairs per the resolution made by a directors' meeting.
- Article 17-1: The Company may purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.

Section 6. Final Accounts

Article 18: If the Company retains earnings in the current year, it shall allocate the compensation to directors and employees. The compensation to directors shall be no more than 1% of the earnings gained in the current year, while the compensation to employees shall be no less than 1% of the earnings. Notwithstanding, if the Company retains accumulated losses, it shall reserve the amount to be covered in advance.

Said compensation to employees may be allocated in the form of shares or in cash, compensation for employees may also be distributed to employees of companies controlled by or affiliated to this Company. The specific requirements shall be defined by the Board of Directors.

If the Company has net profits after tax according to its annual financial account, the Company may, after making up all past losses, set aside a 10% legal reserve from the remainder, if any. The remaining allocable earnings, if any, plus the accumulated unappropriated earnings for prior years and the balance after provision or reversal of special earnings required by the competent authority, shall be accumulated allocable earnings, which shall be allocated according to the proposal drafted by the Board of Directors and resolution made by a general shareholders' meeting duly. The shareholders' meeting may retain the earnings, in whole or in part, subject to the overview of business.

As the industry which the Company is engaged in refers to a matured industry, when resolving to allocate earnings, in consideration of the R&D needs and diversified business, the shareholders' dividend allocable shall be no less than 10% of the allocable earnings, including the cash dividend no less than 10% of the whole dividends. Notwithstanding, no dividend shall be allocated, if the allocable earnings per share is less than NT\$0.1.

Article 19: The Company's fiscal year shall commence from January 1 until December 31 of each year. The Board of Directors shall prepare the following reports at the end of each fiscal year and send them to the general shareholders' meeting for recognition:

1. Business report;
2. Financial statements;
3. Motion for allocation of earnings or covering of loss.

Section 7. Bylaw

Article 20: Any matters not covered herein shall be implemented in accordance with the Company Act and related laws of the R.O.C.

Article 21: The Articles of Incorporation was established on November 30, 1976. (following content omitted) 35th amendments hereto were made on June 24, 2019.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 3

Asia Polymer Corporation Rules for Election of Directors (before amendment)

June 24, 2019

Amendments hereto

- Article 1: The Company's directors shall be elected in accordance with the Rules.
- Article 2: Election of the Company's directors shall be conducted at a shareholders' meeting.
- Article 3: Unless otherwise provided in related laws, the Company's directors shall be elected by the shareholders' meeting from the name list of candidates.
- Article 4: Quota of the Company's directors shall be based on the quota defined in the Company's Articles of Incorporation and passed by the Board of Directors.
- Article 5: The election of the Company's directors shall adopt an open cumulative voting system. In the process of electing directors at a shareholders' meeting. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. The votes which is cast on the site at the shareholders' meeting. Attendance card numbers printed on the ballots may replace the names of voting shareholders. The voters' equity shall be based on the Company's roster of shareholders. Election of the Company's independent directors and non-independent directors shall adopt the candidate nomination system referred to in Article 192-1 of the Company Act.
- Article 6: The Company's independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elected. 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. The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders' meeting plus e-votes.
For the e-voting result referred to in the preceding paragraph, an entity which meets Article 44-6 of the Regulations Governing the Administration of Shareholder Services of Public Companies shall be commissioned to verify the shareholders' identity and votes and certify the statistics of votes prior to the shareholders' meeting.
- Article 7: The Board of Directors shall prepare ballots to be cast at the shareholders' meeting. The ballots shall be affixed with the Company's official seal, as well as the voters' attendance card number and number of votes.
Shareholders may choose to exercise their voting right in electronic form or by balloting on the site.
Shareholders who choose to exercise their voting right in an electronic form shall exercise the right on the e-voting platform designated by the Company.
- Article 8: The chairperson shall designate several monitoring and counting personnel prior to the election to perform their duty.
- Article 9: The ballot box and lot-drawing box at the shareholders' meeting shall be prepared by the Company and inspected by the monitoring personnel openly before the voting or lot drawing.
- Article 10: The voters shall complete the relevant information based on the name list of candidates identified in the shareholders' meeting handbook. Each ballot may enter only one candidate. If /When the candidate is a shareholder, please enter his/her account number and account name; otherwise, please enter the candidate's name and ID No. When the candidate is a governmental organization or juristic person, the name of the governmental organization or juristic person shall be entered or both the name of the governmental organization or juristic person and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered. Shareholders may enter their seals to replace completion of the information about candidates referred to in the preceding paragraph.
- Article 11: A ballot is invalid under any of the following circumstances at the shareholders' meeting:

- (I). The ballot adopted is not that prepared pursuant to the Rules.
- (II). A blank ballot is placed in the ballot box.
- (III). The writing is unclear and indecipherable.
- IV. Names and related information of the candidates, or the number of voting rights allotted is altered.
- V. The check shows that the information completed pursuant to the preceding Article is inconsistent with the information related to the nominated candidate.
- VI. Other words or marks are entered in addition to the information completed pursuant to the preceding Article and the number of voting rights allotted.
- VII. The candidate identified is not a candidate who is nominated, or the quota of candidates exceed the number of candidates to be elected.
- VIII. Total of voting rights allotted exceed the number of votes held by voters.

Where the shareholders exercise their votes in an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.

- Article 12: Where the total of voting rights allotted are less than the number of votes held by the voters, the decreased votes shall be waived.
- Article 13: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of e-voting, shall be announced by the chairperson on the site.
- Article 14: The Company shall issue notifications to the persons elected as directors.
- Article 15: The ballots for the election cast on the site, together with the e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.
- Article 16: Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.
- Article 17: The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.
- Article 18. In the event of any matters not covered herein, the Chinese version shall apply.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 4

ASIA POLYMER CORPORATION

Stake of Directors

Title	Name	Stake
Chairperson	Yi-Gui Wu (Representative of Union Polymer International Investment Corporation)	214,245,822
Director	Guo-Hong Li (Representative of Union Polymer International Investment Corporation)	
Director	Pei-Ji Wu (Representative of USIFE Investment Co., Ltd.)	1,714,180
Director	Hong-Chu Wu (Representative of USIFE Investment Co., Ltd.)	
Director	Yi-Shao Ke (Representative of Taiwan Union International Investment Corporation)	11,811,014
Independent Director	Da-Xiong Chen	0
Independent Director	Shang-Hong Shen	0
Independent Director	Dun-Qian Zheng	0
Independent Director	Chien-Ping Chen	0
Total Stake of Directors		227,771,016
Stake by Law of Directors		18,999,805

Note: 1. The said stake is the number of shares registered in the List of Shareholders dated by the book closure date (April 1) of the 2023 AGM.

2. The total issued shares of APC are 593,743,919 shares.

Appendix 5

The Impact of Stock Dividend Issuance on Business Performance, EPS, and ROE: No estimates should be disclosed as no financial forecast was made for 2023.

Item	Year	2023 (Estimates)	
Beginning paid-in capital		NT\$5,937,439,190	
Stock dividend of the year (Note 1)	Cash dividend per share	NT\$1.2	
	Stock dividend per share for capitalization with earnings.	0 share	
	Stock dividend per share for capitalization with capital reserve.	0 share	
Impact on business performance	Operating income	N/A (Note 2)	
	Rate of increase (decrease) of operating income YOY		
	Net profit after tax		
	Rate of increase (decrease) of net profit after tax YOY		
	EPS		
	Rate of increase (decrease) of EPS YOY		
	Average ROI (reciprocal of average price-earnings ratio (PER))		
Proposed EPS and PER	If issuing dividends in cash for capitalization with earnings		Proposed EPS
			Proposed annual average ROI
	If no capitalization with legal reserve		Proposed EPS
		Proposed annual average ROI	
	If issuing dividends in cash for capitalization with earnings without capitalization with legal reserve	Proposed EPS	
		Proposed annual average ROI	

Note 1: Dividend distribution for 2022 is shown according to the profit distribution proposal resolved by the Board on March 3, 2023.

Note 2: APC does not conduct open financial forecast of any kind, and the information relating to the impact on business performance, proposed EPS and PER are not applicable.

1. The company shall present all basic assumptions for estimates or proposed data.
2. Proposed EPS for issuing dividends in cash for capitalization with earnings.

$$= [\text{Net profit after tax} - \text{Imputed interest for cash dividends}^* \times (1 - \text{Tax rate})] \div [\text{Total Issued Shares by End of Year} - \text{Number of Shares with Dividends}^{**}]$$

Imputed interest for cash dividends* = Amount of capitalization with earnings x General interest rate for one-year loan

Number of Shares with Dividends**: The number of shares increased from the stock dividends in the previous year.
3. Annual PER: Annual Average Market Price Per Share ÷ EPA in the Annual Financial Statement

Chairperson:

Manager:

Case Officer:

Appendix 6

Description of shareholders proposals:

1. Referring to Article 172-1 of the Company Act: “Shareholder(s) holding one per cent (1%) or more of the total number of outstanding shares of a company may make a proposal for discussion at a general meeting of shareholders, provided that only one matter shall be allowed in each single proposal of not more than 300 words.”
2. The acceptance period of proposals from shareholders for the 2023 AGM is from March 26, 2023 to April 5, 2023. Announcement content was disclosed on the Market Observation Post System by law on March 15, 2023.
3. No proposal from shareholder was received during the said period.