

Stock Code: 1711



**Everlight
Chemical**

**Handbook for the
2023 General Shareholders Meeting
Everlight Chemical Industrial Corporation**

Convening method: entity shareholders
meeting

Time: May 25, 2023

Location: 3th Floor, No. 260, Section
2, Bade Road, Zhongshan
District, Taipei City, Taiwan
Central Pictures Bade Building

DISCLAIMER

THIS IS A TRANSLATION OF THE HANDBOOK FOR THE 2023 ANNUAL GENERAL SHAREHOLDERS MEETING (THE "HANDBOOK") OF EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION. (THE "COMPANY"). THIS TRANSLATION IS INTENDED FOR REFERENCE ONLY AND NOTHING ELSE, THE COMPANY HEREBY DISCLAIMS ANY AND ALL LIABILITIES WHATSOEVER FOR THE TRANSLATION. THE CHINESE TEXT OF THE AGENDA SHALL GOVERN ANY AND ALL MATTERS RELATED TO THE INTERPRETATION OF THE SUBJECT MATTER STATED HEREIN.

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Everlight Chemical Industrial Corporation

Meeting Procedure of 2023 General Shareholders Meeting

1. Call the Meeting to Order
2. Chairman's Address
3. Reports
4. Proposals
5. Discussions
6. Extemporaneous Motions
7. Adjournment

Everlight Chemical Industrial Corporation

Meeting Agenda of 2023 General Shareholders Meeting

Time: 9:00 AM, May 25, 2023

Location: 3th Floor, No. 260, Section 2, Bade Road, Zhongshan District, Taipei City, Taiwan
(Central Pictures Bade Building)

1. Reports

- (1) The Company's 2022 Business Report
- (2) The Company's 2022 Audit Committee's Review Report
- (3) The Company's 2022 Earnings Distribution of cash dividends Report
- (4) The Company's 2022 Remuneration to Employees and Directors Report
- (5) The Company's Sustainability ESG Policy Report

2. Proposals

- (1) Approval of 2022 closing statements

3. Discussions

- (1) The amendments to "Articles of Incorporation"
- (2) Discussion to approve the lifting of the Directors from non-competition restrictions

4. Extemporaneous Motions

5. Adjournment

Reports

Reports

1. The Company's 2022 Business Report

2022 Business Report, Everlight Chemical Industrial Corporation

(1) Implementation results of operating plan

The Company's consolidated operating revenue in 2022 was NT\$ 8,891,702k which was a decrease of 3%. In terms of operating income, the consolidated net income after tax was NT\$ 392,540k and EPS was NT\$ 0.68, which were decrease of 19% and 21% respectively.

(2) Budget execution status

Unit: NTD thousand

Account	Plan for the whole year	Actual amount	Achievement rate
Operating revenue	10,000,000	8,891,702	89%
Operating cost	7,757,000	6,896,531	91%
Operating gross profit	2,425,000	1,995,171	82%
Operating expense	1,715,000	1,614,415	94%
Operating profit	710,000	380,756	54%
Net income before tax	750,000	483,834	65%

(3) Analysis on revenue and expense and profitability

Unit: NTD thousand

Item		2022	2021	
Financial income and expense	Operating revenue	8,891,702	9,200,988	
	Operating cost	6,896,531	6,987,506	
	Operating gross profit	1,995,171	2,213,482	
	Operating expense	1,614,415	1,660,706	
	Operating profit	380,756	552,776	
	Net non-operating revenue	103,078	44,664	
	Net income before tax	483,834	597,440	
	Income tax expense	91,294	115,611	
	Net income after tax	392,540	481,829	
	EPS (TWD)	0.68	0.86	
Profitability Analysis	ROA	3.3%	3.8%	
	ROE	4.4%	5.5%	
	Percentage of paid-in capital	Operating profit	7.0%	10.1%
		Pre-tax income	8.8%	10.9%
	Profit margin	4.4%	5.2%	
EPS (TWD)	0.68	0.86		

(4) R&D status

Developing high-tech, high value-added chemical products and continuously improving ecological benefits are our R&D goals. R&D expense in 2022 was about TWD 370,000k which accounted for 4.1% of operating revenue. The specific results of R&D are as follows:

1) Intellectual property right:

In 2022, there were 4 patents granted. As of Feb. 2023, the accumulated patent number was 195.

2) New product R&D results of each business:

In 2022, the completed items of new products developed by each business are: 34 items of color chemicals, 2 items of specialty chemicals, 10 items of electronic chemicals, 0 item of pharmaceuticals and 1 item of toner, which are 47 items in total.

(5) Future Corporate Development Strategies

EVERLIGHT CHEMICAL INDUSTRIAL CORP.'s vision is to "become the high-tech chemistry industrial group contributing to people's lives". To enhance the life quality and health of people, we have been striving on the research and development of forward-looking chemicals and produce high-tech products to enable outstanding chemicals to bring happy lives to people, and contribute to the life quality of our employees, product competitiveness, and sustainable future, to fully fulfill our brand commitment of "Better Chemistry Better Life."

Chairman: Chen, Chien-Hsin



General manager: Chen, Wei-Wang



Accounting officer: Wong, Guo-Bin



Reports

2. The Company's 2022 Audit Committee's Review Report

Audit Committee's Review Report, Everlight Chemical Industrial Corporation

The Board of Directors has prepared the Company's 2022 Business Report, Financial Statements, and proposal for distribution of earnings, The CPAs, Tang Chia-Chien and Chen Ya-Ling, of KPMG Taiwan were retained to audit the Company's Financial Statements and have issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings distribution proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of the Company. According to relevant requirements of the Securities and Exchange Act and the Company Act, we hereby submit this report.

Yours sincerely

To

The Company's 2023 General Shareholders Meeting

Convener of Audit Committee, Wu, Chung-Fern



Committee, Yang, Way-Wen



Committee, Chang, Yuan-Jan



March 15, 2023

Reports

3. The Company's 2022 Earnings Distribution of cash dividends Report

- (1) According to Article 28 and Article 29 of the Articles of Incorporation, resolution of the company's board of directors on March 16, 2023, 10% of the earnings or NT\$45,769,877 shall be appropriated as legal reserve, followed by the appropriate of cash dividend to shareholders amounting to NT\$191,713,279 (at 3.5% dividend rate). Accordingly, each shareholder shall be entitled to cash dividend of NT\$350 for each lot of shareholding. Cash dividend released to the shareholders will be rounded to the nearest dollar and the fraction of a dollar will not be counted. As such, the exact amount of cash dividend will be based on the actual amount paid. In the event of change in the quantity of outstanding shares issued by the Company with consequential change in the dividend rate to shareholders, the Chairman of the Board will be authorized to handle related matters.
- (2) The proposal for the distribution of earnings in 2022 will be based on the earnings of the year.

Reports

4. The Company's 2022 Remuneration to Employees and Directors Report

(1) According to Article 27 of the Company's Articles of Incorporation, if the Company has profits in the current year, it shall appropriate 5% as employee remuneration and no more than 2% as director remuneration. However, when the Company still has accumulated losses, the amount for compensation should be retained in advance.

The parties whose remuneration is paid with stocks or cash defined in the preceding paragraph include the employees of the subordinate companies that are reported to and passed by the Board of Directors.

(2) The Company appropriates 5% of profit as the remuneration to employees, totaling NT\$24,194,064, 2% of profit as remuneration to directors (excluding independent directors) totaling NT\$9,677,625, which are both distributed in cash.

(3) The counterparties to be distributed with employee remuneration are those who have been on position before (and during) 2022 and are still on position on the day when the board passes the Motion of Earnings Distribution. No remuneration is paid to the employees of the subordinate companies.

Reports

5. The Company's Sustainability ESG Policy Report

The Company's Sustainability ESG Policy is "Do Our Part as a Global Citizen. Contribute to Protecting Our Planet ". It was approved and issued by the 8th meeting of the 18th Board of Directors on Nov.10, 2022, as attached.

Sustainability ESG Policy

Everlight Chemical realizes that it shall actively fulfill global citizen responsibilities as well as business objectives. We define our ESG Policy as :

Do Our Part as a Global Citizen

Contribute to Protecting Our Planet

And adopt the following guidelines:

Environmental

1. Environmental Management: give top priority to environmental protection and implement the ISO 14001 Environmental Management System.
2. Green Chemistry: emphasize on eco-efficiency and environmental impact reduction.
3. Zero-Carbon Economy: promote a carbon-neutral economy and treasure the planet's resources.

Social

1. Happiness Enterprise: share business profits with, and enrich the lives of employees.
2. Community Engagement: participate in community caring and education.
3. Contribution to Society: engage in philanthropy and public services to promote healthy and harmonious societies.

Governance

1. Business by Integrity: conduct business with integrity and compliance, value honesty, and adhere to contracts and commitments.
2. Shareholder Interests: create value for, safeguard interests of, and respect input from shareholders.
3. Organizational Resilience: strengthen finance and prepare against potential risks to ensure business continuity.



Chairman of the board

2022/11/10 Issued

Proposals

Proposals

Motion 1

Proposal of the Board of Directors

Subject: Approval of 2022 closing statements

Explanation: (1) The Business Report, Financial Statements (including consolidated financial statements), and proposal for distribution of earnings were compiled by the Board and Financial Statements audited by the CPAs, Tang Chia-Chien and Chen Ya-Ling of KPMG Taiwan. Referred to the Auditing Committee for review, which was deemed in compliance with the Company Act, and are presented for recognition.

(2) For information on the Business Report, refer to p.3-4 of The Handbook. The Auditing Committee's Review Report is exhibited on p.5 of The Handbook. The Financial Statements are exhibited on p.11-25. The proposal for the distribution of earnings is exhibited on p.26.

Resolutions:

Independent Auditors' Report

To the Board of Directors of Everlight Chemical Industrial Corporation:

Opinion

We have audited the consolidated financial statements of Everlight Chemical Industrial Corporation and its subsidiaries (“the Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 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 with the International Financial Reporting Standards (“IFRSs”), International Accounting Standards (“IASs”), Interpretation developed by the International Financial Reporting Interpretations Committee (“IFRIC”) or the former Standing Interpretations Committee (“SIC”) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of 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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements 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. In our judgment, the key audit matters we communicated in the auditors' report were are follows:

- Valuation of accounts receivable

Please refer to Note 4(g) “Financial Instruments” for accounting policy, Note 5 for accounting assumption, judgments and estimation uncertainty of accounts receivable and Note 6(c) for the disclosure of the valuation of accounts receivable to the consolidated financial statements.

Description of key audit matters

Given the challenging economic climate, the risk of receivables recovery remains high, resulting in significant judgment being applied in the management's assessment of the recoverability of accounts receivable. Consequently, this is one of the key judgmental areas of our audit.

How the matter was addressed in our audit

Our major audit procedures included testing the adequacy of the formula of the calculation for the expected loss rate; testing the adequacy of aging report by tracing to related vouchers; evaluating the appropriateness of loss allowance and expected credit loss by testing if the loss allowance was made by expected loss rate; assessing if the evaluation document of loss allowance for accounts receivable was compliance with the Group's accounting policy; evaluating the adequacy of the disclosure of loss allowance for accounts receivable prepared by management.

Other Matter

Everlight Chemical Industrial Corporation has prepared its parent-company-only financial statements 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 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of 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 Standards on Auditing of 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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 review resulting in this independent auditors' report are Chia-Chien Tang and Ya-Ling Chen.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

Notes to Readers

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

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

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(Expressed in Thousands New Taiwan Dollars)

		<u>December 31, 2022</u>		<u>December 31, 2021</u>				<u>December 31, 2022</u>		<u>December 31, 2021</u>	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets						Liabilities and Equity					
Current assets :						Current liabilities					
1100	Cash and cash equivalents	\$ 1,215,150	9	1,449,753	10	2100	Short-term borrowings	\$ 1,665,417	13	2,056,402	15
1110	Financial assets at fair value through profit or loss-current	4,020	-	60,247	-	2322	Long-term borrowings, current portion	12,500	-	-	-
1136	Financial assets at amortized cost-current	-	-	3,502	-	2151	Notes payable	89,065	1	238,909	2
1150	Notes receivable, net	188,005	2	215,955	2	2170	Accounts payable	341,564	3	329,088	2
1170	Accounts receivable, net	1,346,800	10	1,626,491	12	2209	Other payable	502,833	4	535,475	4
130X	Inventories	3,970,872	30	3,530,338	25	2213	Payable on equipment	36,334	-	43,062	-
1476	Other current financial assets	64,518	-	26,809	-	2230	Current tax liabilities	41,077	-	132,267	1
1479	Other current assets	<u>114,841</u>	<u>1</u>	<u>123,755</u>	<u>1</u>	2280	Lease liabilities-current	35,421	-	29,830	-
	Total current assets	<u>6,904,206</u>	<u>52</u>	<u>7,036,850</u>	<u>50</u>	2399	Other current liabilities	<u>45,038</u>	<u>-</u>	<u>52,528</u>	<u>-</u>
Non-current assets:						Total current liabilities		<u>2,769,249</u>	<u>21</u>	<u>3,417,561</u>	<u>24</u>
1517	Financial assets at fair value through other comprehensive income-non-current	956,411	7	1,529,864	11	Non-current liabilities:					
1550	Investments accounted for using equity method	133,663	1	124,163	1	2540	Long-term borrowings	1,087,500	8	1,000,000	7
1600	Property, plant and equipment	4,541,097	35	4,891,430	34	2570	Deferred tax liabilities	95,327	1	86,879	1
1755	Right-of-use-assets	279,846	2	284,560	2	2580	Lease liabilities non-current	233,814	2	241,777	2
1780	Intangible assets	151,334	2	115,756	1	2640	Net defined benefit liability	75,952	1	217,449	2
1840	Deferred tax assets	59,464	-	109,394	1	2670	Other non-current liabilities	<u>63,964</u>	<u>-</u>	<u>66,330</u>	<u>-</u>
1915	Prepayments for equipment	89,671	1	28,808	-	Total non-current liabilities		<u>1,556,557</u>	<u>12</u>	<u>1,612,435</u>	<u>12</u>
1980	Other non-current financial assets	3,387	-	3,542	-	Total liabilities		<u>4,325,806</u>	<u>33</u>	<u>5,029,996</u>	<u>36</u>
1990	Other non-current assets	<u>13,424</u>	<u>-</u>	<u>11,903</u>	<u>-</u>	Equity attributable to owners of parent:					
	Total non-current assets	<u>6,228,297</u>	<u>48</u>	<u>7,099,420</u>	<u>50</u>	3100	Common shares	5,477,522	42	5,477,522	39
						3200	Capital surplus	474,558	3	474,558	3
						3300	Retained earnings	2,432,588	19	2,248,765	16
						3400	Other equity	<u>70,404</u>	<u>1</u>	<u>605,295</u>	<u>4</u>
							Total equity attributable to owners of parent	<u>8,455,072</u>	<u>65</u>	<u>8,806,140</u>	<u>62</u>
						36XX	Non-controlling interests	<u>351,625</u>	<u>2</u>	<u>300,134</u>	<u>2</u>
							Total equity	<u>8,806,697</u>	<u>67</u>	<u>9,106,274</u>	<u>64</u>
							Total liabilities and equity	<u>\$ 13,132,503</u>	<u>100</u>	<u>14,136,270</u>	<u>100</u>
	Total assets	<u>\$ 13,132,503</u>	<u>100</u>	<u>14,136,270</u>	<u>100</u>						

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION AND SUBSIDIARIES

Consolidated Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

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

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenue	\$ 8,891,702	100	9,200,988	100
5000 Operating costs	<u>6,896,531</u>	<u>78</u>	<u>6,987,506</u>	<u>76</u>
5950 Gross profit from operations	<u>1,995,171</u>	<u>22</u>	<u>2,213,482</u>	<u>24</u>
6000 Operating expenses:				
6100 Selling expenses	929,839	10	934,288	10
6200 Administrative expenses	323,399	4	318,048	4
6300 Research and development expenses	368,250	4	396,708	4
6450 Expected credit loss (gain)	<u>(7,073)</u>	<u>-</u>	<u>11,662</u>	<u>-</u>
Total operating expenses	<u>1,614,415</u>	<u>18</u>	<u>1,660,706</u>	<u>18</u>
6900 Net operating income	<u>380,756</u>	<u>4</u>	<u>552,776</u>	<u>6</u>
7000 Non-operating income and expenses:				
7100 Interest income	5,157	-	4,115	-
7010 Other income	47,198	1	39,880	-
7020 Other gains and losses	114,324	1	37,990	-
7050 Finance costs	(71,084)	(1)	(48,580)	-
7060 Share of gains of associates accounted for using equity method	<u>7,483</u>	<u>-</u>	<u>11,259</u>	<u>-</u>
Total non-operating income and expense	<u>103,078</u>	<u>1</u>	<u>44,664</u>	<u>-</u>
7900 Income before income tax	483,834	5	597,440	6
7951 Income tax expenses	<u>91,294</u>	<u>1</u>	<u>115,611</u>	<u>1</u>
8200 Net income	<u>392,540</u>	<u>4</u>	<u>481,829</u>	<u>5</u>
8300 Other comprehensive income:				
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	91,523	1	(99,235)	(1)
8316 Unrealized gains from financial assets measured at fair value through other comprehensive income	(577,674)	(6)	509,493	6
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	<u>(18,304)</u>	<u>-</u>	<u>19,847</u>	<u>-</u>
Total components of other comprehensive income (loss) that will not be reclassified to profit or loss	<u>(504,455)</u>	<u>(5)</u>	<u>430,105</u>	<u>5</u>
8360 Components of other comprehensive income that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	79,066	1	(23,936)	-
8370 Share of other comprehensive income of associates accounted for using equity method	(1,976)	-	1,164	-
8399 Income tax related to components of other comprehensive income that will be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total components of other comprehensive income (loss) that will be reclassified to profit or loss	<u>77,090</u>	<u>1</u>	<u>(22,772)</u>	<u>-</u>
8300 Other comprehensive income (after tax)	<u>(427,365)</u>	<u>(4)</u>	<u>407,333</u>	<u>5</u>
8500 Total comprehensive income	<u>\$ (34,825)</u>	<u>-</u>	<u>889,162</u>	<u>10</u>
Profit attributable to:				
8610 Owners of parent	\$ 374,432	4	472,970	5
8620 Non-controlling interests	<u>18,108</u>	<u>-</u>	<u>8,859</u>	<u>-</u>
	<u>\$ 392,540</u>	<u>4</u>	<u>481,829</u>	<u>5</u>
Comprehensive income attributable to:				
8710 Owners of parent	\$ (77,192)	-	883,162	10
8720 Non-controlling interests	<u>42,367</u>	<u>-</u>	<u>6,000</u>	<u>-</u>
	<u>\$ (34,825)</u>	<u>-</u>	<u>889,162</u>	<u>10</u>
9750 Basic earnings per share (expressed in New Taiwan dollars) Diluted	<u>\$ 0.68</u>		<u>0.86</u>	
9850 earnings per share (expressed in New Taiwan dollars)	<u>\$ 0.68</u>		<u>0.86</u>	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent						Other equity					
	Retained earnings						Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income					
	Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Total	Total equity attributable to owners of parent	Non-controlling interests	Total equity	
Balance on January 1, 2021	\$ 5,477,522	474,558	1,076,355	30,438	912,492	2,019,285	(110,615)	226,554	115,939	8,087,304	301,079	8,388,383
Net income	-	-	-	-	472,970	472,970	-	-	-	472,970	8,859	481,829
Other comprehensive income	-	-	-	-	(79,164)	(79,164)	(19,703)	509,059	489,356	410,192	(2,859)	407,333
Total comprehensive income	-	-	-	-	393,806	393,806	(19,703)	509,059	489,356	883,162	6,000	889,162
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	28,211	-	(28,211)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(164,326)	(164,326)	-	-	-	(164,326)	(6,945)	(171,271)
Balance on December 31, 2021	5,477,522	474,558	1,104,566	30,438	1,113,761	2,248,765	(130,318)	735,613	605,295	8,806,140	300,134	9,106,274
Net income	-	-	-	-	374,432	374,432	-	-	-	374,432	18,108	392,540
Other comprehensive income	-	-	-	-	73,024	73,024	53,331	(577,979)	(524,648)	(451,624)	24,259	(427,365)
Total comprehensive income	-	-	-	-	447,456	447,456	53,331	(577,979)	(524,648)	(77,192)	42,367	(34,825)
Appropriation and distribution of retained earnings:												
Legal reserve	-	-	39,381	-	(39,381)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(273,876)	(273,876)	-	-	-	(273,876)	(3,039)	(276,915)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	12,163	12,163
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	10,243	10,243	-	(10,243)	(10,243)	-	-	-
Balance on December 31, 2022	\$ 5,477,522	474,558	1,143,947	30,438	1,258,203	2,432,588	(76,987)	147,391	70,404	8,455,072	351,625	8,806,697

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(Expressed in Thousands of New Taiwan Dollars)

	2022	2021
Cash flows from operating activities:		
Income before income tax	\$ 483,834	597,440
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	638,820	669,591
Amortization expense	33,955	31,109
Expected credit loss (gain)	(7,073)	11,662
Net losses (gains) on financial assets at fair value through profit	(138)	(240)
Interest expense	71,084	48,580
Interest income	(5,157)	(4,115)
Dividend income	(47,198)	(39,880)
Share of gains of associates accounted for using equity method	(7,483)	(11,259)
Losses (gains) on disposal of property, plant and equipment	2,884	748
Losses due to disaster	32,851	-
Other	(102)	(391)
Total adjustments to reconcile profit	712,443	705,805
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	31,609	(4,170)
Accounts receivable and overdue receivable (under other non-current financial assets)	315,469	(268,327)
Inventories	(389,082)	(360,441)
Other current financial assets	(966)	886
Other current assets	9,391	(8,408)
Total changes in operating assets	(33,579)	(640,460)
Changes in operating liabilities:		
Notes payable	(150,116)	57,478
Accounts payable	18,764	(44,677)
Other payable	(54,443)	140,423
Other current liabilities	(7,694)	11,676
Net defined benefit liability	(49,973)	(12,351)
Other non-current liabilities	(2,382)	(31,848)
Total changes in operating liabilities	(245,844)	120,701
Total changes in operating assets and liabilities	(279,423)	(519,759)
Total adjustments	433,020	186,046
Cash inflow generated from operations	916,854	783,486
Interest received	5,137	4,140
Dividends received	47,684	39,880
Income taxes paid	(116,501)	(70,262)
Net cash flows from operating activities	853,174	757,244
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	-	(3,200)
Proceeds from disposal of financial assets at amortized cost	3,502	12,567
Acquisition of financial assets at fair value through profit or loss	(46,000)	(211,500)
Proceeds from disposal of financial assets at fair value through profit or loss	102,365	211,592
Acquisition of financial assets at fair value through other comprehensive income	(35,388)	(25,567)
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,169	-
Acquisition of property, plant and equipment	(212,551)	(164,262)
Proceeds from disposal of property, plant and equipment	2,711	5,125
Acquisition of intangible assets	(69,441)	(27,152)
Decrease (increase) in other non-current financial assets	21	(129)
Increase in other non-current assets	(1,429)	(1,226)
Increase in prepayments for equipment	(150,223)	(69,232)
Net cash flows used in investing activities	(375,264)	(272,984)
Cash flows used in financing activities:		
Increase in short-term borrowings	6,120,048	5,314,409
Decrease in short-term borrowings	(6,516,673)	(5,127,071)
Proceeds from long-term borrowings	100,000	50,000
Repayments of long-term borrowings	-	(340,000)
Payments of lease liabilities	(34,834)	(34,491)
Increase in other non-current liabilities	-	364
Cash dividends paid	(273,876)	(164,326)
Interest paid	(71,378)	(50,496)
Subsidiaries distributed cash dividends to non-controlling interests	(7,181)	-
Decrease in non-controlling interests	(4)	-
Net cash flows used in financing activities	(683,898)	(351,611)
Effect of exchange rate changes on cash and cash equivalents	(28,615)	(17,704)
Net (decrease) increase in cash and cash equivalents	(234,603)	114,945
Cash and cash equivalents at beginning of period	1,449,753	1,334,808
Cash and cash equivalents at end of period	\$ 1,215,150	1,449,753

Independent Auditors' Report

To the Board of Directors of Everlight Chemical Industrial Corporation:

Opinion

We have audited the financial statements of Everlight Chemical Industrial Corporation (“the Company”), which comprise the balance sheets as of December 31, 2022 and 2021, the statements of comprehensive income, changes in equity and cash flows for the years then ended, and 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 audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and Standards on Auditing of 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 Account of Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

- Valuation of accounts receivable

Please refer to Note 4(f) “Financial Instruments” for accounting policy, Note 5 for accounting assumptions, judgments and estimation uncertainty of accounts receivable and Note 6(c) for the disclosure of the valuation of accounts receivable to the parent-company-only financial statements.

Description of key audit matters

Given the challenging economic climate, the risk of receivables recovery remains high, resulting in significant judgment being applied in the management's assessment of the recoverability of accounts receivable. Consequently, this is the key judgmental areas of our audit.

How the matter was addressed in our audit

Our major audit procedures included testing the adequacy of the formula of the calculation for expected loss rate; testing the adequacy of aging report by tracing to related vouchers; evaluating the appropriateness of loss allowance and expected credit loss by testing if the loss allowance was made by expected loss rate; assessing if the evaluation document of loss allowance for accounts receivable was compliance with the Company's accounting policy; evaluating the adequacy of the disclosure of loss allowance for accounts receivable prepared by management.

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.

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Standards on Auditing of 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 financial statements.

As part of an audit in accordance with the Standards on Auditing of 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 and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on this financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Chia-Chien Tang and Ya-Ling Chen.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2023

Notes to Readers

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

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

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION

Balance Sheets

December 31, 2022 and 2021

(expressed in thousands New Taiwan dollars)

Assets		December 31, 2022		December 31, 2021		Liabilities and Equity		December 31, 2022		December 31, 2021	
		Amount	%	Amount	%			Amount	%	Amount	%
Current assets:						Current liabilities:					
1100	Cash and cash equivalents	\$ 666,659	6	990,993	8	2100	Short-term borrowings	\$ 1,093,902	10	1,308,863	11
1110	Financial assets at fair value through profit or loss-current	-	-	60,247	-	2151	Notes payable	79,852	1	238,909	2
1136	Financial assets at amortized cost-current	-	-	3,502	-	2170	Accounts payable	268,002	2	290,275	2
1150	Notes receivable, net	46,112	-	62,721	-	2209	Other payable	373,742	3	415,083	3
1170	Accounts receivable, net	660,728	6	845,223	7	2213	Payable on equipment	33,685	-	43,062	-
1180	Accounts receivable due from related parties, net	394,863	3	592,416	5	2230	Current tax liabilities	34,346	-	113,138	1
1210	Other receivables due from related parties	6,986	-	9,172	-	2280	Lease liabilities-current	8,800	-	9,659	-
130X	Inventories	2,868,151	25	2,435,472	19	2399	Other current liabilities	<u>32,702</u>	-	<u>37,318</u>	-
1476	Other current financial assets	50,797	-	15,781	-		Total current liabilities	<u>1,925,031</u>	<u>16</u>	<u>2,456,307</u>	<u>19</u>
1479	Other current assets	<u>78,309</u>	<u>1</u>	<u>96,063</u>	<u>1</u>		Non-current liabilities:				
	Total current assets	<u>4,772,605</u>	<u>41</u>	<u>5,111,590</u>	<u>40</u>	2541	Long-term bank loans	1,000,000	9	1,000,000	8
Non-current assets:						2570	Deferred tax liabilities	95,327	1	86,763	1
1517	Financial assets at fair value through other comprehensive income-non-current	866,032	8	1,459,491	12	2580	Lease liabilities non-current	11,635	-	18,529	-
1550	Investments accounted for using equity method	2,009,543	17	1,835,361	15	2640	Net defined benefit liability	74,720	1	214,833	2
1600	Property, plant and equipment	3,687,171	32	3,967,108	31	2670	Other non-current liabilities, others	<u>63,600</u>	-	<u>65,767</u>	-
1755	Right-of-use-assets	19,841	-	27,497	-		Total non-current liabilities	<u>1,245,282</u>	<u>11</u>	<u>1,385,892</u>	<u>11</u>
1780	Intangible assets	148,171	1	110,565	1		Total liabilities	<u>3,170,313</u>	<u>27</u>	<u>3,842,199</u>	<u>30</u>
1840	Deferred tax assets	56,690	-	107,460	1		Equity:				
1915	Prepayments for equipment	63,028	1	27,072	-	3100	Common shares	5,477,522	47	5,477,522	43
1980	Other non-current financial assets	<u>2,304</u>	-	<u>2,195</u>	-	3200	Capital surplus	474,558	4	474,558	4
	Total non-current assets	<u>6,852,780</u>	<u>59</u>	<u>7,536,749</u>	<u>60</u>	3300	Retained earnings	2,432,588	21	2,248,765	18
						3400	Other equity	<u>70,404</u>	<u>1</u>	<u>605,295</u>	<u>5</u>
							Total equity	<u>8,455,072</u>	<u>73</u>	<u>8,806,140</u>	<u>70</u>
Total assets		<u>\$ 11,625,385</u>	<u>100</u>	<u>12,648,339</u>	<u>100</u>	Total liabilities and equity		<u>\$ 11,625,385</u>	<u>100</u>	<u>12,648,339</u>	<u>100</u>

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION

Statements of Comprehensive Income

For the years ended December 31, 2022 and 2021

(expressed in thousands of New Taiwan dollars except for earnings per share)

	2022		2021	
	Amount	%	Amount	%
4000 Operating revenue	\$ 6,782,782	100	7,509,370	100
5000 Operating costs	<u>5,413,588</u>	<u>80</u>	<u>5,847,516</u>	<u>78</u>
5900 Gross profit from operations	1,369,194	20	1,661,854	22
5910 Realized (unrealized) gross profit from sales	<u>18,019</u>	<u>-</u>	<u>(47,138)</u>	<u>1</u>
5950 Gross profit from operations	<u>1,387,213</u>	<u>20</u>	<u>1,614,716</u>	<u>21</u>
6000 Operating expenses:				
6100 Selling expenses	612,542	9	646,932	8
6200 Administrative expenses	186,983	2	164,362	2
6300 Research and development expenses	326,420	5	351,211	5
6450 Expected credit loss (gain)	<u>(3,908)</u>	<u>-</u>	<u>2,202</u>	<u>-</u>
Total operating expenses	<u>1,122,037</u>	<u>16</u>	<u>1,164,707</u>	<u>15</u>
6900 Net operating income	<u>265,176</u>	<u>4</u>	<u>450,009</u>	<u>6</u>
7000 Non-operating income and expenses:				
7100 Interest income	2,103	-	1,418	-
7010 Other income	42,743	1	37,740	-
7020 Other gains and losses	91,673	1	31,977	-
7050 Finance costs	(44,585)	(1)	(23,966)	-
7060 Share of gains of subsidiaries and associates accounted for using equity method	<u>92,900</u>	<u>2</u>	<u>56,588</u>	<u>1</u>
Total non-operating income and expense	<u>184,834</u>	<u>3</u>	<u>103,757</u>	<u>1</u>
7990 Income before income tax	450,010	7	553,766	7
7950 Income tax expenses	<u>75,578</u>	<u>1</u>	<u>80,796</u>	<u>1</u>
Net income	<u>374,432</u>	<u>6</u>	<u>472,970</u>	<u>6</u>
8300 Other comprehensive income:				
8310 Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
8311 Gains (losses) on remeasurements of defined benefit plans	90,507	1	(98,060)	(1)
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(587,611)	(9)	505,230	7
8330 Share of other comprehensive income of subsidiaries accounted for using equity method	10,250	-	3,113	-
8349 Income tax related to components that may not be reclassified to profit or loss	<u>(18,101)</u>	<u>-</u>	<u>19,612</u>	<u>-</u>
Total components of other comprehensive income that (loss) will not be reclassified to profit or loss	<u>(504,955)</u>	<u>(8)</u>	<u>429,895</u>	<u>6</u>
8360 Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361 Exchange differences on translation of foreign financial statements	55,307	1	(20,867)	-
8380 Share of other comprehensive income of associates accounted for using equity method	(1,976)	-	1,164	-
8399 Income tax related to components that may be reclassified to profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total components of other comprehensive income that (loss) will be reclassified to profit or loss	<u>53,331</u>	<u>1</u>	<u>(19,703)</u>	<u>-</u>
8300 Other comprehensive income(after tax)	<u>(451,624)</u>	<u>(7)</u>	<u>410,192</u>	<u>6</u>
8500 Total comprehensive income	<u>\$ (77,192)</u>	<u>(1)</u>	<u>\$ 883,162</u>	<u>12</u>
9750 Basic earnings per share (expressed in New Taiwan dollars)	<u>\$ 0.68</u>		<u>\$ 0.86</u>	
9850 Diluted earnings per share (expressed in New Taiwan dollars)	<u>\$ 0.68</u>		<u>\$ 0.86</u>	

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION

Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(expressed in thousands of New Taiwan dollars)

	Retained earnings					Other equity				
	Common shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total	Total equity
Balance on January 1, 2021	\$ 5,477,522	474,558	1,076,355	30,438	912,492	2,019,285	(110,615)	226,554	115,939	8,087,304
Net income	-	-	-	-	472,970	472,970	-	-	-	472,970
Other comprehensive income	-	-	-	-	(79,164)	(79,164)	(19,703)	509,059	489,356	410,192
Total comprehensive income	-	-	-	-	393,806	393,806	(19,703)	509,059	489,356	883,162
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	28,211	-	(28,211)	-	-	-	-	-
Cash dividends	-	-	-	-	(164,326)	(164,326)	-	-	-	(164,326)
Balance on December 31, 2021	5,477,522	474,558	1,104,566	30,438	1,113,761	2,248,765	(130,318)	735,613	605,295	8,806,140
Net income	-	-	-	-	374,432	374,432	-	-	-	374,432
Other comprehensive income	-	-	-	-	73,024	73,024	53,331	(577,979)	(524,648)	(451,624)
Total comprehensive income	-	-	-	-	447,456	447,456	53,331	(577,979)	(524,648)	(77,192)
Appropriation and distribution of retained earnings:										
Legal reserve	-	-	39,381	-	(39,381)	-	-	-	-	-
Cash dividends	-	-	-	-	(273,876)	(273,876)	-	-	-	(273,876)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	10,243	10,243	-	(10,243)	(10,243)	-
Balance on December 31, 2022	\$ <u>5,477,522</u>	<u>474,558</u>	<u>1,143,947</u>	<u>30,438</u>	<u>1,258,203</u>	<u>2,432,588</u>	<u>(76,987)</u>	<u>147,391</u>	<u>70,404</u>	<u>8,455,072</u>

(English Translation of Financial Statements and Report Originally Issued in Chinese)
EVERLIGHT CHEMICAL INDUSTRIAL CORPORATION

Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(expressed in thousands of New Taiwan dollars)

	2022	2021
Cash flows from operating activities:		
Income before income tax	\$ 450,010	553,766
Adjustments:		
Adjustments to reconcile profit:		
Depreciation expense	508,908	522,513
Amortization expense	31,835	29,007
Expected credit losses (gains)	(3,908)	2,202
Net gains on financial assets at fair value through profit and loss	(118)	(216)
Interest expense	44,585	23,966
Interest income	(2,103)	(1,418)
Dividend income	(42,743)	(37,740)
Share of gains of subsidiaries and associates accounted for using equity method	(92,900)	(56,588)
Losses (gains) on disposal of property, plants and equipment	3,110	(1,125)
Losses on disposal of investment prosperities	7,219	-
Unrealized (realized) gross profit from sales	(18,019)	47,138
Losses due to disaster	32,851	-
Total adjustments to reconcile profit	468,717	527,739
Changes in operating assets and liabilities:		
Changes in operating assets:		
Notes receivable	16,609	(3,858)
Accounts receivable and overdue receivable (under other non-current financial assets)	188,403	(146,222)
Accounts receivable due from related parties	197,553	(110,246)
Other receivable due from related parties	5,226	1,730
Inventories	(449,715)	(200,753)
Other current financial assets	92	2,094
Other current assets	17,754	(13,706)
Total changes in operating assets	(24,078)	(470,961)
Changes in operating liabilities:		
Notes payable	(159,057)	57,580
Accounts payable	(22,273)	(36,312)
Other payable	(66,709)	116,655
Other current liabilities	(4,616)	4,004
Net defined benefit liabilities	(49,606)	(12,033)
Decrease in other non-current liabilities	(2,167)	(32,050)
Total changes in operating liabilities	(304,428)	97,844
Total changes in operating assets and liabilities	(328,506)	(373,117)
Total adjustments	140,211	154,622
Cash inflow generated from operations	590,221	708,388
Interest received	2,117	1,429
Dividends received	46,857	41,375
Income taxes paid	(86,652)	(46,831)
Net cash flows from operating activities	552,543	704,361
Cash flows used in investing activities:		
Acquisition of financial assets at fair value through profit or loss	(30,000)	(180,000)
Proceeds from disposal of financial assets at fair value through profit or loss	90,365	180,068
Acquisition of financial assets at amortized cost	-	(3,200)
Proceeds from disposal of financial assets at amortized cost	3,502	12,567
Acquisition of financial assets at fair value through other comprehensive income	(25,320)	(25,567)
Proceeds from disposal of financial assets at fair value through other comprehensive income	31,169	-
Acquisition of investments accounted for using equity method	(15,175)	-
Acquisition of property, plant and equipment	(196,271)	(151,138)
Proceeds from disposal of property, plant and equipment	2,067	1,733
Acquisition of intangible assets	(69,441)	(27,083)
Increase in other non-current assets	(111)	(3)
Increase in prepayments for equipment	(123,104)	(71,080)
Net cash used in investing activities	(332,319)	(263,703)
Cash flows used in financing activities:		
Increase in short-term borrowings	4,678,176	3,697,670
Decrease in short-term borrowings	(4,893,137)	(3,561,338)
Proceeds from long-term borrowings	-	50,000
Repayments of long-term borrowings	-	(300,000)
Payment of lease liabilities	(10,020)	(9,943)
Cash dividends paid	(273,876)	(164,326)
Interest paid	(45,701)	(26,035)
Net cash used in financing activities	(544,558)	(313,972)
Net increase in (decrease from) cash and cash equivalents	(324,334)	126,686
Cash and cash equivalents at beginning of period	990,993	864,307
Cash and cash equivalents at end of period	\$ 666,659	990,993

Everlight Chemical Industrial Corporation
Table of Earnings Distribution
2022

Unit: NTD

Items of distribution	Dollar amount of distribution	
	Subtotal	Total
Undistributed earnings at the beginning of period		800,503,592
Net income before tax for the period	450,009,594	
Less: income tax expense	75,578,229	
Net income after tax for the period		374,431,365
Add: adjustments to the retained earnings from disposing equity tools evaluated at fair value through other comprehensive income	10,242,584	
Add: changes to the re-evaluated amount of defined-benefit program for the period	73,024,822	
Subtotal		457,698,771
Distributable earnings		1,258,202,363
The appropriated and distributed items for the current year		
Less: recognition of legal reserves	45,769,877	
Distribution of cash dividends - NT\$ 0.35 per share	191,713,279	
Subtotal		237,483,156
Undistributed earnings at the end of period		1,020,719,207

Chairman: Chen, Chien-Hsin



General manager: Chen, Wei-Wang



Accounting officer: Wong, Guo-Bin



Discussions

Discussion

Motion 1

Proposal of the Board of Directors

Subject: The amendments to "Articles of Incorporation"

Explanation: To amend "Articles of Incorporation" of the Company is in line with business needs. The "Amendment Clauses Comparison Table" is shown in the Appendix for discussion on feasibility of implementation.

Appendix: Amendment Clauses Comparison Table of the Articles of Incorporation

Resolutions:

Everlight Chemical Industrial Corporation Amendment Clauses Comparison Table of the Articles of Incorporation

Amended articles	Existing articles	Explanation
Article 2: The Company engages in the following businesses: 1.C802200 Coating, Paint, Dye and Pigment Manufacturing; 2.C802120 Industrial and Additive Manufacturing; 3.C802990 Other Chemical Products Manufacturing; 4.C802041 Manufacture of Drugs and Medicines; 5.C802060 Veterinary Drug Manufacturing; 6.C802100 Cosmetics Manufacturing; 7.C801990 Other Chemical Materials Manufacturing; 8.CA04010 Surface Treatments; 9.C801010 Basic Chemical Industrial; 10.F401010 International Trade; 11.C199990 Manufacture of Other Food Products Not Elsewhere Classified; 12.C802110 Cosmetic Pigment Manufacturing; 13.C114010 Food Additives Manufacturing; 14.F108021 Wholesale of Western <u>Pharmaceutical</u> ; 15.F208021 Retail Sale of Western <u>Pharmaceutical</u> ; 16.ZZ99999 All business activities that are not prohibited or restricted by law, except those that	Article 2: The Company engages in the following businesses: 1.C802200 Coating, Paint, Dye and Pigment Manufacturing; 2.C802120 Industrial and Additive Manufacturing; 3.C802990 Other Chemical Products Manufacturing; 4.C802041 Manufacture of Drugs and Medicines; 5.C802060 Veterinary Drug Manufacturing; 6.C802100 Cosmetics Manufacturing; 7.C801990 Other Chemical Materials Manufacturing; 8.CA04010 Surface Treatments; 9.C801010 Basic Chemical Industrial; 10.F401010 International Trade; 11.C199990 Manufacture of Other Food Products Not Elsewhere Classified; 12.C802110 Cosmetic Pigment Manufacturing; 13.F108051 Wholesale of Cosmetics <u>Ingredients</u> ; 14. C114010 Food Additives Manufacturing; 15. ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.	Amended in line with business needs.

are subject to special approval.		
<p>Article 32: The Articles of Incorporation were formulated on Aug. 28, 1972. The forty-fourth amendment was made on May 26, 2022. <u>The forty-fifth amendment was made on May 25, 2023.</u></p>	<p>Article 32: The Articles of Incorporation were formulated on Aug. 28, 1972. The forty-fourth amendment was made on May 26, 2022.</p>	<p>Date of amendment</p>

Discussion

Motion 2

Proposal of the Board of Directors

Subject: Discussion to approve the lifting of the Directors from non-competition restrictions

Explanation: (1) Independent Director Wu, Chung-Fern also holds the position of Independent Director of Kinpo Electronics, Inc.

(2) Director Chao, Rong-Shiang also holds the position of Independent Director of Forward Science Corporation.

(3) Director Chen, Wei-Wang also holds the position of Director of Anda Semiconductor Technology (Suzhou) Co., Ltd.

(4) Director Chen, Chien-Ming also holds the president of Trend Tone Imaging, Inc.

(5) The above-mentioned concurrent directorship case is submitted to the shareholders' meeting to lift the non-competition restriction.

Resolutions:

Extemporany Motions

Extemporany Motions

Appendices

Everlight Chemical Industrial Corporation

Rules of Procedure for Shareholders Meetings

Passed by the Shareholders' Meeting on May 26, 2022

Article 1: In order to establish the Company's good governance system of shareholder s' meetings, strengthen the function of supervision and management mechanism, the Company formulates the Rules in accordance with Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Article 2: The rules of procedure for the shareholders' meetings of the Company shall adhere to the provisions of these Rules unless otherwise specified by law or in the Articles of Incorporation.

Article 3: Shareholders' meetings of the Company shall be convened by the Board of Directors unless other otherwise specified by law.

Changes to the method of convening the shareholders' meeting shall be subject to a resolution by the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is sent.

Article 3

Shareholders' meetings of the Company shall be convened by the Board of Directors unless other otherwise specified by law.

Changes to the method of convening the shareholders' meeting shall be subject to a resolution by the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is sent.

The Company shall prepare electronic versions of the Shareholders' Meeting Notice, proxy forms, the reasons and explanatory materials relating to all proposals such as proposals for ratification, matters for deliberation, and the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) 30 days before the general shareholders' meeting or 15 days before the ad hoc shareholders' meeting. Meanwhile, twenty-one days before the Company convenes a general shareholders' meeting or 15 days before an extraordinary shareholders' meeting, it shall prepare an electronic file of the shareholders' meeting agenda handbook and the supplementary materials and upload them to the MOPS. However, the Company, with the paid-in capital amounting to NT\$10 billion or more at the end of the most recent fiscal year or the total shareholding ratio of foreign capital and capital from China reaching 30% or more as per the shareholder register for the general shareholders' meeting held in the most recent fiscal year, shall upload such an electronic file 30 days before the general shareholders' meeting. The shareholders' meeting agenda and supplementary information shall be made available for shareholders to review at any time 15 days before the shareholders' meeting. The agenda and supplementary materials shall be displayed at the Company, and its professional shareholder service agency.

The Company shall provide said handbook and supplementary materials mentioned in the preceding paragraph to the shareholders on the day of the shareholders' meeting in the following methods:

1. When a physical shareholders' meeting is convened, such materials shall be distributed on-site at the shareholders' meeting.
2. When a physical shareholders' meeting is convened, along with a video conference held at the same time, such materials shall be distributed on-site at the shareholders' meeting, and an electronic file of such materials shall be uploaded to the video conference platform.
3. When a shareholders' meeting is convened by video conference, an electronic file of such materials shall be uploaded to the video conference platform.

The notice and announcement shall state the reason for arranging the meeting; the notice may be in electronic format with the consent of the addressee.

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, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Article 56-1 and Article 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, shall be set out. The essential contents should explain in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

It is explicitly stated that the election of a new Board of Directors as the cause of the convention of the Shareholders' Meeting. The date of office of the member of the Board is also stated. After the successful election held in the Shareholders' Meeting, the date of office cannot be changed in the same session through extemporary motions or any other means.

A shareholder holding one percent or more of the total number of issued shares may submit to this corporation a written proposal for discussion at a regular shareholders' meeting. However, the number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. If specific shareholders present motions pertinent to anything inscribed in Paragraph 4 in Article 172-1 of the Company Act, the Board will not list the proposal as motions. A shareholder proposal for urging the corporation to promote public interests or fulfill its social responsibilities may still be included in the agenda by the board of directors. In addition, complying with any subparagraph of Article 172-1, paragraph 4 of the Company Act. It is limited to one only, and no proposal containing more than one item will be included in the meeting agenda.

The Company shall stop all transactions of shares, announce the motions presented by the shareholders, acceptance of motions in writing or by electronic mean, places

for accepting the motion and the duration for processing prior to the convention of the Shareholders' Meeting in regular session. At least 10 days should be allowed for the processing.

The length of each motion presented by shareholders shall be limited to 300 characters or the motion will not be listed on the agenda. Shareholders presenting the motions shall attend the regular session of the Shareholders' Meeting in person and take part in the discussion on the motion.

The Company shall inform shareholders of the outcome of their submission before the date of the shareholders' meeting and include the proposals that conform to this rule in the meeting notice. The Board of Directors shall explain the reason for non-inclusion of any shareholder proposals in the agenda on the shareholders' meeting.

Article 4: A shareholder may appoint a proxy to attend each shareholders' meeting by providing the proxy form issued by the Company which states the scope of authorization.

Each shareholder is limited to one proxy form and appointing one proxy only. The proxy form shall be delivered to the Company no less than 5 days before the shareholders' meeting. When duplicate proxy forms are received, the one delivered the earliest will be recognized. This, however, does not apply if a declaration was made to revoke the previous proxy appointment.

Once the proxy form is received by the Company, if the shareholder wishes to attend the shareholders' meeting in person or exercise voting right by correspondence or electronically, he or she shall send a written notice of proxy cancellation to the Company 2 days before the shareholders' meeting; if the cancellation notice is delivered after the deadline, the vote cast by the proxy on the meeting shall prevail.

Once the proxy form is received by the Company, in the case that the shareholder intends to attend the shareholders' meeting by video conference, a written proxy rescission notice shall be filed with the Company two days prior to the date of the shareholders' meeting, otherwise, the voting power exercised by the authorized proxy at the meeting shall prevail.

Article 5: The venue for a shareholders' meeting shall be where the Company is located, or a place that is convenient to shareholders and suitable for the shareholders' meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. When choosing the location and time of the meeting, the opinions of independent directors shall be fully considered.

When the Company convenes a shareholders' meeting by video conference, it is not subject to the restriction on the venue of the meeting under the preceding paragraph.

Article 6: The Company shall state, in the meeting notice, the sign-in time and place for shareholders, solicitors, and proxies (hereinafter referred to as "shareholders"), and other matters that shall be noted.

The sign-in time for shareholders, as stated in the preceding paragraph, shall be at least 30 minutes before the meeting commences. The sign-in place shall be clearly marked and staffed by a sufficient number of suitable personnel. When the shareholders' meeting is convened by video, the sign-in process shall begin on the video conference platform 30 minutes before the meeting commences. Shareholders who have completed the sign-in shall be deemed to have attended the shareholders' meeting in person.

Shareholders shall attend the shareholders' meetings with their attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attendance presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall provide the attending shareholders with an attendance book to sign, or the attending shareholders may hand in a registration pass in lieu of signing in.

The Company shall give the attending shareholders with the meeting agenda booklet, annual report, attendance passes, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be given.

When the government or a legal person is the shareholder, it may be represented by more than one representative to attend the shareholders' meeting. When a legal person is appointed to attend as the proxy, it may designate only one person as its representative for the meeting.

When the shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference should register with the Company two days prior to the shareholders' meeting.

If the shareholders' meeting is convened by video conference, the Company shall upload the meeting agenda handbook, annual report, and other relevant materials to the video conference platform at least 30 minutes prior to the start of the meeting and continue to disclose them till the end of the meeting.

Article 6-1: When the Company convenes the shareholders' meeting by video conference, the information below shall be stated in the meeting notice:

1. Shareholders' methods of participating in the video conference and exercising their rights.
2. The response to the obstacles to the video conference platform or to the participation in the video conference due to natural disasters, incidents, or other force majeure events shall include at least the following:
 - (1) The time and the date of the next meeting when the meeting needs to be postponed or resumed as such obstacles cannot be resolved.
 - (2) Shareholders who did not register to participate in the original shareholders' meeting by video conference shall not participate in the meeting to be postponed or resumed.

(3) When a physical shareholders' meeting is convened, along with a video conference held at the same time, if the video conference cannot continue, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. For shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance, and they shall be deemed to abstain for all motions resolved at the shareholders' meeting.

(4) The handling method in the event that the resolution results of all motions have been announced, while extempore motions have not been resolved.

3. When a shareholders' meeting is to be convened by video conference, appropriate alternatives to shareholders who have difficulty participating in the meeting by video means shall be specified.

Article 7: If the shareholders' meeting is convened by the board, the Chairman serves as the chairman of the meeting. If the Chairman is on leave or cannot exercise his or her power for any reason, the Vice Chairman shall serve as the deputy. If there is no Vice Chairman, or the Vice Chairman is on leave or cannot exercise his or her power for any reason, the Chairman may designate an executive director as the deputy; if no executive directors were appointed, a director may be designated as the deputy. If the Chairman has not designated a deputy, the executive directors or directors may elect one among them as the deputy.

If the executive director or director is assigned to be the above-mentioned chairman, he or she shall have stayed in the position for at least 6 months and understand the Company's financial business condition. If the chairman is a representative of corporate director, the same applies.

The Chairman shall hold the shareholders' meeting convened by the board in person, and there shall be over half of the directors on the board and at least one member of each functional committee attending. The attendance status shall be recorded in the shareholders' meeting minutes.

If the shareholders' meeting is convened by an authorized person other than the Board of Directors, the convener shall be the chairman. If there are more than two conveners, they shall nominate one among them as the chairman.

The Company may appoint its attorneys, certified public accountants or other related personnel as participants on shareholders' meetings.

Article 8: The Company shall continuously record as audio and video the whole processes of shareholder registration, meeting, and the vote counting.

The above-mentioned audio and video data shall be kept for at least one year. If the litigation is launched by a shareholder in accordance with Article 189 of the Company Act, the data shall be retained until the conclusion of litigation.

If a shareholders' meeting is convened by video conference, the Company shall keep records of shareholders' registration, sign-in, questions raised, and voting and the

Company's vote counting results and retain the records, while making an uninterrupted audio and video recording of the entire video conference.

The above-mentioned materials and audio and video recordings shall be properly kept by the Company during the period of its existence, and the audio and video recordings shall be provided to those who are entrusted to handle the video conference affairs for storage.

If a shareholders' meeting is convened by video conference, the Company is advised to make an audio and video recording of the back-end interface of the video conference platform.

Article 9: Attendance at shareholders' meetings shall be subject to the numbers of shares. The number of shares in attendance shall be counted according to the shares indicated in the sign-in book or the sign-in cards handed in and the sign-in record on the video conference platform plus the number of shares whose voting rights are exercised in writing or by electronic means.

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of non-voting shares and number of shares in attendance.

However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If attending shareholders still represent less than one third of the total number of issued shares after two postponements, the chair shall declare the meeting adjourned. If a shareholders' meeting is convened by video conference, the Company shall also declare the meeting adjourned on the video conference platform.

If there are not enough shareholders representing at least one third of issued shares attending the meeting after two postponements, tentative resolutions may be passed in accordance with Article 175, paragraph 1 of the Company Act. Shareholders shall be notified of the tentative resolutions, and another shareholders' meeting will be convened within one month. If a shareholders' meeting is convened by video conference, shareholders who wish to attend by video conference shall re-register with the Company in accordance with Article 6.

If the number of shares represented by the attending shareholders exceeds more than half of issued shares before the conclusion of the current meeting, the chairman may re-submit previous tentative resolutions to the shareholders' meeting for voting in accordance with Article 174 of the Company Act.

Article 10: The Shareholders' Meeting may be called by the Board in which case the Board shall prepare the agenda. Related motions (including extemporary motions, and amendment to previous motions) shall be voted for decision one-by-one. The meeting shall be unfolded as scheduled and cannot be changed without the decision of the Shareholders' Meeting.

The provisions of the preceding paragraph shall apply if the shareholders' meeting is convened by a person other than the Board of Directors with necessary authority.

The chairman may not adjourn the meeting before the entire agenda (including ad hoc motions) has been deliberated on, except resolved by the shareholders' meeting. If the chairman declares the meeting adjourned in violation of the rules of procedure, other members of the board shall immediately assist attending shareholders in electing a new chairman by over a half of the represented shares of the attending shareholders in accordance with the statutory procedure and continue the meeting.

The presiding officer of the meeting shall allow for sufficient time and opportunity for the full explanation and discussion on the amendment to motions or extemporary motions presented by shareholders, and shall announce for halting the discussion and proceed to voting at the right time. Adequate time should be arranged for voting.

Article 11: Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance pass number), and account name. The order in which shareholders speak will be decided by the chairman.

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

Except with the consent of the chair, a shareholder or his/her proxy shall not speak more than two times on the same proposal, and each speech may not exceed five minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda items, the chairman may restrain him or her from continuing the speech.

When an attending shareholder is speaking, other shareholders shall not speak or interrupt unless they have obtained both the consent of the chairman and the speaking shareholder. The chairman shall stop any violation.

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

Once an attending shareholder has spoken, the chairman may respond in person or designate relevant personnel to respond.

If a shareholders' meeting is convened by video conference, shareholders who participate by video conference may ask questions in text on the video conference platform after the chair calls the meeting to order and before the chair declares the meeting adjourned. The number of questions raised by each shareholder for each motion shall not exceed two, each question shall be limited to 200 words, and the provisions of paragraphs 1 to 5 shall not apply.

If such questions in the preceding paragraph are not in violation of the regulations or not outside the scope of the motions, it is advisable to disclose such questions on the video conference platform.

Article 12: Shareholder voting shall be calculated on the basis of shares.

The shares of a shareholder with no voting rights shall not be calculated into the total number of issued shares for the resolutions of the shareholders' meeting.

When a shareholder is a related party to an agenda item and there is concern that such relationship may prejudice the interests of the Company, the shareholder may not vote on that item and may not exercise voting rights as a proxy of any other shareholders.

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

With the exception of a trust business or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as the proxy by two or more shareholders, the voting rights represented by the proxy shall 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 will not be calculated.

Article 13: A shareholder has one vote per share; however, this does not apply to restricted shares or to those with no voting rights under Article 179, Paragraph 2 of the Company Act.

When a shareholders' meeting is convened by the Company, votes may be made electronically as well as by correspondence. When a vote is to be made by correspondence or electronically, the method of voting shall be stated in the Shareholders' Meeting Notice. Shareholders voting by correspondence or electronically shall be considered to have attended in person. However, they shall be considered to have abstained from voting on ad hoc motions or amendments to the original proposal during the shareholders' meeting. Thus, the Company shall avoid propose ad hoc motions and amendments to the original proposal.

For voting made by correspondence or electronically mentioned in the previous paragraph, the representation shall be delivered to the Company 2 days before the shareholders' meeting. When duplicate representations are received, the one delivered the earliest will be recognized. However, this does not apply if a declaration was made to revoke the previous declaration.

After shareholders exercise their voting rights in writing or by electronic means, if they wish to attend the shareholders' meeting in person or by video conference, they shall serve a declaration of intent to retract the voting rights already exercised under the preceding paragraph two days before the shareholders' meeting in the same manner in which the voting rights were exercised; otherwise the voting rights exercised in writing or by electronic means shall prevail. If the shareholder exercises the voting right by correspondence or electronically and appoints a proxy

with a proxy form to attend the shareholders' meeting, the voting right exercised by the attending proxy on the meeting shall prevail.

A motion is passed after voted by over a half of the voting right represented by the attending shareholders unless otherwise specified by the Company Act or the Company's Articles of Incorporation. During the voting, the chairman or the personnel designated shall first announce for the total voting rights represented by the attending shareholders by proposal, followed by a poll of the shareholders. On the day after the conclusion of the shareholders' meeting, the number of for and against votes as well as abstentions shall be entered into the MOPS.

When there is an amendment or an alternative to a proposal, they and the original proposal shall be voted in the order decided by the chairman. If one of the proposals is passed, the others shall be considered to have been rejected and further voting is unnecessary.

The vote monitoring and counting personnel shall be appointed by the chairman. However, vote monitors shall be shareholders of the Company.

The vote counting of the proposals or elections of the shareholders' meeting shall be done in the open place inside the shareholders' meeting. The results, including the weights calculated, shall also be announced in the same place right after the counting is completed, and shall be kept in record.

When a shareholders' meeting is convened by video conference, shareholders participating by video conference shall vote on various motions and election(s) on the video conference platform after the chair calls the meeting to order. They shall complete the voting before the chair declares the voting closed, otherwise they shall be deemed to have waived their voting rights.

When a shareholders' meeting is convened by video conference, after the chair declares the voting closed, the votes shall be counted at one go, and the voting and election results shall be announced.

If a shareholders' meeting is convened, along with a video conference held at the same time, shareholders who have registered to attend the shareholders' meeting by video conference in accordance with Article 6, intend to attend the physical shareholders' meeting in person, shall rescind the registration in the same manner as the registration two days before the shareholders' meeting, otherwise they can only attend the shareholders' meeting by video conference.

Those who exercise their voting rights in writing or by electronic means without retracting their declaration of intention and participate in the shareholders' meeting by video conference shall not exercise their voting rights on the same motions, propose revision of the same motions, or exercise their voting rights for revised motions, except for extempore motions.

Article 14: The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Company. 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, as well as the list of candidates losing the election and their number of votes.

The vote cast under the previous paragraph shall be sealed and signed by the vote monitors and then held in safe custody for at least one year. If the litigation is launched by a shareholder in accordance with Article 189 of the Company Act, the data shall be retained until the conclusion of litigation.

Article 15: The minutes shall be prepared based on the resolutions passed by the shareholders' meeting, and then shall be signed or stamped by the chairperson. The minutes shall then be sent out to all of the shareholders within 20 days after the meeting. The meeting minutes may be prepared and distributed in an electronic format.

The distribution of the meeting minutes under the previous paragraph may be done by the Company in entering into 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 voting results (including the number of voting rights), and disclose the number of votes won by each candidate in the event of an election of directors. The minutes shall be retained for the duration of the existence of the Company.

When a shareholders' meeting is convened by video conference, the minutes of the shareholders' meeting shall contain the start and end time of the shareholders' meeting, the method of convening the meeting, the names of the chair and the meeting taker, as well as the response method and the response situation when any natural disasters, accidents, or other force majeure events have obstructed the video conference platform or the participation in the video conference in addition to the matters that shall be recorded in accordance with the preceding paragraph.

When a shareholders' meeting is convened by video conference, the Company shall proceed as per the preceding paragraph and shall specify the alternative measures provided to shareholders who have difficulty participating in the video conference in the minutes of the shareholders' meeting.

Article 16: The Company shall, on the day of the shareholders' meeting, compile a statistical statement in the prescribed format and disclose the number of shares solicited by the solicitor, the number of shares represented by the proxies, and the number of shares in attendance in writing or by electronic means clearly on-site at the shareholders' meeting. When a shareholders' meeting is convened by video conference, the Company shall upload the aforementioned information to the video conference platform at least 30 minutes before the start of the meeting and continue to disclose it till the end of the meeting.

When a shareholders' meeting is convened by video conference, when the chair calls the meeting to order, the total number of shares in attendance shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights in attendance are counted during the meeting.

If matters to be resolved on the shareholders' meeting constitute material information under the applicable laws or regulations of the Taiwan Stock Exchange Corporation, the Company shall upload the content to the MOPS within the prescribed time period.

Article 17: Identification badges or armbands shall be worn by the staff organizing the shareholders' meeting.

The chairman may direct proctors or security personnel to assist in maintaining order on the meeting. The proctors or security personnel who assist in maintaining order shall wear armbands or identification badges with the word "Proctor" on them.

When the venue of the meeting is equipped with voice amplification equipment and a shareholder is using equipment not provided by the Company to speak, the chairman may prevent the shareholder from doing so.

If a shareholder violates the rules of procedure for the meeting, defies the chairman's instructions, obstructs the proceedings of the meeting and ignores requests to stop, they may be expelled by the proctors or security personnel under the direction of the chairman.

Article 18: When a meeting is in progress, the chairman may announce a break based on time considerations. If a force majeure event occurs, the chairman may rule the meeting temporarily suspended and announce an appropriate time for the resumption of the meeting.

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

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

Article 19: When a shareholders' meeting is convened by video conference, the Company shall immediately disclose the voting results and election results of various motions on the video conference platform in accordance with the regulations and shall continue to disclose for at least 15 minutes after the chair declares the meeting adjourned.

Article 20: When a shareholders' meeting is convened by video conference, the chair and the minute taker shall be at the same location in Taiwan, and the chair shall disclose the address of the place when the meeting is called to order.

Article 21: When a shareholders' meeting is convened by video conference, the Company may allow shareholders to perform a simple test of the connection before the meeting commences and provide relevant services immediately before and during the meeting to assist with any technical communication problems.

When a shareholders' meeting is convened by video conference the chair shall, when calling the meeting to order, announce that there is no need for postponement or resumption of the meeting as stipulated in Article 44-24, paragraph 24 of the Regulations Governing the Administration of Shareholder Services of Public

Companies; and that the requirement on the date of the meeting postponed or resumed within five days due to any natural disasters, accidents, or other force majeure events that have obstructed the video conference platform or the participation in the video conference for more than 30 minutes under Article 182 of the Company Act shall not apply before the chair declares the meeting adjourned.

In the event of any incident in the preceding paragraph that caused the meeting to be postponed or resumed, shareholders who have not registered to participate in the original shareholders' meeting by video conference shall not participate in the meeting postponed or resumed.

For the meeting to be postponed or resumed under paragraph 2, shareholders who have registered to participate in the original shareholders' meeting by video conference and have completed the registration but fail to participate in said meeting, the number of shares in attendance and the voting rights and voting rights for elections exercised at the original shareholders' meeting shall be included in the total number of attending shareholders' shares, voting rights, and voting rights for elections at the meeting postponed or resumed.

When a shareholders' meeting is postponed or resumed in accordance with paragraph 2, the motions for which the voting and counting of votes have been completed and the voting results or the list of elected directors have been announced, do not need to be discussed or resolved again.

When the Company convenes a shareholder's meeting, along with a video conference held at the same time, if the video conference cannot continue as under paragraph 2, after the number of shares in attendance through the video conference is deducted, the total number of shares in attendance at the physical shareholders' meeting reaches the number as required by law, the shareholders' meeting shall continue. There is no need to postpone or resume the meeting in accordance with paragraph 2.

When the meeting shall continue as in the preceding paragraph, for shareholders participating by video conference, the number of their shares shall be included in the total number of shares in attendance; however, they shall be deemed to abstain for all motions resolved at the shareholders' meeting.

When the Company postpones or resumes the meeting in accordance with paragraph 2, it shall handle the relevant matters in accordance with the provisions set forth in Article 44-27 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and relevant preparations shall be made as per the date of the original shareholders' meeting and the provisions of this article.

Based on the period under Article 12, second-half paragraph and Article 13, paragraph 3 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies; Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration

of Shareholder Services of Public Companies, the Company shall postpone or resume the shareholders' meeting at a date as per paragraph 2.

Article 22: When the Company convenes a shareholders' meeting by video conference, it shall provide appropriate alternatives to shareholders who have difficulty attending the shareholders' meeting by video conference.

Article 23: The Rules shall be implemented after being adopted by the shareholders' meeting. Amendments shall also follow the same procedure.

Article 24: The Rules were mandated on Apr. 26, 1988.

The first amendment was made on May 22, 1998.

The second amendment was made on Jun. 21, 2002.

The third amendment was made on May 24, 2011.

The fourth amendment was made on May 24, 2012.

The fifth amendment was made on Jun. 11, 2013.

The sixth amendment was made on Jun. 11, 2015.

The seventh amendment was made on May 28, 2020.

The eighth amendment was made on Jul. 29, 2021.

The ninth amendment was made on May 26, 2022.

Articles of Incorporation, Everlight Chemical Industrial Corporation

Passed by the Shareholders' Meeting on May 26, 2022

Chapter 1 General Rules

Article 1: The Company is organized and named "Everlight Chemical Industrial Corporation" in accordance with the regulations of the Company Act of Taiwan, R.O.C.

Article 2: The Company engages in the following businesses:

- 1.C802200 Coating, Paint, Dye and Pigment Manufacturing;
- 2.C802120 Industrial and Additive Manufacturing;
- 3.C802990 Other Chemical Products Manufacturing;
- 4.C802041 Manufacture of Drugs and Medicines;
- 5.C802060 Veterinary Drug Manufacturing;
- 6.C802100 Cosmetics Manufacturing;
- 7.C801990 Other Chemical Materials Manufacturing;
- 8.CA04010 Surface Treatments;
- 9.C801010 Basic Chemical Industrial;
- 10.F401010 International Trade;
- 11.C199990 Manufacture of Other Food Products Not Elsewhere Classified;
- 12.C802110 Cosmetic Pigment Manufacturing;
- 13.F108051 Wholesale of Cosmetics Ingredients;
- 14.C114010 Food Additives Manufacturing;
- 15.ZZ99999 All business activities that are not prohibited or restricted by law, except those that are subject to special approval.

Article 3: The Company is located in Taipei City and may establish branches, factories, representative offices or sales departments whenever necessary. The establishment and abolishment are all conducted in accordance with the resolutions of the Board of Directors.

Article 4: The publishing of the Company is conducted in accordance with Article 28 of the Company Act.

The total investment amount of the Company is not limited to the restriction of 40% of the Company's paid-in capital as defined in the Company Act.

Chapter 2 Shares

Article 5: The capital amount of the Company is NT\$ 8 billion, with total share number of 0.8 billion and NT\$ 10 per share. 10 million shares are employee stock option certificates and are issued in batches by the Board of Directors under authorization. If the issue price of the Company's employee stock option certificates is lower than the common stock closing price of the issuing Japanese company, the Company must have obtained the consent of at least two-thirds of the voting rights present at the shareholders' meeting attended by shareholders representing over one half of total issued shares.

To transfer shares to employees at less than the average actual share repurchase

price, before the transfer the Company must have obtained the consent of at least two-thirds of the voting rights present at the most recent shareholders' meeting attended by shareholders representing over one half of total issued shares.

Article 6: The Company's shares are all registered and shall be signed or stamped by at least three directors of the Company. The shares are then issued after been certificated by the competent authority or authorized issuance registration institution.

The shares issued by the Company do not have to be physically printed, and should be registered with the centralized securities depository enterprise.

Article 7: The Company conducts shareholder service operation in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies" mandated by the competent authority.

Article 8: The change of share account name shall not be made within 60 days before a general shareholders' meeting, within 30 days before an ad hoc shareholders' meeting, or within 5 days before the date of the Company's decision to distribute dividends and bonuses or other benefits.

The periods specified in the preceding paragraph shall commence from the applicable convening date of shareholders' meeting or from the applicable record date, as the case may be.

Chapter 3 Shareholders' Meeting

Article 9: The shareholders' meetings of the Company can be classified as general and ad hoc shareholders' meetings.

1. General shareholders' meeting: A general shareholders' meeting will be convened within 6 months after the end of each fiscal year, and each shareholder will be notified 30 days before the meeting by the Board of Directors.

2. Ad hoc shareholders' meeting: Ad hoc shareholders' meetings may be convened when necessary in accordance with laws, and each shareholder will be notified 15 days before the meeting.

The Company's shareholders' meeting can be convened by video conference or in other methods as announced by the Ministry of Economic Affairs.

Article 10: The chairman of the shareholders' meeting shall be the Company's Chairman. If the Chairman is on leave, the Vice Chairman serves as the proxy.

Article 11: If a shareholder cannot attend the shareholders' meeting due to several reasons, he/she may appoint a proxy to attend the shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy. When a person acts as the proxy for two or more shareholders, the number of voting power represented by him/her shall not exceed 3% of the total number of issued shares; otherwise, the portion of excessive voting power shall not be counted.

Article 12: Except otherwise regulated by relevant laws, each shareholder of the Company has one vote per share.

Article 13: Unless otherwise specified by the Company Act, the resolutions of the shareholders' meeting require the attendance of shareholders representing more than a half of all shares issued, and is passed if more than a half of the attending

shareholders give their consent.

Article 14: The resolution items of the shareholders' meeting shall be recorded as the meeting minutes, which list clearly the date and time period of the meeting, resolution items, name of the chairman, method of resolution and number of attending shareholders, and number of representative shares. The minutes are then signed and stamped by the chairman of the shareholders' meeting, and distributed to each shareholder within 20 days after the shareholders' meeting. The distribution may be made by publishing.

Chapter 4 Directors and Audit Committee

Article 15: The Company has 7~11 directors. Among the above directors, three independent directors shall be elected among persons with legal capacity from the shareholders' meeting.

The total registered shares held by all the directors and supervisors shall not be less than a certain percentage of total issued shares of the Company. The total registered shares held by the directors and supervisors mentioned in the above paragraph shall not be less than the percentage specified by the competent authority.

The election of directors shall be done with the candidate nomination system. Shareholders shall elect them from the list of director candidates.

The professional qualifications, shareholdings, concurrent position restrictions, nomination and selection methods of independent directors and other matters to be complied with shall be handled in accordance with the relevant provisions of the securities authorities and the Company.

Article 16: The Company has set up the Audit Committee and other functional committees.

The Audit Committee is composed of the entire independent directors, one of whom is the convener, and at least one of whom shall have accounting or financial expertise.

The exercise of power of the Audit Committee and other related matters shall be set forth in accordance with the relevant provisions of the securities authorities and the Company.

Article 17: The directors shall serve for a term of three years and may all be re-elected. The term of office may be extended at the expiration of the shareholders' meeting until the re-election date of the general shareholders' meeting.

Article 18: If a director has transferred more than one half of the total number of shares of the Company he/she holds at the time of his/her election as such, then his/her election as a director shall become invalid. When the number of vacancies in the Board of Directors equals to one third of the total number of directors, the Board of Directors shall call, within 60 days, an ad hoc shareholders' meeting to elect succeeding directors to fill the vacancies. The term of office of the elected succeeding directors is limited to the remaining term of the prior directors.

If the directors are re-elected before the last term expires, for the elected directors who have transferred more than one half of the total number of shares of the Company he/she holds at the time of his/her election as such; or had transferred more than one half of the total number of shares he/she held within the share transfer prohibition period prior to the convention of a shareholders' meeting, then his/her

election as a director shall become invalid.

Article 19: The board meeting shall be attended by more than two-third of the directors, and one of the directors shall be elected as the Chairman by the consent of over one-half of the attending directors. One Vice Chairman can also be elected by and among the directors in the same way in accordance with the Articles of Incorporation. The Chairman represents the Company externally. If the Chairman cannot exercise his or her duties due to several reasons, the Vice Chairman can serve as the proxy. If there is no Vice Chairman or the Vice Chairman is also on leave or cannot exercise his or her duties due to several reasons, the Chairman may designate one director to be the proxy. If the Chairman has not designated a proxy, the proxy may be elected by and among the directors.

Article 20: The operation goals and other important matters of the Company are decided by the Board of Directors. Board meetings are convened by Chairman, who also serves as the chairperson of the board meeting. If Chairman is absent, the meeting affairs are handled in accordance with the regulations mentioned in the previous paragraph. The convention of a board meeting may be done in correspondence, by E-mail or FAX, in order to inform each director.

Article 21: The resolutions of the Board of Directors shall be made by the consent of over one-half of the attending directors and the board meeting shall be attended by more than one-half of the directors.

The meeting minutes of the board shall be signed or stamped by the chairperson and kept in the Company, and shall be distributed to each director within 20 days after the board meeting.

If a director cannot attend the meeting due to several reasons, he or she may present a proxy form stating the authorization scope of the convening reasons and the designation of other director as the proxy. The proxy mentioned above is limited to serve as the proxy for only one person.

Article 22: The remuneration of the Company's directors is decided by the Board of Directors under authorization based on their devotion to the Company's operation and the value of their contribution, no matter the Company realizes profits or losses, and also based on the compensation level of the industry peers.

The Company may purchase liability insurance for the legal compensation liabilities of its directors and important staff within the scope of their business during their term of office.

Chapter 5 Managers

Article 23: The Company may appoint one general manager, and several vice general managers, which shall be consented by over one-half of the directors.

Article 24: The General Manager adheres to the commands of Chairman and the resolutions of the Board of Directors to deal with the Company's daily affairs.

Article 25: The General and Vice General Manager shall not concurrently serve in equivalent positions in other companies, and shall not engage in similar businesses by themselves or for others; however, this restriction is relaxed if over one half of the

directors have agreed.

Chapter 6 Accounting

Article 26: During Jan. 1 and Dec. 31 of the Company's fiscal year, the board shall prepare the following statements and reports and submit to the general shareholders' meeting for recognition: 1. business report; 2. financial statements; and 3. proposals of earnings distribution or loss compensation.

Article 27: If the Company has profits in the current year, it shall appropriate 5% as employee remuneration and no more than 2% as director remuneration. However, when the Company still has accumulated losses, the amount for compensation should be retained in advance.

The parties whose remuneration is paid with stocks or cash defined in the preceding paragraph include the employees of the subordinate companies that are reported to and passed by the Board of Directors.

Article 28: If the Company realizes any earnings in the current year, it shall first pay taxes and reimburse previous losses. If there are any remaining earnings, they shall be appropriated in the following orders: 1. 10% of the legal reserve; 2. special reserve in accordance with relevant laws and regulations (the reversal shall also be conducted in accordance with relevant rules); 3. other accumulated undistributed earnings in the beginning period may serve as distributable earnings; however, a certain amount shall be retained depending on the business condition before distributed as shareholders' bonuses, and shall not be distributed until the motion of earnings distribution is proposed by the Board of Directors to the shareholders' meeting and has been passed.

If the shareholders' dividends mentioned in the previous paragraph are distributed with cash, the Board of Directors are authorized to have more than two thirds of directors attending the meeting and over half of the attending directors resolving, and then the resolution is reported to the shareholders' meeting.

Article 29: The Company's dividend policy is in line with the needs of the Company's various business development investments and takes into account the interests of shareholders. In no other special circumstances, the distributed dividends are no less than 50% of the earnings after-tax after deducting legal reserve.

The annual cash dividend is not less than 25% of the total dividends.

The motion of earnings distribution stated in Article 28 shall be conducted in accordance with this Article.

Chapter 7 Additional provisions

Article 30: The Company may make external guarantees for its industry peers or affiliates regarding relevant businesses.

Article 31: If there are incomplete matters in the Articles of Incorporation, they are handled in accordance with the Company Act and other relevant laws and regulations.

Article 32: The Articles of Incorporation were formulated on Aug. 28, 1972.

The first amendment was made on Jul. 28, 1973.

The second amendment was made on Nov. 16, 1974.

The third amendment was made on Apr. 15, 1975.

The fourth amendment was made on May 28, 1977.
The fifth amendment was made on Jun. 18, 1978.
The sixth amendment was made on Mar. 17, 1979.
The seventh amendment was made on Apr. 1, 1980.
The eighth amendment was made on Mar. 14, 1981.
The ninth amendment was made on Mar. 20, 1982.
The tenth amendment was made on Mar. 26, 1983.
The eleventh amendment was made on Mar. 10, 1984.
The twelfth amendment was made on Oct. 3, 1985.
The thirteenth amendment was made on Mar. 28, 1986.
The fourteenth amendment was made on Apr. 11, 1987.
The fifteenth amendment was made on Apr. 26, 1988.
The sixteenth amendment was made on Apr. 27, 1989.
The seventeenth amendment was made on Apr. 27, 1990.
The eighteenth amendment was made on May 24, 1991.
The nineteenth amendment was made on May 15, 1992.
The twentieth amendment was made on May 21, 1993.
The twenty-first amendment was made on May 26, 1994.
The twenty-second amendment was made on May 26, 1995.
The twenty-third amendment was made on May 24, 1996.
The twenty-fourth amendment was made on May 22, 1997.
The twenty-fifth amendment was made on May 22, 1998.
The twenty-sixth amendment was made on May 20, 1999.
The twenty-seventh amendment was made on May 19, 2000.
The twenty-eighth amendment was made on May 18, 2001.
The twenty-ninth amendment was made on Jun. 21, 2002.
The thirtieth amendment was made on Jun. 5, 2003.
The thirty-first amendment was made on Jun. 16, 2005.
The thirty-second amendment was made on Jun. 8, 2006.
The thirty-third amendment was made on Jun. 13, 2008.
The thirty-fourth amendment was made on Jun. 12, 2009.
The thirty-fifth amendment was made on Jun. 9, 2010.
The thirty-sixth amendment was made on May 24, 2011.
The thirty-seventh amendment was made on May 24, 2012.
The thirty-eighth amendment was made on Jun. 11, 2013.
The thirty-ninth amendment was made on Jun. 20, 2014.
The fortieth amendment was made on Jun. 11, 2015.
The forty-first amendment was made on Jun. 15, 2016.
The forty-second amendment was made on Jun. 8, 2017.
The forty-third amendment was made on May 30, 2019.
The forty-fourth amendment was made on May 26, 2022.

Disclose the shareholdings of directors in accordance with Article 3 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies

According to Term 5, Provision 1 and Provision 2 of Article 2 of “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies”: If the company’s paid-in capital lies in NT\$ 4 billion ~ NT\$ 10 billion, the total shareholding of registered shares held by the whole directors shall not be lower than 4% and not lower than 0.4% for the whole supervisors. However, if the total shareholding held by the whole directors or supervisors calculated with the percentage is lower than the highest total shareholding in the previous term, it shall be calculated with the highest total shareholding in the previous term. The shareholdings of the independent directors elected by publicly listed companies are not calculated into the total amount in the previous paragraph; if two and more independent directors are elected, the shareholdings of the whole directors and supervisors except for independent directors calculated with the ratios in the previous paragraph are cut down to 80%.

The Company’s paid-in capital was NT\$5,477,522,260 (547,752,226 shares). The total registered shares held by all directors shall not be less than 17,528,071 shares.

The shareholding of individual and overall directors listed on the shareholders name list as of the book closure date of the shareholders’ meeting:

Mar. 27, 2023

Title	Name	The shareholding listed on the shareholders name list as of the book closure date	
		Shareholding	Shareholding ratio %
Chairman	Chen, Chien-Hsin	6,745,000	1.23%
Director	Ethical Investment Corp.	49,000,000	8.94%
Director	Chen, Ding-Chi	13,545,254	2.47%
Director	Chen, Wei-Wang	6,300,000	1.15%
Director	Chen, Chien-Ming	4,023,192	0.73%
Director	Lee, Yung-Long	2,281,007	0.41%
Director	Ken, Wen-Yuen	2,951,405	0.53%
Director	Chao, Rong-Shiang	3,770,500	0.68%
Independent director	Wu, Chung-Fern	0	0%
Independent director	Yang, Way-Wen	0	0%
Independent director	Chang, Yuan-Jan	0	0%
Total shareholding of all directors		88,616,358	16.17%

The impact of the stock grants proposed by the shareholders meeting on the Company's Operating performance and EPS

The Company did not distribute stock dividends and thus is not applicable here.

The background is a solid green color. On the left side, there are several hexagonal shapes. One large hexagon in the top left is filled with a lighter shade of green and has a dark green outline. Below it and to the right are several other hexagons, some filled with the same light green and some just outlined in white or light green. These hexagons are arranged in a somewhat staggered pattern, suggesting a molecular or crystalline structure.

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