



CHC RESOURCES

CHC Resources Corporation

2021 Annual General Meeting Meeting Handbook

9:00 a.m., June 23, 2021 (Wednesday)
No. 2, Youcheng Lane, Yanhai 3rd Road, Siaogang, Kaohsiung, Taiwan(R.O.C)
CHC Linhai Plant's Meeting Room

Table of Contents

	Page
1. Meeting Procedures	2
2. Meeting Agenda	3
(1) Report Items	4
(2) Proposals for Ratification	9
(3) Proposals for Discussion	27
(4) Extraordinary Motions	40
3. Rules and Regulations	
(1) Rules Governing Procedures for Shareholders' Meeting ...	41
(2) Articles of Incorporation	49
4. List of Shareholding by Current Directors	57

CHC Resources Corporation
2021 Annual General Meeting
Meeting Procedures

1. Call the Meeting to Order
2. Chairman's Remarks
3. Report Items
4. Proposals for Ratification
5. Proposals for Discussion
6. Extraordinary Motions
7. Meeting Adjourned

CHC Resources Corporation
2021 Annual General Meeting
Meeting Agenda

1. Time: 9:00 a.m., June 23, 2021 (Wednesday)
2. Venue: No. 2, Youcheng Lane, Yanhai 3rd Road, Siaogang, Kaohsiung, Taiwan(R.O.C) (CHC Linhai Plant's Meeting Room)
3. Attendants: shareholders and proxies entrusted by shareholders
4. Chairman: Chairman of the Board, Mr. Hung-Chang Chang
5. Chairman's Remarks
6. Report Items
 - (1) Report on the Operations of 2020.
 - (2) Report on Audit Committee's audit report of 2020.
 - (3) Report on the distribution of remuneration for employees and directors of 2020.
 - (4) Report on amendments to Codes of Ethics for Directors.
7. Proposals for Ratification
 - (1) To approve 2020 Business Report and Financial Statements.
 - (2) To approve the Proposal for Distribution of 2020 profits.
8. Proposals for Discussion
 - (1) Discussion on amendments to the Rules Governing Procedures for Shareholders' Meeting.
 - (2) Discussion on amendments to the Rules Governing the Election of Directors.
 - (3) Discussion on amendments to the Procedures for Loaning of Funds.
9. Extraordinary Motions
10. Meeting Adjourned

Report Items

1. Report on the Operations of 2020.

2. Report on Audit Committee's audit report of 2020.

(Please refer to the Audit Committee's Report)

Audit Committee's Report

The Board of Directors has prepared and submitted to the undersigned, Audit Committee of CHC Resources Corporation, 2020 Business Report, Financial Statements, and Earning Distribution proposal. The Financial Statements have been duly audited by CPA Jui-Hsuan Hsu and Chao-Chun Wang of Deloitte & Touche Taiwan.

The above Business Report, Financial Statements, and Earning Distribution proposal have been examined and determined to be complying with requirements under laws and regulations related to the Company Act by the undersigned. This Report is duly submitted in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To: 2021 Annual General Shareholders' Meeting

CHC Resources Corporation
Convener of the Audit Committee : Chun-Hsien Wang

February 25, 2021

3. Report on the distribution of remuneration for employees and directors of 2020

Proposed by the Board of Directors

Explanatory Note:

- (1) According to the requirements under Article 30 of the Company's Articles of Incorporation, when the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.
- (2) In 2020, the Company recorded a profit of NT\$957,102,638 (i.e., profit before income tax to deducting remuneration of employees and Directors). The Company intends to provide NT\$31,555,283 (approximately 3.30%) as the remuneration of employees and NT\$6,311,057 (approximately 0.66%) as the remuneration for Directors.

4. Report on amendments to Codes of Ethics for Directors.

Proposed by the Board of Directors

Explanatory Note:

- (1) The relevant provisions of the Company's Codes of Ethics for Directors have been amended in accordance with practical requirements.
- (2) A comparison table of draft amendments to some of the provisions of the Company's Codes of Ethics for Directors is as shown in Attachment 1.

Attachment 1

Comparison Table for Amendments to Codes of Ethics for Directors of CHC Resources Corporation

Revised clause	Clause in force	Explanation
<p>Article 2</p> <p>Directors shall comply with the following basic principles in performing their duties:</p> <ol style="list-style-type: none"> 1. Protect shareholders' rights and interests. 2. Strengthen the power and responsibilities of the Board of Directors. 3. Respect stakeholders' rights and interests 4. Increase information transparency. 	<p>Article 2</p> <p>Directors shall comply with the following basic principles in performing their duties:</p> <ol style="list-style-type: none"> 1. Protect shareholders' rights and interests. 2. Strengthen the power and responsibilities of the Board of Directors. 3. <u>Leverage the functions of the Audit Committee.</u> 4. Respect stakeholders' rights and interests 5. Increase information transparency. 	<p>The relevant content of the Audit Committee is deleted.</p>
<p>Article 13</p> <p>For the exemption of Article 5, the director shall fully disclose the interests of personnel or enterprise and the legal acts listed in Article 5, as well as the reasons that are not unprofitable or contrary to normal business practice, which shall be approved by resolution of the Board of Directors. However, if such an instance falls within the legal acts between a director and the Company as stipulated in Article 223 of the Company Act, the convener of the Audit Committee shall serve as the representative of the Company.</p> <p>In the event that a director wishes to be exempted from the applicability of Article 6, he/she shall explain the specific content of the opportunity to the Board of Directors, and the reasons that it does not conflict with or affect the interests of the Company, which shall be approved by resolution of the Board of Directors.</p> <p>Upon approval by a resolution of the Board of Directors regarding exemption from applicability as provided in the preceding two paragraphs, the Company shall immediately disclose on the Market Observation Post System (MOPS) the titles and names of the personnel exempted, the date when the exemption was approved by the Board of Directors, <u>independent directors' objections or reserved opinions</u>, the term of exemption from applicability, the reasons for exemption from applicability, and the standard(s) for exemption from applicability.</p>	<p>Article 13</p> <p>For the exemption of Article 5, the director shall fully disclose the interests of personnel or enterprise and the legal acts listed in Article 5, as well as the reasons that are not unprofitable or contrary to normal business practice, which shall be approved by resolution of the Board of Directors. However, if such an instance falls within the legal acts between a director and the Company as stipulated in Article 223 of the Company Act, the convener of the Audit Committee shall serve as the representative of the Company.</p> <p>In the event that a director wishes to be exempted from the applicability of Article 6, he/she shall explain the specific content of the opportunity to the Board of Directors, and the reasons that it does not conflict with or affect the interests of the Company, which shall be approved by resolution of the Board of Directors.</p> <p>Upon approval by a resolution of the Board of Directors regarding exemption from applicability as provided in the preceding two paragraphs, the Company shall immediately disclose on the Market Observation Post System (MOPS) the titles and names of the personnel exempted, the date when the exemption was approved by the Board of Directors, the term of exemption from applicability, the reasons for exemption from applicability, and the standard(s) for exemption from applicability.</p>	<p>Amendment is made with reference to the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies.</p>
<p>Article 14</p> <p>The Codes shall be disclosed on <u>the Company's website</u>, annual reports, and prospectuses, as well as on the MOPS, and the same shall apply to any amendments thereto.</p>	<p>Article 14</p> <p>The Codes shall be disclosed on the Company's annual reports and prospectuses, as well as on the MOPS, and the same shall apply to any amendments thereto.</p>	<p>Amendment is made with reference to the Guidelines for the Adoption of Codes of Ethical Conduct for TWSE/GTSM Listed Companies.</p>

Proposals for Ratification

1. Proposal:

Adoption of the 2020 Business Report and Financial Statements

Proposed by the Board of Directors

Explanatory Note:

Please refer to Attachment 2 for the 2020 Business Report and the financial statements for the year ended December 31st, 2020.

Resolution:

Attachment 2

CHC Resources Corporation 2020 Business Report

Due to the proper control of the domestic pandemic situation, alongside the return of overseas Taiwanese businesspeople, the increase of private and public investments, and other favorable factors, the domestic construction market continued to show a moderate growth in 2020. The Company's sales of slag powder and special materials also increased compared with 2019, and created an earnings per share after tax of NT\$3.07. The report on the 2020 business results and the 2021 business plan is as follows:

1. 2020 Business Results

(1) Management Principles

To improve the price and quantity for the production and sales of slag powder and to strengthen the cost control.

To actively promote resource products and enhance independent management

To fully promote the establishment of the grinding plant in Vietnam.

To advance the system procedures and improve management efficiency

To promote the smart production of grinding plants.

(2) Business results: The Company's consolidated operating revenue in 2020 was NT\$9,970,633,000, an increase of 5% from 2019; the profit before income tax was NT\$947,037,000, a decrease of 10% from 2019; net profit for the year was NT\$773,023,000, a decrease of 7% compared to 2019, mainly due to the increase in the resource recycling business and the decrease in the processing volume and price of blast furnace slag, basic oxygen furnace slag and sludge.

(3) Analysis of financial revenue and expenditure as well as profitability: Please refer to the financial statements enclosed for the 2020 financial overview.

(4) Research and development status:

A. The Company developed a new formula for blast-furnace slag cement (type IS(MS)) to improve sulfate resistance with stable product quality while continuing to promote this product to customers.

B. The Company completed the Handbook for the Utilization of basic oxygen furnace slag in Raw Meal and promoted it to basic oxygen furnace slag cement plants to use it during raw meal blending, while strengthening the circular economy model for the application of basic oxygen furnace slag.

C. The Company carried out the basic oxygen furnace slag steam curing experiment and conducted research

on the stabilization technology of basic oxygen furnace slag to minimize the expansibility to improve the quality and application methods of the basic oxygen furnace slag.

- D. The Company established an environmental and physicochemical properties database for the application of basic oxygen furnace slag in maritime engineering, as the basis and reference for the application of basic oxygen furnace slag in maritime engineering.

2. 2021 Business Plan

(1) Expected production and sales status:

A. Blast Furnace Cement business:

In terms of market demand, it is expected that, driven by the gradual recovery of the growth of the global economy in 2021, the private consumption and investment momentum in the domestic economy will increase, and government public work budgets will also grow. Therefore, if the domestic pandemic is properly controlled, the market demand in 2021 should be stable. In addition, in terms of supply of raw materials, affected by the pandemic, neighboring countries have released excess raw materials for export. Coupled with the increase in domestic supply of raw materials, the overall supply of raw materials is sufficient, which should be able to meet the demand in the domestic market and to maintain a balance between supply and demand.

B. Resource reutilization business:

In line with the government's circular economy policy, the Company will continue to cooperate with government departments to promote the application of BOF slag aggregate for asphalt concrete in road paving projects and increase the promotion of cement raw meal and maritime engineering materials to capitalize on the characteristics of basic oxygen furnace slag and enhance its economic value, while creating a sustainable environment with resource recycled and reused.

(2) Future development plans:

A. Blast Furnace Cement business:

- I. To leverage full production capacity and improve quality, strengthen customer services, and establish long-term cooperative relationships.
- II. To reduce production costs and energy consumption, increase product competitiveness, and be environmentally friendly.
- III. To increase customers of special material products and the sales.

B. Resource reutilization business:

- I. To improve the application quality and technology of resource products and increase their application value.
- II. To implement independent management and strengthen sales control.
- III. To capitalize on the core expertise and diversify the development of markets and business opportunities for by-products arising from the steel manufacturing processes.

C. Overseas business development:

- I. To integrate resources to execute the construction plan for the grinding plant in Vietnam.
- II. To expand the hearth slag powder market in Southeast Asia while based in Vietnam.

In general, regarding the blast-furnace slag cement business, the Company will continue to build steady partnerships with customers and suppliers in pursuit of the long-term stable growth of our business. Furthermore, the Company will spare no effort to execute the construction project of slag powder grinding plant in Vietnam, arrange its market footprint in advance, and establish product regulations and handbook, so as to facilitate the smooth marketing of products after the plant is put into production. Regarding the resource reutilization business, the Company has responded to the government's circular economy policy in recent years. The Company has been actively promoting the basic oxygen furnace slag aggregate for asphalt concrete to replace natural aggregate. The technology is greatly beneficial for the improvement of road quality and is highly recognized by government departments. In the future, the Company will reinforce its technology R&D and develop multiple application channels and values. In addition, with the increasing corporate business, the Company will also strengthen its corporate governance and operating nature to set up a stable foundation for business development and create maximum interests for shareholders and stakeholders.

CHC RESOURCES CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2020		December 31, 2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 485,346	4	\$ 319,520	3
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 30)	30,103	-	115,491	1
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 30)	238,235	2	230,053	2
Contract assets - current (Notes 4, 24 and 31)	53,049	-	34,193	-
Notes receivable (Notes 4 and 9)	213,475	2	169,642	1
Notes receivable - related parties (Notes 4, 9 and 31)	-	-	3,081	-
Accounts receivable (Notes 4 and 9)	160,715	1	199,458	2
Accounts receivable - related parties (Notes 4, 9 and 31)	731,421	6	580,384	5
Other receivables (Note 4)	44,111	-	7,814	-
Other receivables - related parties (Notes 4 and 31)	47,470	-	35,139	-
Current tax assets (Notes 4 and 26)	-	-	1,633	-
Inventories (Notes 4, 5 and 10)	314,901	2	300,861	3
Prepayments (Notes 11 and 31)	386,857	4	324,843	3
Other financial assets (Notes 12 and 32)	50,271	-	14,533	-
Refundable deposits - current (Note 16)	56,690	-	95,650	1
Costs to fulfil a contract (Notes 4 and 24)	11,945	-	16,239	-
Other current assets	65,305	1	30,179	-
Total current assets	<u>2,889,894</u>	<u>22</u>	<u>2,478,713</u>	<u>21</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss - noncurrent (Notes 4, 8 and 30)	29,870	-	28,883	-
Investments accounted for using the equity method (Notes 4 and 14)	250,096	2	244,950	2
Property, plant and equipment (Notes 4, 15, 31 and 32)	7,649,770	58	6,366,567	54
Right-of-use assets (Notes 4, 16 and 31)	2,012,748	15	2,269,902	19
Investment properties (Notes 4 and 17)	1,316	-	1,316	-
Intangible assets (Notes 4 and 18)	1,795	-	-	-
Deferred tax assets (Notes 4 and 26)	85,950	1	58,187	1
Prepayments for equipment	24,575	-	77,035	1
Refundable deposits - noncurrent (Note 16)	276,179	2	259,948	2
Other financial assets - noncurrent (Notes 12 and 32)	3,200	-	3,200	-
Other noncurrent assets (Note 22)	5,004	-	5,365	-
Total noncurrent assets	<u>10,340,503</u>	<u>78</u>	<u>9,315,353</u>	<u>79</u>
TOTAL	<u>\$ 13,230,397</u>	<u>100</u>	<u>\$ 11,794,066</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 19)	\$ 855,804	6	\$ 948,896	8
Short-term bills payable (Note 19)	99,954	1	72,985	1
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 30)	-	-	10,879	-
Contract liabilities - current (Notes 4, 24 and 31)	128,079	1	110,283	1
Notes payable	13,379	-	17,978	-
Accounts payable	86,277	1	85,383	1
Accounts payable - related parties (Note 31)	57,418	-	84,720	1
Payables on equipment	85,668	1	95,525	1
Other payables (Note 20)	1,017,132	8	688,553	6
Current tax liabilities (Notes 4 and 26)	105,512	1	135,357	1
Lease liabilities - current (Notes 4, 16 and 31)	317,487	2	305,243	2
Guarantee deposit received - current	53,074	-	40,797	-
Current portion of long-term borrowings (Note 19)	78,833	1	-	-
Other current liabilities	5,055	-	3,362	-
Total current liabilities	<u>2,903,672</u>	<u>22</u>	<u>2,599,961</u>	<u>22</u>
NONCURRENT LIABILITIES				
Long-term borrowings (Note 19)	2,239,378	17	753,000	6
Long-term bills payable (Note 19)	559,862	4	879,894	8
Provisions - noncurrent (Notes 4 and 21)	132,125	1	129,803	1
Deferred tax liabilities (Notes 4 and 26)	130,671	1	128,257	1
Lease liabilities - noncurrent (Notes 4, 16 and 31)	1,582,013	12	1,848,119	16
Net defined benefit liabilities (Notes 4 and 22)	97,041	1	117,333	1
Guarantee deposit received - noncurrent	1,095	-	1,136	-
Total noncurrent liabilities	<u>4,742,185</u>	<u>36</u>	<u>3,857,542</u>	<u>33</u>
Total liabilities	<u>7,645,857</u>	<u>58</u>	<u>6,457,503</u>	<u>55</u>
EQUITY (Note 23)				
Ordinary shares	2,485,404	18	2,485,404	21
Capital surplus	162,024	1	162,024	1
Retained earnings				
Legal reserve	1,350,346	10	1,269,677	11
Special reserve	69,625	1	29,140	-
Unappropriated earnings	1,431,976	11	1,292,898	11
Total retained earnings	<u>2,851,947</u>	<u>22</u>	<u>2,591,715</u>	<u>22</u>
Other equity	(124,775)	(1)	(69,626)	-
Total equity attributable to owners of the Corporation	5,374,600	40	5,169,517	44
NON-CONTROLLING INTERESTS (Note 23)	209,940	2	167,046	1
Total equity	<u>5,584,540</u>	<u>42</u>	<u>5,336,563</u>	<u>45</u>
TOTAL	<u>\$ 13,230,397</u>	<u>100</u>	<u>\$ 11,794,066</u>	<u>100</u>

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

CHC RESOURCES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 24 and 31)				
Sales	\$ 5,643,064	57	\$ 5,478,032	58
Construction revenue	411,831	4	29,417	-
Service revenue	<u>3,915,738</u>	<u>39</u>	<u>3,998,711</u>	<u>42</u>
Total operating revenue	<u>9,970,633</u>	<u>100</u>	<u>9,506,160</u>	<u>100</u>
OPERATING COSTS (Notes 10, 25 and 31)				
Cost of goods sold	4,467,780	45	4,320,053	46
Construction costs	391,756	4	27,960	-
Service costs	<u>3,700,146</u>	<u>37</u>	<u>3,605,133</u>	<u>38</u>
Total operating costs	<u>8,559,682</u>	<u>86</u>	<u>7,953,146</u>	<u>84</u>
GROSS PROFIT	<u>1,410,951</u>	<u>14</u>	<u>1,553,014</u>	<u>16</u>
OPERATING EXPENSES (Notes 9, 25 and 31)				
Selling and marketing expenses	193,239	2	207,832	2
General and administrative expenses	223,335	2	223,345	3
Research and development expenses	28,430	-	27,908	-
Expected credit loss (reversal gain)	<u>(1,668)</u>	<u>-</u>	<u>1,710</u>	<u>-</u>
Total operating expenses	<u>443,336</u>	<u>4</u>	<u>460,795</u>	<u>5</u>
PROFIT FROM OPERATIONS	<u>967,615</u>	<u>10</u>	<u>1,092,219</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)				
Interest income	2,879	-	3,015	-
Other income	28,294	-	15,175	-
Other gains and losses	(6,463)	-	(11,441)	-
Finance costs	(51,756)	-	(51,420)	-
Share of profit or loss of associates	<u>6,468</u>	<u>-</u>	<u>6,486</u>	<u>-</u>
Total non-operating income and expenses	<u>(20,578)</u>	<u>-</u>	<u>(38,185)</u>	<u>-</u>
PROFIT BEFORE INCOME TAX	947,037	10	1,054,034	11
INCOME TAX EXPENSE (Notes 4 and 26)	<u>174,014</u>	<u>2</u>	<u>226,061</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>773,023</u>	<u>8</u>	<u>827,973</u>	<u>9</u>

(Continued)

CHC RESOURCES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2020		2019	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 23 and 26)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	\$ (6,222)	-	\$ (11,811)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	9,169	-	(3,850)	-
Share of the other comprehensive loss of associates accounted for using the equity method	(3,659)	-	(3,140)	-
Income tax benefit relating to items that will not be reclassified subsequently to profit or loss	1,244	-	2,362	-
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translation of the financial statements of foreign operations	(70,519)	(1)	(39,528)	(1)
Share of the other comprehensive loss of associates accounted for using the equity method	(98)	-	(276)	-
Other comprehensive loss for the year, net of income tax	(70,085)	(1)	(56,243)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 702,938</u>	<u>7</u>	<u>\$ 771,730</u>	<u>8</u>
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 761,987	8	\$ 816,432	9
Non-controlling interests	<u>11,036</u>	<u>-</u>	<u>11,541</u>	<u>-</u>
	<u>\$ 773,023</u>	<u>8</u>	<u>\$ 827,973</u>	<u>9</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 702,164	7	\$ 766,205	8
Non-controlling interests	<u>774</u>	<u>-</u>	<u>5,525</u>	<u>-</u>
	<u>\$ 702,938</u>	<u>7</u>	<u>\$ 771,730</u>	<u>8</u>
EARNINGS PER SHARE (Note 27)				
Basic	<u>\$ 3.07</u>		<u>\$ 3.28</u>	
Diluted	<u>\$ 3.06</u>		<u>\$ 3.27</u>	

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

(Concluded)

CHC RESOURCES CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus	Retained Earnings				Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity		Total Equity Attributable to Owners of the Corporation	Non-controlling Interests	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Valuation Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income	Total			
BALANCE AT JANUARY 1, 2019	\$ 2,485,404	\$ 162,024	\$ 1,186,189	\$ 17,344	\$ 1,078,572	\$ 2,282,105	\$ (15,468)	\$ (13,672)	\$ (29,140)	\$ 4,900,393	\$ 141,149	\$ 5,041,542
Appropriation of 2018 earnings (Note 23)												
Legal reserve	-	-	83,488	-	(83,488)	-	-	-	-	-	-	-
Special reserve	-	-	-	11,796	(11,796)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(497,081)	(497,081)	-	-	-	(497,081)	-	(497,081)
	-	-	83,488	11,796	(592,365)	(497,081)	-	-	-	(497,081)	-	(497,081)
Net profit for the year ended December 31, 2019	-	-	-	-	816,432	816,432	-	-	-	816,432	11,541	827,973
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	(9,437)	(9,437)	(33,875)	(6,915)	(40,790)	(50,227)	(6,016)	(56,243)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	806,995	806,995	(33,875)	(6,915)	(40,790)	766,205	5,525	771,730
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,372	20,372
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(304)	(304)	-	304	304	-	-	-
BALANCE AT DECEMBER 31, 2019	2,485,404	162,024	1,269,677	29,140	1,292,898	2,591,715	(49,343)	(20,283)	(69,626)	5,169,517	167,046	5,336,563
Appropriation of 2019 earnings (Note 23)												
Legal reserve	-	-	80,669	-	(80,669)	-	-	-	-	-	-	-
Special reserve	-	-	-	40,485	(40,485)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	(497,081)	(497,081)	-	-	-	(497,081)	-	(497,081)
	-	-	80,669	40,485	(618,235)	(497,081)	-	-	-	(497,081)	-	(497,081)
Net profit for the year ended December 31, 2020	-	-	-	-	761,987	761,987	-	-	-	761,987	11,036	773,023
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	(5,204)	(5,204)	(60,039)	5,420	(54,619)	(59,823)	(10,262)	(70,085)
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	756,783	756,783	(60,039)	5,420	(54,619)	702,164	774	702,938
Adjustment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	42,120	42,120
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	530	530	-	(530)	(530)	-	-	-
BALANCE AT DECEMBER 31, 2020	\$ 2,485,404	\$ 162,024	\$ 1,350,346	\$ 69,625	\$ 1,431,976	\$ 2,851,947	\$ (109,382)	\$ (15,393)	\$ (124,775)	\$ 5,374,600	\$ 209,940	\$ 5,584,540

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

CHC RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 947,037	\$ 1,054,034
Adjustments for:		
Depreciation expense	795,947	715,552
Amortization expense	17,391	17,552
Expected credit loss (reversal gain)	(1,668)	1,710
Net loss (gain) on financial assets and liabilities at fair value		
changes of financial asset at fair value through profit or loss	(1,476)	10,131
Finance costs	51,756	51,420
Interest income	(2,879)	(3,015)
Dividend income	(5,885)	(10,185)
Share of profit of associates	(6,468)	(6,486)
Gain on disposal of property, plant and equipment	(237)	(3,420)
Write-down (reversal) of inventories	401	(1,325)
Recognition of provisions	2,322	129,803
Others	2,852	(385)
Changes in operating assets and liabilities		
Contract assets - current	(18,856)	79,412
Notes receivable	(43,833)	50,313
Notes receivable - related parties	3,081	70,405
Accounts receivable	40,411	(16,977)
Accounts receivable - related parties	(151,037)	84,749
Other receivables	(36,350)	446
Other receivables - related parties	(12,331)	53,426
Inventories	(14,441)	(46,454)
Prepayments	(62,014)	(140,160)
Other current assets	(34,675)	(447)
Other financial assets	(35,738)	(7,543)
Costs to fulfil a contract	4,294	(16,239)
Contract liabilities - current	17,796	30,731
Notes payable	(4,599)	(11,895)
Accounts payable	894	(137,691)
Accounts payable - related parties	(27,302)	(21,524)
Other payables	328,975	(22,508)
Other current liabilities	1,685	(1,293)
Net defined benefit liabilities	(26,514)	(17,947)
Cash generated from operations	<u>1,728,539</u>	<u>1,884,190</u>
Income taxes paid	<u>(226,331)</u>	<u>(259,549)</u>
Net cash generated from operating activities	<u>1,502,208</u>	<u>1,624,641</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through profit or loss	(1,249,871)	(1,335,000)
Proceeds from disposal of financial assets at fair value through profit or loss	1,325,856	1,290,492

(Continued)

CHC RESOURCES CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31	
	2020	2019
Acquisition of investments accounted for using the equity method	\$ (15,000)	\$ -
Net cash outflow on for acquisition of subsidiary	(1,099,447)	-
Proceeds from capital return on investment accounted for using equity method	8,044	2,117
Proceeds from disposal of noncurrent assets held for sale	-	11,760
Acquisition of property, plant and equipment	(635,066)	(847,548)
Proceeds from disposal of property, plant and equipment	237	38,014
Decrease in refundable deposits	22,729	40,972
Payment for intangible assets	(1,904)	-
Acquisition of right-of-use assets	-	(153,293)
Increase in other noncurrent assets	(16,921)	(17,175)
Interest received	2,932	2,478
Dividends received from others	5,885	10,185
Dividends received from associates	<u>4,523</u>	<u>7,423</u>
Net cash used in investing activities	<u>(1,648,003)</u>	<u>(949,575)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	4,000,088	6,267,643
Repayments of short-term borrowings	(4,092,423)	(6,468,527)
Proceeds from short-term bills payable	199,954	509,835
Repayments of short-term bills payable	(172,985)	(506,845)
Proceeds from in long-term borrowings	2,101,051	1,053,000
Repayments of long-term borrowings	(530,000)	(900,000)
Proceeds from long-term bills payable	-	229,975
Repayments of long-term bills payable	(320,032)	-
Refund of guarantee deposit received	12,236	9,642
Repayments of principal portion of lease liabilities	(325,011)	(276,863)
Dividends paid	(497,081)	(497,081)
Interest paid	(52,152)	(51,596)
Increase in non-controlling interests	<u>42,120</u>	<u>20,372</u>
Net cash generated from (used in) financing activities	<u>365,765</u>	<u>(610,445)</u>
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS	<u>(54,144)</u>	<u>(33,768)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	165,826	30,853
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>319,520</u>	<u>288,667</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 485,346</u>	<u>\$ 319,520</u>

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

(Concluded)

CHC RESOURCES CORPORATION

STANDALONE BALANCE SHEETS (In Thousands of New Taiwan Dollars)

ASSETS	December 31, 2020		December 31, 2019	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 131,189	2	\$ 156,598	1
Financial assets at fair value through profit or loss - current (Notes 4, 7 and 28)	30,103	-	60,091	1
Financial assets at fair value through other comprehensive income - current (Notes 4, 8 and 28)	227,745	2	219,923	2
Contract assets - current (Notes 4, 22 and 29)	50,728	-	30,022	-
Notes receivable (Notes 4 and 9)	207,430	2	163,902	1
Notes receivable - related parties (Notes 4, 9 and 29)	-	-	2,709	-
Accounts receivable (Notes 4 and 9)	137,244	2	167,464	1
Accounts receivable - related parties (Notes 4, 9 and 29)	675,754	5	542,701	5
Other receivables (Note 4)	1,978	-	10	-
Other receivables - related parties (Notes 4 and 29)	51,629	-	36,701	-
Inventories (Notes 4, 5 and 10)	299,680	2	290,524	3
Prepayments (Note 29)	94,829	1	69,851	1
Refundable deposits - current (Note 14)	10,353	-	68,590	1
Costs to fulfil a contract (Notes 4 and 22)	10,553	-	8,062	-
Other current assets	8,703	-	7,191	-
Total current assets	<u>1,937,918</u>	<u>16</u>	<u>1,824,339</u>	<u>16</u>
NONCURRENT ASSETS				
Financial assets at fair value through profit or loss - noncurrent (Notes 4, 8 and 28)	12,896	-	12,473	-
Investments accounted for using the equity method (Notes 4 and 12)	2,288,144	18	949,115	8
Property, plant and equipment (Notes 4, 13, 29 and 30)	5,882,455	47	6,073,891	54
Right-of-use assets (Notes 4, 14 and 29)	1,928,784	16	2,094,896	19
Investment properties (Notes 4 and 15)	11,531	-	11,621	-
Intangible assets (Notes 4 and 16)	1,795	-	-	-
Deferred tax assets (Notes 4 and 24)	83,186	1	57,105	1
Prepayments for equipment	-	-	2,310	-
Refundable deposits - noncurrent (Note 14)	273,949	2	257,771	2
Other financial assets - noncurrent (Notes 11 and 30)	3,200	-	3,200	-
Other noncurrent assets	2,380	-	3,063	-
Total noncurrent assets	<u>10,488,320</u>	<u>84</u>	<u>9,465,445</u>	<u>84</u>
TOTAL	<u>\$ 12,426,238</u>	<u>100</u>	<u>\$ 11,289,784</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 17)	\$ 776,988	6	\$ 905,299	8
Financial liabilities at fair value through profit or loss - current (Notes 4, 7 and 28)	-	-	10,879	-
Contract liabilities - current (Notes 4, 22 and 29)	56,561	-	52,801	-
Notes payable	9,411	-	13,337	-
Accounts payable	61,226	1	62,846	1
Accounts payable - related parties (Note 29)	60,672	0	87,472	1
Payables on equipment	22,827	-	94,823	1
Other payables (Notes 18 and 31)	965,042	8	645,061	6
Current tax liabilities (Note 24)	87,617	1	126,789	1
Lease liabilities - current (Notes 4, 14 and 29)	304,863	3	296,521	3
Guarantee deposit received - current	40,979	-	32,262	-
Current portion of long-term borrowings (Note 17)	78,833	1	-	-
Other current liabilities	2,514	-	2,745	-
Total current liabilities	<u>2,467,533</u>	<u>20</u>	<u>2,330,835</u>	<u>21</u>
NONCURRENT LIABILITIES				
Long-term borrowings (Note 17)	2,064,167	17	753,000	6
Long-term bills payable (Note 17)	559,862	5	879,894	8
Provisions - noncurrent (Notes 4 and 19)	132,125	1	129,803	1
Deferred tax liabilities (Notes 4 and 24)	84,395	-	82,099	1
Lease liabilities - noncurrent (Notes 4, 14 and 29)	1,647,355	13	1,828,977	16
Net defined benefit liabilities (Notes 4 and 20)	95,805	1	115,124	1
Guarantee deposit received - noncurrent	396	-	535	-
Total noncurrent liabilities	<u>4,584,105</u>	<u>37</u>	<u>3,789,432</u>	<u>33</u>
Total liabilities	<u>7,051,638</u>	<u>57</u>	<u>6,120,267</u>	<u>54</u>
EQUITY (Note 21)				
Ordinary shares	2,485,404	20	2,485,404	22
Capital surplus	162,024	1	162,024	2
Retained earnings				
Legal reserve	1,350,346	11	1,269,677	11
Special reserve	69,625	-	29,140	-
Unappropriated earnings	1,431,976	12	1,292,898	12
Total retained earnings	<u>2,851,947</u>	<u>23</u>	<u>2,591,715</u>	<u>23</u>
Other equity	(124,775)	(1)	(69,626)	(1)
Total equity	<u>5,374,600</u>	<u>43</u>	<u>5,169,517</u>	<u>46</u>
TOTAL	<u>\$ 12,426,238</u>	<u>100</u>	<u>\$ 11,289,784</u>	<u>100</u>

The accompanying notes are an integral part of the standalone financial statements.

CHC RESOURCES CORPORATION
STANDALONE STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2020		2019	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22 and 29)				
Sales	\$ 5,015,353	55	\$ 4,868,128	56
Construction revenue	411,831	4	29,417	-
Service revenue	<u>3,731,555</u>	<u>41</u>	<u>3,825,209</u>	<u>44</u>
Total operating revenue	<u>9,158,739</u>	<u>100</u>	<u>8,722,754</u>	<u>100</u>
OPERATING COSTS (Notes 10, 23 and 29)				
Cost of goods sold	3,934,622	43	3,809,847	44
Construction costs	391,756	4	27,960	-
Service costs	<u>3,544,408</u>	<u>39</u>	<u>3,476,865</u>	<u>40</u>
Total operating costs	<u>7,870,786</u>	<u>86</u>	<u>7,314,672</u>	<u>84</u>
GROSS PROFIT	<u>1,287,953</u>	<u>14</u>	<u>1,408,082</u>	<u>16</u>
OPERATING EXPENSES (Notes 23 and 29)				
Selling and marketing expenses	208,052	2	220,894	3
General and administrative expenses	173,866	2	172,419	2
Research and development expenses	<u>30,631</u>	<u>-</u>	<u>30,450</u>	<u>-</u>
Total operating expenses	<u>412,549</u>	<u>4</u>	<u>423,763</u>	<u>5</u>
PROFIT FROM OPERATIONS	<u>875,404</u>	<u>10</u>	<u>984,319</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES (Notes 23 and 29)				
Interest income	554	-	587	-
Other income	28,579	-	14,503	-
Other gains and losses	(4,996)	-	(11,693)	-
Finance costs	(50,796)	-	(50,885)	-
Share of profit or loss of subsidiaries and associates	<u>70,491</u>	<u>1</u>	<u>88,825</u>	<u>1</u>
Total non-operating income and expenses	<u>43,832</u>	<u>1</u>	<u>41,337</u>	<u>1</u>
PROFIT BEFORE INCOME TAX	919,236	11	1,025,656	12
INCOME TAX EXPENSE (Notes 4 and 24)	<u>157,249</u>	<u>2</u>	<u>209,224</u>	<u>3</u>
NET PROFIT FOR THE YEAR	<u>761,987</u>	<u>9</u>	<u>816,432</u>	<u>9</u>

(Continued)

CHC RESOURCES CORPORATION

STANDALONE STATEMENTS OF COMPREHENSIVE INCOME (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31			
	2020		2019	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 21 and 24)				
Items that will not be reclassified subsequently to profit or loss				
Remeasurement of defined benefit plans	\$ (7,044)	-	\$ (11,655)	-
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	8,245	-	(2,944)	-
Share of the other comprehensive loss of subsidiaries and associates accounted for using the equity method	(2,393)	-	(4,083)	-
Income tax related to items that will not be reclassified subsequently to profit or loss	1,408	-	2,330	-
Items that may be reclassified subsequently to profit or loss				
Share of the other comprehensive loss of subsidiaries and associates accounted for using the equity method	<u>(60,039)</u>	<u>(1)</u>	<u>(33,875)</u>	<u>-</u>
Other comprehensive loss for the year, net of income tax	<u>(59,823)</u>	<u>(1)</u>	<u>(50,227)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 702,164</u>	<u>8</u>	<u>\$ 766,205</u>	<u>9</u>
EARNINGS PER SHARE (Note 25)				
Basic	<u>\$ 3.07</u>		<u>\$ 3.28</u>	
Diluted	<u>\$ 3.06</u>		<u>\$ 3.27</u>	

The accompanying notes are an integral part of the standalone financial statements.

(Concluded)

CHC RESOURCES CORPORATION

STANDALONE STATEMENTS OF CHANGES IN EQUITY (In Thousands of New Taiwan Dollars)

	Ordinary Shares	Capital Surplus	Retained Earnings				Exchange Differences on Translation of the Financial Statements of Foreign Operations	Other Equity		Total	Total Equity
			Legal Reserve	Special Reserve	Unappropriated Earnings	Total		Unrealized Valuation Gains (Losses) on Financial Assets at Fair Value Through Other Comprehensive Income			
BALANCE AT JANUARY 1, 2019	\$ 2,485,404	\$ 162,024	\$ 1,186,189	\$ 17,344	\$ 1,078,572	\$ 2,282,105	\$ (15,468)	\$ (13,672)	\$ (29,140)	\$ 4,900,393	
Appropriation of 2018 earnings (Note 21)											
Legal reserve	-	-	83,488	-	(83,488)	-	-	-	-	-	
Special reserve	-	-	-	11,796	(11,796)	-	-	-	-	-	
Cash dividends	-	-	-	-	(497,081)	(497,081)	-	-	-	(497,081)	
	-	-	83,488	11,796	(592,365)	(497,081)	-	-	-	(497,081)	
Net profit for the year ended December 31, 2019	-	-	-	-	816,432	816,432	-	-	-	816,432	
Other comprehensive loss for the year ended December 31, 2019, net of income tax	-	-	-	-	(9,437)	(9,437)	(33,875)	(6,915)	(40,790)	(50,227)	
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	806,995	806,995	(33,875)	(6,915)	(40,790)	766,205	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	(304)	(304)	-	304	304	-	
BALANCE AT DECEMBER 31, 2019	2,485,404	162,024	1,269,677	29,140	1,292,898	2,591,715	(49,343)	(20,283)	(69,626)	5,169,517	
Appropriation of 2019 earnings (Note 21)											
Legal reserve	-	-	80,669	-	(80,669)	-	-	-	-	-	
Special reserve	-	-	-	40,485	(40,485)	-	-	-	-	-	
Cash dividends	-	-	-	-	(497,081)	(497,081)	-	-	-	(497,081)	
	-	-	80,669	40,485	(618,235)	(497,081)	-	-	-	(497,081)	
Net profit for the year ended December 31, 2020	-	-	-	-	761,987	761,987	-	-	-	761,987	
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	(5,204)	(5,204)	(60,039)	5,420	(54,619)	(59,823)	
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	756,783	756,783	(60,039)	5,420	(54,619)	702,164	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	530	530	-	(530)	(530)	-	
BALANCE AT DECEMBER 31, 2020	\$ 2,485,404	\$ 162,024	\$ 1,350,346	\$ 69,625	\$ 1,431,976	\$ 2,851,947	\$ (109,382)	\$ (15,393)	\$ (124,775)	\$ 5,374,600	

The accompanying notes are an integral part of the standalone financial statements.

CHC RESOURCES CORPORATION

STANDALONE STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	\$ 919,236	\$ 1,025,656
Adjustments for:		
Depreciation expense	777,664	700,815
Amortization expense	17,164	17,235
Net loss (gain) on fair value changes of financial assets at fair value through profit or loss	(1,456)	10,355
Finance costs	50,796	50,885
Interest income	(554)	(587)
Dividend income	(5,673)	(9,761)
Share of loss (profit) of subsidiaries and associates	(70,491)	(88,825)
Gain on disposal of property, plant and equipment	(71)	(3,925)
Write-down (reversal) of inventories	464	(450)
Recognition (reversal) of provisions	2,322	129,803
Others	2,852	(439)
Changes in operating assets and liabilities		
Contract assets - current	(20,706)	80,183
Notes receivable	(43,528)	48,333
Notes receivable - related parties	2,709	70,777
Accounts receivable	30,220	(13,090)
Accounts receivable - related parties	(133,053)	69,407
Other receivables	(1,970)	988
Other receivables - related parties	(14,928)	51,429
Inventories	(9,620)	(47,048)
Prepayments	(24,978)	8,658
Other current assets	(1,512)	17,862
Other financial assets	-	1,190
Costs to fulfil a contract	(2,491)	(8,062)
Contract liabilities - current	3,760	(25,171)
Notes payable	(3,926)	(16,036)
Accounts payable	(1,620)	(133,721)
Accounts payable - related parties	(26,800)	(21,720)
Other payables	320,720	(31,015)
Other current liabilities	(231)	(2,140)
Net defined benefit liabilities	(26,363)	(17,903)
Cash generated from operations	<u>1,737,936</u>	<u>1,863,683</u>
Income taxes paid	<u>(218,798)</u>	<u>(248,003)</u>
Net cash generated from operating activities	<u>1,519,138</u>	<u>1,615,680</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through profit or loss	(1,229,871)	(1,245,000)

(Continued)

CHC RESOURCES CORPORATION

STANDALONE STATEMENTS OF CASH FLOWS (In Thousands of New Taiwan Dollars)

	For the Year Ended December	
	2020	2019
	31	
Proceeds from disposal of financial assets at fair value through profit or loss	\$ 1,250,436	\$ 1,225,493
Acquisition of investments accounted for using the equity method	(1,396,221)	(236,634)
Proceeds from capital return on investment accounted for using the equity method	8,044	2,117
Proceeds from disposal of noncurrent assets held for sale	-	11,760
Acquisition of property, plant and equipment	(342,962)	(767,283)
Proceeds from disposal of property, plant and equipment	71	38,013
Decrease in refundable deposits	42,059	56,494
Payments for intangible assets	(1,904)	-
Cash received from business combination	-	11,576
Increase in other noncurrent assets	(16,372)	(15,400)
Interest received	556	587
Dividends received from others	5,673	9,761
Dividends received from subsidiaries and associates	<u>57,207</u>	<u>75,721</u>
Net cash used in investing activities	<u>(1,623,284)</u>	<u>(832,795)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	3,847,645	6,157,826
Repayments of short-term borrowings	(3,975,956)	(6,402,527)
Proceeds from short-term bills payable	100,000	429,866
Repayments of short-term bills payable	(100,000)	(499,861)
Proceeds from long-term borrowings	1,920,000	1,053,000
Repayments of long-term borrowings	(530,000)	(900,000)
Proceeds from long-term bills payable	-	229,975
Repayments of long-term bills payable	(320,032)	-
Refund of guarantee deposit received	8,578	3,445
Repayments of principal portion of lease liabilities	(322,882)	(277,777)
Dividends paid	(497,081)	(497,081)
Interest paid	<u>(51,535)</u>	<u>(51,101)</u>
Net cash generated from (used in) financing activities	<u>78,737</u>	<u>(754,235)</u>
NET INCREASE (DECREASE) IN CASH	(25,409)	28,650
CASH AT THE BEGINNING OF THE YEAR	<u>156,598</u>	<u>127,948</u>
CASH AT THE END OF THE YEAR	<u>\$ 131,189</u>	<u>\$ 156,598</u>

The accompanying notes are an integral part of the standalone financial statements.

(Concluded)

2. Proposal:

Adoption of the Proposal for Distribution of 2020 Profits

Proposed by the Board of Directors

Explanatory Note:

- (1) The Company intends to distribute its 2020 Earning Distribution according to the requirements under Article 30-1 of the Company's Articles of Incorporation; please see Attachment 3 for details.
- (2) The Company intends to distribute shareholders' bonuses amounted to NT\$497,080,736 (a distribution of NT\$2 per share in cash). Undistributed earnings after the distribution shall be NT\$804,015,757.
- (3) The ex-dividend date for the cash dividend is intended to be determined by the Chairman after the Earning Distribution proposal had been passed at the Annual Shareholders' Meeting. When distributing cash dividends, the total dividends distributed to each Shareholder shall be round up to "NT\$1," and the differences arising thereof shall be recognized as expenses by the Company.

Resolution:

CHC Resources Corporation
2020 Earning Distribution Table

Unit: NT\$

Item	Total	Remarks
Earnings available for distribution		
Opening balance of undistributed earnings	\$674,663,928	
Less: re-measurement of defined benefit plans credited to retained earnings	(5,203,079)	
Less: gains (loss) from the disposal of investments in equity instruments at fair value through other comprehensive profit or loss credited to retained earnings	529,980	
Adjusted undistributed earnings	669,990,829	
Add: net profit for the year	761,987,456	
Less: Legal reserve	(75,731,436)	Note 1
Less: Special reserve	(55,150,356)	Note 2
Earnings available for distribution for the period	1,301,096,493	
Earning distribution item:		
Shareholders' bonuses:		
Cash bonus (NT\$2 per share)	(497,080,736)	
Closing undistributed earnings	<u>\$804,015,757</u>	Note 3

Note 1: In accordance with requirements under the laws and regulations, net profit for the year (NT\$761,987,456) less re-measurement of defined benefit plans credited to retained earnings (NT\$5,203,079) and add gains (loss) from the disposal of investments in equity instruments at fair value through other comprehensive profit or loss credited to retained earnings (NT\$529,980) had been adopted as the provision basis of the legal reserve.

Note 2: In accordance with requirements under the laws and regulations, the Company had provided the special reserve to recognize the increase in deduction item for other shareholders' equity (NT\$55,150,356) for 2020.

Note 3: When calculating the tax on undistributed earnings for profit-seeking businesses under Article 66-9 of the Income Tax Act, the Company shall distribute the latest annual earnings first.

Proposals for Discussion

1. Proposal:

Amendments to the Rules Governing Procedures for Shareholders' Meeting

Proposed by the Board of Directors

Explanatory Note:

- (1) The relevant provisions of the Company's Rules Governing Procedures for Shareholders' Meeting have been amended in accordance with the amended Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings referenced Taiwan Stock Exchange Corporation's Letter Tai-Zheng-Zhi-Li No. 1100001446.
- (2) A comparison table of draft amendments to some provisions of the Rules Governing Procedures for Shareholders' Meeting is as shown in Attachment 4.

Resolution:

Attachment 4

Comparison Table for Amendments to the Rules Governing Procedures for Shareholders' Meeting of CHC Resources Corporation

Revised clause	Clause in force	Explanation
<p>Article 2 (Paragraph 1, 2 and 3 are omitted) Election or dismissal of Directors, changes in the Articles of Incorporation, capital reduction, application for the suspension of the public offering, permission for non-competition of Directors, capital transferred from earnings, capital transferred from reserve, corporate dissolution, merger, spin-off, or items pertaining to Paragraph 1, Article 185 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" or other matters that may not be proposed at that Shareholders' Meeting as extraordinary motions according to laws and regulations shall be listed in the meeting proposals <u>with a description of the main contents</u>, and shall not be raised in extraordinary motions.</p> <p><u>As for the reasons for the convening of the shareholders' meeting, where re-election of all directors and the date of appointment have been indicated, after the re-election at the shareholders' meeting is completed, the date of appointment shall not be changed through an Extraordinary motion or other means at the same meeting.</u></p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit a proposal to the Company for discussion at an Annual</p>	<p>Article 2 (Paragraph 1、2 and 3 are omitted.) Election or dismissal of Directors, changes in the Articles of Incorporation, capital reduction, application for the suspension of the public offering, permission for non-competition of Directors, capital transferred from earnings, capital transferred from reserve, corporate dissolution, merger, spin-off, or items pertaining to Paragraph 1, Article 185 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" or other matters that may not be proposed at that Shareholders' Meeting as extraordinary motions according to laws and regulations shall be listed in the meeting proposals, and shall not be raised in extraordinary motions.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit a proposal to the Company <u>in writing</u> for discussion at</p>	<p>The text in the provision of Paragraph 4, Article 3 is amended as appropriate in accordance with the amended Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings ("Sample Template") referenced Taiwan Stock Exchange Corporation's Letter Tai-Zheng-Zhi-Li No. 1100001446.</p> <p>The provision of Paragraph 5 of this article is amended in accordance with Paragraph 5, Article 3 of the Sample Template.</p> <p>The provision of Paragraph 6 of this article is amended in accordance with</p>

Revised clause	Clause in force	Explanation
<p>Shareholders' Meeting. Each proposal shall only cover one issue. Any proposal with more than one issued covered shall not be included in the agenda. In addition, where the circumstances under any subparagraph, Paragraph 4, Article 172-1 of the Company Act apply to a proposal submitted by a shareholder, the Board of Directors may exclude it from the agenda.</p> <p>Prior to the book closure date before the Annual Shareholders' Meeting, the Company shall announce the acceptance of Shareholders' proposals, <u>the acceptance methods for written or electronic proposals</u>, and the acceptance period; the acceptance period may not be less than 10 days.</p> <p>(Omitted)</p>	<p>an Annual Shareholders' Meeting. Each proposal shall only cover one issue. Any proposal with more than one issued covered shall not be included in the agenda. Where the circumstances under any subparagraph, Paragraph 4, Article 172-1 of the Company Act apply to a proposal submitted by a shareholder, the Board of Directors may exclude it from the agenda.</p> <p>Prior to the book closure date before the Annual Shareholders' Meeting, the Company shall announce the acceptance of Shareholders' proposals, the venue, and the acceptance period; the acceptance period may not be less than 10 days.</p> <p>(Omitted)</p>	<p>Paragraph 6, Article 3 of the Sample Template.</p> <p>The provision of Paragraph 7 of this article is amended in accordance with Paragraph 7, Article 3 of the Sample Template.</p>
<p>Article 10</p> <p>At the time of the meeting, the Chairman shall immediately call the meeting to order <u>while announcing relevant information on the number of non-voting rights and the number of shares present</u>. However, where no attending Shareholders represent more than half of the total of issued shares, the Chairman shall announce a delay of the meeting. The delay is limited to twice, and the total delay time must not exceed one hour. Where the meeting had been delayed two times, but no Shareholders represent more than half of the total of issued shares attended, except for complying with paragraph 2, the Chairman shall announce adjournment.</p> <p>(Omitted)</p>	<p>Article 10</p> <p>At the time of the meeting, the Chairman shall immediately call the meeting to order. However, where no attending Shareholders represent more than half of the total of issued shares, the Chairman shall announce a delay of the meeting. The delay is limited to twice, and the total delay time must not exceed one hour. Where the meeting had been delayed two times, but no Shareholders represent more than half of the total of issued shares attended, except for complying with paragraph 2, the Chairman shall announce adjournment.</p> <p>(Omitted)</p>	<p>The provision of Paragraph 1 of this article is amended in accordance with Paragraph 2, Article 9 of the Sample Template.</p>
<p>Article 11</p> <p>When the Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be set by the</p>	<p>Article 11</p> <p>When the Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be set by the</p>	<p>The provision of Paragraph 1 of this article is amended in accordance with</p>

Revised clause	Clause in force	Explanation
<p>Board of Directors. <u>Relevant motions (including extraordinary motions and amendments to the original motions)</u> shall be voted on a case-by-case basis, and the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders' Meeting.</p> <p>(Omitted)</p>	<p>Board of Directors and the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders' Meeting.</p> <p>(Omitted)</p>	<p>Paragraph 1, Article 10 of the Sample Template.</p>
<p>Article 14</p> <p>The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporaneous motions put forward by the Shareholders; when the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote, <u>while arranging sufficient time for voting.</u></p>	<p>Article 14</p> <p>The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporaneous motions put forward by the Shareholders; when the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote.</p>	<p>The provision of this article is amended in accordance with Paragraph 4, Article 10 of the Sample Template.</p>
<p>Article 15</p> <p>(Paragraph 1 is omitted)</p> <p>When the Company convenes a Shareholders' Meeting, Shareholders shall exercise their voting power by electronic means or <u>may do it in writing</u>; the method of exercising their voting power in writing or by electronic means shall be indicated in the Shareholders' Meeting notice. A Shareholder exercising voting rights in writing or by electronic means shall be deemed to have attended the Shareholders' Meeting in person. However, the Shareholder shall be deemed to have abstained from the extraordinary motions or amendments to the original motion.</p> <p>(Omitted)</p>	<p>Article 15</p> <p>(Paragraph 1 is omitted)</p> <p>When the Company convenes a Shareholders' Meeting, Shareholders may exercise their voting power <u>in writing or</u> by electronic means; the method of exercising their voting power in writing or by electronic means shall be indicated in the Shareholders' Meeting notice. A Shareholder exercising voting rights in writing or by electronic means shall be deemed to have attended the Shareholders' Meeting in person. However, the Shareholder shall be deemed to have abstained from the extraordinary motions or amendments to the original motion.</p> <p>(Omitted)</p>	<p>The provision of Paragraph 2 of this article is amended in accordance with Paragraph 2, Article 13 of the Sample Template.</p>
<p>Article 19</p> <p>Where there is a Director election at the</p>	<p>Article 19</p> <p>Where there is a Director election at the</p>	<p>The provision of</p>

Revised clause	Clause in force	Explanation
<p>Shareholders' Meeting, the election shall be carried out according to the Company's Procedures for Election of Directors, and the election results shall be announced at the scene, including the name list of the elected Directors and the number of passing votes thereof, <u>and the name list of unelected candidates and the number of votes they obtained.</u></p>	<p>Shareholders' Meeting, the election shall be carried out according to the Company's Procedures for Election of Directors, and the election results shall be announced at the scene, including the name list of the elected Directors and the number of passing votes thereof.</p>	<p>Paragraph 2 of this article is amended in accordance with Paragraph 2, Article 13 of the Sample Template.</p>
<p>Article 20 (Paragraph 1 、 2 are omitted.) The minute book shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and the voting results <u>(including the votes counted). Where there is an election of Directors, the number of votes obtained by each candidate shall be disclosed.</u> The minute book shall be retained for the entire duration of the Company. The minute book shall be fully disclosed on CHC's website.</p>	<p>Article 20 (Paragraph 1 、 2 are omitted.) The minute book shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the entire duration of the Company. The minute book shall be fully disclosed on CHC's website.</p>	<p>The provision of Paragraph 3 of this article is amended in accordance with Paragraph 3, Article 15 of the Sample Template.</p>

2. Proposal:

Amendments to the Rules Governing the Election of Directors

Proposed by the Board of Directors

Explanatory Note:

- (1) The provisions of Articles 9 and 10 of the Rules have been amended in accordance with the amended Sample Template for XXX Co., Ltd. Procedures for Election of Directors referenced Taiwan Stock Exchange Corporation's Letter Tai-Zheng-Zhi-Li No. 1090009468, the Financial Supervisory Commission's Letter Jin-Guan-Zheng-Jiao No. 1080311451, the amended Article 173 of the Company Act, and operational needs.
- (2) A comparison table of draft amendments to some of the provisions of the Company's Rules Governing the Election of Directors is as shown in Attachment 5.

Resolution:

Attachment 5

Comparison Table for Amendments to the Rules Governing the Election of Directors of CHC Resources Corporation

Revised clause	Clause in force	Explanation
<p>Article 9</p> <p>Voters shall fill in the following information on the lists of Independent Director and Non-independent Director candidates, respectively, in the "candidate" columns on their voting tickets.</p> <p>1. Where a candidate is a natural person who is a Shareholder or not a Shareholder, fill in the name and <u>the code of the candidate</u>.</p> <p>2. Where a candidate is a juridical person or a government Shareholder, fill in the name of the juridical person or the government Shareholder and <u>the code of the candidate</u>.</p> <p>3. Where a candidate is the representative assigned by a juridical person or a government Shareholder, fill in the name of the juridical person or the government Shareholder, the name of the representative, and <u>the code of the candidate</u>.</p>	<p>Article 9</p> <p>Voters shall fill in the following information on the lists of Independent Director and Non-independent Director candidates, respectively, in the "candidate" columns on their voting tickets.</p> <p>1. Where a candidate is a natural person who is a Shareholder, <u>fill in the name and account number</u> of the candidate. Where a candidate is a natural person who is not a Shareholder, fill in the name and <u>the ID number</u> of the candidate.</p> <p>2. Where a candidate is a juridical person or a government Shareholder, fill in the name and <u>account number</u> of the juridical person or the government Shareholder.</p> <p>3. Where a candidate is the representative assigned by a juridical person or a government Shareholder, fill in the name, <u>account number</u>, and <u>the name of the representative</u>.</p>	<p>In line with the amended Sample Template for XXX Co., Ltd. Procedures for Election of Directors referenced Taiwan Stock Exchange Corporation's Letter Tai-Zheng-Zhi-Li No. 1090009468 and the Financial Supervisory Commission's Letter Jin-Guan-Zheng-Jiao No. 1080311451, the elections of Directors by TWSE-listed companies shall adopt the candidate nomination system from 2021 onwards and shareholders shall elect Directors from the list of Director candidates. They shall be able to obtain information including the candidates' names, education and work experience from the list of candidates prior to the shareholders' meeting. Identifying candidates with their shareholders'</p>

Revised clause	Clause in force	Explanation
		account numbers or ID numbers becomes unnecessary. Thus, Article 9 is amended.
<p>Article 10 A voting ticket is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. When a voter failed to hand in the attendance card to complete the registration procedures. 2. When a voter failed to use the voting ticket prepared by the parties with the convening power. 3. When a voter cast a blank ticket into the voting box. 4. When the handwriting is unable to be recognized or is altered, excluding correction or addition/deletion due to writing mistakes. <p>5. <u>A vote with other words or marks entered in addition to the name</u></p>	<p>Article 10 A voting ticket is invalid under any of the following circumstances:</p> <ol style="list-style-type: none"> 1. When a voter failed to hand in the attendance card to complete the registration procedures. 2. When a voter failed to use the voting ticket prepared by the Board of Directors. 3. When a voter cast a blank ticket into the voting box. 4. When the handwriting is unable to be recognized or is altered, excluding correction or addition/deletion due to writing mistakes. 5. <u>When the candidate whose name is entered on the vote is a Shareholder, and the candidate's account number and Shareholder account number do not conform to those in the Shareholder's register.</u> 6. <u>When the candidate whose name is entered on the vote is a representative assigned by a juridical person or a government Shareholder, and the name and account number of the juridical person or the government Shareholder do not conform to those in the Shareholder's register.</u> 7. <u>When the candidate whose name is entered on the vote is a non-shareholder, and a cross-check shows that the candidate's name and ID number do not match.</u> 8. <u>When other texts are entered in addition to the candidate's</u> 	<p>According to Article 173 of the Company Act, Shareholders may, under certain circumstances (for example, when the board of directors does not give notice of the convening), report to the competent authority for permission to convene an interim meeting of shareholders on their own, instead of only having the board of directors prepare voting votes; Article 10, paragraph 2.</p> <p>In line with the amended Sample Template for XXX Co., Ltd. Procedures for Election of Directors referenced Taiwan Stock Exchange Corporation's Letter Tai-Zheng-Zhi-Li No. 1090009468 and the Financial Supervisory Commission's Letter Jin-Guan-Zheng-Jiao No. 1080311451, the elections of Directors by TWSE-listed companies</p>

Revised clause	Clause in force	Explanation
<p><u>and the candidate code.</u></p> <p>6. The name of the candidate <u>filled in or the candidate code is incomplete or inconsistent with that on the list of candidates.</u></p> <p>7. When more two or more candidates are entered on the vote.</p> <p>8. When the voting ticket is torn and become incomplete.</p> <p>9. When the voting ticket is contaminated, and the candidate entered on the vote may not be identified.</p> <p>10. When the Independent Director or Non-independent Director candidate entered on the vote are not on the list of Independent Director and Non-independent Director Candidates.</p>	<p><u>account name (name) or Shareholder account number (ID number) and the number of voting rights allotted.</u></p> <p>9. <u>When</u> the name of the candidate entered <u>on the vote is identical to that of another Shareholder, and no Shareholder account number or ID number is provided for identification.</u></p> <p>10. When more two or more candidates are entered on the vote.</p> <p>11. When the voting ticket is torn and become incomplete.</p> <p>12. When the voting ticket is contaminated, and the candidate entered on the vote may not be identified.</p> <p>13. When the Independent Director or Non-independent Director candidate entered on the vote are not on the list of Independent Director and Non-independent Director Candidates.</p>	<p>shall adopt the candidate nomination system from 2021 onwards and shareholders shall elect Directors from the list of Director candidates. They shall be able to obtain information including the candidates' names, education and work experience from the list of candidates prior to the shareholders' meeting. Identifying candidates with their shareholders' account numbers or ID numbers becomes unnecessary. Thus, Subparagraphs 8 and 9 of Article 10 are amended and Subparagraphs 5, 6, and 7 of Article 10 are deleted.</p>

3. Proposal:

Amendments to the Procedures for Loaning of Funds

Proposed by the Board of Directors

Explanatory Note:

- (1) In accordance with the Questions and Answers on the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies newly issued by the Financial Supervisory Commission, the relevant provisions of the Company's Procedures for Loaning of Funds have been amended, and new regulations on the issue of financing in disguise have been formulated.
- (2) A comparison table of draft amendments to some of the provisions of the Company's Procedures for Loaning of Funds is as shown in Attachment 6.

Resolution:

Attachment 6

Comparison Table for Amendments to the Procedures for Loaning of Funds of CHC Resources Corporation

Revised clause	Clause in force	Explanation
<p>Article 2. The definition of terms used in the Procedures are as follow:</p> <p>1. Announce and report: Refers to the process of entering data to the information reporting website designated by the FSC.</p> <p>2. Date of occurrence: Refers to the date of contract signing, date of payment, dates of Board of Directors' resolutions, or other dates that can confirm the counterparty and monetary amount of the endorsement/guarantee, whichever date is earlier.</p> <p>3. Subsidiary: Recognize according to the requirements under the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</p> <p>4. Net value of the Company: Refers to the equity attributable to the owners of the Company stating in the latest balance sheet prepared according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</p> <p>5. <u>The Company's total operating revenue and total assets: The total operating revenue and total assets in the most recent annual parent company only financial report are prepared in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u></p> <p>6. All Audit Committee members: Refers to the actual number of</p>	<p>Article 2. The definition of terms used in the Procedures are as follow:</p> <p>1. Announce and report: Refers to the process of entering data to the information reporting website designated by the FSC.</p> <p>2. Date of occurrence: Refers to the date of contract signing, date of payment, dates of Board of Directors' resolutions, or other dates that can confirm the counterparty and monetary amount of the endorsement/guarantee, whichever date is earlier.</p> <p>3. Subsidiary: Recognize according to the requirements under the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</p> <p>4. Net value of the Company: Refers to the equity attributable to the owners of the Company stating in the latest balance sheet prepared according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</p> <p>5. All Audit Committee members: Refers to the actual number of</p>	<p>1. The definitions of terms related to the judgment criteria for "significant amounts" are added in line with the amendment to Article 12 of the Procedures.</p> <p>2. The subparagraph number is modified.</p>

Revised clause	Clause in force	Explanation
<p>persons currently serving in the Audit Committee.</p> <p>7. All Directors: Refers to the actual number of persons currently serving as Directors.</p>	<p>persons currently serving in the Audit Committee.</p> <p>6. All Directors: Refers to the actual number of persons currently serving as Directors.</p>	
<p><u>Article 12</u> <u>Where the Company's payments are in line with any of the following circumstances:</u></p> <p>1. <u>Where accounts receivable (including related parties and non-related parties) have not been recovered three months after the normal credit period and the amount is significant.</u></p> <p>2. <u>Where the amount of a payment other than accounts receivable, such as other receivables, prepayments, or refundable deposits, is significant or of special nature, and meets any of the following conditions and has not been recovered three months after the normal credit period.</u></p> <p>(1)<u>The payment amount is not bound by a contract.</u></p> <p>(2)<u>The payment amount is inconsistent with the performance obligations stipulated in the contract.</u></p> <p>(3)<u>The reason for payment disappears.</u></p> <p><u>The sum of the amounts in the preceding two subparagraphs from a single counterparty reach 1% of the total operating revenue, or from all counterparties reach 1.5% of the total assets, it shall be submitted to the Board of Directors at least quarterly to decide whether it is loaning of funds. Except for the proof that there is no intention of</u></p>		<p>1. In line with question 37 the Questions and Answers on the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies newly issued by the Financial Supervisory Commission, new regulations on the issue of financing in disguise have been formulated, and the Company's Procedures for Loaning of Funds have been amended.</p> <p>2. Regarding the judgment criteria for "significant amount", after the discussion with Deloitte & Touche, an accounting arm appointed by the Company, the limit for a single counterparty is 1% of the total operating revenue as in the parent company only financial report for the most recent year, and the aggregate amount from all counterparties is 1.5% of the total asset, which are still in line with the scope of the Company's business dealings.</p>

Revised clause	Clause in force	Explanation
<p><u>lending the (such as taking legal action or proposing specific and feasible control measures), it shall belong to the category of loaning of funds.</u></p> <p><u>A payment in the preceding paragraph identified as in the category of loaning of funds as the approved by the Board of Directors shall be included in the total amount of the funds loaned and the limit of individual counterparties in accordance with the provisions of Article 4, and shall be declared and announced in accordance with the provisions of Article 11. Where the payment in the preceding paragraph included makes the resulting amount exceeds the limit of funds to be loaned, it shall be handled in accordance with the provisions of Article 10.</u></p>		
Article <u>13</u> . (Omitted)	Article <u>12</u> . (Omitted)	Article 13 is moved from the original Article 12.
Article <u>14</u> . (Omitted)	Article <u>13</u> . (Omitted)	Article 14 is moved from the original Article 13.
Article <u>15</u> . (Omitted)	Article <u>14</u> . (Omitted)	Article 15 is moved from the original Article 14.
Article <u>16</u> . (Omitted)	Article <u>15</u> . (Omitted)	Article 16 is moved from the original Article 15.
Article <u>17</u> . (Omitted)	Article <u>16</u> . (Omitted)	Article 16 is moved from the original Article 15.

Extraordinary Motions

Rules and Regulations

CHC Resources Corporation

Rules Governing Procedures for Shareholders' Meeting

Established on May 25, 1998
The 9th amendment was made on June 21, 2019

Article 1 Except for otherwise provided by the laws and regulations, or the Articles of Incorporation, the Rules of Procedures for the Shareholders' Meetings of the Company shall comply with the Rules of Procedures.

Article 2 Unless otherwise provided by the law and regulations, Shareholders' Meetings of the Company shall be convened by the Board of Directors.

The Company shall upload the electronic version of the meeting notice for the Shareholders' Meeting, paper for the power of attorney, the proposals, discussions, election or dismissal of Directors to the Market Observation Post System (MOPS) 30 days before the Annual Shareholders' Meeting, or 15 days before the Extraordinary Shareholders' Meeting. The Company shall prepare and upload the electronic file of the Shareholders' Meeting handbook and the supplemental materials for the meeting to the MOPS 21 days before the Annual Shareholders' Meeting or 15 days before the Extraordinary Shareholders' Meeting. 15 days before the date of Shareholders' Meeting, the Shareholders' Meeting agenda handbook and supplementary materials for the meeting shall be prepared for Shareholders' perusal at any time, displayed at the Company and the Company's professional stock agency, and distributed on-site during the Shareholders' Meeting.

The notice and public announcement shall indicate the reasons for convening the meeting. The notice, when agreed by counterparties, may be delivered by electronic means.

Election or dismissal of Directors, changes in the Articles of Incorporation, capital reduction, application for the suspension of the public offering, permission for non-competition of Directors, capital transferred from earnings, capital transferred from reserve, corporate dissolution, merger, spin-off, or items pertaining to Paragraph 1, Article 185 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" or other matters that may not be proposed at that Shareholders' Meeting as extraordinary motions according to laws and regulations shall be listed in the meeting proposals, and shall not be raised in extraordinary motions.

A Shareholder holding 1% of the total number of issued shares or above may submit a written proposal to the Company for discussion at the Annual Shareholders' Meeting, provided that only one proposal may be allowed, and in case of multiple proposals, such

proposals shall be excluded from the agenda. In addition, when the circumstances of any subparagraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a Shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before the Annual Shareholders' Meeting, the Company shall announce the acceptance of Shareholders' proposals, the venue, and the acceptance period; the acceptance period may not be less than 10 days.

A proposal submitted by a Shareholder shall be limited to 300 words, and no proposal with more than 300 words shall be included in the meeting agenda. The Shareholder submitting the proposal shall attend in person or by proxy at the Annual Shareholders' Meeting and take part in the discussion of the proposal.

The Company shall, prior to the delivery of the meeting notice, inform all the Shareholders who submitted proposals, the screening results, and shall include the proposals conforming to the requirements under the Article into the meeting notice. At the Shareholders' Meeting, the Board of Directors shall explain the reasons for the exclusion of any Shareholder's proposals.

Article 3 For each Shareholders' Meeting, a Shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company stating the scope of the proxy's authorization.

A Shareholder shall provide one proxy form to appoint one proxy. The form shall be delivered to the Company five days prior to the date of the Shareholders' Meeting. When more than one proxy forms are delivered, the one received earliest shall prevail. However, this restriction does not apply to the withdrawal of prior proxy engagements.

Should a Shareholder intend to exercise voting rights in writing or via electronic manners after the deliverance of the proxy form, the intent must be declared in writing to the Company two days before the date of the Shareholders' Meeting. When the cancellation is overdue, the voting by proxy prevails.

Article 4 The venue for a Shareholders' Meeting shall be at the location of the Company, or a place easily accessible to Shareholders and suitable for a Shareholders' Meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 5 The Company shall indicate on the meeting notice the attendance registration time and location and other matters for attention for Shareholders.

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

The Shareholders or their appointed proxies (the "Shareholders") shall attend the Shareholders' Meeting with attendance permit, attendance card, or other attendance

certificates. The Company shall not arbitrarily request attending Shareholders to provide other documents of proof. Those who solicit letters of authorization shall also bring identification documents for verification.

The Company shall deliver the meeting handbook, annual report, attendance permit, speaker's slip, voting ticket, and other meeting materials to the Shareholders who attend the Shareholders' Meeting. Where there is a Director election, the election votes shall be otherwise enclosed.

When the government or a juristic person is a Shareholder, it may be represented by more than one representative at a Shareholders' Meeting. When a juristic person has been delegated to attend the Shareholders' Meeting, only one person should be delegated as a proxy.

Article 6 When a Shareholders' Meeting is convened by the Board of Directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint one of the Directors to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors.

Where a Director is to chair the meeting as described in the preceding paragraph, it shall be a Director who has held the position for at least six months and is familiar with the Company's financial and business conditions. The same shall apply when the Chairman is a representative of a juristic person Director.

Where a Shareholders' Meeting is convened by a party with the power to convene, but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall elect one person from among themselves to act as the Chairman.

Article 7 The Shareholders' Meeting convened by the Board of Directors shall have more than half of the Board of Directors and at least one member of each of functional committees attending in person. The attendance record shall be documented in the minute book of the Shareholders' Meeting.

The Company may appoint its attorneys, CPA, or related persons to present at a Shareholders' Meeting.

Article 8 The Company shall make uninterrupted audio and video recording starting from the attendance registrations, the proceedings of the meeting, the voting, and to the vote-counting procedures.

The aforementioned recordings shall be kept for at least one year. However, where a Shareholder files a lawsuit based on Article 189 of the Company Act, the recordings shall be retained until the conclusion of the litigation.

Article 9 The attendance for the Shareholders' Meeting shall be based on the number of shares, and the number of shares attended shall be calculated based on the attendance card being

submitted. For Shareholders who exercised their voting rights in writing or via electronic manners, add the number of shares that exercised the voting rights in writing or via electronic manners.

During the course of the meeting, the total number of voting rights shall be updated at any time for an increase in the attending Shareholders.

Article 10 At the time of the meeting, the Chairman shall immediately call the meeting to order. However, where no attending Shareholders represent more than half of the total of issued shares, the Chairman shall announce a delay of the meeting. The delay is limited to twice, and the total delay time must not exceed one hour. Where the meeting had been delayed two times, but no Shareholders represent more than half of the total of issued shares attended, except for complying with paragraph 2, the Chairman shall announce adjournment.

If the aforementioned two delays still fail to meet the quorum, but the number of shares that represent more than one-third of the total number of issued shares are present, tentative resolutions may be resolved pursuant to Article 175-1 of the Company Act, and each Shareholder will be notified of the tentative resolutions, and another Shareholders' Meeting will be convened within one month. However, special resolutions required by the Company Act shall comply with the requirements of the Company Act.

Where, prior to the conclusion of the meeting, the attending Shareholders represent more than half of the total number of issued shares, the Chairman may resubmit the tentative resolutions for a vote by the Shareholders' Meeting pursuant to Article 174 of the Company Act.

Article 11 When the Shareholders' Meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors and the meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the Shareholders' Meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a Shareholders' Meeting convened by a party with the power to convene that is not the Board of Directors.

The Chairman may not arbitrarily declare the adjournment of the meeting before the end of proceedings (including extemporary motions). When the Chairman declares the meeting adjourned in violation of the Rules of Procedures, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new Chairman in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending Shareholders, and then continue the meeting.

Upon the end of the agenda, after the Chairman had announced adjournment according to the Rules of Procedures, Shareholders may not elect another Chairman to continue the meeting at the same venue or otherwise.

Article 12 The Chairman shall remain fair and just and strictly implement the Rules of Procedures to facilitate the process of the meeting.

Attending Shareholders are obliged to comply with the Rules of Procedures, the speech etiquette, and maintain the meeting's order.

Article 13 Before attending Shareholders making a speech, the Shareholders shall fill in the speaker's slips specifying the summary of the speech, the Shareholder's account number, and the name of the account. The Chairman shall set the order of speech.

A Shareholder who has submitted a speaker's slip but failed to deliver a speech shall be deemed to have not spoken. Where the contents of the speech are inconsistent with the contents of the speaker's slip, the contents of speech shall prevail.

Except with the consent from the Chairman, a Shareholder may not speak more than twice on the same proposal, and a single speech may not exceed five minutes. When the Shareholder's speech violates the rules or exceeds the scope of the agenda item, the Chairman may terminate the speech.

When a Shareholder attends the Shareholders' Meeting, other Shareholders may not speak or interrupt unless they have sought and obtained the consent from the Chairman and the Shareholder that has the floor. The Chairman shall stop any violation.

When a juristic person Shareholder appoints two or more representatives to attend a Shareholders' Meeting, only one of the representatives may speak on the same proposal.

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

Article 14 The Chairman shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extemporary motions put forward by the Shareholders; when the Chairman is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the Chairman may announce the discussion closed and call for a vote.

Article 15 The Shareholders of the Company shall be entitled to one vote with each share they hold; however, Shareholders whose voting rights are restricted or have no voting rights according to paragraph 3, Article 157 and paragraph 2, Article 179 of the Company Act or requirements of other laws and regulations shall be excluded.

When convening a Shareholders' Meeting, the Company may allow its Shareholders to exercise voting rights in writing or via electronic manners. For the exercise of voting rights in writing or via electronic manners, the exercising method shall be set out on the meeting notice of the Shareholders' Meeting. A Shareholder exercising voting rights in writing or via electronic manners shall be deemed as having attended the Shareholders' Meeting in person. However, the Shareholder shall be deemed as having abstained from the extemporary motions or amendments to the original motion.

A Shareholder intending to exercise voting rights in writing or via electronic manners under the preceding paragraph shall deliver a written declaration of intent to the Company two days before the date of the Shareholders' Meeting. When duplicate

declarations of intent are delivered, the one received earliest shall prevail. However, this restriction does not apply when a declaration is made to cancel the earlier declaration of intent.

Where a Shareholder (who has exercised his/her voting rights in writing or via electronic manners) intends to attend the Shareholders' Meeting in person, it shall cancel the written declaration of intent for the voting rights in the same manner stated in the preceding paragraph two days before the Shareholders' Meeting. When the cancellation is overdue, the voting right exercised in writing or via electronic manners shall prevail. When a Shareholder has exercised voting rights in writing or via electronic manners and by appointing a proxy to attend the Shareholders' Meeting, the voting rights exercised by the proxy attending the meeting shall prevail.

For the resolutions of the Shareholders' Meeting, the number of shares of Shareholders with no voting rights shall be excluded from the total number of issued shares.

Except for exercising the rights to elect Directors, when a Shareholder is an interested party in any item of the agenda, and there is the likelihood that such a conflict of interest would prejudice the interests of the Company, the Shareholder shall abstain from the vote, and may not exercise voting rights on behalf of any other Shareholders. The number of shares with voting rights that may not be exercised shall be excluded from the voting number of the attending Shareholders.

Except for the trust business or the stock agency approved by the securities regulatory authority, when one person is entrusted by two or more Shareholders at the same time, the voting rights it represents shall not exceed 3% of the voting rights of the total issued shares. Where it does, the exceeding voting rights shall be excluded. However, such voting rights shall still be included in the voting rights attended the meeting.

Article 16 Except as otherwise provided in the Company Act and the Articles of Incorporation, the resolution of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending Shareholders. At the time of a vote, for each proposal, the Chairman or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending Shareholders, followed by a poll of the Shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

Article 17 When there is an amendment or alternative to the same motion, the Chairman shall combine it with the original case and set the order of voting. When any among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 18 Before the vote of any proposal, the Chairman shall designate two scrutineers and several counting agents to execute their relevant duties. The scrutineers shall be Shareholders.

The vote counting at the Shareholders' Meeting or election proposals shall be carried out publicly at the venue holding the Shareholders' Meeting immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record shall be made for the vote.

Article 19 Where there is a Director election at the Shareholders' Meeting, the election shall be carried out according to the Company's Procedures for Election of Directors, and the election results shall be announced at the scene, including the name list of the elected Directors and the number of passing votes thereof.

Article 20 Matters relating to the resolutions at a Shareholders' Meeting shall be recorded in the minute book. The minute book shall be signed or stamped by the Chairman and shall be distributed to all Shareholders within 20 days from the conclusion of the meeting. The preparation and distribution of the minute book may be affected via electronic manners.

The distribution of the minute book, as described in the preceding paragraph, may be conducted by a public announcement on the MOPS.

The minute book shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the entire duration of the Company. The minute book shall be fully disclosed on CHC's website.

Article 21 On the day of a Shareholders' Meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by proxy assent from others and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the Shareholders' Meeting.

Article 22 Where matters put to a resolution at a Shareholders' Meeting constitute material information under applicable laws or regulations, or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 23 Staff handling administrative affairs of a Shareholders' Meeting shall wear identification cards or armbands.

The Chairman may direct the pickets or security personnel to help maintain order at the meeting place. The pickets or security personnel shall wear armbands with the word "Picket" when maintaining order.

At the place of a Shareholders' Meeting, where a Shareholder attempts to speak through any device other than the public address equipment set up by the Company, the Chairman may stop the Shareholder from so doing.

Where the Shareholder violates the Rules of Procedures and defies the Chairman's instruction, obstructs the proceedings, and refuses to stop, the Chairman may direct the pickets or security personnel to escort the Shareholder out of the venue.

Article 24 When a meeting is in progress, the Chairman may announce a break based on time considerations. Where an unpreventable event occurs, the Chairman may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

Before the completion of agendas (including extraordinary motions) of the Shareholders' Meeting, when the meeting venue is not available for continued use, the Shareholders' Meeting may resolve to seek a new venue to resume the meeting.

The Shareholders' Meeting may, in accordance with the provisions of Article 182 of the Company Act, decide to postpone or resume the assembly within five days.

Article 25 The Rules of Procedures, and any amendments thereto, shall be implemented after passing at a Shareholders' Meeting.

Articles of Incorporation of CHC Resources Corporation

Established on April 30, 1991

The 23rd amendment was made on June 22, 2018

Chapter 1 General

Article 1 The Company is established according to the requirements related to limited companies according to the Company Act of the Republic of China and was named "CHC Resources Corporation."

Article 2 Business scope of the Company is as follow:

1. C901990 Other Non-Metallic Mineral Products Manufacturing.
2. F111090 Wholesale of Building Materials
3. C901050 Cement and Concrete Products Manufacturing.
4. C901060 Refractory Materials Manufacturing.
5. J101090 Waste Disposal.
6. CA01070 Scrapped Car and Boat Dismantling and Scrap Iron and Steel Metal Processing.
7. E103101 Environmental protection works Specialized Construction Enterprises.
8. J101080 Resource Recycling.
9. F107170 Wholesale of Industrial Catalyst.
10. F120010 Wholesale of Refractory Materials.
11. C802120 Industrial and Additive Manufacturing.
12. F113100 Wholesale of Pollution Controlling Equipment.
13. F107200 Wholesale of Chemical Feedstock.
14. F401010 International Trade.
15. J101050 Environmental Testing Services.
16. E401010 Dredging industry.
17. C801010 Basic Industrial Chemical Manufacturing.
18. J101990 Other Environmental Protection Construction.
19. J101030 Waste Disposing.
20. J101040 Waste Treatment
21. CA02990 Other Metal Products Manufacturing.

22. I101061 Professional Engineering Consulting.
23. I103060 Management Consulting.
24. I199990 Other Consultancy.
25. IG03010 Energy Technical Services.
26. IZ09010 Management System Certification.
27. CA01080 Refining Aluminum/Smelting and Refining of Aluminum.
28. F207050 Retail Sale of Manure.
29. F207170 Retail Sale of Industrial Catalyst.
30. F207200 Retail Sale of Chemical Feedstock.
31. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 The Company may provide external endorsement/guarantee as required by its operations according to the requirements under the Company's Procedures for Endorsement/Guarantee.

Article 3 To achieve the diversification of our operating objectives, the total investment made by the Company in other companies (as a shareholder with limited liability) is not subject to the restriction where such investment may not exceed 40% of the Company's paid-up capital under Articles 13 of the Company Act.

Article 4 The Company is established in Kaohsiung City, the Republic of China. The Company may establish domestic and overseas branch organizations at proper venues according to its actual needs.

Article 5 Except for otherwise provided by the regulatory authority for securities, the Company's announcements shall be published on the substantial part of a circulating daily newspaper that circulates at the location where the Company operates.

Chapter 2 Shares

Article 6 The total capital of the Company shall be NT\$3 billion, divided into 300,000,000 shares with a par value of NT\$10 per share, and shall be issued in installments.

Article 6-1 The Company may make consolidation and re-issue its share certificates with a higher par value according to the request of Taiwan Depository & Clearing Corporation.

Article 7 Except where physical certificates are not printed, the Company shall number its share certificates, and the share certificates shall be signed or stamped by three or more Directors, and the issuance shall be subject to the certification by the competent authority or an issuance registration institution recognized by the competent authority.

Where physical certificates are not printed for the issued shares of the Company, the

Company shall engage a centralized securities depository enterprise/institution for the registration of such shares.

Article 8 The handling of the Company's stock affairs shall be conducted in accordance with the provisions under the "Regulations Governing the Administration of Shareholder Services of Public Companies" and relevant laws and regulations.

Chapter 3 Shareholders' Meeting

Article 9 The Company's Shareholders' Meeting falls in the following categories:

1. Annual Shareholders' Meeting shall be convened by the Board of Directors within six months from the end of the fiscal year according to the law.
2. Extraordinary Shareholders' Meeting shall be convened according to the law when necessary.

Article 10 The convening of the Annual Shareholders' Meeting shall comply with requirements under the Company Act, the Securities and Exchange Act, and relevant laws and regulations.

Article 11 Except for otherwise provided in the Company Act or other laws and regulations, resolutions at Shareholders' Meetings shall be adopted by at least half of all Shareholders present. Consent from Shareholders present who represent more than half of the total number of voting rights shall be obtained for implementation.

Article 12 The Shareholders of the Company shall be entitled to one vote with each share they hold; however, Shareholders whose voting rights are restricted or have no voting rights according to Paragraph 3, Article 157 and Paragraph 2, Article 179 of the Company Act shall be excluded.

Article 13 Where a Shareholder is unable to attend a Shareholders' Meeting for any reason, the Shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company. Except for otherwise required by the Company Act, a Shareholder engaging a proxy for attendance shall comply with the "Rules for Using Proxies to Attend Shareholders' Meeting for Publicly Trading Companies" promulgated by the competent authority.

Article 14 Where the Shareholders' Meeting is convened by the Board of Directors, the Chairman shall chair the meeting. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint a Director to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors. Where a Shareholders' Meeting is convened by a party with the power to convene, but other than the Board of Directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall elect one person from among themselves to act as the Chairman.

Article 15 Resolutions at a Shareholders' Meeting shall be recorded in the minute book. The minute

book shall be signed or stamped by the Chairman of the Shareholders' Meeting. The minute book, together with the sign-in book for attending Shareholders and the proxy forms for engaging proxies for attendance shall be compiled by the Board of Directors and kept by the Company.

Chapter 4 Directors, Audit Committee, and Managers

Article 16 The Company has 13 to 15 Directors. The Company adopts a candidate nomination system; shareholders shall elect the Directors among the list of candidates. A Director's tenure shall be three years, and may be re-elected for consecutive terms.

When electing Directors at the Shareholders' Meeting, the number of Directors to be elected shall be the election rights for each share. The election right may be used together to elect one person or separately to elect multiple persons. Candidates who won the most voting rights represented by the votes shall be elected as Directors.

Within the number of Directors of each session elected according to paragraph 1, the number of Independent Directors shall not be less than three, and shall not be less than one-fifth of the number of Directors to be elected. The Independent Directors' professional qualifications, shareholding, and part-time restrictions, determination of independence, nomination methods, and other matters of compliance shall be subject to the relevant requirements under laws and regulations for securities and exchange.

The election for Independent Directors and Non-independent Directors shall be held at the same time, with nomination made separately, and the number of elected seats shall be calculated individually.

Article 16-1 The Company has established an Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee is responsible for the implementation of the functions and powers of the Supervisors stipulated in the Company Act, the Securities and Exchange Act, and other laws and regulations. The Audit Committee comprises all Independent Directors, and the number of its members shall not be less than three, one of the members shall be the convener, and at least one of the members shall have accounting or financial expertise.

The resolution of the Audit Committee shall be approved by the majority of all members of the Audit Committee.

The exercise of the function and power of the Audit Committee, the organization regulations, and other matters to be complied with shall comply with the Securities Exchange Act and other relevant laws and regulations or the Company's rules.

Article 17 The traffic allowance of Directors, the remuneration of Independent Directors, and the salary of the Chairman shall be determined by the Board of Directors with reference to the standards in the same industries and of listed companies. Other grants for the Chairman shall be determined with reference to relevant requirements for the salary package of employees.

Article 18 The functions and powers of the Board of Directors are as follows:

1. Review of annual operating policy and operating budget.
2. Approval of personnel at the level of vice president and above and the head of finance and accounting and the Chief Auditor.
3. Review of annual Business Report and Financial Report.
4. Review of the pledge, sale/purchase, or other disposals of the Company's properties.
5. Approval of investment plans related to the Company's business.
6. Approval of significant capital expenditure.
7. Approval of acquisition and transfer of specialized technology, patents, and technical partnership contracts.
8. Approval of the establishment and demolition of branches.
9. Proposal for the amendments to Articles of Incorporation, change in capital, and the dissolution or merger of the Company.
10. Proposal for earning distribution or loss compensation.
11. Approval of the appointment, discharge of, and compensation for the CPA.
12. Approval of the Company's internal organization and its authority.
13. Formulation or amendments to procedures for significant financial or business conducts, such as acquisition or disposal of assets, engaging in derivatives trading, loaning of funds to others, or provision of endorsements/guarantees to others, as well as the approval of internal control system and other significant rules.
14. Approval of the primary rights, obligations, and conditions of significant contracts.
15. Approval of offering, issuance, or private placement of any equity-based securities.
16. Review of other matters authorized by laws and regulations.

Article 19 Unless otherwise provided by the Company Act and other laws and regulations, a resolution of the Board of Directors shall be adopted by the consent of half of the Directors in attendance at the meeting where half of the total number of Directors presents.

Article 20 The Chairman shall be elected at a Board of Directors meeting among the Directors with two-thirds or more of all Directors in attendance and the consent of the majority of the Directors present. The Chairman represents the Company and is in charge of our overall business. When the Chairman is on leave or for any reason unable to exercise the powers of the Chairman, the Chairman shall appoint a Director to act as the Chairman. Where the Chairman has not made such a designation, a Chairman shall be elected among the Directors.

Article 21 The Board of Directors meeting shall be convened once every quarter. Extraordinary

Board of Directors meetings may be convened when necessary. Except for otherwise required by the Company Act, a Board of Directors meeting shall be convened by the Chairman.

For the convening of the Board of Directors meeting, all Directors shall be informed 7 days prior to the meeting regarding the date, venue, agenda, and sufficient meeting materials. However, a Board of Directors meeting may be convened at any time when there is an emergency.

The notice set forth in the preceding paragraph may be effected in writing, via facsimile or other electronic documents.

Article 22 Where a Director is unable to attend the Board of Directors meeting in person for any reason, it may engage another Director to stand proxy according to the law. A proxy in the preceding paragraph may accept a proxy from one person only.

A Director residing outside of the Republic of China may engage other Shareholders residing within the Republic of China in writing to attend the Board of Directors meeting as its proxy according to requirements under the Company Act.

Article 23 (Deleted)

Article 24 (Deleted)

Article 24-1 The Company is responsible for Directors' liability insurance with respect to liabilities resulting from the exercise of duties according to the law during their tenure.

Article 25 The Company has one President and several Vice Presidents. The appointment, discharge, and remuneration shall be proposed by the Chairman to the Board of Directors meeting and determined with two-thirds or more of all Directors in attendance and the consent of the majority of the Directors present.

Article 26 The President of the Company shall manage the corporate business according to the resolutions of the Shareholders' Meeting and the Board of Directors meeting.

Article 27 The Company's international organization and its functions shall be subject to the resolution of the Board of Directors.

Article 28 The Company's Assistant Vice Presidents and other personnel of the same hierarchy shall be proposed by the President to the Chairman for the approval of employment. Other employees shall be employed by the President.

Chapter 5 Accounting

Article 29 The fiscal year of the Company is from January 1 to December 31 each year. Upon the end of each fiscal year, the Board of Directors shall prepare the following books and statements and propose at the Annual Shareholders' Meeting for ratification:

1. Business Report;
2. Financial Statements;

3. Proposal for earning distribution or loss compensation.

Article 30 When the Company recorded profits in any given year, the Board of Directors shall appropriate no less than 0.1% as the remuneration for employees, and no more than 1% as the remuneration for Directors; the distribution target for employee's remuneration includes employees of its affiliates who satisfied certain conditions. However, when the Company has accumulated losses, retain the amount for compensation in advance before providing for the remuneration of employees and remuneration of Directors according to the above percentage.

The Board of Directors shall resolve on the distribution proposal of employees' remuneration and Directors' remuneration and report at the Annual Shareholders' Meeting.

Article 30-1 Shall there be earnings after the final annual account, the Company shall pay taxes and make up for the accumulated losses according to the law, and appropriate 10% as the statutory surplus reserve. However, where the statutory surplus reserve has reached the amount of its paid-up capital, the appropriation shall no longer be made. The remaining earnings shall be used in the appropriation or the reversal of the special surplus reserve subject to the Company's business requirements or according to the requirements of laws and regulations. Where there are still remaining balances, plus the undistributed earnings of last year as earnings available for distribution. The Board of Directors shall prepare the earning distribution proposal and submit to the Shareholders' Meeting for the resolution of dividend distribution or reservation.

As the Company operates in an ever-changing business environment and is in the stable growth stage during its life cycle, the Board of Directors would consider the stability of dividends when formulating the earning distribution proposal, taking into account the Company's future capital requirement and long-term financial planning. Except for the capital requirement, the actual earnings distributed each year shall be no less than 50% of the earnings available for distribution, and the Shareholders' cash bonuses shall be no less than 50% of the Shareholders' bonuses.

Article 31 The distribution of Shareholders' bonuses shall be subject to the Shareholders registered on the members' registrar on the ex-dividend date.

Chapter 6 Appendix

Article 32 The Organization Regulations and Operational Regulations of the Company shall be otherwise established by the Board of Directors.

Article 33 For unaddressed matters in the Articles of Incorporation, comply with the requirements under the Company Act and relevant laws and regulations.

Article 34 The Articles of Incorporation was established on 30 April 1991; the 1st amendment was made on 20 March 1992; the 2nd amendment was made on 19 October 1992; the 3rd amendment was made on 8 September 1995; the 4th amendment was on 19 April 1996;

the 5th amendment was made on 11 December 1996; the 6th amendment was made on 20 June 1997; the 8th amendment was made on 22 April 1999; the 9th amendment was made on 22 June 1999; the 10th amendment was made on 21 June 2000; the 11th amendment was made on 7 November 2000; the 12th amendment was made on 18 May 2001; the 13th amendment was made on 10 June 2000; the 14th amendment was made on 9 June 2005; the 15th amendment was made on 16 June 2006; the 16th amendment was made on 19 June 2008; the 17th amendment was made on 19 June 2009; the 18th amendment was made on 25 June 2010; the 19th amendment was made in 2011; the 20th amendment was made on 24 June 2014; the 21st amendment was made on 12 June 2015; the 22nd amendment was made on 21 June 2016; the 23rd amendment was made on 22 June 2018.

List of Shareholding by Current Directors

CHC Resources Corporation List of Shareholdings of the Directors

1. The Company's paid-up capital is NT\$2,485,403,680 and the number of issued shares is 248,540,368 shares.
2. According to the requirements under Article 26 of the Securities and Exchange Act, the aggregate minimum shareholding of Directors shall be 15,000,000 shares.
3. As of the book closure date for the Shareholders' Meeting, the individual and aggregate shareholdings of the Directors are set out as follows, which is in line with the percentage standards provided under Article 26 of the Securities and Exchange Act.

April 25, 2021

Title	Name	Number of Shares Held (Common shares)	Remarks
Director	China Steel Corporation	49,289,597	Hung-Chang Chang (Chairman) Shih-Ho Shang Kuan (Director) Hung-Ta Lin (Director) Hsiang-Ya Huang (Director)
Director	Taiwan Cement Corporation	30,196,163	Wei-Jue Hong (Director) Yin-Te Wu (Director)
Director	China Steel Structure Corporation	23,182,738	Huo-Kun Chen (Director)
Director	Asia Cement Corporation	22,801,185	Ying-Feng Chang (Director) Chen-He Chung (Director)
Director	Universal Cement Corporation	17,020,254	Zhi-Yuan Hou (Director)
Director	China Steel Chemical Corporation	15,019,341	Chu-Kai Huang (Director)
Director	Southeast Cement Corporation	13,083,801	Chang-Zhi Wu (Director)
Independent Director	Chun-Hsien Wang	0	
Independent Director	Fu-Tien Jeng	0	
Independent Director	Chung-Chia Yang	0	
Total number of shares held by all Directors		170,593,079	