

Stock Code: 3376



新日興股份有限公司
SHIN ZU SHING CO., LTD.

2022 Annual Shareholders' Meeting Meeting Agenda

(Translation)

June 16, 2022

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SHIN ZU SHING CO., LTD.
2022 Annual Shareholders' Meeting Procedure

- I. Call Meeting to Order
- II. Chairman's Address
- III. Reported items
- IV. Matters for ratification
- V. Matters for discussion
- VI. Directors Election
- VII. Other Proposals
- VIII. Extempore motions
- IX. Meeting adjourned

SHIN ZU SHING CO., LTD.

2022 Annual Shareholders' Meeting Agenda

Type of Meeting : Physical Meeting

Time: June 16, 2022 (Thursday) at 9 a.m.

Place: No. 1, Sanjun Street, Shulin District, New Taipei City (Shuang Yan Wedding Restaurant)

Agenda:

- I. Meeting called to order (announce respective number of shares held by shareholders present)
- II. Chairman's Address
- III. Reported items
 - (I) 2021 Business report.
 - (II) 2021 Audit Committee's Review Report.
 - (III) 2021 distribution of remuneration to employees and directors.
- IV. Matters for ratification
 - (I) To accept 2021 Business Report and Financial Statements
 - (II) To ratify the 2021 earnings distribution proposal.
- V. Matters for discussion
 - (I) Distribution of cash dividends from capital surplus
 - (II) Discussion of amendments to the Company's "Procedures for Asset Acquisition & Disposal"
- VI. Directors Election

To elect nine Directors (including three Independent Directors)
- VII. Other Proposals

Discussion to approve the lifting of non-competition restrictions for directors
- VIII. Extempore motions
- IX. Meeting adjourned

Reported items

1. 2021 Business Report.

Explanatory Notes : Please refer to Attachment I

2. 2021 Audit Committee's Review Report.

Explanatory Notes : Please refer to Attachment II.

3. 2021 distribution of remuneration to employees and directors.

Explanatory Notes :

(1) The Company's 2021 profit is NT\$1,606,718,559 (before deduction of employee remuneration and directors' remuneration). It is proposed to set aside 7% in employee remuneration of NT\$112,470,299 and directors' remuneration of NT\$8,000,000, both to be distributed in cash.

(2) There is no difference between the amount of directors' remuneration and the amount of employee's remuneration set aside this time and the annual estimated amounts of recognized expenses.

Matters for ratification

1. To accept 2021 Business Report and Financial Statements (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company has completed formulation of the 2021 consolidated financial statements and individual financial statements. Audit has been completed by CPAs Yu-Shiou Su and Ming-Yu Chiu of Deloitte Taiwan and sent to the Audit Committee for review along with the business report. and a review report has been issued.
- (2) For the business report, independent auditor's report and the above-mentioned financial statements, please refer to Attachment 1, Attachment 3 and Attachment 4 of this Manual.

2. To ratify the 2021 earnings distribution proposal. (Proposed by the Board of Directors)

Explanatory Notes :

- (1) The Company's 2021 net profit after tax is NT\$1,169,602,875. For the proposed surplus distribution table, please refer to Attachment 5.
- (2) Shareholders' cash dividends are calculated up to the dollar, rounded up to the dollar, and the total amount of fractional amounts less than one dollar shall be adjusted in order of sequence from the largest to the smallest decimal number and from the first to last account number until consistent with the total amount of cash dividend distributed.
- (3) For subsequent changes in the number of outstanding shares due to the buyback of the Company's shares, the transfer of treasury stocks, the execution of employee stock options, and the issuance of new shares for cash capital increase, etc., resulting in changes to the shareholder's dividend ratio, the chairman of the board is authorized to handle such matters.

- (4) Upon the approval of the Annual Shareholders' Meeting, it is proposed that the chairman of the board be authorized to resolve the ex-dividend date and other relevant issues.

Matters for discussion

1. Distribution of cash dividends from capital surplus. (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The Company intends to set aside NT\$481,213,365 from the capital surplus arising from paid-in capital in excess of par value on issuance of ordinary shares. Each share is distributed cash dividends of NT\$2.5 with all amounts rounded up to the dollar, and the total amount of fractional amounts less than one dollar shall be adjusted in order of sequence from the largest to the smallest decimal number and from the first to last account number until consistent with the total amount of cash distributed.
- (2) For subsequent changes in the dividend amount distributed per share due to the buyback of the Company's shares, the transfer of treasury stocks, the execution of employee stock options, and the issuance of new shares for cash capital increase, etc., resulting in changes to the shareholder's cash distribution ratio, the chairman of the board is authorized to handle such matters.
- (3) Upon the approval of the Annual Shareholders' Meeting, it is proposed that the chairman of the board be authorized to resolve the payment date and other relevant issues.

2. Discussion of amendments to the Company's "Procedures for Asset Acquisition & Disposal" (Proposed by the Board of Directors)

Explanatory Notes:

- (1) The R.O.C. Financial Supervisory Commission amended its

“Regulations Governing the Acquisition and Disposal of Assets by Public Companies”. SZS’s “Procedures for Acquisition or Disposal of Assets” require amendments to reflect such regulatory changes.

- (2) The Table Comparing the Original and the Amended Articles of the “Acquisition or Disposal of Assets Procedure” is attached hereto Attachment 6.

Directors Election

To elect nine Directors (including three Independent Directors) (Proposed by the Board of Directors)

Explanatory Notes :

1. The term of office of the current directors (including independent directors) of the company will expire on June 17, 2022, the Board of Directors resolved that nine Directors (including three Independent Directors) will be elected at this Annual Shareholders' Meeting.
2. The terms of office of the Directors to be elected shall be three years, commencing on June 16, 2022 and expiring on June 15, 2025. The term of office of the original director expired at the completion of this general meeting of shareholders
3. The 18th meeting of the 19th Board of Directors on May 5, 2022 resolved that according to Article 13 of the company's articles of association, the Board of Directors resolved that nine Directors (including three Independent Directors) will be elected at this Annual Shareholders' Meeting. The list of candidates for directors (including independent directors) as following:

Title	Name	Education & Professional Qualifications	Major Past Positions & Current Positions	Shareholdings (shares)
Director	Lu,Sheng-Nan	Songshan high school of Commerce and Home Economics	Founding Chairman of Spring Association	17,154,346
Director	Juan,Chao-Tsung	Dep. of Industrial Management, Taiwan Institute of Technology National Chengchi University Entrepreneurship Management Research Course	Branch Manager of Asia East Securities	419,244
Director	Lu,Yu-Chi	MS in Mechanical Engineering, University of California, San Diego	General Manager of Junyu Plastic Co., Ltd. Special assistant of SZS Chairman of Golden Point Asset Management Co., Ltd.	None
Director	Mao,Ying-Fu	Bachelor of Laws, National Chung Hsing University Master of Laws, Fu Jen Catholic University	Lawyer at Mao Law Office Arbitrator Of Chinese Arbitration Association, Taipei Procurement Consults Committee Member, Public Construction Commission, Executive Yuan, Complaint Review Board	None
Director	Hsieh,Cheng-Han	Bachelor of Civil Engineering, National Cheng Kung University Master of Computer Aided Engineering, Carnegie Merion University Chartered Financial Analyst	Deputy General Manager of Asia Fortune Capital Co., Ltd./Taiwan Branch Universal Investment Co., Ltd./Assistant Analyst Venture Capital Department/Assistant Manager of Taiwan Life Insurance Company Michael Baker Jr. Inc/Engineer, Pittsburgh	None
Director	Yang,Po-Ming	Master of Business Administration, Asia University, Japan	PRESIDENT CHAIN STORE CORP Manager of International Department Project Manager of President's Office FUJIMORI KOGYO CO., LTD. Director of International Department	None
Independent Director	Cheng,Chi-Fa	Department of Accounting, Zhongxing University	Director of Harmony United Accounting Firm Director of Jingxing United Certified Public Accountants SME Credit Insurance Foundation Leader Head of Auditing Team of Zhongxin United Accounting Firm	None
Independent Director	Chang,Yuan-Lung	Department of Accounting, Tamkang University	Accountant of Qinzheng United Accounting Firm Associate Director of Quanhong Communication Co., Ltd.	None
Independent Director	Li,Mei-Hui	National Chengchi University Entrepreneur Class EMBA, Department of Business Administration, National Taipei University	Chief Financial Officer of Feijie Technology Co., Ltd. Director of Puda Systems Co., Ltd. Director of Roger Systems Co., Ltd.	None

Other Proposals

1. Discussion of the release of the prohibition on newly-elected directors and their corporate representatives from participation in competitive business. (proposed by the Board of Directors)

Explanatory Notes :

- (1) According to Article 209 of the Company Act, a director who conducts business within the business scope of the company for himself or others shall explain at the shareholders' meeting the essential contents of such conduct and obtain the shareholders' approval.
- (2) In order to draw on the expertise and relevant experience of the directors of the company, in accordance with the provisions of Article 209 of the Company Act, it is proposed to request the shareholders' meeting to agree to lift the restriction on competition for directors. The list of the restriction on competition for new directors to be lifted is as follows:

Title	Name	Current Positions (Note)
Director	Juan,Chao-Tsung	Director, JOCHU Technology Co., Ltd.
Director	Lu, Yu-Chi	Director, Ezfly International Travel Agent Co., Ltd. Director, JOCHU Technology Co., Ltd. Director, Teamphon Energy Co., LTD.
Director	Mao, Ying-Fu	Lawyer at Mao Law Office Supervisor, Fuxing Wood Company
Director	Hsieh, Cheng-Han	Executive Vice President, Huachuan Asset Management Co., Ltd.
Director	Yang, Po-Ming	Consultant, Taiwan New Chung Year Enterprice Co., Ltd. Consultant, Micronclean Co.,Ltd

Independent Director	Cheng, Chi-Fa	CPA, Jing-Hsing United Accounting Firm Director, Golden Point Management Ltd. Director, Yuan Fu Tai Development Ltd. Chairman, Sen Berger Investment Co.Ltd. Director, Coremax Corporation., Ltd. Director, Shih Her Technologies Inc. Independent Director, Hong Yi Fiber Ind.Co., Ltd Director, Ezfly International Travel Agent Co., Ltd. Director, GSD TECHNOLOGIES Co.,Ltd Director, Uranus Chemicals Co., Ltd. Chairman, Yu Hsing Management Consulting Co., Ltd.
Independent Director	Chang, Yuan-Lung	CPA, Qinzheng United Accounting Firm
Independent Director	Li, Mei-Hui	Vice President, Flytech Technology Co., Ltd. Supervisor of Berry AI Inc. Director, Flytech (Shanghai)Technology Co., Ltd.

Extempore motions
Meeting adjourned

Attachment 1

SHIN ZU SHING CO., LTD.

2021 Business Report

Implementation of the business plan

After the 2021 overall economic environment was attacked by Covid-19, the overall global economic and industrial environment has been severe and volatile. Due to the impact of the epidemic, countries have implemented policies to close their borders and enforce stricter flow control, resulting in enterprises facing production, Challenges in logistics and manpower have further affected the changes in the consumer market. The strength of customers' pull in goods has weakened, and the unit sales price has been reduced. SZS bears in mind the expectations of its shareholders, and dispatches cross-strait production plans under the active response of all colleagues. Appropriately, effectively control related operating expenses, use good supply chain management, and strive for the best operating performance under its severe environment with advantageous production costs. Although its operating performance is not as good as that of 2020, SZS still struggles to maintain its average operating performance over the years. Therefore, SZS has made different changes in its future operations. In addition to focusing on the development of its own business, it has also innovated and developed different product lines with its superb technical capabilities. Separately, develop more competitive products to maximize profits for shareholders.

In 2021, the Company's notebook computer pivot shipments amounted to approximately 72,481/thousand pcs, a decrease of approximately 2.64% from the previous year, and still ranked the world's leading position. In addition, shipments at the LCD pivot decreased by approximately 2.19% from the previous year to 16,503/thousand pcs. In 2021, NB Hinge accounted for about 30% of the main revenue; LCD Hinge was about 27%; Wearable and accessories Hinge was about 26%. The company's consolidated revenue in 2021 was NT\$12,141 billion, a decrease of approximately 20% from NT\$15,232 billion in the previous year, and the consolidated gross profit margin was 20%, a decrease of 4% from the previous year. The net profit was 13%, a decrease of 5% from the previous year. The net profit after tax was NT\$1,169 billion, a decrease of about 30% from the previous year's NT\$1,672 billion. The basic earnings per share after tax was a new NT\$6.08, a decrease of about 33% from NT\$9.05 in the previous year.

(I) Profitability analysis

Unit:NT\$ thousand

Item		2021(%)	2020 (%)
Financial structure	Debt-to-assets ratio (%)	27.30	29.85
	Long-term fund to property, plant and equipment ratio (%)	276.18	276.30
Solvency	Current ratio (%)	319.06	265.43

	Quick ratio (%)	278.09	234.41
	Interest protection multiples	26,839.45	24,861.27
Profitability	Return on assets (%)	5.37	8.02
	Return on equity (%)	7.49	11.47
	Net income before tax to paid-in capital (%)	84.82	127.41
	Net profit margin (%)	9.63	10.98
	Earnings per share (NTD)	6.08	9.05

(II) R&D Overview

SZS adheres to the status of the technology leader in the industry, and cooperates with customers to develop HINGE products in this industry to further expand technological differentiation. In addition to the expected performance of the original design products, we also try to use materials with lower energy consumption to reduce the carbon emissions of the products and reduce the impact caused by climate change.

On the other hand, in addition to the research and development of products in the industry, the company has the largest high-precision processing machine in the industry. Therefore, taking advantage of this advantage, it specializes in precision machining of parts in the precision technology, automation and energy-saving industries, and actively develops different The product line uses high-precision processing technology to reverse the traditional processing industry's understanding of the processing technology of various materials such as aluminum, stainless steel, copper, and titanium alloys.

The general lack of work in the overall production environment and the change in consumption habits have resulted in a shorter replacement cycle for various 3C products. How to obtain greater profits in a harsh environment is a topic that the company needs to face. The company strives to improve production efficiency, actively develops automated production equipment to replace the current situation of lack of labor, develops modularized automated equipment to resist the speed of product line replacement, thereby reducing production costs, improving production efficiency, stabilizing output and Maintain high-quality products, and break through the myth of the original design, and strive to simplify the number of product parts in research and development technology, so that the product assembly operation is easier, but it can play its effectiveness in function, which is highly appreciated by customers. Won the honor of being the first in customer evaluation, this change makes the product more competitive, and gradually replaces the original labor production mode of the traditional manufacturing industry, and finally hopes to take the production mode of the light-off factory as its goal.

Overview of 2022 Business Plan

Looking forward to the future, the post-epidemic era has brought great

uncertainty to the recovery of the global economy. The economic development of various industries around the world has made corresponding preparations. In view of this, the company's management team is facing this severe situation. In the face of the epidemic environment and the rapidly changing market challenges, only by building up strengths and innovating continuously can we continue to advance and grow in the face of adverse trends. Therefore, the company focuses on the development of its own business and operates steadily. In addition to maintaining its existing core competitiveness, it also strengthens R&D and innovation, strives for breakthroughs and transformations, actively diversifies its business layout, and makes good use of our expertise. Through organizational integration and mergers and acquisitions, Develop lean production models, improve operational research capabilities, reduce raw material risks, and restructure cost structures to facilitate the development of more diversified products, enhance their overall performance, and enhance market competitiveness.

The company is committed to the establishment of sound corporate governance, constructing a framework for regular communication with accountants and the board of directors, attaching importance to the company's internal control system, and in the pursuit of high operational performance, we also pay attention to the environmental and social aspects and all stakeholders. The company is concerned about the issues, so the company established a sustainable development committee in 2021, through the coordination, integration and promotion of a special organization, and declared the company's determination to promote sustainable development.

The sustainable development of the company, adhering to the vision of people-oriented, environmental symbiosis, and social co-prosperity, integrates the promotion of ESG into the corporate culture, follows the RBA and various regulations, and installs various intelligent monitoring systems in each factory area. , which is helpful to understand the carbon emissions of each factory area and start to improve one by one. At the same time, in terms of production technology, recycled materials are used in R&D and design to reduce various pollution sources caused by production, and to form alliances with various suppliers. Do your best for the sustainability of the environment.

In the future, despite the more uncertain changes brought about by the epidemic, the company will continue to follow the 2022 operating policy with a steady and down-to-earth philosophy, and lead all colleagues of the company towards the goal of sustainable development. Innovation. We sincerely thank all our shareholders, customers, and partners for their support to SZS. We look forward to working with you to move towards a sustainable future.

Wishing all shareholders

Good health and the best of fortune

SHIN ZU SHING CO., LTD.

Chairman : Sheng-Nan Lu

CEO : Frank Lin

Head accountant : Meng-Hui Tsai

Attachment 2

SHIN ZU SHING CO., LTD. Audit Committee's Review Report

The board of directors has prepared the company's 2021 financial statements as well as the business report and the surplus distribution proposal. Among them, the financial statements were verified by CPAs Yu-Shiou Su and Ming-Yu Chiu of Deloitte Taiwan, and an independent auditor's report has been issued. The above documents have been reviewed by the Audit Committee as correctly portraying the Company's business activities. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is compiled and presented for shareholder's examination.

To

SHIN ZU SHING CO., LTD. 2022 Annual Shareholders' Meeting

Audit Committee convener: Chi-Fa Cheng

May 5, 2022

Attachment 3

Independent Auditor's Report

SHIN ZU SHING CO., LTD.

Audit opinion

The consolidated balance sheets for the years ended on December 31, 2021 and 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows or January 1 to December 31, 2021 and 2020, as well as the notes to the consolidated financial statements (including a summary of major accounting policies) of SHIN ZU SHING CO., LTD. and its subsidiaries (hereinafter collectively referred to as "SZS Group") were audited by the accountant.

In the accountant's opinion, all major aspects of the abovementioned consolidated financial statements comply with the Regulations Governing Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, IFRIC Interpretations and SIC Interpretations approved and promulgated by the Financial Supervisory Commission (FSC), and present fairly the consolidated financial condition of SZS Group for the years ended on December 31, 2021 and 2020, as well as the consolidated financial performance and consolidated cash flow for January 1 to December 31, 2021 and 2020.

Basis for audit opinion

The accountant performed the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Generally Accepted Accounting Principles. The accountant's responsibilities under the framework will be further described under the section on the accountant's responsibilities when auditing consolidated financial statements. Personnel of the accountant's firm that are subject to the Regulations on Auditor Independence have maintained their independence from SZS Group in accordance with the code of professional ethics, and fulfill other responsibilities set forth in the regulations. The accountant believes that sufficient and appropriate evidence has been obtained to serve as the basis for the audit opinion.

Key audit matters

Key audit matters refer to the most important matters when auditing SZS Group's 2021 consolidated financial statements based on the accountant's professional judgment. The matters were already responded to in the process of auditing the consolidated financial statements and forming the audit opinion. The accountant does not express any opinion to individual matters.

Evaluation of Income Recognition

SHIN ZU SHING CO., LTD. and its subsidiaries are mainly engaged in R&D, production and sales of notebook computer and LCD hinges and MIM (metal injection molding). Inventory is stocked in the delivery warehouse according to customer needs, and it is recognized as sales revenue after the customer actually picks up the goods and bears the risk of the product. Since the recognition of sales revenue from the shipping warehouse requires more control mechanisms to be recognized, the sales revenue from the shipping warehouse of SZS Co., Ltd. and its subsidiaries as a key audit matter.

The audit procedures performed by the accountant in response to the above key audit matters are summarized as follows:

1. Understand the internal control of Shipping warehouse sales revenue and the effectiveness of its implementation.
2. Carry out a detailed test of the Shipping warehouse sales revenue to confirm that this sales revenue transaction has actually occurred.
3. Send a confirmation letter to the inventory quantity of the major shipping warehouse, and check the results of the confirmation letter with the inventory quantity in the inventory account to confirm the correctness of the inventory quantity at the end of the shipping warehouse period.

Other matters

The 2021 and 2020 individual financial statements prepared by SHIN ZU SHING CO., LTD. were audited by the accountant, who prepared an audit report with an unqualified opinion for future reference.

Responsibility of managers and the governance unit for the consolidated financial statements

The responsibility of managers is to prepare consolidated financial statements with fair presentation in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, IFRIC Interpretations and SIC Interpretations approved and promulgated by the Financial Supervisory Commission (FSC), and to maintain necessary internal controls related to the preparation of consolidated financial statements. These internal controls ensure that there are no material misstatements in the consolidated financial statements due to corruption or mistakes.

When preparing the consolidated financial statements, the responsibility of managers also includes evaluating SZS Group's ability to continue operations as going concern, the disclosure of related matters, and the adopt the going concern accounting basis, unless managers intend to liquidate SZS Group or terminate operations, or if there are no feasible plans other than liquidation or termination.

The governance unit (including Audit Committee) of SZS Group is responsible for supervising the financial reporting process.

Responsibility of the accountant when auditing consolidated financial statements

The accountant's purpose when auditing consolidated financial statements is to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatements due to corruption or mistakes, and to prepare an audit report. Reasonable assurance is high assurance. However, auditing in accordance with generally accepted auditing standards does not guarantee that material misstatements in the consolidated financial statements will be detected. Material misstatements may be the result of corruption or mistakes. If individual or

total amounts that are misstated can be reasonably expected to affect the economic decisions made by users of the consolidated financial statements, this is deemed a material misstatement.

The accountant utilizes professional judgment and maintains professional skepticism when performing audits in accordance with the generally accepted accounting standards. The accountant also performs the following tasks:

1. Identify and assess the risk of material misstatement in the consolidated financial statements due to corruption or mistakes; design and execute suitable response measures for the risks; and gather sufficient and suitable evidence to serve as the basis for the audit opinion. Since corruption may involve conspiracy, forgery, intentional omission, false statements, or overstepping internal controls, the risk of failing to detect material misstatements resulting from corruption is higher than that resulting from mistakes.
2. Gain necessary understanding of internal controls that are of concern to the audit to design suitable audit procedures under the current situation. However, the purpose is not to form an opinion on the effectiveness of SZS Group's internal controls.
3. Evaluate the appropriateness of accounting policies adopted by managers, as well as the reasonableness of accounting estimates and related disclosures.
4. Arrive at conclusions based on the audit evidence regarding the going concern accounting basis adopted by managers, as well as the existence of material uncertainties of events or situations that may raise serious concern about SZS Group's ability to continue operations as going concern. If the accountant believes that material uncertainties of such events or situations exist, then the accountant must remind users of the consolidated financial statements to take note of related disclosures in the audit report, or the accountant must revise the audit opinion when the disclosures are inappropriate. The accountant's conclusions are based on evidence gathered for the audit up until the date of the audit report. However, future events or situations may cause SZS Group to no longer be able to continue its operations.
5. Evaluate the overall presentation, structure, and contents of the consolidated financial statements (including related notes), and whether the consolidated financial statements present related transactions and events fairly.
6. Gather sufficient and suitable evidence for the individual financial information of Group members to express audit opinions on the individual financial statements. The accountant is responsible for providing guidance, supervision, and execution of the Group's audit, and for forming an audit opinion for the Group.

Matters requiring communication between the accountant and governance unit include the scope and time of audit, and material findings (including major flaws of internal controls identified in the auditing process).

The accountant shall also provide a statement to the governance unit that personnel of the accountant's firm that are subject to auditor independence principles have maintained their independence in accordance with the code of professional ethics. The accountant shall also communicate with the governance unit regarding all relationships and other matters (including related prevention measures) that may potentially affect the accountant's independence.

Key audit matters of SZS Group's 2021 consolidated financial statements were determined from the matters requiring communication between the accountant and governance unit. The accountant must describe the matters in the audit report unless the disclosure of the specific matter is not permitted by the law, or under extremely rare circumstances, the accountant decides not to communicate the specific matter because the negative effects that can be reasonably expected are greater than the benefit it may provide to the public.

Deloitte Taiwan
Yu-Shiou Su, CPA

Ming-Yu Chiu, CPA

Financial Supervisory Commission
(FSC) approval letter number
Jin-Guan-Zheng-Shen-Zi No.
1040024195

Financial Supervisory Commission
(FSC) approval letter number
Jin-Guan-Zheng-VI-Zi No. 0930160267

March 8, 2022

SHIN ZU SHING CO., LTD. and subsidiaries
Consolidated balance sheet
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000

Code	Assets	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 4,999,278	23	\$ 1,705,591	8
1110	Financial assets at fair value through profit or loss - current (Note 7)	162,033	1	13,129	-
1136	Financial assets at amortized cost - current (Note 9)	2,784,877	13	6,284,140	28
1150	Net notes receivable (Note 10)	11,527	-	12,815	-
1170	Net accounts receivable (Note 10)	4,575,849	22	5,937,098	26
1200	Other receivables (Note 10)	44,201	-	51,906	-
130X	Inventory (Note 11)	1,761,941	8	1,771,090	8
1479	Other current assets	104,930	1	115,840	1
11XX	Total current assets	<u>14,444,636</u>	<u>68</u>	<u>15,891,609</u>	<u>71</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income - non-current (Note 8)	237,679	1	101,598	-
1550	Equity-accounted investments (Note 13)	101,786	-	63,676	-
1600	Property, plant and equipment (Note 14)	6,093,702	29	5,944,010	27
1755	Right-of-use assets (Note 15)	107,880	1	130,889	1
1840	Deferred income tax assets (Note 24)	74,260	-	55,153	-
1920	Refundable deposits	16,608	-	19,448	-
1990	Other non-current assets (Note 16&20)	280,011	1	204,137	1
15XX	Total non-current assets	<u>6,911,926</u>	<u>32</u>	<u>6,518,911</u>	<u>29</u>
1XXX	Total assets	<u>\$ 21,356,562</u>	<u>100</u>	<u>\$ 22,410,520</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term debt (Note 17)	\$ 498,240	2	\$ 1,139,200	5
2120	Financial liabilities at fair value through profit or loss - current (Note 7)	6,767	-	30,117	-
2150	Notes payable	1,306	-	5,417	-
2170	Accounts payable (Note 18)	2,464,046	12	3,104,679	14
2219	Other accounts payable (Note 19)	986,746	5	1,220,202	6
2230	Income tax liabilities in the current period (Note 24)	239,395	1	261,335	1
2280	Lease liabilities - current (Note 15)	31,544	-	33,576	-
2399	Other current liabilities	299,202	1	192,545	1
21XX	Total current liabilities	<u>4,527,246</u>	<u>21</u>	<u>5,987,071</u>	<u>27</u>
	Non-current liabilities				
2540	Long term loan (Note 17)	692,000	3	-	-
2570	Deferred income tax liabilities (Note 24)	548,270	3	626,602	3
2580	Lease liabilities - non-current (Note 15)	53,490	-	73,290	-
2640	Net defined benefit liabilities (Note 20)	-	-	2,814	-
2645	Guarantee deposits received	8,775	-	700	-
25XX	Total non-current liabilities	<u>1,302,535</u>	<u>6</u>	<u>703,406</u>	<u>3</u>
2XXX	Total liabilities	<u>5,829,781</u>	<u>27</u>	<u>6,690,477</u>	<u>30</u>
	Equity attributable to owners of parent (Note 21)				
	Capital stock				
3110	Capital stock - Common	1,924,853	9	1,919,203	9
3140	Advance receipts for capital stock	-	-	1,060	-
3100	Total capital stock	<u>1,924,853</u>	<u>9</u>	<u>1,920,263</u>	<u>9</u>
3200	Capital surplus	<u>2,911,722</u>	<u>14</u>	<u>3,449,185</u>	<u>15</u>
	Retained earnings				
3310	Statutory reserve	1,769,772	8	1,602,615	7
3320	Special reserve	329,101	2	416,362	2
3350	Undistributed earnings	8,984,344	42	8,660,718	39
3300	Retained earnings	<u>11,083,217</u>	<u>52</u>	<u>10,679,695</u>	<u>48</u>
3400	Other equities	(393,011)	(2)	(329,100)	(2)
31XX	Total owner's equity of the company	<u>15,526,781</u>	<u>73</u>	<u>15,720,043</u>	<u>70</u>
3XXX	Total equity	<u>15,526,781</u>	<u>73</u>	<u>15,720,043</u>	<u>70</u>
	Total liabilities and equity	<u>\$ 21,356,562</u>	<u>100</u>	<u>\$ 22,410,520</u>	<u>100</u>

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

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD. and subsidiaries
Consolidated statement of comprehensive income
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000; EPS in NTD

Code		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Note 22)	\$ 12,140,949	100	\$ 15,232,783	100
5000	Operating costs (Note 11)	<u>9,702,342</u>	<u>80</u>	<u>11,577,906</u>	<u>76</u>
5900	Gross operating profit	<u>2,438,607</u>	<u>20</u>	<u>3,654,877</u>	<u>24</u>
	Operating expenses				
6100	Promotion expenses	203,406	2	205,976	1
6200	Management fees	419,115	3	494,318	3
6300	Research and development expenses	253,252	2	257,518	2
6450	Expected credit impairment reversal benefit	(<u>13,916</u>)	-	-	-
6000	Total operating expenses	<u>861,857</u>	<u>7</u>	<u>957,812</u>	<u>6</u>
6900	Operating profit	<u>1,576,750</u>	<u>13</u>	<u>2,697,065</u>	<u>18</u>
	Non-operating income and expenses				
7100	Interest income (Note 23)	73,181	1	62,156	-
7010	Other income (Note 23)	51,168	-	32,292	-
7020	Other profits and losses (Note 23)	(<u>59,726</u>)	-	(<u>335,443</u>)	(<u>2</u>)
7050	Financial cost (Note 23)	(<u>6,106</u>)	-	(<u>9,875</u>)	-
7060	Income (losses) from affiliated companies under the equity method	(<u>2,556</u>)	-	(<u>1,020</u>)	-
7000	Total non-operating income and expenses	<u>55,961</u>	<u>1</u>	(<u>251,890</u>)	(<u>2</u>)
7900	Net profit before tax	1,632,711	14	2,445,175	16
7950	Income tax expenses (Note 24)	<u>463,108</u>	<u>4</u>	<u>772,204</u>	<u>5</u>
8200	Net profit of the period	<u>1,169,603</u>	<u>10</u>	<u>1,672,971</u>	<u>11</u>

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Code		2021		2020	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Number of remeasurement of defined benefit plans	\$ 2,024	-	(\$ 1,402)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(11,480)	-	29,295	-
8360	Items that may be reclassified under income (loss)				
8361	Exchange differences on conversion of foreign financial statements	(54,272)	(1)	57,966	1
8300	Other comprehensive income (loss) for the period	(63,728)	(1)	85,859	1
8500	Total comprehensive income for the current period	<u>\$ 1,105,875</u>	<u>9</u>	<u>\$ 1,758,830</u>	<u>12</u>
	New profit attributable to:				
8610	owners of parent	\$ 1,169,603	10	\$ 1,672,971	11
8620	Non-controlling interests	-	-	-	-
8600		<u>\$ 1,169,603</u>	<u>10</u>	<u>\$ 1,672,971</u>	<u>11</u>
	Total comprehensive income attributable to:				
8710	owners of parent	\$ 1,105,875	9	\$ 1,758,830	12
8720	Non-controlling interests	-	-	-	-
8700		<u>\$ 1,105,875</u>	<u>9</u>	<u>\$ 1,758,830</u>	<u>12</u>
	Earnings per share (Note 25)				
9750	Basic	<u>\$ 6.08</u>		<u>\$ 9.05</u>	
9850	Diluted	<u>\$ 6.04</u>		<u>\$ 8.98</u>	

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

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD. and subsidiaries
Statement of Changes in Shareholders' Equity
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000

Code		Equity attributable to owners of the Company						Other equities		Total equity attributable to owner's of the patent	Total equity
		Capital stock - Common	Advance receipts for capital stock	Capital surplus	Retained earnings			Exchange differences on conversion of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income		
					Statutory reserve	Special reserve	Undistributed earnings				
A1	Balance as at January 1, 2020	\$ 1,804,693	\$ 7,850	\$ 2,677,784	\$ 1,473,025	\$ 270,610	\$ 7,628,000	(\$ 362,734)	(\$ 53,627)	\$ 13,445,601	\$ 13,445,601
	Appropriation and distribution of 2019 earnings										
B1	Provision for statutory reserve	-	-	-	129,590	-	(129,590)	-	-	-	-
B5	Cash dividends for shareholders of the Company	-	-	-	-	-	(363,509)	-	-	(363,509)	(363,509)
B17	Provision for special reserve	-	-	-	-	145,752	(145,752)	-	-	-	-
C7	Changes in related companies and joint ventures recognised using the equity method	-	-	25	-	-	-	-	-	25	25
C15	Cash dividend distributed from capital surplus	-	-	(363,509)	-	-	-	-	-	(363,509)	(363,509)
E1	Cash capital increase	100,000	-	1,000,000	-	-	-	-	-	1,100,000	1,100,000
N1	Employee stock options issued by the Company	-	-	67,740	-	-	-	-	-	67,740	67,740
N1	Ordinary shares issued under the employee stock option plan	14,510	(6,790)	67,145	-	-	-	-	-	74,865	74,865
D1	Net profit in 2020	-	-	-	-	-	1,672,971	-	-	1,672,971	1,672,971
D3	Other comprehensive income after tax in 2020	-	-	-	-	-	(1,402)	57,966	29,295	85,859	85,859
D5	Total comprehensive income in 2020	-	-	-	-	-	1,671,569	57,966	29,295	1,758,830	1,758,830
Z1	Balance as at December 31, 2020	1,919,203	1,060	3,449,185	1,602,615	416,362	8,660,718	(304,768)	(24,332)	15,720,043	15,720,043
	Appropriation and distribution of 2020 earnings										
B1	Provision for statutory reserve	-	-	-	167,157	-	(167,157)	-	-	-	-
B5	Cash dividends for shareholders of the Company	-	-	-	-	-	(768,105)	-	-	(768,105)	(768,105)
B17	Provision for special reserve	-	-	-	-	(87,261)	87,261	-	-	-	-
C7	Income (losses) from affiliated companies and joint ventures under the equity method	-	-	(13)	-	-	-	-	-	(13)	(13)
C15	Cash dividend distributed from capital surplus	-	-	(576,079)	-	-	-	-	-	(576,079)	(576,079)
M3	Subsidiary company (Note 12)	-	-	-	-	-	-	1,841	-	1,841	1,841
N1	Ordinary shares issued under the employee stock option plan	5,650	(1,060)	38,629	-	-	-	-	-	43,219	43,219
D1	Net profit in 2021	-	-	-	-	-	1,169,603	-	-	1,169,603	1,169,603
D3	Other comprehensive income after tax in 2021	-	-	-	-	-	2,024	(54,272)	(11,480)	(63,728)	(63,728)
D5	Total comprehensive income in 2021	-	-	-	-	-	1,171,627	(54,272)	(11,480)	1,105,875	1,105,875
Z1	Balance as at December 31, 2021	\$ 1,924,853	\$ -	\$ 2,911,722	\$ 1,769,772	\$ 329,101	\$ 8,984,344	(\$ 357,199)	(\$ 35,812)	\$ 15,526,781	\$ 15,526,781

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

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD. and subsidiaries
Consolidated Cash Flow Statement
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000

Code		2021	2020
	Cash flow from operating activities		
A10000	Net profit before tax of the period	\$ 1,632,711	\$ 2,445,175
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation cost	629,459	699,357
A20300	Expected credit impairment reversal benefit	(13,916)	-
A20400	Net gains (losses) on financial assets and liabilities at fair value through profit or loss	(42,624)	(3,307)
A20900	Financial cost	6,106	9,875
A21200	Interest revenue	(73,181)	(62,156)
A21300	Dividend income	(7,643)	(2,840)
A21900	Share-based payment	-	67,740
A22300	Income (losses) from affiliated companies under the equity method	2,556	1,020
A22500	Losses (gains) from disposal and retirement of property, plant and equipment	(9,801)	(5,313)
A22900	Losses of the subsidiary company	1,841	-
A23100	Losses on disposal of investments	(14,634)	693
A23700	Inventory falling price loss	-	49,000
A23800	Impairment reversal benefit for non-financial assets	(4,360)	-
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	1,288	(10,468)
A31150	Accounts receivable	1,375,165	(829,338)
A31180	Other accounts receivable	10,804	6,777
A31200	Inventory	13,712	(102,205)
A31240	Other current assets	10,910	1,369
A32130	Notes payable	(4,111)	750
A32150	Accounts payable	(640,633)	528,103
A32180	Other accounts payable	(237,279)	(178,297)
A32230	Other current liabilities	106,657	34,081
A32240	Net defined benefit liabilities	(790)	(3,220)
A33000	Cash inflow from operating activities	2,742,237	2,646,796
A33100	Interest received	69,967	58,699
A33200	Dividends received	7,643	2,840

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Code		2021	2020
A33300	Interest paid	(\$ 4,796)	(\$ 8,522)
A33500	Income tax paid	(582,079)	(578,845)
AAAA	Net cash inflow from operating activities	<u>2,232,972</u>	<u>2,120,968</u>
	Cash flow from investing activities		
B00010	Proceeds from repayment of financial assets at amortized cost	(147,561)	(11,763)
B00040	Decrease (increase) in financial assets at amortized cost	3,499,263	(2,077,900)
B00100	Acquisition of financial assets at fair value through profit or loss	(161,407)	(20,997)
B00200	Disposal of financial assets at fair value through profit or loss	46,411	7,730
B01800	Acquisition of affiliated company	(43,127)	(40,645)
B02700	Acquisition of property, plant and equipment	(278,355)	(384,588)
B02800	Disposal of property, plant and equipment	17,405	12,063
B03700	Increase in guarantee deposits	2,768	(3,844)
B06700	Increase of other non-current assets	(544,534)	(248,223)
BBBB	Net cash outflow from investing activities	<u>2,390,863</u>	(<u>2,768,167</u>)
	Cash flow from financing activities		
C00200	Decrease in short-term loans	(640,960)	(30,020)
C01600	long-term loan	692,000	-
C03100	Increase in guarantee deposits	8,117	43
C04020	Repayments of lease liabilities	(38,894)	(43,588)
C04500	Distribution of cash dividends	(1,344,184)	(727,018)
C04600	Cash capital increase	-	1,100,000
C04800	Employee exercise of stock options	<u>43,219</u>	<u>74,865</u>
CCCC	Net cash inflow (outflow) from financing activities	(<u>1,280,702</u>)	<u>374,282</u>
DDDD	Effect of exchange rate fluctuations on cash and cash equivalents	(<u>49,446</u>)	<u>55,310</u>
EEEE	Increase (decrease) in cash and cash equivalents for the current period	3,293,687	(217,607)
E00100	Cash and cash equivalents at beginning of period	<u>1,705,591</u>	<u>1,923,198</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 4,999,278</u>	<u>\$ 1,705,591</u>

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

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

Attachment 4

Independent Auditor's Report

SHIN ZU SHING CO., LTD.

Audit opinion

The individual balance sheets for the year ended on December 31, 2021 and 2020, and the individual statement of comprehensive income, individual statement of shareholder's equity and statement of cash flows for January 1 to December 31, 2021 and 2020 as well as notes to the financial statements (including a summary of major accounting policies) of SHIN ZU SHING CO., LTD. were audited by the accountant.

In the accountant's opinion, all major aspects of the abovementioned individual financial statements comply with the Regulations Governing Preparation of Financial Reports by Securities Issuers, and present fairly the individual financial condition of SHIN ZU SHING CO., LTD. for the years ended on December 31, 2021 and 2020, as well as the individual financial performance and individual cash flow from January 1 to December 31, 2021 and 2020.

Basis for audit opinion

The accountant performed the audit in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Generally Accepted Accounting Principles. The accountant's responsibilities under the framework will be further described in the section on the accountant's responsibilities when auditing individual financial statements. Personnel of the accountant's firm that are subject to the Regulations on Auditor Independence have maintained their independence from SHIN ZU SHING CO., LTD. in accordance with the code of professional ethics, and fulfill other responsibilities set forth in the regulations. The accountant believes that sufficient and appropriate evidence has been obtained to serve as the basis for the audit opinion.

Key audit matters

Key audit matters refer to the most important matters when auditing SHIN ZU SHING CO., LTD.'s 2021 individual financial statements based on the accountant's professional judgment. The matters were already responded to in the process of auditing the individual financial statements and forming the audit opinion. The accountant does not express any opinion on individual matters.

Evaluation of Income Recognition

SHIN ZU SHING CO., LTD. is mainly engaged in R&D, production and sales of notebook computer and LCD hinges and MIM (metal injection molding). Inventory is stocked in the delivery warehouse according to customer needs, and it is recognized as sales revenue after the customer actually picks up the goods and bears the risk of the product. Since the recognition of sales revenue from the shipping warehouse requires more control mechanisms to be recognized, the sales revenue from the shipping warehouse of SZS Co., Ltd. and its subsidiaries as a key audit matter.

The audit procedures performed by the accountant in response to the above key audit matters are summarized as follows:

1. Understand the internal control of Shipping warehouse sales revenue and the effectiveness of its implementation.
2. Carry out a detailed test of the Shipping warehouse sales revenue to confirm that this sales revenue transaction has actually occurred.
3. Send a confirmation letter to the inventory quantity of the major shipping warehouse, and check the results of the confirmation letter with the inventory quantity in the inventory account to confirm the correctness of the inventory quantity at the end of the shipping warehouse period.

Responsibility of managers and the governance unit for the individual financial statements

The responsibility of managers is to prepare individual financial statements with fair presentation in accordance with the Regulations Governing Preparation of Financial Reports by Securities Issuers, and to maintain necessary internal controls related to the preparation of individual financial statements. These internal controls ensure that there are no material misstatements in the individual financial statements due to corruption or mistakes.

When preparing individual financial statements, the responsibility of managers also includes evaluating SHIN ZU SHING CO., LTD.'s ability to continue operations as going concern, the disclosure of related matters, and the adopt the going concern accounting basis, unless managers intend to liquidate SHIN ZU SHING CO., LTD. or terminate operations, or if there are no feasible plans other than liquidation or termination.

The governance unit (including Audit Committee) of SHIN ZU SHING CO., LTD. is responsible for supervising the financial reporting process.

Responsibility of the accountant when auditing individual financial statements

The accountant's purpose when auditing individual financial statements is to obtain reasonable assurance about whether there are any material misstatements due to corruption or mistakes, and to prepare an audit report. Reasonable assurance is high assurance. However, auditing in accordance with generally accepted auditing standards does not guarantee that material misstatements in the individual financial statements will be detected. Material misstatements may be the result of corruption or mistakes. If individual or total amounts that are misstated can be reasonably expected to affect the economic decisions made by users of the individual financial statements, this is deemed a material misstatement.

The accountant utilizes professional judgment and maintains professional skepticism when performing audits in accordance with the generally accepted accounting standards. The accountant also performs the following tasks:

1. Identify and assess the risk of material misstatement in the individual financial statements due to corruption or mistakes; design and execute suitable response measures for the risks; and gather sufficient and suitable evidence to serve as the basis for the audit opinion. Since corruption may involve conspiracy, forgery, intentional omission, false statements, or overstepping internal controls, the risk of failing to detect material misstatements resulting from corruption is higher than that resulting from mistakes.
2. Gain necessary understanding of internal controls that are of concern to the audit to design suitable audit procedures under the current situation. However, the purpose is not to form an opinion on the effectiveness of SHIN ZU SHING CO., LTD.'s internal controls.
3. Evaluate the appropriateness of accounting policies adopted by managers, as well as the reasonableness of accounting estimates and related disclosures.
4. Arrive at conclusions based on the audit evidence regarding the going concern accounting basis adopted by managers, as well as the existence of material uncertainties of events or situations that may raise serious concern about SHIN ZU SHING CO., LTD.'s ability to continue operations as going concern. If the accountant believes that material uncertainties of such events or situations exist, then in the audit report the accountant must remind users of the individual financial statements to take note of related disclosures, or the accountant must revise the audit opinion when the disclosures are inappropriate. The accountant's conclusions are based on evidence gathered for the audit up until the date of the audit report. However, future events or situations may cause SHIN ZU SHING CO., LTD. to no longer be able to continue its operations.
5. Evaluate the overall presentation, structure, and contents of the individual financial statements (including related notes), and whether the individual financial statements present related transactions and events fairly.
6. Sufficient and suitable evidence was gathered from the individual financial information of SHIN ZU SHING CO., LTD. to express audit opinions on the individual financial statements. The accountant is responsible for providing guidance, supervision, and execution of audits, and is responsible for forming an audit opinion for SHIN ZU SHING CO., LTD.

Matters requiring communication between the accountant and governance unit include the scope and time of audit, and material findings (including major flaws of internal controls identified in the auditing process).

The accountant shall also provide a statement to the governance unit that personnel of the accountant's firm that are subject to auditor independence principles have maintained their independence in accordance with the code of

professional ethics. The accountant shall also communicate with the governance unit regarding all relationships and other matters (including related prevention measures) that may potentially affect the accountant's independence.

Key audit matters of SHIN ZU SHING CO., LTD. 2021 individual financial statements were determined from the matters requiring communication between the accountant and governance unit. The accountant must describe the matters in the audit report unless the disclosure of the specific matter is not permitted by the law, or under extremely rare circumstances, the accountant decides not to communicate the specific matter because the negative effects that can be reasonably expected are greater than the benefit it may provide to the public.

Deloitte Taiwan
Yu-Shiou Su, CPA

Ming-Yu Chiu, CPA

Financial Supervisory Commission
(FSC) approval letter number
Jin-Guan-Zheng-Shen-Zi No.
1040024195

Financial Supervisory Commission
(FSC) approval letter number
Jin-Guan-Zheng-VI-Zi No. 0930160267

March 8, 2022

SHIN ZU SHING CO., LTD.

Individual balance sheet

December 31, 2021 and 2020

Unit: NT\$1,000

Code	Assets	December 31, 2021		December 31, 2020	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Notes 6 and 27)	\$ 2,595,234	13	\$ 1,264,347	6
1110	Financial assets at fair value through profit or loss - current (Notes 7 and 27)	86,908	1	-	-
1136	Financial assets at amortized cost - current (Notes 8 and 27)	2,301,888	11	3,088,252	15
1150	Net notes receivable (Notes 9 and 27)	3,536	-	2,104	-
1170	Net accounts receivable (Notes 9 and 27)	3,253,312	16	3,881,503	19
1180	Accounts receivable - related parties (Notes 27 and 28)	71,282	-	114,158	1
1200	Other receivables (Note 27)	20,966	-	30,577	-
130X	Inventory (Note 10)	784,472	4	846,129	4
1479	Other current assets	14,359	-	30,971	-
11XX	Total current assets	<u>9,131,957</u>	<u>45</u>	<u>9,258,041</u>	<u>45</u>
	Non-current assets				
1550	Equity-accounted investments (Note 11)	5,052,093	25	5,506,699	27
1600	Property, plant and equipment (Note 12)	5,656,102	28	5,584,937	27
1755	Right-of-use assets (Note 13)	65,463	-	77,698	-
1840	Deferred income tax assets (Note 22)	73,457	-	54,307	-
1920	Refundable deposits	11,946	-	15,066	-
1990	Other non-current assets (Note 14)	279,097	2	201,618	1
15XX	Total non-current assets	<u>11,138,158</u>	<u>55</u>	<u>11,440,325</u>	<u>55</u>
1XXX	Total assets	<u>\$ 20,270,115</u>	<u>100</u>	<u>\$ 20,698,366</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term debt (Notes 15 and 27)	\$ 498,240	2	\$ 1,139,200	6
2120	Financial liabilities at fair value through profit or loss - current (Notes 7 and 27)	6,767	-	30,117	-
2150	Notes payable (Note 27)	1,306	-	5,417	-
2170	Accounts payable (Notes 16 and 27)	432,145	2	559,909	3
2180	Accounts payable - related parties (Notes 27 and 28)	1,428,163	7	1,455,693	7
2219	Other accounts payable (Notes 17 and 27)	557,582	3	710,102	3
2230	Income tax liabilities in the current period (Note 22)	216,423	1	182,817	1
2280	Lease liabilities - current (Notes 13 and 27)	22,263	-	22,405	-
2399	Other current liabilities	296,654	2	187,836	1
21XX	Total current liabilities	<u>3,459,543</u>	<u>17</u>	<u>4,293,496</u>	<u>21</u>
	Non-current liabilities				
2540	Long term loan (Notes 15 and 27)	692,000	3	-	-
2570	Deferred income tax liabilities (Note 22)	548,270	3	626,602	3
2580	Lease liabilities - current (Notes 13 and 27)	43,521	-	55,411	-
2640	Net defined benefit liabilities (Note 18)	-	-	2,814	-
25XX	Total non-current liabilities	<u>1,283,791</u>	<u>6</u>	<u>684,827</u>	<u>3</u>
2XXX	Total liabilities	<u>4,743,334</u>	<u>23</u>	<u>4,978,323</u>	<u>24</u>
	Equity (Note 19)				
	Capital stock				
3110	Capital stock - Common	1,924,853	10	1,919,203	9
3140	Advance receipts for capital stock	-	-	1,060	-
3100	Total capital stock	<u>1,924,853</u>	<u>10</u>	<u>1,920,263</u>	<u>9</u>
3200	Capital surplus	<u>2,911,722</u>	<u>14</u>	<u>3,449,185</u>	<u>17</u>
	Retained earnings				
3310	Statutory reserve	1,769,772	9	1,602,615	8
3320	Special reserve	329,101	2	416,362	2
3350	Undistributed earnings	8,984,344	44	8,660,718	42
3300	Retained earnings	<u>11,083,217</u>	<u>55</u>	<u>10,679,695</u>	<u>52</u>
3400	Other equities	(393,011)	(2)	(329,100)	(2)
3XXX	Total equity	<u>15,526,781</u>	<u>77</u>	<u>15,720,043</u>	<u>76</u>
	Total liabilities and equity	<u>\$ 20,270,115</u>	<u>100</u>	<u>\$ 20,698,366</u>	<u>100</u>

The attached notes are an integral part of the individual financial statements.

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD.
Individual Statement of Comprehensive Income
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000; EPS in NTD

Code		2021		2020	
		Amount	%	Amount	%
4000	Operating revenue (Note 20)	\$ 8,865,174	100	\$ 10,220,420	100
5000	Operating costs	<u>7,189,626</u>	<u>81</u>	<u>8,362,728</u>	<u>82</u>
5900	Gross operating profit	1,675,548	19	1,857,692	18
5910	Unrealized profits with subsidiaries	3,825	-	8,801	-
5920	Realized profits with subsidiaries	<u>8,834</u>	<u>-</u>	<u>13,856</u>	<u>-</u>
5950	Gross profit from operations	<u>1,680,557</u>	<u>19</u>	<u>1,862,747</u>	<u>18</u>
	Operating expenses				
6100	Promotion expenses	101,726	1	108,204	1
6200	Management fees	321,774	4	396,352	4
6300	Research and development expenses	<u>253,252</u>	<u>3</u>	<u>257,518</u>	<u>2</u>
6000	Total operating expenses	<u>676,752</u>	<u>8</u>	<u>762,074</u>	<u>7</u>
6900	Net operating profit	<u>1,003,805</u>	<u>11</u>	<u>1,100,673</u>	<u>11</u>
	Non-operating income and expenses				
7100	Interest income (Note 21)	17,571	-	18,527	-
7010	Other income (Note 21)	20,255	-	9,499	-
7020	Other income/gains and expenses/losses (Note 21)	(36,124)	-	(135,450)	(1)
7050	Financial cost (Note 21)	(5,026)	-	(7,746)	-
7070	Gains and losses from subsidiaries using the equity method	<u>485,767</u>	<u>6</u>	<u>1,066,577</u>	<u>10</u>
7000	Total non-operating income and expenses	<u>482,443</u>	<u>6</u>	<u>951,407</u>	<u>9</u>

(Continued on next page)

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Code		2021		2020	
		Amount	%	Amount	%
7900	Net profit before tax	\$ 1,486,248	17	\$ 2,052,080	20
7950	Income tax expenses (Note 22)	<u>316,645</u>	<u>4</u>	<u>379,109</u>	<u>4</u>
8200	Net income of the current year	<u>1,169,603</u>	<u>13</u>	<u>1,672,971</u>	<u>16</u>
	Other comprehensive income				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Number of remeasurement of defined benefit plans (Note 18)	2,024	-	(1,402)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	(11,480)	-	29,295	-
8360	Items that may be reclassified under income (loss)				
8361	Exchange differences on conversion of foreign financial statements	(<u>54,272</u>)	(<u>1</u>)	<u>57,966</u>	<u>1</u>
8300	Other comprehensive income of the current year	(<u>63,728</u>)	(<u>1</u>)	<u>85,859</u>	<u>1</u>
8500	Total comprehensive income of the current year	<u>\$ 1,105,875</u>	<u>12</u>	<u>\$ 1,758,830</u>	<u>17</u>
	Earnings per share (Note 23)				
9750	Basic	<u>\$ 6.08</u>		<u>\$ 9.05</u>	
9850	Diluted	<u>\$ 6.04</u>		<u>\$ 8.98</u>	

The attached notes are an integral part of the individual financial statements.

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD.
Individual Statement of Shareholders' Equity
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000

Code		Capital stock - Common	Advance receipts for capital stock	Capital surplus	Retained earnings			Other equities		Total equity
					Statutory reserve	Special reserve	Undistributed earnings	Exchange differences on conversion of foreign financial statements	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	
A1	Balance as at January 1, 2019	\$ 1,804,693	\$ 7,850	\$ 2,677,784	\$ 1,473,025	\$ 270,610	\$ 7,628,000	(\$ 362,734)	(\$ 53,627)	\$ 13,445,601
	Appropriation and distribution of 2018 earnings									
B1	Provision for statutory reserve	-	-	-	129,590	-	(129,590)	-	-	-
B5	Cash dividends for shareholders of the Company	-	-	-	-	-	(363,509)	-	-	(363,509)
B17	Provision for special reserve	-	-	-	-	145,752	(145,752)	-	-	-
C7	Changes in related companies and joint ventures recognised using the equity method	-	-	25	-	-	-	-	-	25
C15	Cash dividend distributed from capital surplus	-	-	(363,509)	-	-	-	-	-	(363,509)
E1	Cash capital increase	100,000	-	1,000,000	-	-	-	-	-	1,100,000
N1	Employee stock options issued by the Company	-	-	67,740	-	-	-	-	-	67,740
N1	Ordinary shares issued under the employee stock option plan	14,510	(6,790)	67,145	-	-	-	-	-	74,865
D1	Net profit in 2020	-	-	-	-	-	1,672,971	-	-	1,672,971
D3	Other comprehensive income after tax in 2020	-	-	-	-	-	(1,402)	57,966	29,295	85,859
D5	Total comprehensive income in 2020	-	-	-	-	-	1,671,569	57,966	29,295	1,758,830
Z1	Balance as at December 31, 2020	1,919,203	1,060	3,449,185	1,602,615	416,362	8,660,718	(304,768)	(24,332)	15,720,043
	Appropriation and distribution of 2020 earnings									
B1	Provision for statutory reserve	-	-	-	167,157	-	(167,157)	-	-	-
B5	Cash dividends for shareholders of the Company	-	-	-	-	-	(768,105)	-	-	(768,105)
B17	Provision for special reserve	-	-	-	-	(87,261)	87,261	-	-	-
C7	Income (losses) from affiliated companies and joint ventures under the equity method	-	-	(13)	-	-	-	-	-	(13)
C15	Cash dividend distributed from capital surplus	-	-	(576,079)	-	-	-	-	-	(576,079)
M3	Subsidiary company (Note 11)	-	-	-	-	-	-	1,841	-	1,841
N1	Ordinary shares issued under the employee stock option plan	5,650	(1,060)	38,629	-	-	-	-	-	43,219
D1	Net profit in 2021	-	-	-	-	-	1,169,603	-	-	1,169,603
D3	Other comprehensive income after tax in 2021	-	-	-	-	-	2,024	(54,272)	(11,480)	(63,728)
D5	Total comprehensive income in 2021	-	-	-	-	-	1,171,627	(54,272)	(11,480)	1,105,875
Z1	Balance as at December 31, 2021	\$ 1,924,853	\$ -	\$ 2,911,722	\$ 1,769,772	\$ 329,101	\$ 8,984,344	(\$ 357,199)	(\$ 35,812)	\$ 15,526,781

The attached notes are an integral part of the individual financial statements.

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

SHIN ZU SHING CO., LTD.
Individual Cash Flow Statement
January 1 to December 31, 2021 and 2020

Unit: NT\$1,000

Code		2021	2020
	Cash flow from operating activities		
A10000	Net profit before tax of the current year	\$ 1,486,248	\$ 2,052,080
A20010	Adjustments to reconcile profit (loss)		
A20100	Depreciation cost	543,721	615,719
A20400	Net gains (losses) on financial assets and liabilities at fair value through profit or loss	(23,195)	(2,752)
A20900	Financial cost	5,026	7,746
A21200	Interest revenue	(17,571)	(18,527)
A21900	Share-based payment	-	67,740
A22400	Income (losses) from affiliated companies under the equity method	(485,767)	(1,066,577)
A22500	Losses (gains) from disposal and retirement of property, plant and equipment	(9,970)	(7,058)
A22900	Losses of the subsidiary company	1,824	-
A23700	Inventory falling price loss	6,500	49,000
A23900	Unrealized sales profits between affiliated companies	3,825	8,801
A24000	Realized sales profits between affiliated companies	(8,834)	(13,856)
A30000	Net changes in operating assets and liabilities		
A31130	Notes receivable	(1,432)	243
A31150	Accounts receivable	628,191	(342,469)
A31160	Accounts receivable - related parties	42,876	413,431
A31180	Other accounts receivable	9,099	(5,968)
A31190	Other receivables - related parties	-	4,561
A31200	Inventory	55,157	(376,821)
A31240	Other current assets	16,612	14,982
A32130	Notes payable	(4,111)	750
A32150	Accounts payable	(127,764)	45,904
A32160	Accounts payable - related parties	(27,530)	(701,877)
A32180	Other accounts payable	(146,437)	73,837
A32230	Other current liabilities	108,818	37,950
A32240	Net defined benefit liabilities	(790)	(3,220)
A33000	Cash inflow from operating activities	2,054,496	853,619
A33100	Interest received	18,083	17,914

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Code		2021	2020
A33300	Interest paid	(\$ 4,750)	(\$ 7,398)
A33500	Income tax paid	(293,206)	(146,691)
AAAA	Net cash inflow from operating activities	<u>1,774,623</u>	<u>717,444</u>
	Cash flow from investing activities		
B00040	Increase in financial assets at amortized cost	786,364	(1,213,723)
B00100	Acquisition of financial assets at fair value through profit or loss	(87,063)	-
B02300	Net cash inflow from subsidiaries	2,519	-
B02700	Acquisition of property, plant and equipment	(127,922)	(322,431)
B02800	Disposal of property, plant and equipment	11,057	9,384
B03700	Increase in guarantee deposits	3,120	(4,404)
B06600	Subsidiary earnings repatriation	789,800	431,600
B06700	Increase of other non-current assets	(545,932)	(249,010)
BBBB	Net cash outflow from investing activities	<u>831,943</u>	<u>(1,348,584)</u>
	Cash flow from financing activities		
C00200	Decrease in short-term loans	(640,960)	(30,020)
C01600	long-term loan	692,000	-
C04020	Repayments of lease liabilities	(25,754)	(22,035)
C04500	Distribution of cash dividends	(1,344,184)	(727,018)
C04600	Cash capital increase	-	1,100,000
C04800	Employee exercise of stock options	43,219	74,865
CCCC	Net cash inflow (outflow) from financing activities	<u>(1,275,679)</u>	<u>395,792</u>
EEEE	Increase (decrease) in cash and cash equivalents for the current period	1,330,887	(235,348)
E00100	Cash and cash equivalents at beginning of period	<u>1,264,347</u>	<u>1,499,695</u>
E00200	Cash and cash equivalents at end of period	<u>\$ 2,595,234</u>	<u>\$ 1,264,347</u>

The attached notes are an integral part of the individual financial statements.

Chairman: Sheng-Nan Lu

CEO: Frank Lin

Head of accounting: Meng-Hui Tsai

Attachment 5**SHIN ZU SHING CO., LTD.
2021 Earnings Distribution Statement**

Unit: NT\$

Item	Subtotal	Total
Undistributed earnings at the beginning of the period		7,812,717,683
TIFRS adoption adjustments		
Effect of retrospective application and retrospective restatement		
Adjusted opening amount of undistributed earnings		7,812,717,683
Reversal: Provision for special reserve in response to first adoption of TIFRS		
Retained earnings adjusted after first application of revised IFRS 9 evaluation		
Retained earnings adjusted due to long-term equity investments		
Remeasurements arising on defined benefit plans recognized in retained earnings	2,023,841	
Adjusted undistributed earnings		7,814,741,524
Add: After-tax net profit of the current year	1,169,602,875	
Subtract: Provision for statutory reserve (10%)	(117,162,672)	
Add: Reversal of provision for special reserve		
Subtract: Provision for special reserve	(63,910,427)	
Distributable earnings of the period		8,803,271,300
Items for distribution:		
Dividends to shareholders -- cash -- earnings@2.50	(481,213,365)	(481,213,365)
Undistributed earnings at the end of the period		8,322,057,935

Note 1: In the current earnings distribution, priority is given to the current year's earnings.

2: The distributed amount of cash dividend per share is calculated on the basis of the 192,485,346 issued shares for which change registration has been completed on March 31, 2022.

Chairman: Lu, Sheng-Nan

CEO: Juan,Chao-Tsung Head of accounting: Tsai, Meng-Hui

Attachment 6

Table Comparing the Original and the Amended Articles of the
 “Acquisition or Disposal of Assets Procedure”

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
Article 6	<p>When the Company obtains reports from an appraiser, CPA, lawyer, securities underwriter, such appraiser, CPA, lawyer, or securities underwriter, these professionals should meet the following criteria:</p> <ol style="list-style-type: none"> 1.omit 2.omit 3.If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to shall comply with the <u>self-regulatory rules of the industry associations to which</u></p>	<p>When the Company obtains reports from an appraiser, CPA, lawyer, securities underwriter, such appraiser, CPA, lawyer, or securities underwriter, these professionals should meet the following criteria:</p> <ol style="list-style-type: none"> 1.omit 2.omit 3.If the company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers may not be related parties or de facto related parties of each other. <p>When issuing an appraisal report or opinion, the personnel referred to shall comply with the the following provisions:</p>	Conform to the amendments to related regulations.

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p><u>they belong and with the</u> following provisions:</p> <ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>conducting</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>appropriateness and</u> reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or 	<ol style="list-style-type: none"> 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy,</u> and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 	

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p>the opinion.</p> <p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	<p>4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>accurate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>	
Article 8	<p>1~3omit</p> <p>4.(3)If the appraisal report meets any of the following criteria, except when all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, the CPA's fairness opinion on the difference and the reasonableness of</p>	<p>1~3omit</p> <p>4.(3)If the appraisal report meets any of the following criteria, except when all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, the CPA's fairness opinion on the difference and the reasonableness of</p>	<p>Conform to the amendments to related regulations.</p>

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p>price shall be obtained and the Company shall consult with the CPA.</p> <p>a. The difference between the appraisal report and transaction price exceeds 20%.</p> <p>b. The appraisal reports of more than two appraisers differ by more than 10% of the transaction price.</p> <p>(4) omit</p>	<p>price shall be obtained and the Company shall consult with the CPA <u>to take measures in accordance with the provisions of Statement of Auditing Standards No.20 published by the ARDF.</u></p> <p>a. The difference between the appraisal report and transaction price exceeds 20%.</p> <p>b. The appraisal reports of more than two appraisers differ by more than 10% of the transaction price.</p> <p>(4) omit</p>	
Article 9	<p>1~3omit</p> <p>4.The dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public</p>	<p>1~3omit</p> <p>4. The dollar amount of the transaction is 20 percent of the company's paid-in capital or NT\$300 million or more, the company shall additionally engage a certified public accountant prior to the</p>	Conform to the amendments to related regulations.

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p>accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	<p>date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>The CPA shall take measures in accordance with the provisions of Statement of Auditing Standards No.20 published by the ARDF.</u></p> <p>This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p>	
Article 11	<p>1~3omit 4.The company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified</p>	<p>1~3omit 4.The company acquires or disposes of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a domestic government agency, the company shall engage a certified public accountant prior</p>	Conform to the amendments to related regulations.

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.	to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall take measures in accordance with the provisions of Statement of Auditing Standards No.20 published by the ARDF.</u>	
Article 15	Public Disclosure of Information 6.omit 7.Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of creditor's rights by financial institutions or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds <u>or foreign government bonds with a rating that is</u>	Public Disclosure of Information 6.omit 7.Where an asset transaction other than any of those referred to in the preceding six subparagraphs, disposal of creditor's rights by financial institutions or an investment in the mainland China area reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances: (1)Trading of domestic government bonds. (2)Where done by professional investors—securities trading on securities	Conform to the amendments to related regulations.

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p><u>not lower than the sovereign rating of Taiwan.</u></p> <p>(2)Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds, or</u> of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>or subscription or redemption of exchange traded notes, or</u> subscription by a securities firm of securities as necessitated by its undertaking business</p>	<p>exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>or</u> subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or</p>	

Article No.	Amended Article (or portion thereof)	Original Article (or portion thereof)	Explanation
	<p>or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(omit)</p>	<p>subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p> <p>(omit)</p>	

Appendix 1

SHIN ZU SHING CO., LTD.

Rules of Procedure for the Shareholders' Meeting

Article 1: To establish a strong governance system and sound supervisory capabilities for the Company's shareholders' meetings, as well as to strengthen management capabilities, these Rules are adopted pursuant to Article 6 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies.

Unless otherwise provided by law and regulations, the Company's shareholders' meetings shall proceed according to these Rules.

Article 2: The shareholders mentioned in these rules refer to the shareholders themselves or the agents entrusted by the shareholders to attend shareholders' meetings as listed in the shareholders' register.

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

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

Article 3: Unless otherwise provided by law or regulations, the Company's shareholders' meetings shall be convened by the Board of Directors.

The convening of the regular shareholders meeting shall be notified to all shareholders 30 days in advance. For shareholders holding less than 1,000 registered shares, announcement may be made by entering the information on the Market Observation Post System (MOPS) 30 days in advance. The convening of the extraordinary shareholders meeting shall be notified to all shareholders 15 days in advance. For shareholders holding less than 1,000 registered shares, announcement may be made by entering the information on the MOPS 15 days in advance. The reasons for convening a shareholders' meeting shall be specified in the meeting

notice and public announcement.

Election or dismissal of directors, amendments to the Articles of Incorporation, capital reduction, application for cessation of status as a public company, removal of non-compete clause for directors, capitalization of profits, capitalization of reserve, dissolution, merger, or demerger of the company, or any matter under each Subparagraph of Paragraph 1, Article 185 of the Company Act and Articles 26-1 and 43-6 of the Securities and Exchange Act shall be set out in the notice of the reasons for convening the shareholders' meeting along with descriptions of their main content. None of the above matters may be raised by an extraordinary motion.

Article 4: Where shareholders' meetings are convened by the board of directors, they shall be chaired by the chairperson of the board. When the chairperson is absent or unable to exercise his/her duty for any reason, the chairperson shall appoint a director as acting chairperson. If the chairperson does not appoint an acting chairperson, the directors should select an acting chairperson from among themselves. If the shareholders' meeting is convened by a person entitled to do so other than the chairperson, that person shall act as the chair. If two or more persons are entitled to call the shareholders' meeting, those persons shall elect one person to act as the chair.

The chair of the preceding paragraph is a person who is represented by a director who has served for more than six months and understands the company's financial business conditions. The same applies if the chair is the representative of an institutional director.

The shareholders' meeting convened by the board of directors should be attended by more than half of the directors of the board of directors.

Article 5: Venue of shareholders' meetings shall be where the Company is located or a different location convenient for shareholders to attend and for the meeting to be held with a commencement time no earlier than 9:00 a.m. or later than 3:00 p.m. The place and time of convening the meeting shall take into full consideration the opinions of independent directors.

Article 6: The Company shall specify in the notice of meeting the time and location of the place of registration for shareholders, as well as other matters that

attention should be paid to.

The time for accepting shareholder registration should be at least 30 minutes before the start of the meeting; the registration area should be clearly marked, and adequate and competent personnel should be sent to handle the procedures.

Shareholders themselves or proxies appointed by shareholders (hereinafter referred to as shareholders) shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.

When attending the shareholders' meeting, attending shareholders should sign in the attendance book or hand in the sign-in card in lieu of signing in. Attendance and voting at a shareholders' meeting shall be calculated based the number of shares.

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

The Company shall furnish attending shareholders with the meeting procedures manual, annual report, attendance card, speech notes, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.

Article 7: When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. If a proxy appointed by a shareholder to attend is a legal person, the legal person may only appoint one person to attend the shareholders meeting.

In the event an institutional shareholder assigns two or more representatives to attend the shareholders' meeting, only one of the representatives may speak on any single agenda item.

Article 8: The chair shall announce the commencement of the meeting when the scheduled time arrives. If the number of shareholders present represent less than half of all voting rights, the chair may delay the meeting. A meeting may be delayed twice for a combined maximum of one hour. If after two postponements the number of shareholders present is still insufficient while representing at least one third of the total issued shares,

provisional resolutions may be adopted in accordance with Article 175 Paragraph 1 of the Company Act. However, for special resolutions stipulated by the Company Act, the resolutions shall be made in accordance with the provisions of the Company Act.

If prior to the end of the meeting the shareholders present represent at least half of the total issued shares, the chair may resubmit the provisional resolutions adopted by the meeting for a vote in accordance with Article 174 of the Company Act.

Article 9: The agenda of a shareholders' meeting convened by the board of directors shall be decided by the board. The meeting shall proceed according to the agenda unless changed by a shareholders' meeting resolution.

The above provision applies *mutatis mutandis* to cases where the meeting is convened by any person, other than the board of directors, entitled to convene such meeting.

Unless by the resolution of the shareholders' meeting, the chair may not declare the meeting adjourned until all items on the agenda (including extraordinary motions) arranged as per the preceding two paragraphs have been completed. However, when disorder or other circumstances make it difficult for the meeting to proceed normally, the chair may announce the adjournment of the meeting. During a shareholders' meeting, if a meeting is declared adjourned due to violation of the rules of procedure by the chair, attending shareholders may elect a chair to resume the meeting with the consent of one half of the votes represented by shareholders present. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 10: Before speaking, an attending shareholder must specify on a speech note the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair. Where attending shareholders submit speech notes but do not make a statement, they are deemed to not have spoken; if the contents of the statement do not conform to the contents of the speech note, the contents of the statement shall govern.

Unless given consent by the chair and the speaking shareholder, other

shareholders may not speak to interrupt when a shareholder is speaking; otherwise the chair shall stop the interruption.

Unless permitted by the chair, no shareholder may speak more than twice regarding the same proposal (including reported items, discussions, elections, and extraordinary motions), and shall not speak for more than five minutes each time. If a shareholder violates the rules outlined in the preceding paragraph or goes beyond the scope of proposals in speaking, the chair may stop him/her from speaking.

After a shareholder present at the meeting speaks, the chair may reply in person or assign relevant personnel to reply.

Article 11: With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

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

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

Article 12: Unless otherwise provided by the Company Act or the Articles of Incorporation, a proposal shall be approved by the consent of more than half of the votes of shares represented by shareholders present. In voting, a proposal is considered approved if the chair receives no dissenting opinions after requesting, which has the same effect as voting by ballot. When voting, the chair or a designated person shall announce the total voting rights of the shareholders present on a case-by-case basis.

When the Company holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic

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

Where there is an amendment or an alternative for a proposal, the chairperson shall determine the order in which they are to be voted on with the original proposal. When any one of them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Article 13: Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of the Company.

The counting of votes for shareholders' meetings or election proposals shall be done in a public place at the shareholders' meeting, and after the counting of votes is completed, the voting results shall be announced on the spot, including statistical weights, and shall be recorded.

Article 14: The Company may designate retained lawyers, certified public accountants or relevant personnel to attend the shareholders' meeting.

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

Article 15: The Company shall record and video the shareholder registration process, the meeting process, and the vote counting process from the moment of accepting the registration of shareholders. The audio-visual materials mentioned in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 16: While the shareholders' meeting is in session, the chair may at his/her discretion allocate and announce time for breaks. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda

have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

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

Article 17: The election of directors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by the Company, and the voting results shall be announced on-site.

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

Article 18: The chair may instruct the proctors (or security personnel) to assist in maintaining order in the meeting venue. While assisting in maintaining order at the venue, the proctors (or security personnel) shall wear arm-bands reading "Proctor."

When a shareholder violates the Rules of Procedure and defies the chair's admonitions, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder out of the meeting.

Article 19: Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting.

For shareholders holding less than 1,000 registered shares, the Company may distribute the meeting minutes of the preceding Paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

The resolution method in the preceding paragraph is based on the chair's consultation with shareholders. If the shareholders have no objection to

the proposal, it should be stated that the resolution has been "approved by the chairman's consultation with all shareholders present without objection"; however, when shareholders disagree with the proposal, the method of voting and the number of voting rights and the ratio of the number of voting rights should be stated.

Article 20: 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 solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.

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

Article 21: Matters not covered in these Rules shall be handled at the chair's discretion.

Article 22: These Rules shall come into force upon the approval of the shareholders' meeting, as shall any amendment.

Appendix 2

SHIN ZU SHING CO., LTD.

Articles of Incorporation

Chapter 1. General Principles

Article 1. The Company is incorporated according to the Company Act and is named "SHIN ZU SHING CO., LTD." The English name is SHIN ZU SHING CO., LTD.

Article 2. The business scope of the Company is as follows:

1. Manufacturing and sales of various wire and plate springs.
2. Manufacturing and sales of various precision steel molds, hardware machinery, electronic parts, computer parts, and auto parts.
3. Assembly, manufacturing and sales of various precision components.
4. Manufacturing, processing and trading of various screws (metal).
5. Manufacturing, processing and trading of various loose-proof, leak-proof sealant, and fixing glues (metal screws).
6. Hard-welding processing, R&D, manufacturing and trading of aerospace and motorcycle parts.
7. Hard welding processing, manufacturing and trading of air conditioners, refrigerating air conditioners and their components.
8. Manufacturing and trading of plate heat exchangers.
9. Manufacturing and trading of catalytic converters.
10. Vacuum brazing processing, manufacturing and trading of insulation series products (insulation cups, thermos bottles, insulation plates, insulation pots, incubators, etc.).
11. Operation of heat treatment business.
12. The import and export trade business of the previous products.
13. ZZ99999 All business items that are not prohibited or

restricted by law, except those that are subject to special approval.

Article 3. The Company is headquartered in New Taipei City, Taiwan, and may establish domestic or foreign branches subject to the board of directors' approval.

Article 4. The public announcements made by the Company shall be published in accordance with the provisions of the Company Act.

Article 4-1. The Company may engage in external reinvestment due to business needs, and may be a limited liability shareholder of another company through the resolution of the board of directors, and its total investment may be exempt from the relevant reinvestment quota stipulated in Article 13 of the Company Act.

Article 4-2. The Company may provide external guarantees.

Chapter 2. Shares

Article 5. The Company's authorized capital is set at NT\$2.5 billion divided into twenty-five million shares, all of which are ordinary shares, at ten New Taiwan dollars per share; the board of directors is authorized to issue unissued shares in installments.

NT\$100 million is retained from the total capital in the first paragraph and divided into 10 million shares each with a denomination of NT\$10, for the issuance of employee stock options, and the board of directors is authorized to issue such options in installments in accordance with the Company Act and relevant laws and regulations.

Article 5-1. The Company may only issue employee stock options at an exercise price lower than the market price of ordinary shares on the day of issuance after gaining the approval of two thirds of the votes represented by the attending shareholders during a shareholders' meeting where the attending shareholders represent over half of the total number of issued shares.

Before transferring shares to employees at a price lower than the average with which the shares were repurchased, the Company shall gain the approval of two thirds of the votes represented by the attending shareholders during the most recent shareholders meeting where the attending shareholders represent over half of the total number of issued shares.

- Article 6. Deleted.
- Article 7. The printed share certificates of the Company shall be affixed with the signature or seal of the director representing the Company, and shall be legally authenticated by a bank competent to serve as attester for the issuance of share certificates before issuance. When the Company issues new stocks, it is exempt from printing stocks, but it should contact the securities centralized custody institution for registration.
- Article 8. The Company's matters related to stock affairs are handled in accordance with the Company Act and the Regulations Governing the Administration of Shareholder Services of Public Companies promulgated by the competent authority.
- Article 8-1. If the Company needs to cancel publicly offered shares, the Company shall seek a special resolution during a shareholders' meeting. This Article may not be revised while the Company's stock is traded on the Emerging Stock Market and TWSE/TPEX.

Chapter 3. Shareholders' Meetings

- Article 9. The Company holds general and extraordinary shareholders' meetings. General meetings are to be held once every year and shall be convened within six months after the close of each fiscal year by the board of directors in accordance with the law. Extraordinary meetings will be held according to the law whenever necessary.
- Article 9-1. Shareholders' meetings shall be convened by written notice stating the date, place, and purpose dispatched to each shareholder and announced at least 30 days, in the case of ordinary meetings, and 15 days, in the case of extraordinary meetings, prior to the date set for such meeting.
- With the consent of the addressee, the meeting notice may be given in electronic form. For shareholders holding less than 1,000 registered shares, the meeting notice in the preceding paragraph may be made by way of public announcement.
- Article 10. If a shareholder is unable to attend the shareholders' meeting in person, a proxy may be appointed by presenting a properly sealed proxy form printed in the Company's prescribed format, while specifying the scope of delegated authority. The method for proxy attendance, except as otherwise provided by the Company Act, is

understood to be handled in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies" promulgated by the competent authority.

Article 11. Each share is entitled to one vote, except when the shares are restricted shares or are deemed non-voting shares under Paragraph 2, Article 179 of the Company Act.

Article 12. Unless otherwise required by relevant laws and regulations, shareholders' resolutions shall be adopted by at least a majority of the votes of shareholders present personally or by proxy at a shareholders' meeting who hold a majority of all issued and outstanding shares of the Company.

Article 12-1. Deleted.

Article 12-2. Deleted.

Article 12-3. The resolutions of the shareholders' meeting shall be recorded and handled in accordance with Article 183 of the Company Act.

Chapter 4. Directors and Audit Committee

Article 13. The Company has seven to nine directors (no less than three independent directors), with a term of three years, who can be re-elected. The election of directors adopts the nomination system of candidates, and the shareholders' meeting elects director from the list of candidates.

The total number of shares of the Company's registered shares held by all directors shall be handled in accordance with the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies" issued by the competent authority.

The professional qualifications, shareholding, restrictions on concurrent positions, nomination and election methods and other compliance matters of independent directors shall be handled in accordance with relevant laws and regulations.

Article 13-1. The Company may establish an audit committee in accordance with Article 14-4 of the Securities and Exchange Act. The Audit Committee shall comprise of all independent directors and shall be responsible for exercising the powers of supervisors under the Company Act, the Securities and Exchange Act, and other applicable laws.

- Article 14. The board of directors is formed by directors, and a chairperson shall be elected by over half of directors during a board meeting with two thirds or more of all directors in attendance from among themselves. The chairperson represents the Company externally. Board meetings shall be convened on a quarterly basis, and directors shall be notified of a board meeting convened with proper statement of the causes seven days in advance. However, in case of any emergency, a board meeting may be convened at any time. Notifications of board meetings as in the preceding paragraph may be in writing or via email or fax. When a director appoints other directors to attend board meetings on his/her behalf, he/she shall issue a power of attorney and list the authorization scope with regard to the reason for convening each time. Board meetings may be convened via video conferencing. Directors that attend board meetings via video conferencing will be deemed to have attended the meeting in person.
- Article 14-1. Unless otherwise provided by the Company Act, the adoption of a resolution shall require the approval of over half of attending directors of a Board meeting attended by the over half of directors.
- Article 15. If the Chairman is on leave or for any reason cannot discharge his duties, his/her acting proxy shall be elected in accordance with relevant regulations of the Company Act.
- Article 16. The board of directors is authorized to execute the company's business. All matters shall be resolved by the board of directors, except for matters stipulated by the Company Act or the Company's Articles of Incorporation that shall be resolved by the shareholders' meeting.
- Article 16-1. The remuneration of all directors of the Company, regardless of operating profit or loss, shall be paid based on generally accepted standards and as authorized by the board of directors in accordance with the extent of their participation in the Company's operations and the value of their contribution. With regard to the remuneration of independent directors, the board of directors is also authorized to determine a reasonable remuneration different from that of general directors.
- Article 16-2. The Company may purchase liability insurance for the directors

who are liable for compensation in accordance with the law with respect to the scope of their business execution during their term of service.

Article 16-3. The board of directors of the Company may set up a remuneration committee or other functional committees due to the needs of business operations.

Chapter 5. Managers

Article 17. The Company may establish several manager positions, and the appointment, dismissal, and remuneration of managers shall be in accordance with relevant provisions of the Company Act.

Chapter 6. Final accounts and profit distribution

Article 18. The Company prepares final accounts at the end of each fiscal year, and the board of directors compiles the following documents and submits them to the shareholders' meeting for ratification in accordance with the legal procedures.

1. Business Report
2. Financial Statements
3. Earnings distribution or loss replenishment proposals.

Article 19. If the Company has profits for the year (the so-called profits refer to profit before tax) before deduction of employee remuneration and directors' remuneration, no less than 2% shall be allocated for employee remuneration and no more than 2% for director's remuneration. However, if the company still has accumulated losses (including adjustments to the amount of undistributed earnings), it shall reserve the amount of compensation for accumulated losses in advance, and then calculate the provisions based on the remaining balance.

Employees of subsidiaries of the company meeting certain requirements may be entitled to receive the aforementioned remuneration in the form of cash or shares. The remuneration of the directors in the preceding paragraph can only be paid in cash.

All matters related to the payment of employee remuneration and directors' remuneration are handled in accordance with relevant laws and regulations, determined by the board of directors, and reported to the shareholders' meeting.

Article 20. If there is any surplus in the final accounts of the Company for each

fiscal year, it shall be distributed in the following order:

1. Withholding taxes.
2. Making up for losses, if any.
3. Withdraw 10% as the statutory reserve (except when the statutory reserve has reached the total capital).
4. Allocation or reversal of a special reserve in accordance with laws or regulations.
5. If any Income remains, a proposal for distribution of the remainder together with undistributed profits in the previous years as shareholders' dividends and bonuses shall be prepared by the board of directors and then submitted to the shareholders' meeting for resolution.

Article 20-1. Deleted.

Article 20-2. The Company is currently in the stage of operating growth, and must use retained earnings to meet operating growth and investment needs. At this stage, it adopts a residual dividend policy.

In order to meet the needs of business expansion and industry growth, the Company's future dividend policy will be based on the Company's future capital expenditure budget and considerations of capital needs. Earnings can be distributed in the form of cash dividends or stock dividends, but the cash dividend must not be less than 10% of total dividends.

Chapter 7. Appendix

Article 21. Any matters not addressed in the Articles of Incorporation shall be governed by the Company Act.

Article 21-1. Deleted.

Article 22. These Articles of Incorporation were established on May 10, 1968

The first revision was on November 3, 1974

The second revision was on August 25, 1977

The third revision was on August 20, 1979

The fourth revision was on September 15, 1981

The fifth revision was on September 25, 1982

The sixth revision was on November 25, 1982

The seventh revision was on January 16, 1983

The eighth revision was on June 1, 1986

The ninth revision was on November 22, 1989

The tenth revision was on December 17, 1989

The eleventh revision was on August 15, 1994

Twelfth revised on March 15, 1995

The thirteenth revision was on December 2, 1996
The fourteenth revision was on May 15, 1997
The fifteenth revision was on September 15, 1997
The sixteenth revision was on June 15, 1999
The seventeenth revision was on December 31, 2000
The eighteenth revision was on December 25, 2001
The nineteenth revision was on June 20, 2002
The twentieth revision was on December 30, 2002
The twenty-first revision was on September 19, 2003
The twenty-second revision was on April 30, 2004
The twenty-third revision was on March 22, 2005
The twenty-fourth revision was on March 22, 2005
The twenty-fifth revision was on November 9, 2005
The twenty-sixth revision was on May 24, 2006
The twenty-seventh revision was on June 13, 2007
The twenty-eighth revision was on June 13, 2008
The twenty-ninth revision was on June 19, 2009
The thirtieth revision was on June 17, 2010
The thirty-first revision was on June 15, 2011
The thirty-second revision was on June 15, 2012
The thirty-third revision was on June 13, 2013
The thirty-fourth revision was on June 12, 2014
The thirty-fifth revision was on June 15, 2016
The thirty-sixth revision was on June 22, 2017
The thirty-seventh revision was on June 21, 2018
The thirty-eighth revision was on June 18, 2019

SHIN ZU SHING CO., LTD.

Chairman: Sheng-Nan Lu

Appendix 3

SHIN ZU SHING CO., LTD.

Rules for Election of Directors

- Article 1: The election of directors of the company shall be carried out in accordance with these regulations, unless otherwise stipulated in the Company Law and the articles of association of the company.
- Article 2: The election of directors (including independent directors) of the company adopts the candidate nomination system.
- Article 3: The qualification and appointment of independent directors of the company shall be handled in accordance with the relevant laws and regulations of the competent authority.
- Article 4: The election ballots for directors shall be issued by the company, indicating the number of the attendance certificate and the number of voting rights. If the company exercises voting rights electronically, no separate ballots will be issued
- Article 5: The election of directors of the company adopts a cumulative voting system. Each share has the same voting rights as the number of people to be elected. One person can be elected in a centralized manner or by allocating the number of electors.
- Article 6: In the election of directors of the company, the votes obtained represent those with more voting rights, and they will be elected in turn. If two or more people have the same number of rights and exceed the specified number of seats, the decision will be made by drawing lots from those who have the same number of rights, and the chairman will draw lots on behalf of those who do not attend.
- Article 7: Independent directors and non-independent directors shall be elected at the time of election, and the number of independent directors and ordinary directors shall be calculated separately when elected.
- Article 8: At the beginning of the election, the chairman designates a number of scrutineers and tellers to perform various related duties. The scrutineer shall have the status of a shareholder. The voting cabinets (boxes) used for elections shall be prepared by the company and shall be opened by scrutineers in public before voting.
- Article 9: If the electee is a shareholder, the elector must fill in the electee's account

name and shareholder account number in the "elected person" column of the ballot; if the electee is not a shareholder, the electee's name and identity certificate The document number, but when the electee is a government or legal person shareholder, the full name of the government or legal person or the name of the legal person and the name of its representative shall be filled in. When there are several representatives, the names of the representatives should be added separately.

Article 10: Ballots shall be deemed void under the following conditions:

1. Ballots not placed in the ballot box.
2. Election ballots not issued by the company ◦
3. Blank ballots not completed by the voter.
4. Fill in the name of the electee (account name), shareholder account number (ID number) and the number of votes, and fill in other text symbols ◦
5. The name of the electee (account name), shareholder account number (ID number) and the number of votes that have been filled in are not filled in or have been altered ◦
6. Writing is illegible or has been altered by the voter.
7. If the electee filled in is a shareholder, his account name and shareholder account number do not match the shareholder register; if he is not a shareholder, his name and identification document number have been checked for discrepancies.
8. Two or more selected "candidates".

Article 11: The ballots should be calculated during the meeting right after the vote casting and the results of the election should be announced by the chair at the meeting.

Article 12: These rules and any revision thereof shall become effective after approval at the shareholders' meeting

Appendix 4

SHIN ZU SHING CO., LTD.

Shareholdings of Directors

Title	Name	Number of shares held	Percentage (%)
Chairman	Sheng-Nan Lu	17,154,346	8.91%
Director	Min-Wen Lu	9,776,084	5.08%
Director	Chao-Tsung Juan	419,244	0.22%
Director	Ying-Fu Mao	-	-
Director	Cheng-Han Hsieh	-	-
Independent Director	Chi-Fa Cheng	-	-
Independent Director	Yuan-Long Chang	-	-
Independent Director	Bo-Ming Yang	-	-
Total		27,349,674	14.21%

- I. In accordance with the provisions of the "Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies," the number of shares held by all directors of the Company as recorded in the shareholder register (see the above table) on the ex-dividend date (April 18, 2022) shall be disclosed.
- II. According to Article 2 of the "Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies", the minimum number of shares that all directors should hold is 11,549,120 shares.
- III. The number of shares held by all directors complies with the law.