

PAIHO SHIH HOLDINGS CORPORATION

Minutes of 2020 Annual General Shareholders' Meeting

(Translation)

Time : 9:00 a.m. on June 9th, 2020

Address : 4F., No. 256, Sec. 5, Zhangmei Rd., Hemei Township, Changhua
County 508, Taiwan(Hemei Farmers Activity Center)

Present: 225,585,573 shares present in person or represented by proxy at the meeting and entitled to vote, which account for 71.57% of all outstanding issued shares of 315,178,126.

Directors Present: Shih-Chang Ko, Lien-Fa Tsai, Chen-Chia Cheng,
Cheng-Tsung Cheng, Yi-Liang Shih

Independent Directors Present : Yung-Fu Wu, Yong-Jen Tsao, and
Cheng-Chu Lin

Other Present : Auditor Shu-Chin Chiang, Lawyer Shih-Han Chang

Chairman : Mr. Kuo-Ian Cheng (Representative of PAIHO INT'L LTD)

Recorder: Yu-Min Chang

Call Meeting to Order:

The aggregate shareholding of the shareholders present constituted a quorum.
The Chairman called the meeting to order.

Chairman's Address: Omitted.

Report Items

1. To report the business of 2019

Please refer to Attachment 1 for 2019 Business Report.

2. Audit Committee's Review Report of 2019.

Please refer to Attachment 2 for Audit Committee's Review Report of 2019.

3. To report on the compensations distribution to employees and directors of 2019.

The Company's net profit before taxes for the distribution of compensation to the employees and remuneration to the directors in 2019 was in the amount of USD 11,878,430. The distribution of compensation to employees and remuneration to directors are proposed by the Company as follows:

Unit:USD

Item	Persons Awarded	Amount of Payment by Board Resolution	Payment Method
Compensation to Employees	Employees	122,516	In Cash
Remuneration to Directors	Directors	99,965	In Cash
Total		222,481	

4. To report the cash dividends of earnings distribution for 2019.

- (1)The Company's unappropriated retained earnings of previous years was in the amount of NTD 1,127,366,972, plus 2019 net profit after tax of NTD 359,352,901, and the actuarial loss was included in the retained earnings of NTD 4,807,985 , and after a special reserve of NTD 198,994,787, the distributable retained earnings of current period was in the amount of NTD 1,282,917,101.
- (2)Please refer to Ratification Items 2 for Table of 2019 Earnings Distribution.
- (3)In accordance with Memorandum and Articles of Association 120 (a) of the Company and approved by the Board of Directors, the dividend to shareholders of 2019 earnings will distribute NTD 189,106,876 in cash, with NTD 0.6/ share.
- (4)If changes in the capital that influence the numbers of shares outstanding and effect changes in the shareholders' allotment ratio, it is proposed to authorized the Chairman to adjust related matters.
- (5)The Board of Directors approved the cash dividend distribution proposal, and have authorized the Chairman to set the record date and payable date for distribution dividends.The cash dividends will be calculated according to the common stock shareholders listed in the registry and their shareholding ratio on the record date. The dividend will be paid in cash with calculation rounded down to the nearest on NTD (any amount under one NTD will be discarded). The remaining fraction will be incorporated into other revenue of the Company.

- To report the endorsements/guarantees amount of the Company and its subsidiaries accounted for more than 50% of the net worth.

The endorsements/guarantees of the Company and its subsidiaries are made mainly for the affiliated Company with more than 50% shareholdings held by the Company and its subsidiaries, and it is mainly for the business needs of the affiliated companies in applying for a loan from the bank and issuing a letter of credit. The total amount of endorsements/guarantees made by the Company and its subsidiaries as of the end of 2019 was in the amount of NTD6,204,760 thousand, accounting for 126.72% of the Company's net worth on December 31, 2019. Please refer to Attachment 3.

Ratification Items

- To accept 2019 Business Report and Financial Statements. (Proposed by the Board of Directors)

Explanation:

- The Company's 2019 Consolidated Financial Statements have been audited by Shu-Chin Chiang and Ting-Chien Su of Deloitte & Touch, who have issued unmodified opinion. Please refer to Attachment 4.
- Business Report, Please refer to Attachment 1.
- 2019 Business Report, Consolidated Financial Statements, and the proposal for distribution of 2019 earnings have been reviewed and issued a review report by the Audit Committee.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,534,767 votes	96.43%
Disapproval Votes: 128,732 votes	0.05%
Abstention Votes: 7,922,074 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

2. To approve the proposal for distribution of 2019 earnings. (Proposed by the Board of Directors)

Explanation:

Table of 2019 Earnings Distribution proposal is as follows :

PAIHO SHIH HOLDINGS CORPORATION

Table of 2019 Earnings Distribution

Unit:NTD

Unappropriated retained earnings of previous years		\$1,127,366,972
+2019 net profit after tax	\$359,352,901	
-Actuarial losses recognized in retained earnings	(4,807,985)	
-Special reserve	(198,994,787)	
Distributable retained earnings of current period		1,282,917,101
Distribution items		
Dividend to common shareholders	(189,106,876)	
(Cash dividend of NTD 0.6 per share; total NTD 189,106,876)		
Unappropriated retained earnings at the end of period		\$1,093,810,225

Chairman:Kuo-Ian Cheng General Manager: Kuo-Ian Cheng Accounting Officer: Yu-Min Chang

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,510,009 votes	96.42%
Disapproval Votes: 154,531 votes	0.06%
Abstention Votes:7,921,033 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

Discussion Items

1. Amendments to Memorandum and Articles of Association. (The proposal will be adopted by the special resolution.) (Proposed by the Board of Directors)

Explanation : In order to comply with the revision of regulations, the Board proposed to amend partial articles of Memorandum and Articles of Association. Please refer to Attachment 5.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,511,750 votes	96.42%
Disapproval Votes: 153,754 votes	0.06%
Abstention Votes: 7,920,069 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

2. Amendments to Rules and Procedures for Shareholders' Meeting. (Proposed by the Board of Directors)

Explanation : In order to comply with the revision of regulations, the Board proposed to amend partial articles of Rules and Procedures for Shareholders' Meeting of the Company, the Comparison Table of Amendments to Rules and Procedures for Shareholders' Meeting is attached hereto as Attachment 6.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,511,742 votes	96.42%
Disapproval Votes: 153,761 votes	0.06%
Abstention Votes: 7,920,070 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

3. Amendments to Operational Procedures for Loaning of Company Funds.
(Proposed by the Board of Directors)

Explanation : In order to meet operational needs, the Board proposed to amend partial articles of Operational Procedures for Loaning of Company Funds of the Company, the Comparison Table of Amendments to Operational Procedures for Loaning of Company Funds is attached hereto as Attachment 7.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,511,736 votes	96.42%
Disapproval Votes: 153,769 votes	0.06%
Abstention Votes: 7,920,068 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

4. Amendments to Regulation Governing Making of Endorsements/Guarantees.
(Proposed by the Board of Directors)

Explanation : In order to meet operational needs, the Board proposed to amend partial articles of Amendments to Regulation Governing Making of Endorsements/Guarantees. The Comparison Table of Amendments to Regulation Governing Making of Endorsements/Guarantees is attached hereto as Attachment 8.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,511,746 votes	96.42%
Disapproval Votes: 153,760 votes	0.06%
Abstention Votes: 7,920,067 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

5. Lifting of a director of non-competition restrictions. (Proposed by the Board of Directors)

Explanation :

- (1). According to Article 209 of the Company Act of the Republic of China, a director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
- (2). Mr. Cheng-Tsung Cheng, the director of the Company, who is also a director of PT. Paiho Indonesia. Under the non-destructive of the Company's interest, Mr. Cheng-Tsung Cheng shall be submitted to the shareholders' meeting for approval to lift the non-competition restrictions behavior of himself.

Resolution :

Voting Results: Shares represented at the time of voting: 225,585,573

Voting Results	% of the Total Represented Share Present
Approval Votes: 217,478,313 votes	96.40%
Disapproval Votes: 169,729 votes	0.07%
Abstention Votes: 7,937,531 votes	3.51%
Invalid Votes: none	0.00%

RESOLVED, that the above proposal be and hereby was approved as proposed.

Extraordinary motions : There being no extraordinary motions, the meeting was adjourned.

Meeting Adjourned

(This minutes of the 2020 Annual General Shareholders' Meeting stated the meeting and the shareholders' statements briefly. The content, the process and the shareholder's statements of the meeting shall be referred to audio and video conference records.)

Chairman : Mr. Kuo-Ian Cheng

Recorder: Yu-Min Chang

2019 Business Report

1. Business Implementation Outcome

Unit : NTD thousands

Item	2019	2018	Difference Amount	Difference %
Net Sales	6,567,553	5,992,847	574,706	9.59
Gross Profit	2,316,157	2,145,312	170,845	7.96
Profit from Operations	922,232	761,802	160,430	21.06
Profit Before Income Tax	770,262	619,347	150,915	24.37
Net Profit	422,794	373,641	49,153	13.16

Change and Difference Analysis:

In recent years, apart from actively developing jacquard engineered mesh and high value-added products, we have been expanding the scope of product applications to increase the overall net sales, gross profit, and net profit.

- Budget Execution: For the year of 2019, the Company has not established a financial forecast.
- Financial Revenue/Expenditure and Profitability Analysis

Item		2019	2018
Capital Structure (%)	Debt Ratio	63.02	65.44
	Long-term Funds to Property, Plant and Equipment Ratio	138.72	189.64
Liquidity (%)	Current Ratio	116.51	119.81
	Quick Ratio	54.74	56.06
Profitability (%)	Return on Total Assets	3.61	3.42
	Return on Equity	8.04	7.24
	Net Profit Margin	6.44	6.23
	Earnings Per Share attributable to Shareholders of the Parent (NTD)	1.14	1.01

4. Status of Research and Development

The Company and subsidiaries are established with a dedicated research and development department or design center, in charge of the research and development of all products and manufacturing processes. The annual research and development budget invested accounts for 5% of the net sales. The Company and its subsidiaries based on the brand styles and fashion trends to develop and innovate products continuously; also, enter the mask industry in the field of biotechnology. The Company increases the added value of products in many ways to meet the personal needs of individual customers and improve the economic efficiency of the enterprise.

The annual planned development in 2020 for new products and research of the Company and subsidiaries include: Elastic fabric of polyester warp knitted jacquard, self bending elastic fabric, marine recycled yarn, improvement of dyeing equipment for super yarn, hot pressing products of seamless needle car, research on weaving technology of special high strength and adhesive touch fastener, and research on fabric roll coating technology and equipment, etc.

5. 2020 Business Plan Overview

(1). Operational Strategy

- ① Strengthen marketing and sales ability, seek to establish joint development mechanisms with all major brand customers. The Company has established a development center in Shanghai, China, in order to centralize the Group's resources and the close contact as well as development with all major brands. Through Shanghai's international planning, the radiation effect of the Company in China and global purchasers can be enhanced at the same time. Continue to research and develop new products in order to increase the diversity of products and improve product quality, thereby strengthening the competitiveness and satisfying the one-stop shopping demand of customers.
- ② To enhance market cultivation and product R&D in Vietnam, with Vietnam's tax preference treaties with various countries and lower labor cost, we created more interests for the Group.
- ③ Establish a complete development, sales, and distribution service network in order to service customers locally. Active planning for the production capacity of jacquard engineered mesh, enter into the primary material market, and head toward the transformation of a comprehensive material provider.

④Cope with the continuous stable development in the Chinese medial market, along with the utilization of existing products of the Company, manufacture and sell protective masks in order to strengthen the planning and development in medical related industries.

(2). Expected Sales Quantity and its Basis

The Company, in addition to the traditional auxiliary materials business, has actively developed jacquard engineered mesh products in recent years, entered the main materials supply chain and deployed in Southeast Asia markets, including Vietnam; also, the Company has launched construction projects in Wuxi and promoted the domestic demand market in Mainland China with the expectation of realizing a solid momentum for the Company's continuing growth.

(3). Important Production and Marketing Policies

①Through continuous development of new products, environmentally-friendly products, and extension of product application aspects, along with the planning of new marketing or production sites, the Company continuously expands the scope of customers in order to establish irreplaceable long-term partnerships with customers through product promotion to new businesses and potential customers.

②Active deployment of online marketing platforms and mobile customer apps, and engagement in the B2B business expand the brand's influence in the business. Development of client mobile apps for customers to see samples and place orders on-demand and to test the waters and accumulate experience for the Group entry to the B2C market in the future.

③Enhance the manufacturing process technology improvement in order to increase the cost advantage, improve automatic production technical level, strengthen integration of various manufacturing processes, in order to shorten the production time and labor costs, thereby improving the product quality and yield rate as well as increasing the overall competitiveness of the Company.

④Strengthen the business development in Vietnam and the Southeast Asian region, further utilize the "Belt and Road Initiative" policy recently launched by China, and establish the R&D center near the National Exhibition and Convention Center (Shanghai) in order to develop free trade in various countries. Enhance the collaborative development and market planning with overseas markets and customers.

⑤Continue to invest in environmental protection and a commitment to green factory production for green products. This concept has also received recognition from numerous international brand giants.

(4). The Company's Future Development Strategy

①Through the development, manufacturing, and sales of jacquard engineering mesh for knitted fabric, the Company expects to become the primary material supplier for the shoe industry and bags, etc. industries in order to service customers locally.

②Strengthen the product technology and quality advantages, continuously develop new products and promote product diversity.

③Enhance the development and interaction with all brand makers and establish a complete O2O service system. With the production bases of the Company established in Wuxi, Dongguan, and Vietnam, the Company expects to achieve excellent marketing planning for new emerging markets.

④Flexibly utilize various competition strategies to expand product application fields and to continuously develop new products or new channels. In view of the large medical consumable market and development potential in China, with the production and sales of protective masks, the Company is able to enter into medical related business in order to achieve the business goal of comprehensive service provision.

(5). Impacts of External Competitive Environment, Regulatory Environment, and Overall Operating Environment

In 2019, Chinese economic growth has relaxed, the US-China trade war has made China's export trade severely sluggish, and global economic recovery has slowed. All these together have brought some influence to the sales of our two production bases in China. However, through continual development of high value-added products, cultivation of China, and deployment in Vietnam, we have maintained continual and steady growth.

Despite the great number of competitors for relevant products of the Company, nonetheless, the Company has a relatively higher brand awareness and excellent reputation, such that downstream customers also have relatively higher recognition and loyalty to the Company. The Company has continuously increased the added value of products through the aspects of environmental protection, comfort, health, and safety, thereby providing comprehensive services to customers and increasing the diversity of products with functionality. Recently, the Company further cooperatively developed the new nano-composite material mask products such that the Company has the opportunity to

enter into medical related business. In view of the overall development, the Company has established excellent competition advantages with the capability to cope with the changes of internal and external environments, and will continue to strengthen the competitiveness of the Company.

The Company is jointly developing the commercial and residential construction project with the developer in Wuxi, China. Although the Chinese government has implemented the policy of “real estate suppression” in recent years, the Company have been cultivating the Chinese market for nearly 30 years, the first phase of construction project were sold out shortly after pre-sales began. After product optimization, the Company believe that policy influence will be lowered and competeness can be maintained.

Chairman :
Kuo-Ian Cheng

General Manager :
Kuo-Ian Cheng

Accounting Officer :
Yu-Min Chang

Attachment 2

Audit Committee's Review Report

The Board of Directors have prepared and submitted the Company's 2019 Consolidated Financial Statements that have been audited by Shu-Chin Chiang and Ting-Chien Su of Deloitte & Touch. The Consolidated Financial Statements, 2019 Business Report and proposals of earnings distribution have been reviewed and determined to be correct and accurate by the Audit Committee members of PAIHO SHIH HOLDINGS CORPORATION. Therefore, we hereby submit this report.

Sincerely,

2020 Annual General Shareholders' Meeting

PAIHO SHIH HOLDINGS CORPORATION

Yung-Fu Wu

Chairman of Audit Committee

March 19, 2020

Attachment 3

**ENDORSEMENTS/GUARANTEES PROVIDED
FOR THE YEAR ENDED DECEMBER 31, 2019
(In Thousands of New Taiwan Dollars or Foreign Currency)**

No.	Endorser/Guarantor	Endorsee/Guaranteed Party		Limits on Endorsement/ Guarantee Given on Behalf of Each Party (Note 2)	Maximum Amount Endorsed/ Guaranteed During the Period (Note 4)	Outstanding Endorsement/ Guarantee at the End of the Period (Note 5)	Actual Borrowing Amount (Note 5)	Amount Endorsed/ Guaranteed by Collaterals	Ratio of Accumulated Endorsement/ Guarantee to Net Equity in Latest Financial Statements	Aggregate Endorsement/ Guarantee Limit (Note 3)	Endorsement/ Guarantee Given by Parent on Behalf of Subsidiaries	Endorsement/ Guarantee Given by Subsidiaries on Behalf of Parent	Endorsement/ Guarantee Given on Behalf of Companies in Mainland China
		Name	Relationship										
0	The Corporation	Hon Shin Corp.	Note 1	\$ 4,827,652	\$ 3,575,280 (USD 107,000) (EUR 8,000)	\$ 2,367,320 (USD 70,000) (EUR 8,000)	\$ 1,056,580 (USD 34,100) (EUR 1,020)	\$ -	49.04%	\$ 7,241,478	Yes	-	-
		Vietnam Paihong Limited Company	Note 1	4,827,652	3,768,580 (USD 123,000)	3,687,540 (USD 123,000)	2,218,520 (USD 74,000)	-	76.38%	7,241,478	Yes	-	-
		Dongguan Paihong Industry Co., Ltd.	Note 1	4,827,652	275,210 (USD 9,000)	149,900 (USD 5,000)	-	-	3.11%	7,241,478	Yes	-	Yes

Note 1: Holding more than 50% of the voting shares directly or indirectly.

Note 2: The individual amount shall not exceed 100% of the net worth of the Corporation and the total amount shall not exceed guarantee limit.

Note 3: The total amount of the guarantee shall not exceed 150% of the net worth of the Corporation.

Note 4: The maximum amount was translated into New Taiwan dollars at prevailing exchange rate at the date of the transaction.

Note 5: The ending balance and actual borrowing amount were translated into New Taiwan dollars at prevailing exchange rate on balance sheet date.

Attachment 4

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Paiho Shih Holdings Corporation

Opinion

We have audited the accompanying consolidated financial statements of Paiho Shih Holdings Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2019 are as follows:

Estimated impairment of trade receivables

As of December 31, 2019, the Group's total trade receivables, in New Taiwan dollars ("NT\$"), were NT\$1,106,935 thousand (after deducting allowance for doubtful trade receivables of NT\$46,615 thousand). Refer to Notes 4, 5 and 8 to the accompanying consolidated financial statements for disclosures related to receivables. Allowance for doubtful trade receivables is based on the assessed risks of default and expected credit losses of the receivables, the amount of future cash flows is subjective, if the amount of realized future cash flows is less than the book value of the assets, it is likely to cause significant impairment loss. Since the provision for doubtful accounts, risks of default and expected credit losses of receivables are subject to the management's judgment and estimations in which uncertainty is involved, the impairment assessment of trade receivables is identified as a key audit matter.

Our main audit procedures performed in respect of the abovementioned impairment assessment included the following:

1. We understood the related internal controls over the provision of allowance for doubtful accounts.
2. We understood the Group's policy on the impairment assessment of receivables; and then we sampled and verified the accuracy of the aging of amounts due at the balance sheet date.
3. We reviewed the historical payments and the recoverability of receivables to check that the provision has been arrived at rationally.

Valuation of manufacturing inventory

As of December 31, 2019, the Group's manufacturing inventory was NT\$875,260 thousand. Refer to Notes 4, 5 and 9 to the consolidated financial statements for the related disclosures. Manufacturing inventory is stated at the lower of cost or net realizable value. Estimation of net realizable value and estimating the level of inventory consumed and sold by reference to aging is subject to judgment. As a result, valuation of manufacturing inventory is identified as a key audit matter.

Our key audit procedures performed in respect of the valuation of manufacturing inventory included the following:

1. We understood the related internal control over the valuation of inventory and write-downs of inventory.
2. We assessed the reasonableness of the assumptions in the calculation of the net realizable value and the rate used to calculate inventory reserve.
3. We evaluated the condition of inventory for obsolete and damaged stock during our observation of inventory counts.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Shu-Chin Chiang and Ting-Chien Su.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 19, 2020

Notice to Readers

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

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)

ASSETS	2019		2018	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	\$ 1,745,619	12	\$ 2,171,699	14
Financial assets at amortized cost - current (Notes 4, 7 and 29)	-	-	269,091	2
Notes receivable (Notes 4 and 5)	12,597	-	17,427	-
Trade receivables (Notes 4, 5 and 8)	1,070,402	8	869,419	6
Trade receivables - related parties (Notes 4, 8 and 28)	36,533	-	46,776	-
Other receivables	12,866	-	311,602	2
Inventories - manufacturing (Notes 4, 5 and 9)	875,260	6	884,254	6
Inventories - constructing (Notes 4 and 9)	2,718,679	19	3,154,962	21
Prepayments for leases (Notes 4 and 14)	-	-	13,810	-
Other current assets (Note 15)	376,050	3	283,284	2
Total current assets	6,848,006	48	8,022,324	53
NON-CURRENT ASSETS				
Financial assets at amortized cost - non-current (Notes 4, 7 and 29)	20,940	-	2,415	-
Property, plant and equipment (Notes 4, 11 and 30)	6,138,535	43	4,397,951	29
Right-of-use assets (Notes 4 and 12)	979,798	7	-	-
Goodwill (Notes 4 and 13)	47,031	-	47,925	1
Other intangible assets (Note 4)	73	-	97	-
Deferred tax assets (Notes 4 and 24)	36,050	-	30,354	-
Prepayments for machinery and equipment	308,254	2	1,956,070	13
Long-term prepayments for lease (Notes 4 and 14)	-	-	569,824	4
Other non-current assets (Note 15)	14,292	-	9,057	-
Total non-current assets	7,544,973	52	7,013,693	47
TOTAL	\$ 14,392,979	100	\$ 15,036,017	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	\$ 3,870,418	27	\$ 3,969,819	26
Contract liabilities - current (Notes 4, 22 and 28)	58,235	-	976,837	7
Trade payables	331,886	2	771,916	5
Trade payable - related parties (Note 28)	36,586	-	36,921	-
Other payables (Notes 18 and 28)	890,734	6	746,652	5
Current tax liabilities (Notes 4 and 24)	63,131	1	134,151	1
Lease liabilities - current (Notes 4 and 12)	5,766	-	-	-
Current portion of long-term borrowings (Note 16)	532,145	4	-	-
Financial lease payables - current (Notes 4 and 17)	-	-	734	-
Other current liabilities	88,955	1	58,604	-
Total current liabilities	5,877,856	41	6,695,634	44
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 16)	2,593,817	18	2,633,727	17
Deferred tax liabilities (Notes 4 and 24)	384,251	3	325,251	2
Lease liabilities - non-current (Notes 4 and 12)	8,309	-	-	-
Deferred revenue - non-current (Notes 4 and 14)	89,021	-	95,225	1
Net defined benefit liabilities - non-current (Notes 4 and 19)	106,446	1	89,600	1
Guarantee deposits received	11,012	-	-	-
Total non-current liabilities	3,192,856	22	3,143,803	21
Total liabilities	9,070,712	63	9,839,437	65
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION				
Common stock	3,151,781	22	2,918,316	19
Capital surplus	461,544	3	461,544	3
Retained earnings				
Special reserve	477,488	4	377,980	3
Unappropriated earnings	1,481,912	10	1,518,706	10
Other equity	(676,483)	(5)	(477,488)	(3)
Total equity attributable to owners of the Corporation	4,896,242	34	4,799,058	32
NON-CONTROLLING INTERESTS	426,025	3	397,522	3
Total equity	5,322,267	37	5,196,580	35
TOTAL	\$ 14,392,979	100	\$ 15,036,017	100

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

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
SALES (Notes 4, 22 and 28)	\$ 6,567,553	100	\$ 5,992,847	100
COST OF GOODS SOLD (Notes 4, 9, 22, 23 and 28)	<u>4,251,396</u>	<u>65</u>	<u>3,847,535</u>	<u>64</u>
GROSS PROFIT	<u>2,316,157</u>	<u>35</u>	<u>2,145,312</u>	<u>36</u>
OPERATING EXPENSES (Notes 4, 23 and 28)				
Selling and marketing expenses	560,202	8	630,843	11
General and administrative expenses	392,719	6	433,988	7
Research and development expenses	438,641	7	316,976	5
Expected credit loss (Note 8)	<u>2,363</u>	<u>-</u>	<u>1,703</u>	<u>-</u>
Total operating expenses	<u>1,393,925</u>	<u>21</u>	<u>1,383,510</u>	<u>23</u>
PROFIT FROM OPERATIONS	<u>922,232</u>	<u>14</u>	<u>761,802</u>	<u>13</u>
NON-OPERATING INCOME AND EXPENSES				
Subsidy revenue (Notes 12 and 14)	17,753	-	24,159	-
Interest income	42,921	1	35,796	1
Other income	9,742	-	10,636	-
Interest expenses (Notes 4 and 23)	(197,875)	(3)	(123,284)	(2)
Other expenses	(11,630)	-	(37,443)	(1)
Loss on disposal of property, plant and equipment (Note 4)	(9,605)	-	(3,259)	-
Net foreign exchange loss (Note 4)	<u>(3,276)</u>	<u>-</u>	<u>(49,060)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(151,970)</u>	<u>(2)</u>	<u>(142,455)</u>	<u>(3)</u>
PROFIT BEFORE INCOME TAX	770,262	12	619,347	10
INCOME TAX EXPENSE (Notes 4 and 24)	<u>347,468</u>	<u>6</u>	<u>245,706</u>	<u>4</u>
NET PROFIT FOR THE YEAR	<u>422,794</u>	<u>6</u>	<u>373,641</u>	<u>6</u>
OTHER COMPREHENSIVE INCOME (Note 4)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans (Note 19)	(4,808)	-	(1,652)	-
Foreign exchange differences on translation to presentation currency	(131,872)	(2)	160,488	3
Items that may be reclassified subsequently to profit or loss:				

(Continued)

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2019		2018	
	Amount	%	Amount	%
Exchange differences on translating foreign operations	(83,483)	(1)	(369,373)	(6)
Other comprehensive loss for the year	(220,163)	(3)	(210,537)	(3)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	\$ 202,631	3	\$ 163,104	3
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 359,353	5	\$ 317,765	5
Non-controlling interests	63,441	1	55,876	1
	\$ 422,794	6	\$ 373,641	6
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	\$ 155,550	2	\$ 115,505	2
Non-controlling interests	47,081	1	47,599	1
	\$ 202,631	3	\$ 163,104	3
EARNINGS PER SHARE (Note 25)				
Basic	\$ 1.14		\$ 1.01	
Diluted	\$ 1.14		\$ 1.01	

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

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)**

	Equity Attributable to Owners of the Corporation						Total	Non-controlling Interests	Total Equity
	Common Stock (Notes 4 and 21)	Capital Surplus (Note 21)		Retained Earnings (Note 21)		Other Equity			
		Additional Paid-in Capital	Changes in Percentage of Ownership Interest in Subsidiaries	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating Foreign Operations (Note 21)			
BALANCE AT JANUARY 1, 2018	\$ 2,653,015	\$ 456,751	\$ 4,793	\$ 377,980	\$ 1,547,484	\$ (276,880)	\$ 4,763,143	\$ 368,284	\$ 5,131,427
Appropriation of 2017 earnings									
Cash dividend	-	-	-	-	(79,590)	-	(79,590)	-	(79,590)
Stock dividend	265,301	-	-	-	(265,301)	-	-	-	-
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	(18,361)	(18,361)
Net profit for the year ended December 31, 2018	-	-	-	-	317,765	-	317,765	55,876	373,641
Other comprehensive loss for the year ended December 31, 2018	-	-	-	-	(1,652)	(200,608)	(202,260)	(8,277)	(210,537)
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	316,113	(200,608)	115,505	47,599	163,104
BALANCE AT DECEMBER 31, 2018	2,918,316	456,751	4,793	377,980	1,518,706	(477,488)	4,799,058	397,522	5,196,580
Appropriation of 2018 earnings									
Special reserve	-	-	-	99,508	(99,508)	-	-	-	-
Cash dividend	-	-	-	-	(58,366)	-	(58,366)	-	(58,366)
Stock dividend	233,465	-	-	-	(233,465)	-	-	-	-
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	(18,578)	(18,578)
Net profit for the year ended December 31, 2019	-	-	-	-	359,353	-	359,353	63,441	422,794
Other comprehensive loss for the year ended December 31, 2019	-	-	-	-	(4,808)	(198,995)	(203,803)	(16,360)	(220,163)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	354,545	(198,995)	155,550	47,081	202,631
BALANCE AT DECEMBER 31, 2019	\$ 3,151,781	\$ 456,751	\$ 4,793	\$ 477,488	\$ 1,481,912	\$ (676,483)	\$ 4,896,242	\$ 426,025	\$ 5,322,267

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

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$ 770,262	\$ 619,347
Adjustments for :		
Depreciation expenses	481,678	298,125
Amortization expenses	644	13,642
Expected credit loss recognized	2,363	1,703
Interest expense	197,875	123,284
Interest income	(42,921)	(35,796)
Loss on disposal of property, plant and equipment	9,605	3,259
Write-downs of inventories	56,834	2,603
Unrealized foreign currency exchange loss, net	4,727	46,980
Others	(2,735)	(2,786)
Changes in operating assets and liabilities		
Notes receivable	4,550	(16,486)
Trade receivables	(227,192)	131,356
Other receivables	300,435	(2,052)
Inventories - manufacturing	(65,096)	(141,128)
Inventories - constructing	387,027	(968,094)
Other current assets	(102,080)	(158,885)
Contract liabilities	(922,837)	958,846
Trade payables	(435,317)	512,395
Other payables	20,232	139,539
Other current liabilities	32,555	18,401
Net defined benefit liabilities	12,163	10,855
Cash generated from operations	482,772	1,555,108
Interest received	42,921	35,796
Interest paid	(194,803)	(112,463)
Income tax paid	(356,512)	(175,194)
Net cash generated from (used in) operating activities	<u>(25,622)</u>	<u>1,303,247</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	(460,193)	(2,467,468)
Proceeds from disposal of financial assets at amortized cost	724,231	2,193,127
Payments for property, plant and equipment	(597,267)	(844,085)
Proceeds from disposal of property, plant and equipment	32,668	2,833
Increase in refundable deposits	(4,128)	(2,880)
Payments for right-of-use assets	(161,417)	-
Increase in other non-current assets	(304)	-
Increase in prepayments for machinery and equipment	(310,246)	(1,007,391)
Increase in prepayments for long-term lease	-	(15,892)
Net cash used in investing activities	<u>(776,656)</u>	<u>(2,141,756)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from (repayments of) short-term borrowings	(4,371)	991,652

(Continued)

PAIHO SHIH HOLDINGS CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
Proceeds from long-term borrowings	1,420,681	1,989,681
Repayments of long-term borrowings	(848,164)	(905,124)
Proceeds from guarantee deposits received	11,354	-
Repayments of finance lease payable	-	(509)
Repayment of the principal portion of lease liabilities	(5,406)	-
Dividends paid to owners of the Corporation	(58,366)	(79,590)
Dividends paid to non-controlling interests	<u>(18,578)</u>	<u>(18,361)</u>
Net cash generated from financing activities	<u>497,150</u>	<u>1,977,749</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>(120,952)</u>	<u>(126,624)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(426,080)	1,012,616
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>2,171,699</u>	<u>1,159,083</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 1,745,619</u>	<u>\$ 2,171,699</u>

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

Attachment 5

PAIHO SHIH HOLDINGS CORPORATION

Revision Comparison Chart of Memorandum and Articles of Association

No.	Amended version	Original version	Explanations
7	The Company shall not issue any unpaid Shares or partial paid-up Shares. The Company shall not issue Shares in bearer form. <u>If any subscriber delays payment for Shares to be issued, the Company shall notice such subscribers the designated payment term, no less than one month, and declaring that the failure to pay within the designated payment term will lead to the forfeiture of their right to subscribe the Shares. Where any subscriber fails to pay up within the designated payment term as mentioned above, the Company shall request others to subscribe the Shares.</u>	The Company shall not issue any unpaid Shares or partial paid-up Shares. The Company shall not issue Shares in bearer form.	It's proposed that this article be revised in accordance with check table of rights of foreign issuer's shareholders released by Taiwan Stock Exchange on December 25, 2019.
32	(A) In the event any of the resolutions with respect to the paragraph (a), (b), or (c) of the preceding Article 31(A) is adopted by general meeting in accordance with the provisions of these Articles, any Shareholder who has notified the Company in writing of his objection to such proposal prior to such meeting and subsequently raised his objection at the	In the event any of the resolutions with respect to the paragraph (a), (b), or (c) of the preceding Article 31(A) is adopted by general meeting in accordance with the provisions of these Articles, any Shareholder who has notified the Company in writing of his objection to such proposal prior to such meeting and subsequently raised his objection at the meeting may request the Company to redeem all	It's proposed that this article be revised in accordance with check table of rights of foreign issuer's shareholders released by Taiwan Stock Exchange on December 25, 2019.

No.	Amended version	Original version	Explanations
	<p>meeting, may request the Company to redeem all of his Shares at the then prevailing fair price <u>by stating the request price in written notice within 20 days since the resolution of the general meeting</u>; provided, however, that no Shareholder shall have the abovementioned appraisal right if the general meeting resolves on the dissolution of the Company after the completion of transfer of business or assets under the paragraph (b) of Article 31(A). In the event the Company and the aforesaid Shareholder reach an agreement of the price to buy back, the Company shall pay the payment within 90 days since the resolution of the general meeting. If no agreement is reached, the Company shall pay the payment recognized by the Company as a fair price to those Shareholders who do not reach agreement of the price with the Company within 90 days since the resolution of the general meeting. The Company will be deemed to agree the price request by the</p>	<p>of his Shares at the then prevailing fair price; provided, however, that no Shareholder shall have the abovementioned appraisal right if the general meeting resolves on the dissolution of the Company after the completion of transfer of business or assets under the paragraph (b) of Article 31(A). In the event any part of the Company's business is spun off or involved in any acquisition, Share Exchange, Merger with any other company, the Shareholder, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting, may request the Company to buy back all of his Shares at the then prevailing fair price.</p>	

No.	Amended version	Original version	Explanations
	<p>Shareholder if the Company fails to pay the payment within 90 days since the resolution of the general meeting.</p> <p>(B) <u>In the event that any part of the Company's business is spun off or involved in any acquisition, Share Exchange, Merger with any other company, the Shareholder, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the general meeting, may request the Company to buy back all of his Shares at the then prevailing fair price. In the further event that the Company and the aforesaid Shareholder reach an agreement of the price to buy back, the Company shall pay the payment within 90 days since the resolution of the general meeting. If no agreement is reached, the Company shall pay the payment recognized by the Company as a fair price to those Shareholders who do not reach agreement of the price with the Company within 90 days since the resolution of the</u></p>		

No.	Amended version	Original version	Explanations
	<p><u>general meeting. The Company will be deemed to agree the price request by the Shareholder if the Company fails to pay within 90 days since the resolution of the general meeting. If no agreement is reached within 60 days since the resolution of the general meeting, the Company shall plead the court for a ruling on the price against all the Shareholders who do not reach an agreement of the price with the Company as the opposite parties within 30 days from such the period. The pleading may be governed by Taiwan Taipei District Court for the first instance.</u></p>		
86	<p>(a) In the case of an Audit Committee that has been established by the Company, the following matters shall be subject to the approval of one-half or more of all Audit Committee Members and be submitted to the Directors for a resolution: ... (10) annual and semi-annual financial reports; ... <u>(c) In the case of an Audit Committee that has been established by the Company, the fairness and reasonableness of</u></p>	<p>(a) In the case of an Audit Committee that has been established by the Company, the following matters shall be subject to the approval of one-half or more of all Audit Committee Members and be submitted to the Directors for a resolution: ... (10) annual and semi-annual financial reports; ...</p>	<p>It's proposed that this article be revised in accordance with the revised Article 14-5 of Securities and Exchange Act of R.O.C and check table of rights of foreign issuer's shareholders released by Taiwan Stock Exchange on December 25, 2019.</p>

No.	Amended version	Original version	Explanations
	<p><u>the plan of merger/consolidation or acquisition and the transactions shall be reviewed by the Audit Committee, and then report the review result to the Board and the general meeting. Audit Committee shall commission one or more independent expert to provide opinion on the reasonability of the share exchange ratio or distribution of cash or other assets during such review. The Company shall deliver the review result of Audit Committee and the opinions of independent experts to the Shareholders together with the notice to convene the general meeting.</u></p> <p><u>(d)The documents required to deliver to the Shareholders provided in the preceding paragraph shall be deemed as having been delivered to the Shareholders if the Company has disclosed the same content as therein on a website designated by the competent securities authority and those documents have been prepared and placed in the venue of the general meeting for Shareholders' review.</u></p>		
109	(A) A Director who has a	(A) A Director who has a	It's proposed that

No.	Amended version	Original version	Explanations
	<p>personal interest in the matter under discussion at a Board meeting shall explain the nature and essential contents of such personal interest to the Board. <u>In the event of any merger/consolidation and acquisition of the Company, any Director who has a personal interest in the transaction shall explain the essential contents and the reason of its approval or dissent to the resolution of merger/consolidation and acquisition to the Board and at the general meeting.</u> Where the spouse of a Director, or a blood relative within the second degree of kinship of a Director, or any companies, which have a controlling or subordinate relation with a Director, who has a personal interests in the matters under discussion at a meeting of the board of Directors, such Director shall be deemed to have a personal interest in the matter.</p>	<p>personal interest in the matter under discussion at a Board meeting shall explain the nature and essential contents of such personal interest to the Board. Where the spouse of a Director, or a blood relative within the second degree of kinship of a Director, or any companies, which have a controlling or subordinate relation with a Director, who has a personal interests in the matters under discussion at a meeting of the board of Directors, such Director shall be deemed to have a personal interest in the matter.</p>	<p>this article be revised in accordance with check table of rights of foreign issuer's shareholders released by Taiwan Stock Exchange on December 25, 2019.</p>

Attachment 6

PAIHO SHIH HOLDINGS CORPORATION
Comparison Table of Amendments to Rules and Procedures for Shareholders' Meeting

Article No.	Amended version	Original version	Explanations
4.2.1	<p>Convening shareholders' meetings and shareholders' meeting notices. 4.2.1.1~4.2.1.3 Omitted. 4.2.1.4 Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, <u>granting waiver to the Director's engaging in any business within the scope of business of the Company, capitalization of retained Earnings, capitalization of reserve,</u> the dissolution, merger, spin-off, or any matter under Article <u>185, paragraph 1</u> of the Company Act of Republic of China (hereinafter Company Act), or others in accordance to regulations or articles of incorporation shall be itemized in the causes or subjects to be described <u>and the essential contents shall be explained</u> in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; <u>the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</u></p>	<p>Convening shareholders' meetings and shareholders' meeting notices. 4.2.1.1~4.2.1.3 Omitted. 4.2.1.4 Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, the dissolution, merger, spin-off, or any matter under Article <u>172</u> of the Company Act of Republic of China (hereinafter Company Act), <u>Article 26-1 and 43-6 of the Securities and Exchange Act of Republic of China (hereinafter Securities and Exchange Act), or Article 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers of the Republic of China,</u> or others in accordance to regulations or articles of incorporation shall be itemized in the causes for convening the Shareholders' meeting, and shall not be brought up as an extraordinary motion.</p>	<p>As reference to the amendment to Article 3 of XXX Co., Ltd. Rules and Procedures for Shareholders' Meeting of Republic of China.</p>

Article No.	Amended version	Original version	Explanations
	<p><u>4.2.1.5 The shareholders' meeting has convened a general re-election of directors , and stated the date of appointment. After the re-election of the shareholders' meeting, the same meeting may not change its appointment date by temporary motion or other means.</u></p>		
4.9	<p>Discussion of proposals 4.9.1 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. <u>Relates motions shall vote case by case (including temporary motions and amendments to the original motions).</u> The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. (Below omitted)</p>	<p>Discussion of proposals 4.9.1 If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. (Below omitted)</p>	Revision to Article 10 on the rules mentioned above.
4.14	<p>The Chairman shall <u>allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders;</u> when the Chairman is of the opinion that a proposal has been discussed sufficiently <u>and enough time to put it to a vote,</u> the chair may announce the discussion closed and call for a vote.</p>	<p>The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.</p>	Revision to Article 10 on the rules mentioned above.
4.17.2	<p>Except as otherwise provided in the Law of the Cayman Islands 、 Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of</p>	<p>Except as otherwise provided in the Law of the Cayman Islands 、 Company Act and in this Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of</p>	Revision to Article 13 , paragraph 5 mentioned above.

Article No.	Amended version	Original version	Explanations
	<p>a vote, for each proposal, the Chairman or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. <u>On the day after shareholders' meeting,</u> the company shall place on record the result of the shareholders' for and against votes and their waivers in the <u>Market Observation Post System (MOPS) designated by the competent authority of the Republic of China.</u></p>	<p>a vote, for each proposal, the Chairman or a person designated by the Chairman shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. The company shall place on record the result of the shareholders' for and against votes and their waivers in the <u>minutes of meeting.</u></p>	
4.19	<p>Meeting minutes. 4.19.1~4.19.2 Omitted. 4.19.3 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their <u>voting results (including the statistical tallies of the numbers of votes). When election of directors, shall disclosed the number of votes for each candidate</u> and shall be retained for the duration of the existence of this Company.</p>	<p>Meeting minutes. 4.19.1~4.19.2 Omitted. 4.19.3 The meeting minutes shall accurately record the year, month, day, and place of the meeting, the Chairman's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Company.</p>	Revision to Article 15 on the rules mentioned above.

Attachment 7

PAIHO SHIH HOLDINGS CORPORATION

Comparison Table of Amendments to Operational Procedures for Loaning of Company Funds

Article No.	Amended version	Original version	Explanations
4.5	<p>Limit of Loan Amount:</p> <p>4.5.1 A subcontractor, satellite factory, or an invested company that directly or indirectly with over 50% voting rights held by the Company may apply to the Company for a loan, <u>and the total loaning amount of fund on each borrower is limited to 20%</u> of the Company's net worth.</p> <p>4.5.2 For the loaning of funds arising from a business relationship, the <u>each borrower</u> loan amount should be equivalent to the business transactions amount. <u>The total business amount refers to during the previous 12 months before the loan, whichever is higher on the purchase amount or sale amount of the goods between two parties.</u></p> <p>4.5.3 The Company's loaning of funds to companies that have 100% of the voting rights held by the Company directly or indirectly are not subject to the provision of Article 4.5.1. The company <u>engages in loaning of fund to each borrower</u> is limited to 40% of the Company's net worth. <u>Loaning of funds between companies that have 100% voting right held by the Company directly or</u></p>	<p>Limit of Loan Amount:</p> <p>4.5.1 A subcontractor, satellite factory, or an invested company that directly or indirectly with over 50% voting rights held by the Company may apply to the Company for a loan for an amount <u>not exceeding 50% of the additional paid-in capital, respectively, but the total loan amount</u> is limited to <u>40%</u> of the Company's net worth.</p> <p>4.5.2 For the loaning of funds arising from a business relationship, the <u>total</u> loan amount should be equivalent to the business transactions amount.</p> <p>4.5.3 The Company's loaning of funds to companies that have 100% of the voting rights held by the Company directly or indirectly, <u>or, the loaning of funds between companies that have 100% voting rights held by the Company</u> are not subject to the provision of Article 4.5.1. The <u>loan amount shall not exceed 100% of the paid-in capital or the net worth</u></p>	As reference to the "Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies Q&A" of Republic of China on point 10 and 11.

	<p><u>indirectly also not subject to the provision of Article 4.5.1. The loaning amount on each borrower and the total amount of funds is limited to 100% of the loaning company's net worth. However, if the loaning company's registered place is a subsidiary in Taiwan, then the total loan amount is limited to 40% of the loaning company's net worth.</u></p> <p>4.5.4 The loaning of funds from an invested company that has 100% voting rights held by the Company, the <u>limit of each borrower loaning amount of fund and the total</u> amount shall not exceed 100% of the net worth of the invested company. <u>However, if the loaning company's registered place is a subsidiary in Taiwan, then</u> the total loan amount is limited to 40% of the <u>loaning</u> company's net worth.</p> <p>4.5.5 <u>The Company engages in the</u> loaning of funds <u>from Article 4.5.1 to 4.5.3, the total loan amount is limited to 40% of the Company's net worth.</u></p>	<p><u>of the borrowed</u> company, <u>whichever is higher, but the total loan amount</u> is limited to 40% of the Company's net worth.</p> <p>4.5.4 The loaning of funds from an invested company that has 100% voting rights held by the Company, the <u>loan</u> amount shall not exceed 100% of <u>the paid-in capital or</u> the net worth of the invested company, <u>whichever is higher, but</u> the total loan amount is limited to 40% of the Company's net worth.</p> <p>4.5.5 <u>Refer to Article 4.5.1-4.5.4</u> loaning of funds, <u>the financing limit for each borrower shall not exceed the total amount of loan in accordance to the Procedure.</u></p>	
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Attachment 8

PAIHO SHIH HOLDINGS CORPORATION

Comparison Table of Amendments to Regulation Governing Making of Endorsements/Guarantees

Article No.	Amended version	Original version	Explanations
4.3	<p>Total amount of endorsements/guarantees of the Company: 4.3.1~4.3.3 Omitted. 4.3.4 The total amount of endorsement/guarantees provided by the Company to any individual entity deriving from business relations shall not exceed the total business amount between such party and the Company. The total business amount refers to <u>the previous 12 months before making of Endorsements/Guarantees</u>, whichever is higher on the purchase amount or sale amount of the goods between the parties. 4.3.5~4.3.6 Omitted.</p>	<p>Total amount of endorsements/guarantees of the Company: 4.3.1~4.3.3 Omitted. 4.3.4 The total amount of endorsement/ guarantees provided by the Company to any individual entity deriving from business relations shall not exceed the total business amount between such party and the Company. The total business amount refers to purchase amount or sale amount of the goods between the parties, whichever is higher. 4.3.5~4.3.6 Omitted.</p>	<p>As reference to the “Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies Q&A” of Republic of China on point 10 and 11.</p>