



2022 Annual General Meeting of Shareholders

Meeting Handbook

2022/06/23

Note: This is a translation of the meeting handbook of the 2022 Annual general meeting of shareholders of YFY INC. This translation is intended for reference only and nothing else, the company hereby disclaims any and all liabilities whatsoever for the translation. The Chinese text of the handbook shall govern all and any matters related to the interpretation of the subject matter stated herein.

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(For the complete Financial Report, please visit: <http://mops.twse.com.tw>)

The Agenda of YFY INC. 2022 Annual General Meeting of Shareholders

Time: June 23, 2022 (Thursday) 9:00 A.M.

Location: 5F, No. 24, Section 1, Hangzhou South Road, Zhongzheng District, Taipei City

GIS MOTC Convention Center

Meeting Procedure:

I. Meeting Called to Order

II. Chairperson Taking Seat

III. Chairperson's Remarks

IV. Items to Report

- (I) YFY's 2021 Business Report is presented for review.
- (II) Audit Committee's Review of 2021 Financial Statements are presented for review.
- (III) YFY's 2021 Distribution of Cash Dividends is presented for review.
- (IV) YFY's 2021 Distribution of Remuneration to Employees and Directors is presented for review.

V. Ratifications

- (I) YFY's 2021 Financial Statements are presented for ratification.
- (II) YFY's 2021 Earnings Distribution Proposal is presented for ratification.

VI. Proposals for Discussion

- (I) Amendment proposal for YFY's Articles of Incorporation is presented for resolution.
- (II) Amendment proposal for YFY's Rules of Procedure for Shareholders' Meeting is presented for resolution.
- (III) Amendment proposal for YFY's Procedures for the Acquisition or Disposal of Assets is presented for resolution.
- (IV) Amendment proposal for YFY's Procedures for Transactions with Related Parties is presented for resolution.

VII. Extraordinary Motions

VIII. Meeting Adjourned

Items to Report

I. YFY's 2021 Business Report is presented for review. (Proposed by the Board of Directors)

Description: (I) YFY's 2021 consolidated revenue is reported at NT\$85,298,857 thousand (currency is assumed to be New Taiwan Dollars (NT\$) hereinafter), gross profit at NT\$18,153,588 thousand, operating income at NT\$8,010,853 thousand, net profit for the current year at NT\$7,762,551 thousand, of which NT\$5,204,254 thousand was attributed to the owners' net profit; the earnings per share was NT\$3.13.

(II) The Business Report can be found in Appendix 1 of the Handbook (please refer to page 9 to 11).

(III) Please review.

II. Audit Committee's Review of 2021 Financial Statements is presented for review. (Proposed by the Audit Committee)

Description: (I) YFY's 2021 consolidated and individual financial statements have been audited and certified by CPAs, and have been reviewed and examined by the Audit Committee along with the Business Report and Proposal for Earnings Distribution. Audit and review reports have been submitted and are attached as Appendixes 11 and 12 (please refer to page 27 to 35).

(II) The Audit Committee's convener is requested to read out the review reports and the reports are presented for review.

III. YFY's 2021 Distribution of Cash Dividends is presented for review. (Proposed by the Board of Directors)

Description: (I) In accordance with YFY's Articles of Incorporation, cash dividends are distributed upon the resolution of the Board of Directors and reported to the shareholders' meeting. YFY has passed the resolution at the 7th meeting of the 28th Board of Directors held on March 15, 2022 to distribute 2021 cash dividends of NT\$1.5 per share, and sets the ex-dividend date on July 23 2022.

(II) Please review.

IV. YFY's 2021 Distribution of Remuneration to Employees and Directors is presented for review. (Proposed by the Board of Directors)

Description: (I) In accordance with YFY's Articles of Incorporation, YFY shall distribute NT\$5,550,000 (currency is assumed to be New Taiwan Dollars (NT\$) hereinafter) as the 2021 remuneration for employees and NT\$22,000,000 for directors' compensation, which was approved at the 5th meeting of the 5th Remuneration Committee held on March 11, 2022 and resolved at the 7th board meeting of the 28th Board of Directors held on March 15, 2022.

(II) Please review.

Ratifications

I. YFY's 2021 Financial Statements are presented for ratification. (Proposed by the Board of Directors)

Description: (I) YFY's 2021 consolidated and individual financial statements have been audited by CPAs, and along with the Business Report, have been reviewed and approved by the Audit Committee with no discrepancies found. Related files (including the Business Report as well as consolidated and individual financial statements) are attached as Appendixes 1-9 (please refer to page 9 to 25).

(II) Please ratify.

Resolution:

II. YFY's 2021 Earnings Distribution Proposal is presented for ratification. (Proposed by the Board of Directors)

Description: (I) YFY's 2021 net profit after tax was NT\$5,204,253,904 (currency is assumed to be New Taiwan Dollars (NT\$) hereinafter); surplus from the previous year in terms of accumulated undistributed earnings was NT\$9,834,344,775, confirmed welfare plan re-measurement was NT\$187,406,400, profits from disposal of FVOCI financial assets was NT\$25,082,003, and special reserve reversal was NT\$1,811,826 before subtracting a recognized change of NT\$762,501,164 in the net value of shares held in the investment portfolio to arrive at a total of NT\$14,490,397,744 in Unappropriated Retained Earnings. Excluding a statutory legal reserve of NT\$465,605,297, the distribution of cash dividends was NT\$1.5 per ordinary share, amounting to NT\$2,490,557,243 in total. The remaining balance of NT\$11,534,235,204 is reserved to be consolidated and distributed in the coming year.

(II) In order to coordinate with computer checks and difficulties in currency exchange, the disbursement of cash dividends will be rounded to the nearest dollar. If the total amount of allocated cash dividends is less than NT\$1, the amount will be transferred to the YFY Staff Welfare Committee.

(III) This proposal was approved at YFY's 7th board meeting of the 28th Board of Directors. The 2021 Earnings Distribution Proposal is attached as in Appendix 10 (Please refer to page 26). Please ratify.

Resolution:

Proposals for Discussion

- I. Amendment proposal for YFY's Articles of Incorporation is presented for resolution (Proposed by the Board of Directors)

Description: (I) In order to make the method of holding the Company's shareholders' meetings more flexible, in accordance with the provisions of Article 172-2, Paragraph 1 of the Company Act, YFY amended some provisions of its Articles of Incorporation to expressly stipulate that shareholders' meetings may be held by video conference or other methods announced by the central competent authority. The amended Articles of Incorporation and revision comparison table are attached as Appendix 13 (please refer to page 36 to 41).

(II) For your discussion and resolution.

Resolution:

- II. Amendment proposal for YFY's Rules of Procedure for Shareholders' Meeting is presented for resolution. (Proposed by the Board of Directors)

Description: (I) To accord with the amendment to Article 172-2 of the Company Act, which states that the public companies can hold shareholders' meetings by visual communication network, YFY has referred to the revised "Sample Template for Rules of Procedure for Shareholders Meetings of OO Co., Ltd." announced by the TWSE to amend its "Regulations and Procedures of Shareholders' Meeting". The amended "Rules of Procedure for Shareholders' Meetings" and revision comparison table are attached in Appendix 14 (please refer to page 42 to 71).

(II) For your discussion and resolution.

Resolution:

- III. Amendment proposal for YFY's Procedures for the Acquisition or Disposal of Assets is presented for resolution. (Proposed by the Board of Directors)

Description: (I) In accordance with the amendment of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies which is announced by the Financial Supervisory Commission's (FSC) FSC-Zheng-Fa-Zi Decree No. 1110380465 dated on January 28, 2022, the amended Procedures for the Acquisition or Disposal of Assets and revision comparison table are attached as Appendix 15 (please refer to pages 72 to 91).

(II) For your discussion and resolution.

Resolution:

- IV. Amendment proposal for YFY's Procedures for Transactions with Related Parties is presented for resolution. (Proposed by the Board of Directors)

Description: (I) In accordance with the amendment of the Regulations Governing the Acquisition and Disposal of Assets by Public Companies which is announced

by the Financial Supervisory Commission's (FSC) FSC-Zheng-Fa-Zi Decree No. 1110380465 dated on January 28, 2022, the amended Procedure for Transactions with Related Parties and revision comparison table are attached as Appendix 16 (please refer to pages 92 to 106).

(II) For your discussion and resolution.

Resolution:

Extraordinary Motions

YFY Inc.

Business Report

In 2021, the world was still mired in the threat of COVID-19. Countries around the world are promoting vaccination, and European and American countries have gradually ended their lockdowns, which has boosted global market demand; nevertheless, variants of the virus have made the pandemic unpredictable, and the global supply chain has suffered a major impact. The unexpected surge in prices of energy and raw materials along with the lack of shipping containers and port congestion have resulted in a weaker global economic recovery than previously expected. According to the International Monetary Fund (IMF), the global economic growth rate in 2021 was 5.9%.

Under this severe economic and trade environment, YFY strictly controls business risks, supports and urges each business group to take steady operations as its core concept, performs with maximum action and resilience, and achieves fruitful results.

Looking forward to 2022, with fluctuations in global raw material prices, the Mainland China "dual control mechanism" on energy consumption, the COVID-19 pandemic, inflation, and other uncertainties, YFY will face increased difficulties of industrial development and pressures in operation. The International Monetary Fund (IMF) predicts a global economic growth rate of 3.6% for 2022, while that of Taiwan is projected at 3.2%, and that of Mainland China is projected at 4.4%, all are lower than the respective economic growth rates in 2021. Therefore, in 2022, YFY will focus on steady development, control investment risks, and maintain profitability, and will implement the following plans:

1. Create Green Energy

The containerboard and packaging business subsidiary establishes the Green Energy Development Office in the Xinwu Plant, with its goal of taking into account energy security, environmental sustainability, and green economy; as its four major pillars of management, which takes energy conservation, energy storage, energy creation, and system integration. The forest pulp and paper subsidiary in the Jiutang Plant promotes the application of AIoT information technology for energy conservation. It collects production data from energy equipment with IoT, and applies AI calculation to greatly improve equipment availability and reduce energy loss.

2. Circular Economy:

The containerboard and packaging subsidiary and the forest pulp and paper subsidiary continue to implement the concept of circular economy. The Xinwu Plant officially launched the first industrial zero-coal SRF boiler in Taiwan in the first quarter of 2021. In addition to reduce the burning of coal, this will also convert remaining materials in the factory into energy, meaning that there are

more opportunities to assist other industries in processing solid recovered fuels (SRF). The forest pulp and paper subsidiary has established the only lignin power generation system in Taiwan at the Hualien Plant. The system reduces demand for coal by 300,000 tons per year, making it the largest biomass power generation in Taiwan. The Yangzhou containerboard plant continues to invest in process improvement with high environmental protection standards. YFY Inc. continues to urge all businesses to move towards the environmental goals of "zero waste" and "net zero carbon emissions". It is hoped that the successful experience of YFY Inc.'s "circular economy" will be used to lead Taiwan's circular economy onto the world stage.

3. New Material for the Saccharide Economy

YFY established YFY Academy in December, 2021, where it proposed special chemical materials based on saccharide; using the glycogenic source materials of cellulose and starch as its base and applying the principle of green chemistry, it has innovated new functions for materials, and has developed renewable, low-carbon, environment-friendly materials that can replace ubiquitous petrochemical plastics in our daily lives. The materials can also achieve the goal of using paper instead of plastic. YFY Inc.'s subsidiary Sustainable Carbohydrate Innovation Co., Ltd. has cooperated with the forest pulp and paper subsidiary to enter the agriculture and textile industries from the field of food safety. It expects to mass-produce non-plastic agricultural mulch in 2022, which can reduce the amount of plastic used by farmers during planting.

4. Harness AI

YFY Inc.'s subsidiary Fidelis IT Solutions Co., Ltd. has developed an electronic order receiving platform through cooperation with the containerboard and packaging business subsidiary, allowing customers to complete ordering operations through simple processes on the ordering platform. Business staffs can also quickly confirm and schedule production with the production side, shortening the documentation and repetitive communication time while also achieving instant customer service and delivery feedback. In addition, production schedule contingency arrangement improves delivery accuracy, and allows the company to keep its delivery promise. All transaction processes are retained on the platform, and it will increase commercial value and effectiveness of data.

5. Investment and Incubation

YFY established the Emerging Business Management Office, through which it selects investment industries and themes, accelerates incubation and growth of its subsidiaries, and enters capital market, from which it recovers funds for the next round of investment. Thus far, TaiGen-KY (4157) and Shin Foong Specialty and Applied Materials Co., Ltd (6582) have been listed. The consumer products subsidiary-Yuen Foong Yu Consumer Products Co., Ltd. (6790) was also listed in September, 2021. Arizon RFID Technology Co., Ltd. KY plans to submit an application for listing in 2022, and the containerboard and packaging business group are expected to apply for listing by its entities in Taiwan (YFY

Packaging Inc.) and Vietnam.

After strategic adjustments and operational improvements in the past few years, YFY Inc. has demonstrated necessary investment and operational efficiency in the extremely challenging year of 2021. In the midst of new challenges, YFY's management team continues to strive towards its two major goals of creating reasonable investment value for shareholders and enhancing ESG, as it marches forward to becoming a century-old enterprise.

Chairman: Jean Liu

CEO: David Lo

Controller: C.F Wu

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash and cash equivalents (Note 6)	\$ 6,534,090	5	\$ 6,283,121	5
Current financial assets at fair value through profit or losses (Notes 7 and 34)	3,026,461	2	2,718,224	2
Current financial assets at fair value through other comprehensive income (Notes 8 and 33)	7,675,476	6	5,492,949	4
Current financial assets at amortized cost (Note 9)	4,352,267	3	2,300,849	2
Notes receivable, net (Notes 11, 23 and 34)	4,431,191	3	3,453,523	3
Accounts receivable, net (Notes 11 and 23)	13,092,096	10	11,811,120	10
Accounts receivable due from related parties, net (Notes 23 and 33)	71,403	-	98,198	-
Current inventories (Note 12)	11,705,050	9	9,049,118	7
Current biological assets (Note 13)	3,193,535	2	3,327,526	3
Prepayments	1,504,008	1	2,027,902	2
Other current financial assets (Note 34)	345,076	-	28,147	-
Other current assets, others (Notes 10, 14 and 33)	692,009	1	530,179	-
Total current assets	<u>56,622,662</u>	<u>42</u>	<u>47,120,856</u>	<u>38</u>
NON-CURRENT ASSETS (Note 4)				
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 33)	15,919,513	12	14,141,849	12
Non-current financial assets at amortized cost (Note 9)	434,148	-	436,481	-
Investments accounted for using equity method (Notes 16 and 33)	6,102,801	4	5,951,241	5
Property, plant and equipment (Notes 17, 33 and 34)	48,402,268	35	48,354,857	39
Right-of-use assets (Notes 18 and 34)	2,037,520	2	1,897,085	2
Investment property, net (Notes 19 and 33)	3,532,991	3	2,684,304	2
Goodwill	470,573	-	484,123	-
Deferred tax assets (Note 25)	351,334	-	352,577	-
Prepayments for business facilities (Notes 17 and 19)	1,519,458	1	1,887,388	2
Net defined benefit asset, non-current (Note 21)	710,988	1	81,845	-
Other non-current assets, others (Note 34)	330,008	-	378,604	-
Total non-current assets	<u>79,811,602</u>	<u>58</u>	<u>76,650,354</u>	<u>62</u>
TOTAL ASSETS	<u>\$ 136,434,264</u>	<u>100</u>	<u>\$ 123,771,210</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Current borrowings (Notes 20 and 34)	\$ 10,079,552	8	\$ 6,565,420	5
Short-term notes and bills payable (Note 20)	9,296,157	7	9,398,814	8
Current financial liabilities at fair value through profit or loss (Note 7)	69,687	-	147,149	-
Current contract liabilities (Note 23)	516,177	-	552,667	1
Notes and accounts payable	12,225,726	9	9,999,750	8
Accounts payable to related parties (Note 33)	57,012	-	89,656	-
Other payables, others (Note 17)	4,377,129	3	4,958,632	4
Current tax liabilities	1,437,612	1	1,249,085	1
Current lease liabilities (Note 18)	177,846	-	158,415	-
Long-term liabilities, current portion (Note 20)	57,933	-	-	-
Other current liabilities, others (Note 33)	1,221,889	1	1,110,817	1
Total current liabilities	<u>39,516,720</u>	<u>29</u>	<u>34,230,405</u>	<u>28</u>
NON-CURRENT LIABILITIES (Note 4)				
Non-current portion of non-current borrowings (Notes 20 and 34)	26,519,989	20	27,077,204	22
Deferred tax liabilities (Note 25)	3,603,758	3	3,483,655	3
Non-current lease liabilities (Note 18)	471,777	-	286,837	-
Net defined benefit liability, non-current (Note 21)	37,233	-	51,735	-
Other non-current liabilities, others	478,655	-	353,375	-
Total non-current liabilities	<u>31,111,412</u>	<u>23</u>	<u>31,252,806</u>	<u>25</u>
Total liabilities	<u>70,628,132</u>	<u>52</u>	<u>65,483,211</u>	<u>53</u>
EQUITY ATTRIBUTABLE TO OWNERS OF PARENT (Notes 4, 22, 27, 30 and 33)				
Share capital	16,603,715	12	16,603,715	13
Capital surplus	3,288,518	2	2,504,194	2
Retained earnings	22,919,766	17	20,756,081	17
Other equity interest	8,389,401	6	5,121,275	4
Total equity attributable to owners of parent	51,201,400	37	44,985,265	36
NON-CONTROLLING INTERESTS	<u>14,604,732</u>	<u>11</u>	<u>13,302,734</u>	<u>11</u>
Total equity	<u>65,806,132</u>	<u>48</u>	<u>58,287,999</u>	<u>47</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 136,434,264</u>	<u>100</u>	<u>\$ 123,771,210</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 23 and 33)				
Net sales revenue	\$ 69,338,312	81	\$ 61,258,136	84
Other operating revenue, net	<u>15,960,545</u>	<u>19</u>	<u>11,976,410</u>	<u>16</u>
Total operating revenue	<u>85,298,857</u>	<u>100</u>	<u>73,234,546</u>	<u>100</u>
OPERATING COSTS (Notes 12, 21, 24 and 33)				
Cost of sales	57,649,295	68	50,437,986	69
Other operating costs	<u>9,499,369</u>	<u>11</u>	<u>7,815,484</u>	<u>11</u>
Total operating costs	<u>67,148,664</u>	<u>79</u>	<u>58,253,470</u>	<u>80</u>
GAIN ON CHANGES IN FAIR VALUE LESS COSTS TO SELL OF BIOLOGICAL ASSETS (Notes 4 and 13)	<u>3,395</u>	<u>-</u>	<u>333</u>	<u>-</u>
GROSS PROFIT FROM OPERATIONS	<u>18,153,588</u>	<u>21</u>	<u>14,981,409</u>	<u>20</u>
OPERATING EXPENSES (Notes 21, 24 and 33)				
Selling expenses	5,718,650	7	5,256,096	7
Administrative expenses	3,816,206	4	3,687,296	5
Research and development expenses	<u>607,879</u>	<u>1</u>	<u>435,113</u>	<u>1</u>
Total operating expenses	<u>10,142,735</u>	<u>12</u>	<u>9,378,505</u>	<u>13</u>
NET OPERATING INCOME	<u>8,010,853</u>	<u>9</u>	<u>5,602,904</u>	<u>7</u>
NON-OPERATING INCOME AND EXPENSES				
Finance costs, net (Notes 4 and 24)	(543,080)	(1)	(696,626)	(1)
Share of profit of associates accounted for using equity method, net (Notes 4 and 16)	939,709	1	606,426	1
Interest income	108,890	-	125,853	-
Rent income (Notes 19 and 33)	79,252	-	66,998	-
Dividend income	978,636	1	803,757	1
Other income, others (Notes 15, 28 and 29)	489,315	1	1,949,507	3
Gain (loss) on disposal of property, plant and equipment	26,493	-	(134,893)	-
Gain on disposal of investment property (Note 33)	24,053	-	-	-
Gain on disposal of non-current disposal groups held for sale (Note 14)	47,370	-	356,826	-
Miscellaneous disbursements (Note 17)	(97,929)	-	(175,173)	-

(Continued)

YFY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2021</u>		<u>2020</u>	
	Amount	%	Amount	%
Foreign exchange gains (losses) (Note 37)	\$ (82,243)	-	\$ 696,352	1
Loss on financial assets or liabilities at fair value through profit or loss (Note 4)	<u>(210,598)</u>	<u>-</u>	<u>(825,398)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>1,759,868</u>	<u>2</u>	<u>2,773,629</u>	<u>4</u>
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	9,770,721	11	8,376,533	11
TAX EXPENSE (Notes 4 and 25)	<u>(2,008,170)</u>	<u>(2)</u>	<u>(1,772,630)</u>	<u>(2)</u>
PROFIT FROM CONTINUING OPERATIONS	<u>7,762,551</u>	<u>9</u>	<u>6,603,903</u>	<u>9</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 21, 22 and 25)				
Components of other comprehensive income that will not be reclassified to profit or loss:				
Gains on remeasurements of defined benefit plans	121,134	-	549,618	1
Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	3,673,538	4	(4,653)	-
Share of other comprehensive income of associates accounted for using equity method	<u>546,984</u>	<u>1</u>	<u>121,158</u>	<u>-</u>
	<u>4,341,656</u>	<u>5</u>	<u>666,123</u>	<u>1</u>
Components of other comprehensive loss that will be reclassified to profit or loss:				
Exchange differences on translation	(606,916)	(1)	(679,314)	(1)
Gains on hedging instruments	5,199	-	1,285	-
Share of other comprehensive loss of associates accounted for using equity method	<u>(215,049)</u>	<u>-</u>	<u>(13,660)</u>	<u>-</u>
	<u>(816,766)</u>	<u>(1)</u>	<u>(691,689)</u>	<u>(1)</u>
Other comprehensive income (loss), net	<u>3,524,890</u>	<u>4</u>	<u>(25,566)</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 11,287,441</u>	<u>13</u>	<u>\$ 6,578,337</u>	<u>9</u>
PROFIT, ATTRIBUTABLE TO:				
Profit, attributable to owners of parent	\$ 5,204,254	6	\$ 5,209,079	7
Profit, attributable to non-controlling interests	<u>2,558,297</u>	<u>3</u>	<u>1,394,824</u>	<u>2</u>
	<u>\$ 7,762,551</u>	<u>9</u>	<u>\$ 6,603,903</u>	<u>9</u>

(Continued)

YFY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2021</u>		<u>2020</u>	
	Amount	%	Amount	%
COMPREHENSIVE INCOME, ATTRIBUTABLE TO:				
Comprehensive income, attributable to owners of parent	\$ 8,653,474	10	\$ 5,360,674	7
Comprehensive income, attributable to non-controlling interests	<u>2,633,967</u>	<u>3</u>	<u>1,217,663</u>	<u>2</u>
	<u>\$ 11,287,441</u>	<u>13</u>	<u>\$ 6,578,337</u>	<u>9</u>
EARNINGS PER SHARE (Note 26)				
Basic earnings per share	<u>\$ 3.13</u>		<u>\$ 3.14</u>	
Diluted earnings per share	<u>\$ 3.13</u>		<u>\$ 3.14</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

(Concluded)

YFY INC. AND SUBSIDIARIES

Appendix 4

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of Parent							Other Equity									
	Share Capital		Capital Surplus		Consolidation Excess	Other	Total	Retained Earnings				Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	Total	Non-controlling Interests	Total Equity
	Shares (In Thousands)	Amount	Difference Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries				Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total						
BALANCE AT JANUARY 1, 2020	1,660,372	\$ 16,603,715	\$ 128,978	\$ 374,052	\$ 293,124	\$ 204,015	\$ 1,000,169	\$ 3,559,373	\$ 4,028,583	\$ 8,291,327	\$ 15,879,283	\$ (1,036,202)	\$ 6,809,645	\$ (6,377)	\$ 39,250,233	\$ 11,533,301	\$ 50,783,534
Appropriation of the 2019 earnings	-	-	-	-	-	-	-	263,411	-	(263,411)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(1,162,260)	(1,162,260)	-	-	-	(1,162,260)	-	(1,162,260)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	(26,770)	26,770	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(271,679)	(271,679)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(338)	(338)	-	-	(17)	(17)	-	-	-	(355)	(877)	(1,232)
Other changes in capital surplus	-	-	-	-	-	1,487	1,487	-	-	-	-	-	-	-	1,487	-	1,487
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	1,431,233	-	-	-	1,431,233	-	-	27	27	50,578	(27)	-	1,481,811	925,676	2,407,487
Changes in ownership interests in subsidiaries	-	-	-	71,643	-	-	71,643	-	-	(22,727)	(22,727)	2,827	(353)	2,285	53,675	(101,350)	(47,675)
Profit	-	-	-	-	-	-	-	-	-	5,209,079	5,209,079	-	-	-	5,209,079	1,394,824	6,603,903
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	552,880	552,880	(526,210)	123,858	1,067	151,595	(177,161)	(25,566)
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	-	5,761,959	5,761,959	(526,210)	123,858	1,067	5,360,674	1,217,663	6,578,337
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	299,816	299,816	-	(299,816)	-	-	-	-
BALANCE AT DECEMBER 31, 2020	1,660,372	16,603,715	1,560,211	445,695	293,124	205,164	2,504,194	3,822,784	4,001,813	12,931,484	20,756,081	(1,509,007)	6,633,307	(3,025)	44,985,265	13,302,734	58,287,999
Appropriation of the 2020 earnings	-	-	-	-	-	-	-	606,583	-	(606,583)	-	-	-	-	-	-	-
Legal reserve appropriated	-	-	-	-	-	-	-	-	-	(2,490,557)	(2,490,557)	-	-	-	(2,490,557)	-	(2,490,557)
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of special reserve	-	-	-	-	-	-	-	-	(1,812)	1,812	-	-	-	-	-	-	-
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(897,441)	(897,441)
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(13,088)	(13,088)	-	-	382	382	-	(2,711)	-	(15,417)	(7,005)	(22,422)
Other changes in capital surplus	-	-	-	-	-	1,128	1,128	-	-	-	-	-	-	-	1,128	-	1,128
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	218,052	-	-	-	218,052	-	-	(742,428)	(742,428)	(1,143)	(1,001)	-	(526,520)	(1,087,638)	(1,614,158)
Changes in ownership interests in subsidiaries	-	-	-	578,232	-	-	578,232	-	-	26	26	15,795	(26)	-	594,027	660,115	1,254,142
Profit	-	-	-	-	-	-	-	-	-	5,204,254	5,204,254	-	-	-	5,204,254	2,558,297	7,762,551
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	157,638	157,638	(691,261)	3,979,818	3,025	3,449,220	75,670	3,524,890
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	-	5,361,892	5,361,892	(691,261)	3,979,818	3,025	8,653,474	2,633,967	11,287,441
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	34,370	34,370	-	(34,370)	-	-	-	-
BALANCE AT DECEMBER 31, 2021	1,660,372	16,603,715	1,778,263	1,023,927	293,124	193,204	3,288,518	4,429,367	4,000,001	14,490,398	22,919,766	(2,185,616)	10,575,017	-	51,201,400	14,604,732	65,806,132

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

YFY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

Appendix 5

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	\$ 9,770,721	\$ 8,376,533
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	4,230,166	4,329,947
Expected credit loss (gain)	(44,050)	94,624
Net loss on financial assets or liabilities at fair value through profit or loss	210,598	825,398
Finance costs	543,080	696,626
Interest income	(108,890)	(125,853)
Dividend income	(978,636)	(803,757)
Share-based payments	27,408	58,152
Share of profit of associates accounted for using equity method	(939,709)	(606,426)
Loss (gain) on disposal of property, plant and equipment	(26,493)	134,893
Gain on disposal of investment property	(24,053)	-
Gain on disposal of non-current disposal groups held for sale (Note 14)	(47,370)	(356,826)
Gain on disposal of investments	(717)	-
Impairment loss on non-financial assets	4,976	60,016
Write-downs of inventories (reversed)	(7,844)	28,305
Unrealized foreign exchange loss (gain)	430,163	(885,847)
Converted overdue payables to other income	(11,714)	-
Gain from derecognition of subsidiary (Note 28)	(34,401)	-
Gain arising from changes in fair value less costs to sell of biological assets	(3,395)	(333)
Gain on disposal of land use rights (Note 15)	-	(1,389,329)
Loss (gain) from lease modification	(634)	12,697
Changes in operating assets and liabilities		
Decrease (increase) in current financial assets at fair value through profit or loss, mandatorily measured at fair value	25,574	(990,128)
Decrease (increase) in notes receivable, net	(1,120,322)	(756,100)
Decrease (increase) in accounts receivable, net	(1,533,619)	(46,340)
Decrease (increase) in accounts receivable due from related parties, net	53,300	1,721
Decrease (increase) in current inventories	(2,788,687)	326,300
Decrease (increase) in current biological assets	119,601	(23,231)
Decrease (increase) in prepayments	488,002	(706,283)
Decrease (increase) in other current assets, others	(411,975)	(173,564)
Increase (decrease) in financial liabilities held for trading	(627,109)	(998,978)
Increase (decrease) in current contract liabilities	(35,291)	69,053
Increase (decrease) in notes and accounts payable	2,298,431	826,225
Increase (decrease) in accounts payable to related parties	(28,948)	45,628
Increase (decrease) in other payable, others	283,169	842,117

(Continued)

YFY INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
Increase (decrease) in other current liabilities, others	\$ 154,693	\$ 55,648
Increase (decrease) in net defined benefit liability, non-current	<u>(492,227)</u>	<u>(323,291)</u>
Cash inflow generated from operations	9,373,798	8,597,597
Interest received	230,755	95,605
Dividends received	1,477,026	1,173,100
Interest paid	(653,736)	(676,970)
Income taxes paid	<u>(1,743,793)</u>	<u>(1,120,955)</u>
Net cash flows generated from operating activities	<u>8,684,050</u>	<u>8,068,377</u>
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(75,472)	(23,880)
Proceeds from disposal of financial assets at fair value through other comprehensive income	187,021	62,712
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	64,254	99,612
Acquisition of financial assets at amortized cost	(2,054,652)	-
Proceeds from disposal of financial assets at amortized cost	-	436,340
Acquisition of financial assets for hedging	5,303	-
Proceeds from disposal of investments accounted for using equity method (Note 28)	(230)	-
Proceeds from disposal of subsidiaries (Note 29)	(133)	-
Proceeds from capital reduction of investments accounted for using equity method	140,904	-
Disposal of non-current disposal groups held for sale (Note 14)	(36,385)	749,344
Acquisition of property, plant and equipment	(5,439,383)	(5,078,679)
Proceeds from disposal of property, plant and equipment	83,239	77,213
Decrease (increase) in other financial assets	(324,944)	43,516
Decrease (increase) in other non-current assets, others	<u>57,416</u>	<u>(112,693)</u>
Net cash flows used in investing activities	<u>(7,393,062)</u>	<u>(3,746,515)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Increase in current borrowings	3,525,369	-
Decrease in current borrowings	-	(5,893,661)
Increase in short-term notes and bills payable	-	3,372,294
Decrease in short-term notes and bills payable	(102,657)	-
Repayments of long-term debt	(499,000)	(2,271,411)
Payments of lease liabilities	(204,735)	(214,027)
Increase in other non-current liabilities, others	78,416	8,251
Cash dividends paid	(2,490,557)	(1,162,260)

(Continued)

YFY INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In Thousands of New Taiwan Dollars)

	2021	2020
Change in non-controlling interests	\$ (1,291,587)	\$ 2,085,370
Overdue dividends received	<u>1,160</u>	<u>1,487</u>
Net cash flows used in financing activities	<u>(983,591)</u>	<u>(4,073,957)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	<u>(56,428)</u>	<u>(27,655)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	250,969	220,250
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>6,283,121</u>	<u>6,062,871</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 6,534,090</u>	<u>\$ 6,283,121</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

(Concluded)

YFY INC.
BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

Appendix 6

ASSETS	2021		2020	
	Amount	%	Amount	%
CURRENT ASSETS (Note 4)				
Cash (Note 6)	\$ 13,188	-	\$ 4,381	-
Current financial assets at fair value through profit or loss (Note 7)	6,302	-	16,283	-
Accounts receivable due from related parties, net (Note 22)	26,625	-	129	-
Other receivables	7,713	-	5,549	-
Other current assets, others	<u>4,097</u>	-	<u>6,147</u>	-
Total current assets	<u>57,925</u>	-	<u>32,489</u>	-
NON-CURRENT ASSETS (Note 4)				
Non-current financial assets at fair value through other comprehensive income (Notes 8 and 22)	14,141,481	19	12,140,404	18
Investments accounted for using equity method (Notes 9 and 22)	56,382,018	77	52,189,672	78
Property, plant and equipment (Notes 10, 16 and 22)	613,296	1	615,945	1
Right-of-use assets (Notes 11 and 16)	3,369	-	2,526	-
Investment property, net (Notes 12, 16 and 22)	1,849,656	3	1,857,909	3
Deferred tax assets (Note 17)	7,555	-	-	-
Net defined benefit asset, non-current (Note 14)	331,864	-	37,265	-
Other non-current assets, others (Note 16)	<u>68,759</u>	-	<u>21,363</u>	-
Total non-current assets	<u>73,397,998</u>	<u>100</u>	<u>66,865,084</u>	<u>100</u>
TOTAL ASSETS	<u>\$ 73,455,923</u>	<u>100</u>	<u>\$ 66,897,573</u>	<u>100</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES (Note 4)				
Current borrowings (Note 13)	\$ 1,580,000	2	\$ 805,000	1
Short-term notes and bills payable (Note 13)	482,418	1	929,046	2
Accounts payable to related parties (Note 22)	1,431	-	10,539	-
Other payables, others (Note 10)	105,360	-	85,367	-
Current tax liabilities	147,096	-	101,347	-
Current lease liabilities (Note 11)	1,307	-	1,264	-
Other current liabilities, others	<u>3,685</u>	-	<u>14,842</u>	-
Total current liabilities	<u>2,321,297</u>	<u>3</u>	<u>1,947,405</u>	<u>3</u>
NON-CURRENT LIABILITIES (Note 4)				
Non-current portion of non-current borrowings (Note 13)	19,409,942	26	19,544,992	29
Deferred tax liabilities (Note 17)	466,794	1	412,016	1
Non-current lease liabilities (Note 11)	2,068	-	1,279	-
Other non-current liabilities, others	<u>54,422</u>	-	<u>6,616</u>	-
Total non-current liabilities	<u>19,933,226</u>	<u>27</u>	<u>19,964,903</u>	<u>30</u>
Total liabilities	<u>22,254,523</u>	<u>30</u>	<u>21,912,308</u>	<u>33</u>
EQUITY (Notes 4 and 15)				
Share capital	16,603,715	23	16,603,715	25
Capital surplus	3,288,518	5	2,504,194	4
Retained earnings	22,919,766	31	20,756,081	31
Other equity interest	<u>8,389,401</u>	<u>11</u>	<u>5,121,275</u>	<u>7</u>
Total equity	<u>51,201,400</u>	<u>70</u>	<u>44,985,265</u>	<u>67</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 73,455,923</u>	<u>100</u>	<u>\$ 66,897,573</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)**

	<u>2021</u>		<u>2020</u>	
	<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>
OPERATING REVENUE				
Investment (Note 4)	\$ 5,356,934	100	\$ 5,481,543	100
OPERATING EXPENSES (Notes 14, 16 and 22)	<u>419,467</u>	<u>8</u>	<u>361,679</u>	<u>7</u>
NET OPERATING INCOME	<u>4,937,467</u>	<u>92</u>	<u>5,119,864</u>	<u>93</u>
NON-OPERATING INCOME AND EXPENSES				
Other gains and losses	(651)	-	5,577	-
Finance costs (Notes 4 and 16)	(222,279)	(4)	(285,625)	(5)
Rent income (Notes 12 and 22)	49,626	1	50,745	1
Dividend income	526,725	10	415,469	8
Other income, others	48,205	1	24,798	-
Gain on disposal of investment properties (Note 22)	24,053	-	-	-
Miscellaneous disbursements	<u>(92)</u>	<u>-</u>	<u>(749)</u>	<u>-</u>
Total non-operating income and expenses	<u>425,587</u>	<u>8</u>	<u>210,215</u>	<u>4</u>
PROFIT FROM CONTINUING OPERATIONS BEFORE TAX	5,363,054	100	5,330,079	97
TAX EXPENSE (Notes 4 and 17)	<u>(158,800)</u>	<u>(3)</u>	<u>(121,000)</u>	<u>(2)</u>
PROFIT FROM CONTINUING OPERATIONS	<u>5,204,254</u>	<u>97</u>	<u>5,209,079</u>	<u>95</u>
OTHER COMPREHENSIVE INCOME (LOSS) (Notes 4, 14, 15 and 17)				
Components of other comprehensive income that will not be reclassified to profit or loss:				
Gains on remeasurements of defined benefit plans	187,406	4	583,663	11
Unrealized gains from investments in equity instruments measured at fair value through other comprehensive income	1,618,538	30	413,634	7
Share of other comprehensive income (loss) of subsidiaries and associates accounted for using equity method	<u>2,331,512</u>	<u>44</u>	<u>(320,559)</u>	<u>(6)</u>
	<u>4,137,456</u>	<u>78</u>	<u>676,738</u>	<u>12</u>

(Continued)

YFY INC.
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	<u>2021</u>		<u>2020</u>	
	Amount	%	Amount	%
Components of other comprehensive loss that will be reclassified to profit or loss:				
Share of other comprehensive loss of subsidiaries and associates accounted for using equity method	<u>\$ (688,236)</u>	<u>(13)</u>	<u>\$ (525,143)</u>	<u>(9)</u>
	<u>(688,236)</u>	<u>(13)</u>	<u>(525,143)</u>	<u>(9)</u>
Other comprehensive income, net	<u>3,449,220</u>	<u>65</u>	<u>151,595</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 8,653,474</u>	<u>162</u>	<u>\$ 5,360,674</u>	<u>98</u>
EARNINGS PER SHARE (Note 18)				
Basic earnings per share	<u>\$ 3.13</u>		<u>\$ 3.14</u>	
Diluted earnings per share	<u>\$ 3.13</u>		<u>\$ 3.14</u>	

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

(Concluded)

YFY INC.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	Share Capital		Capital Surplus					Retained Earnings				Other Equity			Total Equity
	Shares (In Thousands)	Amount	Difference Between Consideration and Carrying Amount of Subsidiaries Acquired or Disposed	Changes in Ownership Interests in Subsidiaries	Consolidation Excess	Other	Total	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Total	Exchange Differences on Translation of Foreign Financial Statements	Unrealized Gains (Losses) on Financial Assets Measured at Fair Value Through Other Comprehensive Income	Gains (Losses) on Hedging Instruments	
BALANCE AT JANUARY 1, 2020	1,660,372	\$ 16,603,715	\$ 128,978	\$ 374,052	\$ 293,124	\$ 204,015	\$ 1,000,169	\$ 3,559,373	\$ 4,028,583	\$ 8,291,327	\$ 15,879,283	\$ (1,036,202)	\$ 6,809,645	\$ (6,377)	\$ 39,250,233
Appropriation of the 2019 earnings															
Legal reserve appropriated	-	-	-	-	-	-	-	263,411	-	(263,411)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(1,162,260)	(1,162,260)	-	-	-	(1,162,260)
Reversal of special reserve	-	-	-	-	-	-	-	-	(26,770)	26,770	-	-	-	-	-
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(338)	(338)	-	-	(17)	(17)	-	-	-	(355)
Other changes in capital surplus	-	-	-	-	-	1,487	1,487	-	-	-	-	-	-	-	1,487
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	1,431,233	-	-	-	1,431,233	-	-	27	27	50,578	(27)	-	1,481,811
Changes in ownership interests in subsidiaries	-	-	-	71,643	-	-	71,643	-	-	(22,727)	(22,727)	2,827	(353)	2,285	53,675
Profit	-	-	-	-	-	-	-	-	-	5,209,079	5,209,079	-	-	-	5,209,079
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	552,880	552,880	(526,210)	123,858	1,067	151,595
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	-	5,761,959	5,761,959	(526,210)	123,858	1,067	5,360,674
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	299,816	299,816	-	(299,816)	-	-
BALANCE AT DECEMBER 31, 2020	1,660,372	16,603,715	1,560,211	445,695	293,124	205,164	2,504,194	3,822,784	4,001,813	12,931,484	20,756,081	(1,509,007)	6,633,307	(3,025)	44,985,265
Appropriation of the 2020 earnings															
Legal reserve appropriated	-	-	-	-	-	-	-	606,583	-	(606,583)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	-	-	-	-	-	(2,490,557)	(2,490,557)	-	-	-	(2,490,557)
Reversal of special reserve	-	-	-	-	-	-	-	-	(1,812)	1,812	-	-	-	-	-
Changes in equity of associates accounted for using equity method	-	-	-	-	-	(13,088)	(13,088)	-	-	382	382	-	(2,711)	-	(15,417)
Other changes in capital surplus	-	-	-	-	-	1,128	1,128	-	-	-	-	-	-	-	1,128
Difference between consideration and carrying amount of subsidiaries acquired or disposed	-	-	218,052	-	-	-	218,052	-	-	(742,428)	(742,428)	(1,143)	(1,001)	-	(526,520)
Changes in ownership interests in subsidiaries	-	-	-	578,232	-	-	578,232	-	-	26	26	15,795	(26)	-	594,027
Profit	-	-	-	-	-	-	-	-	-	5,204,254	5,204,254	-	-	-	5,204,254
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	157,638	157,638	(691,261)	3,979,818	3,025	3,449,220
Total comprehensive income (loss)	-	-	-	-	-	-	-	-	-	5,361,892	5,361,892	(691,261)	3,979,818	3,025	8,653,474
Disposal of investments in equity instruments designated at fair value through other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	34,370	34,370	-	(34,370)	-	-
BALANCE AT DECEMBER 31, 2021	<u>1,660,372</u>	<u>\$ 16,603,715</u>	<u>\$ 1,778,263</u>	<u>\$ 1,023,927</u>	<u>\$ 293,124</u>	<u>\$ 193,204</u>	<u>\$ 3,288,518</u>	<u>\$ 4,429,367</u>	<u>\$ 4,000,001</u>	<u>\$ 14,490,398</u>	<u>\$ 22,919,766</u>	<u>\$ (2,185,616)</u>	<u>\$ 10,575,017</u>	<u>\$ -</u>	<u>\$ 51,201,400</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES, INDIRECT METHOD		
Profit before tax	\$ 5,363,054	\$ 5,330,079
Adjustments to reconcile profit (loss)		
Depreciation and amortization expenses	11,380	12,081
Net gain on financial assets or liabilities at fair value through profit or loss	(19)	(5,528)
Finance costs	222,279	285,625
Interest income	(33)	(52)
Dividend income	(526,725)	(415,469)
Share-based payments	-	1,144
Share of profit of subsidiaries and associates accounted for using equity method	(5,356,934)	(5,481,543)
Loss (gain) on disposal of property, plant and equipment	14	(52)
Gain on disposal of investment property	(24,053)	-
Loss on disposal of investments	660	-
Unrealized foreign exchange loss	1	1
Converted overdue payables to other income	(11,714)	-
Gain from lease modification	(47)	-
Changes in operating assets and liabilities		
Decrease (increase) in current financial assets at fair value through profit or loss, mandatorily measured at fair value	10,000	202,000
Decrease (increase) in accounts receivable due from related parties, net	24	297
Decrease (increase) in other receivable	(3,498)	102,014
Decrease (increase) in other current assets, others	1,282	(2,336)
Decrease (increase) in net defined benefit asset, non-current	(60,341)	(54,028)
Increase (decrease) in accounts payable to related parties	(9,108)	9,132
Increase (decrease) in other payable, others	16,564	28,002
Increase (decrease) in other current liabilities, others	557	272
Cash outflow generated from (used in) operations	(366,657)	11,639
Interest received	33	6,479
Dividends received	2,685,873	2,209,417
Interest paid	(213,629)	(282,667)
Income taxes paid	(110,699)	(2,915)
Net cash flows generated from operating activities	<u>1,994,921</u>	<u>1,941,953</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of financial assets at fair value through other comprehensive income	(152,098)	(11,940)
Proceeds from disposal of financial assets at fair value through other comprehensive income	87,923	45,453

(Continued)

YFY INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	\$ 26,122	\$ 41,056
Acquisition of investments accounted for using equity method	-	(1,054,579)
Proceeds from disposal of investments accounted for using equity method	252,383	2,613,810
Proceeds from liquidation of investments accounted for using equity method	103,241	-
Proceeds from capital reduction of investments accounted for using equity method	-	35,000
Acquisition of property, plant and equipment	(695)	(260)
Proceeds from disposal of property, plant and equipment	48	88
Decrease in other non-current assets, others	<u>762</u>	<u>5,758</u>
Net cash flows generated from investing activities	<u>317,686</u>	<u>1,674,386</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Increase in current borrowings	775,000	-
Decrease in current borrowings	-	(1,172,000)
Decrease in short-term notes and bills payable	(447,000)	(200,000)
Repayments of long-term debt	(140,000)	(1,084,000)
Payments of lease liabilities	(2,110)	(1,792)
Increase (decrease) in other non-current liabilities, others	(292)	112
Cash dividends paid	(2,490,557)	(1,162,260)
Overdue dividends received	<u>1,160</u>	<u>1,487</u>
Net cash flows used in financing activities	<u>(2,303,799)</u>	<u>(3,618,453)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON CASH	<u>(1)</u>	<u>(1)</u>
NET INCREASE (DECREASE) IN CASH	8,807	(2,115)
CASH AT THE BEGINNING OF THE YEAR	<u>4,381</u>	<u>6,496</u>
CASH AT THE END OF THE YEAR	<u>\$ 13,188</u>	<u>\$ 4,381</u>

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

(With Deloitte & Touche auditors' report dated March 15, 2022)

(Concluded)

YFY INC.
2021 STATEMENT of EARNINGS DISTRIBUTION

Appendix 10

UNIT:NTD

Item	Amount
Distributable retained earnings	
A Unappropriated earnings at beginning of the fiscal year	9,834,344,775
B Net profit for the year ended Dec 31, 2021	5,209,253,904
C Re-measurement of defined benefit plans	187,406,400
D Gain on disposal of FVOCI financial assets	25,082,003
E Changes in ownership interests in subsidiaries	(762,501,164)
F Reversal of special reserve	1,811,826
Total	14,490,397,744
Distribution Items	
1 Legal Reserve ((B~F)*10%)	465,605,297
2 Cash Dividend(0.7 per share)	2,490,557,243
2 Unappropriated retained earnings	11,534,235,204
Total	14,490,397,774

Chairman: Jean Liu

CEO: David Lo

Controller: C.F Wu

YFY Inc.

Opinion

We have audited the accompanying consolidated financial statements of YFY Inc. and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2021 and 2020, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2021 and 2020, 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, 2021. 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, 2021 are stated as follows:

Estimation of Expected Credit Loss Recognized on Accounts Receivable

The accounts receivable of the Group’s significant components are material in amount. In consideration of transactions with various counterparties, the recoverability of accounts receivable is subject to not only each customer’s financial condition but also management’s estimation and judgment. Therefore, we identified the estimation of expected credit loss recognized on accounts receivable as a key audit matter.

For related policies and relevant information on the estimation of expected credit loss of accounts

receivable, refer to Notes 4, 5 and 11 to the accompanying consolidated financial statements.

The key audit procedures that we performed in respect of the expected credit loss on accounts receivable included the following:

1. We obtained and assessed the reasonableness of the method and the information used by management for the estimation of expected credit loss recognized on accounts receivable.
2. We tested sample items in the aging report on the balance sheet date and verified the correctness of the calculation of the expected credit loss.
3. We analyzed overdue receivables and performed sampling on the collections of overdue receivables after the balance sheet date. We assessed the reasonableness of the expected credit loss recognized on accounts receivable based on customers' historical payment records, credit line control and overdue receivables tracking.

Other Matter

We did not audit the financial statements as of and for the year ended December 31, 2020 of Fidelis IT Solutions Co., Ltd., Sustainable Carbohydrate Innovation Co., Ltd., YFY Biotech Management Company, Livebricks Inc., and Jupiter Prestige Group Holdings Limited and its subsidiaries, which are included in the consolidated financial statements of the Group, but such financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in the Group's consolidated financial statements for these subsidiaries, is based solely on the reports of other auditors. As of December 31, 2020, the assets of these subsidiaries were NT\$741,272 thousand, representing 0.6% of the total consolidated assets. For the year ended December 31, 2020, the net sales of these subsidiaries were NT\$618,368 thousand, representing 0.8% of the consolidated net sales. In addition, as of and for the year ended December 31, 2020, the financial statements of Taiwan Genome Sciences, Inc., an investment accounted for using the equity method, was audited by other auditor. Thus, our opinion, insofar as it relates to the calculation of the Group's share in this investee's profit or loss and other comprehensive income, is based solely on the report of other auditor. As of December 31, 2020, the carrying amount of this investee was NT\$13,397 thousand. This investee's net profit or loss was included in the Group's total comprehensive income and loss for the year ended December 31, 2020 which was a loss of NT\$1,029 thousand.

We have also audited the financial statements of YFY Inc. as of and for the years ended December 31, 2021 and 2020 on which we have issued an unmodified opinion and an unmodified opinion including an Other Matter paragraph, respectively.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and IFRS, IAS, IFRIC, and SIC endorsed and issued into effect by the 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, 2021 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 Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2022

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 accepted and 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.

YFY Inc.

Opinion

We have audited the accompanying financial statements of YFY Inc. (the Company), which comprise the balance sheets as of December 31, 2021 and 2020, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to Other Matter section), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and 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 Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion based on our audits and the report of other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters of the Company's financial statements for the year ended December 31, 2021 are stated as follows:

The Valuation of Investments Accounted for Using the Equity Method

Under the investments accounted for using the equity method, the financial position and performance of some significant components of the Company will significantly affect the Company. The accounts receivable of significant components of the Company are material in amount. In consideration of transactions with various counterparties, the recoverability of accounts receivable is subject to not only each customer's financial condition but also management's estimation and judgment. Therefore, we identified the estimation of expected credit loss recognized on accounts receivable as a key audit matter.

For related policies and relevant information about investments accounted for using the equity method, refer to Notes 4 and 9 to the accompanying financial statements.

The key audit procedures that we performed in respect of the valuation of investments accounted

for using the equity method included the following:

1. We obtained and assessed the reasonableness of the method and the information used by management for the estimation of expected credit loss recognized on accounts receivable.
2. We tested sample items in the aging report on the balance sheet date and verified the correctness of the calculation of the expected credit loss.
3. We analyzed overdue receivables and performed sampling on the collections of overdue receivables after the balance sheet date. We assessed the reasonableness of the expected credit loss recognized on accounts receivable based on customers' historical payment records, credit line control and overdue receivables tracking.

Other Matter

We did not audit the financial statements as of and for the year ended December 31, 2020 of Fidelis IT Solutions Co., Ltd., Sustainable Carbohydrate Innovation Co., Ltd., Taiwan Genome Sciences, Inc., YFY Biotech Management Company and Livebricks Inc., which are accounted for using the equity method by YFY Paradigm Investment Co., Ltd., Jupiter Prestige Group Holdings Limited and its subsidiaries, which are accounted for using the equity method by YFY Global Investment Limited, but such financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to the investments accounted for using the equity method and the net profit of investments, is based solely on the reports of other auditors. As of December 31, 2020, the investments accounted for using equity method of these investee companies were NT\$487,116 thousand, representing 0.7% of the Company's total assets. As of and for the year ended December 31, 2020, the net investment income of these investee companies was NT\$4,730 thousand, representing 0.1% of the Company's total comprehensive income and loss.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the year ended December 31, 2021 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 Hui-Min Huang and Ya-Ling Wong.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2022

Notice to Readers

The accompanying financial statements are intended only to present the 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 financial statements are those generally accepted and applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying 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 financial statements shall prevail.

Audit Committee's Review Report

The YFY Inc.'s 2021 business report, financial statements, earnings distribution proposal, and auditors' reports relating to the financial statements were compiled by the Board of Directors, and have been examined and determined to be correct and accurate by the Audit Committee in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

To

2022 Annual General Meeting of Shareholders

Audit Committee Convener: Hsi-Peng Lu

March 15, 2022

YFY Inc.

Articles of Incorporation

Chapter 1. General Provisions

Article 1: The Company shall be incorporated as a private company limited by shares in accordance with the Company Act and it shall be named: YFY Inc. (English name: YFY Inc.).

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

1. H201010 General Investment.

Article 2-1: The Company may provide external guarantees.

Article 2-2: The Company shall be exempt from the restrictions on total investment amount, which shall not exceed forty percent of the paid-up capital.

Article 3: The head office of the Company is established in Kaohsiung, and may subject to business requirement, set up branch office(s) at other appropriate locations, either locally or abroad.

Article 4: Public announcements of the Company shall be made in accordance with the Company Act.

Chapter 2. Shares

Article 5: The total authorized capital of the Company shall be NT\$22 billion, divided into 22 billion shares with a par value of NT\$10 each. Such shares may be issued by installments.

Article 6: Shares of the Company shall be registered and signed or sealed by directors representing the Company and issued only after proper certification by the securities competent authority or by banks competent to serve as attesters for the issuance of share certificates under the laws. Stocks issued by the Company as well as other securities are not required to be printed. However, the Company shall contact the centralized securities depository enterprise institution for registration of the share certificates.

Article 7: Shareholders shall fill in and submit to the Company a seal specimen card for safe keep. Such seal specimen shall serve as proof when collecting share dividends or exercising other rights.

Article 8: The Company shall handle share matters in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 9: (Article Omitted.)

Article 10: (Article Omitted.)

Article 11: (Article Omitted.)

Article 12: Transfer of title for the stocks is not permitted within sixty days prior to the annual general meeting of shareholders; or within thirty days prior to the special meeting of shareholders, and within five days prior to the cut-off date determined for the distribution of dividends, bonus or other benefits.

Chapter 3. Shareholders Meeting

Article 13: The Company holds general and extraordinary shareholders' meetings, the general meeting shall be convened at least once a year. It shall be convened by the Board of Directors within six months after the close of each fiscal year. The extraordinary

meeting shall be held in accordance with the relevant statutory requirements whenever deemed necessary. Shareholders' meetings are convened in accordance with the Company's Rules of Procedure for the Shareholders' Meeting.

When the Company's shareholders' meeting is held, it may be held by means of visual communication network or other methods promulgated by the central competent authority.

Article 14: Notices shall be sent to all shareholders for the convening of shareholders' meetings, at least thirty (30) days in advance, in case of an annual general meeting of shareholders; and at least fifteen (15) days in advance, in case of special meetings. For shareholders holding less than one thousand (1000) registered shares, the notice of meeting may be publicly announced on the Market Observation Post System.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Article 15: A shareholder who cannot attend shareholders' meeting may appoint a proxy to attend on his/her behalf by executing a power of attorney printed and issued by the Company, stating clearly the scope of the authorization. The regulations governing proxy attendance shall be pursuant to the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, in addition to Article 177 of the Company Act.

Article 16: Unless otherwise provided by the Company Act, a shareholders' meeting shall be chaired by the Chairman of the Board. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.

Article 17: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 18: Unless otherwise prescribed by law, a shareholder shall have one voting right per share he or she is in possession of.

Voting rights can be exercised electronically or in writing during a shareholders' meeting. 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, the aforesaid shareholders shall also be considered to have forfeited the voting rights on extraordinary motions and resolution amendments.

Article 19: Shareholders' meeting resolutions shall be compiled into minutes with details including the date and place of the meeting, the name of Chairman, method of resolution, a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be signed or sealed by the Chairman and disseminated to each shareholder no later than 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form. The distribution of the meeting minutes mentioned in the preceding paragraph may be effected by way of public announcement on the Market Observation Post System.

The minutes mentioned in the preceding paragraph must be retained for as long as the company exists. Shareholders' attendance cards and proxy forms shall be kept by the Company for a duration of at least one year; however, in situations where a shareholder makes a litigious claim against the company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.

Chapter 4. Directors and Managers

- Article 20: The Company shall have 7 to 13 directors. The Board meeting is authorized to approve the number of directors. A candidate nomination system shall be adopted. Candidates shall be nominated and elected at the shareholders' meeting from the list of candidates in accordance with Article 198 of the Company Act. The term of office shall be three years, and the director may be eligible for re-election.
- The number of independent directors shall be at least two and shall not be less than one-fifth of the total number of directors specified in the preceding paragraph. Regarding other requirements on independent directors including professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other compliance matters, the Company shall observe the regulations announced by the competent authority for the securities industry.
- Article 20-1: The Company has established an Audit Committee at the 26th board meeting. The committee shall be composed of independent directors only, with no fewer than three members, one of whom shall be the convener and at least one of them shall have expertise in accounting or finance. The authorities, organizational regulations, and other requirements pertaining to the Audit Committee shall be specified in related laws or the Company's Articles of Incorporation.
- Article 21: The percentage of shareholdings of all of the Company's directors shall be based on the regulations of competent authority in charge of the securities industry.
- Article 22: The directors shall organize the board meeting. The Chairman shall be elected from among the directors with at least two thirds in attendance and over half of those attending voting for him/her. A Vice Chairman may be elected in the same way. The Chairman of the Board shall represent the Company and handle all business affairs. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.
- Article 23: A board meeting shall be convened once every three (3) months, and an impromptu board meeting may be held where necessary. Notifications of board meetings may be delivered electronically. If a director is unable to attend a meeting, he/she may appoint a proxy to attend the meeting by completing the company's proxy forms for each meeting, specifying the scope of delegation.
- Each proxy may only represent one absent director.
- In case a board meeting is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.
- Article 24: Board meetings shall be chaired by the Chairman of the Board. If the Chairman is absent, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.
- Article 25: Unless otherwise prescribed in the Company Act, the resolutions made by the Board of Directors shall be passed by a majority vote at a meeting of the Board of Directors attended by more than half of all directors on the Board.
- Article 26: The Board of Director shall be authorized to decide the directors' remunerations based on their level of engagement in and contribution to the Company as well as the standards adopted by the industry.
- Article 27: (Article Omitted.)
- Article 28: The Company shall have manager, whose title, appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 5. Accounting

Article 29: The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the annual general meeting of shareholders for acceptance:

1. Business Report.
2. Financial statements.
3. Surplus earning distribution or loss off-setting proposals.

Article 30: If the Company sustains profit every year, 0.1% or more of the income shall be set aside as remunerations to employees, and 2% or less shall be distributed as director remuneration. However, an amount shall be set aside first to compensate cumulative losses, if any.

Directors' remuneration may be distributed by way of cash dividends, and employees' remuneration may be distributed by way of cash dividends or stock dividends. The Board of Director shall be authorized to define the qualification requirements of employees entitled to receive shares or cash, including the employees of subsidiaries of the Company that meet certain specific requirements. The distribution ratio of directors' remunerations, and the method of distribution and ratio of employees' remunerations shall be resolved by a majority vote at a Board meeting attended by more than two thirds of the directors, and shall be reported at the shareholders' meeting.

Employee and director remunerations are calculated deducting the cumulative losses from the profit for the year (i.e., the profit before employee and director remunerations is deducted from profit before tax).

Article 30-1: If the Company has any surplus at the end of a year, it shall first be applied to pay income taxes according to the law and cover losses from the previous years. Then 10% of the balance will be allocated to a statutory surplus reserve, and a special surplus reserve shall be allocated or reserved according to the law. A special surplus reserve or retained earnings are set aside if needed. Any remaining balance shall be distributed as dividends and bonus by the total number of shares.

Article 30-2: In consideration of external factors and the objectives of long term financial planning and in the interest of stable business growth, the Company's dividend policy measures future cash flows based on the capital budget and uses retained earnings to meet the cash flow requirements. An appropriate percentage of the remaining surplus will be retained as needed to support the ongoing business operations, and a minimum of 20% of the remaining surplus will be distributed in the form of cash dividends and the rest in share dividends. However, for the purpose of meeting other capital expenditure requirements, the Company may distribute the aforementioned remaining surplus in the form of share dividends only.

Article 30-3: The Board of Directors may distribute a proportion or the entirety of dividends and bonuses in cash, and report such action to the Shareholders' Meeting, in accordance with a resolution adopted by a simple majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors.

Article 31: If there are any issues not covered in the Articles of Incorporation, the Company shall follow the provisions prescribed in the Company Act.

Article 32: These Articles of Incorporation were established on January 20, 1950. The 68th amendment was approved by the shareholders' meeting on June 23, 2022.

YFY INC.

Amendment Table of Incorporation and Comparison Articles

Article	Amended article	Existing Article	Description
Article 6	Shares of the Company shall be registered and signed or sealed by directors <u>representing the Company</u> and issued only after proper certification by the <u>securities competent authority or by banks competent to serve as attesters for the issuance of share certificates under the laws</u> . Stocks issued by the Company as well as other securities are not required to be printed. <u>However</u> , the Company shall contact the centralized securities depository enterprise institution for registration of the share certificates.	Stocks of the Company shall be registered, signed or sealed by <u>at least three directors</u> . The stocks shall be issued after proper certification by the <u>competent authority or its authorized registration institutes</u> . Stocks issued by the Company as well as other securities are not required to be printed. <u>The</u> Company shall contact the centralized securities depository enterprise institution for registration of the share certificates.	Amended in accordance with the amendment of Article 162 of the Company Act.
Article 13 <u>When the Company's shareholders' meeting is held, it may be held by means of visual communication network or other methods promulgated by the central competent authority.</u> (The content of this paragraph is a new addition)	In order to make the method of holding the Company's shareholders' meetings more flexible, YFY amended the text of this article in accordance with the provisions of Article 172-2, Paragraph 1 of the Company Act.
Article 20	The Company shall have <u>7</u> to 13 directors. The Board meeting is authorized to	The Company shall have <u>9</u> to 13 directors. The Board meeting is authorized to	In order to increase the flexibility of the

	approve the number of directors. A candidate nomination system shall be adopted. Candidates shall be nominated and elected at the shareholders' meeting from the list of candidates in accordance with Article 198 of the Company Act. The term of office shall be three years, and the director may be eligible for re-election.	approve the number of directors. A candidate nomination system shall be adopted. Candidates shall be nominated and elected at the shareholders' meeting from the list of candidates in accordance with Article 198 of the Company Act. The term of office shall be three years, and the director may be eligible for re-election.	number of directors established by the Company, this provision is amended.
Article 32:	These Articles of Incorporation were established on January 20, 1950. The <u>68th</u> amendment was approved by the shareholders' meeting on <u>June 23, 2022</u> .	These Articles of Incorporation were established on January 20, 1950. The <u>67th</u> amendment was approved by the shareholders' meeting on <u>June 25, 2019</u> .	Added in the date of the 68th Amendment.

YFY Inc.

Rules of Procedure for Shareholders' Meetings

These Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and serve as the basis for YFY's shareholders' meeting governance mechanism.

Article 1. The rules of procedures for the Company's shareholders' meetings, except as otherwise provided by law, regulation, or the Articles of Incorporation, shall be as provided in these Rules.

Article 2. Unless otherwise provided by law or regulation, the Company's shareholders' meetings shall be convened by the Board of Directors.

Changes to the method of convening the shareholders' meetings of the Company shall be subject to a resolution of the Board of Directors that shall be made no later than mailing of the shareholders meeting notice.

The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting of shareholders or 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders meeting handbook and supplemental meeting materials and upload them to the MOPS before 30 days before the date of the annual general meeting of shareholders or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.

The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:

- I. For physical shareholders meetings, to be distributed on-site at the meeting.
- II. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.
- III. For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.

The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be

given in electronic form.

Matters pertaining to the election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing the status of the Corporation as a public company, approval of competing with the Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph 1, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extraordinary motions.

The notices for convening the shareholders' meeting have stated the election of directors and the date on which they assume office. After the re-election is completed, the same meeting cannot change the date of assumption of office through extraordinary motions or other methods.

Shareholders holding 1 percent or more of the total number of issued shares may submit to the Company a proposal for discussion at an annual general meeting of shareholders, however only one matter shall be allowed in each single proposal. If a proposal contains more than one matter, then the said proposal shall not be included in the agenda. A shareholder proposal that urges the Corporation to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the Board of Directors. In addition, when the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda.

Prior to the book closure date before an annual general meeting of shareholders is held, the Company shall publicly announce that it will receive shareholder proposals in writing or by way of electronic transmission, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words. Proposals containing more than 300 words will not be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting of shareholders and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders' meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 3. 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 before 5 days before the date of the shareholders' meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

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

If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4. The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.
The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.

Article 5. This Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registration.
For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.

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

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

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

In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.

In the event of a virtual shareholders meeting, the Company shall upload the meeting handbook, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

Article 6-1 To convene a virtual shareholders meeting, the Company shall include the following particulars in the shareholders meeting notice:

- I. How shareholders attend the virtual meeting and exercise their rights.
- II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:
 - (I) To what time the meeting is postponed or from what time the meeting will resume if the above impediment continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.
 - (II) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.
 - (III) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.
 - (IV) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.
- III. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.

Article 6. Shareholders meetings that are convened by the Chairman shall be chaired by the Chairman. If the Chairman is unable to perform such duties due to a leave of absence or any other reason, the Chairman may appoint one of the directors to act on the Chairman's behalf. If the Chairman does not appoint a delegate, one shall be elected by the directors from among them.

If the Meeting is chaired by a director other than the Chairman, it shall be one who is familiar with the Company's business and financial status and that had been appointed more than six months prior. The same shall be true for a representative of a juristic person director that serves as chairperson.

It is advisable that shareholders meetings convened by the board of directors be chaired by the chairman of the board in person, attended by a majority of directors, at least one independent director in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders' meeting is convened by someone having the right to convene a meeting, but who is not a member of the Board of Directors, the said person shall chair the meeting. If more than one person has the right to convene the meeting, one shall be elected to chair the meeting.

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

Article 7. The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

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

Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without interruption, the proceedings of the virtual meeting from beginning to end.

The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.

In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.

Article 8. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected and the shares checked in on the virtual meeting platform plus the amount of shares where voting rights are exercised in writing or through electronic means.

The chairperson shall announce the commencement of the meeting as soon as the appointed time arrives and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

The Chairperson shall call the meeting to order as soon as the appointed time arrives.

However, if those in attendance represent less than half of the Company's outstanding shares, the Chairperson may announce postponement up to two times for a period totaling no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairperson shall declare the meeting adjourned. In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month. In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be decided by the Board of Directors. Relevant motions (including extraordinary motions and amendments to the original motion) should be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. However, extraordinary motions should be proposed within the scope permitted by law, within the time limit when the chairperson puts the matter before all shareholders present at the meeting, and can only be included in the agenda after receiving approval from the attending shareholders in accordance with legal procedures.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors. Unless by the resolution of the shareholders' meeting, the chairperson may not declare the meeting ended until all items on the agenda (including extraordinary motions) arranged in the preceding two paragraphs have been completed. The shareholders cannot designate any other person as chairperson and continue the meeting in the same or another place after the meeting is adjourned. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chairperson 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 chairperson is of the opinion that a proposal has been discussed

sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and arrange an adequate voting time.

Article 10. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chairperson.

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

Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

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

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

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

Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.

As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.

Article 11. Voting at a shareholders meeting shall be calculated based the number of shares.

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

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of 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. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights in writing or electronic means. The method of exercise shall be specified in the shareholders meeting notice. Shareholders exercising voting rights in writing or electronic means will be deemed to have attended the meeting in person. However, shareholders will be deemed to have waived their rights with respect to extraordinary motions and amendments to original proposals of that meeting.

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

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

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

When there is an amendment or an alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other

proposals will then be deemed rejected, and no further voting shall be required.

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

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

When the Company convenes a virtual shareholders meeting, after the chairman declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.

In the event of a virtual shareholders meeting, votes shall be counted at once after the chairman announces the voting session ends, and results of votes and elections shall be announced immediately.

When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.

When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.

Article 13. 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 immediately, including the names of those elected as directors and the numbers of votes with which they were elected, and the names of directors not elected and number of votes they received.

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

Article 14. 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 chairperson of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

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 chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including statistical weights). When directors are elected, the number of votes for each candidate should be disclosed. The minutes shall be kept permanently throughout the life of the Corporation.

Where a virtual shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

When convening a virtual-only shareholder meeting, other than compliance with the requirements in the preceding paragraph, the Company shall specify in the meeting minutes alternative measures available to shareholders with difficulties in attending a virtual-only shareholders meeting online.

Article 15. 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 as well as the number of shares represented by shareholders attending the meeting by correspondence or electronic means , and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

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

Article 16. Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.

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

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chairperson

may prevent the shareholder from so doing.

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

Article 17. When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson 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 18. When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 19. In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.

Article 20. When the Company convenes a virtual-only shareholders meeting, both the chairman and secretary shall be in the same location, and the chairman shall declare the address of their location when the meeting is called to order.

Article 21. In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.

In the event of a virtual shareholders meeting, when declaring the meeting open, the chairman shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chairman has

announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in which case Article 182 of the Company Act shall not apply.

For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

During a postponed or resumed session of a shareholders meeting held under the paragraph 2 , no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.

When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.

Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.

When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.

For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the paragraph 2.

Article 22. When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a

virtual shareholders meeting online.

Article 23. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders' meetings.

YFY Inc.

Rules of Procedure for Shareholders' Meetings Comparison Table

Article	Amended articles	Existing Article	Description
Article 3	<p>.....</p> <p><u>Changes to the method of convening the shareholders' meetings of the Company shall be subject to a resolution of the Board of Directors that shall be made no later than mailing of the shareholders meeting notice.</u></p> <p>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting of shareholders or 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting of shareholders</p>	<p>.....</p> <p>The Company shall prepare electronic versions of the shareholders' meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) 30 days before the date of an annual general meeting of shareholders or 15 days before the date of a special shareholders' meeting. The Company shall prepare electronic versions of the shareholders' meeting handbook and supplemental meeting materials and upload them to the MOPS 21 days before the date of the annual general meeting of shareholders or before 15 days before the date of the special shareholders' meeting. In addition, before 15 days before the date of the shareholders' meeting, the Company shall also</p>	<p>Shareholders must be informed of any change in the method of convening the shareholders' meeting.</p>

<p>or 15 days before the date of a special shareholders' meeting. In addition, before 15 days before the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby.</p> <p><u>The Company shall make the meeting agenda and supplemental meeting materials in the preceding paragraph available to shareholders for review in the following manner on the date of the shareholders meeting:</u></p> <p>I. <u>For physical shareholders meetings, to be distributed on-site at the meeting.</u></p> <p>II. <u>For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the virtual meeting platform.</u></p> <p>III. <u>For virtual-only shareholders meetings, electronic files shall be shared on the virtual meeting platform.</u></p> <p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the</p>	<p>have prepared the shareholders' meeting handbook and supplemental meeting materials and made them available for review by shareholders at any time. The meeting handbook and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby <u>as well as being distributed on-site at the meeting place.</u></p>	<p>Shareholders who participate in the physical shareholders' meeting or participate in the shareholders' meeting by video may refer to the shareholders' meeting Handbook and supplementary materials on the day of the shareholders' meeting.</p>
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	<p>meeting notice may be given in electronic form.</p> <p>Matters pertaining to the election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing the status of the Corporation as a public company, approval of competing with the Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph 1, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extraordinary motions.</p> <p>.....</p>	<p>The reasons for convening a shareholders' meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.</p> <p>Matters pertaining to the election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing the status of the Corporation as a public company, approval of competing with the Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph 1, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extraordinary motions; <u>The essential contents may be posted on the website designated by the competent authority in charge of securities affairs or by the Corporation, and the website shall be indicated in the above notice.</u></p> <p>.....</p>	<p>The method of announcement is adjusted to meet regulatory requirements.</p>
Article 4	

	<p>If, after a proxy form is delivered to the Company, a shareholder wishes to attend the shareholders meeting online, a written notice of proxy cancellation shall be submitted to the Company two business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	(Newly added)	<p>If a shareholder originally entrusted a proxy to attend the shareholders' meeting but instead intends to attend the shareholders' meeting by video conference, that shareholder may revoke the proxy in writing.</p>
Article 5	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p> <p><u>The restrictions on the place of the meeting shall not apply when the Company convenes a virtual-only shareholders meeting.</u></p>	<p>The venue for a shareholders meeting shall be the premises of the Company, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.</p>	<p>When holding a video conference shareholders' meeting, the Company is not subject to restrictions on place of meeting.</p>
Article 6	<p>The Company shall specify in its shareholders' meeting notices the time during which shareholder, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph,</p>	<p>The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.</p> <p>The time during which shareholder attendance registrations will be accepted, as</p>	<p>The time and procedure for registration of</p>

<p>shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. For virtual shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes before the meeting starts. Shareholders completing registration will be deemed as attend the shareholders meeting in person.</p> <p>Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>.....</p> <p><u>In the event of a virtual shareholders meeting, shareholders wishing to attend the meeting online shall register with the Company two days before the meeting date.</u></p> <p><u>In the event of a virtual shareholders meeting, the Company shall upload the meeting handbook, annual</u></p>	<p>stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><u>Shareholders and their proxies (collectively, "shareholders")</u> shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>.....</p>	<p>shareholders who attend by video conferencing</p> <p>Shareholders who intend to attend the meeting by video conferencing should register before the meeting.</p> <p>In the event of a video</p>
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	<p>report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</p>		<p>conference shareholders' meeting, the Company shall upload the materials to the dedicated platform.</p>
<p><u>Article 6-1</u></p>	<p>To convene a virtual shareholders meeting, the Company shall include the follow particulars in the shareholders meeting notice:</p> <p>I. How shareholders attend the virtual meeting and exercise their rights.</p> <p>II. Actions to be taken if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events, at least covering the following particulars:</p> <p>(I) To what time the meeting is postponed or from what time the meeting will resume if the above impediment continues and cannot be removed, and the date to which the meeting is postponed or on which the meeting will resume.</p> <p>(II) Shareholders not having registered to attend the affected virtual shareholders meeting shall not attend the postponed or resumed session.</p> <p>(III) In case of a hybrid shareholders meeting, when the virtual meeting cannot be continued, if the total number of shares represented at the meeting, after deducting those represented</p>	<p>(This article is newly added)</p>	<p>The content of the shareholders meeting notice must include the methods for shareholders' participation in video conferencing and methods for exercising shareholder rights, as well as the handling method in the event of impediment to participation on the virtual conference platform or by video due to a natural disaster, incident, or other force majeure.</p>

	<p>by shareholders attending the virtual shareholders meeting online, meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue. The shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, and the shareholders attending the virtual meeting online shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</p> <p>(IV) Actions to be taken if the outcome of all proposals have been announced and extraordinary motion has not been carried out.</p> <p>III. To convene a virtual-only shareholders meeting, appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online shall be specified.</p>		
Article 8	<p>.....</p> <p>Where a shareholders meeting is held online, the Company shall keep records of shareholder registration, sign-in, check-in, questions raised, votes cast and results of votes counted by the Company, and continuously audio and video record, without</p>	<p>.....</p> <p>(Newly added)</p>	<p>It is stipulated that the Company shall record and preserve the relevant materials of shareholders' meetings held by video conference, and shall continuously and</p>

	<p><u>interruption, the proceedings of the virtual meeting from beginning to end.</u></p> <p><u>The information and audio and video recording in the preceding paragraph shall be properly kept by the Company during the entirety of its existence, and copies of the audio and video recording shall be provided to and kept by the party appointed to handle matters of the virtual meeting.</u></p> <p><u>In case of a virtual shareholders meeting, the Company is advised to audio and video record the back-end operation interface of the virtual meeting platform.</u></p>	<p>(Newly added)</p> <p>(Newly added)</p>	<p>uninterruptedly record and videotape the entire video conference and keep it properly.</p>
<p>Article 9</p>	<p>Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected and <u>the shares checked in on the virtual meeting platform</u> plus the amount of shares where voting rights are exercised in writing or through electronic means.</p> <p>The chairperson shall announce the commencement of the meeting as soon as the appointed time arrives <u>and disclose information concerning the number of nonvoting shares and number of shares represented by the shareholders attending the meeting.</u></p>	<p>Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised in writing or electronically.</p> <p>The chairperson shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no</p>	<p>It is expressly stipulated that when the Company convenes a shareholders' meeting by video conference, the number of shares of shareholders who have completed check-in by video shall be added together.</p> <p>Amended to improve corporate governance and protect the rights and interests of shareholders.</p>

	<p>The Chairperson shall call the meeting to order as soon as the appointed time arrives. However, if those in attendance represent less than half of the Company's outstanding shares, the Chairperson may announce postponement up to two times for a period totaling no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairperson shall declare the meeting adjourned. <u>In the event of a virtual shareholders meeting, the Company shall also declare the meeting adjourned at the virtual meeting platform.</u></p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, Paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month. <u>In the event of a virtual shareholders meeting, shareholders intending to attend the meeting online shall re-register to the Company in accordance with Article 6.</u></p> <p>When, prior to conclusion of the</p>	<p>more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairperson shall declare the meeting adjourned.</p> <p>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within 1 month.</p>	<p>If the chairman announces adjournment of the meeting, the Company shall separately announce the adjournment on the platform.</p> <p>If the Company makes a tentative resolution and convenes a separate shareholders' meeting, shareholders who wish to attend by video shall re-register.</p>
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	meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.	When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.	
Article 11	<p>.....</p> <p><u>Where a virtual shareholders meeting is convened, shareholders attending the virtual meeting online may raise questions in writing at the virtual meeting platform from the chair declaring the meeting open until the chair declaring the meeting adjourned. No more than two questions for the same proposal may be raised. Each question shall contain no more than 200 words. The regulations in paragraphs 1 to 5 do not apply.</u></p> <p><u>As long as questions so raised in accordance with the preceding paragraph are not in violation of the regulations or beyond the scope of a proposal, it is advisable the questions be disclosed to the public at the virtual meeting platform.</u></p>	<p>.....</p> <p>(Newly added)</p> <p>(Newly added)</p>	<p>To specify the manner, procedure, and restrictions for shareholders participating in shareholders' meetings by video to ask questions.</p> <p>The questions asked by the shareholders should be disclosed on the video platform to facilitate understanding the content of the questions asked by the shareholders.</p>
Article 13	<p>.....</p> <p>After a shareholder has exercised voting rights in writing or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person <u>or on line</u>, a written declaration of intent to retract the voting rights</p>	<p>.....</p> <p>After a shareholder has exercised voting rights in writing or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already</p>	

<p>already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or electronic means shall prevail. When a shareholder has exercised voting rights both in writing or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>.....</p> <p>When the Company convenes a virtual shareholders meeting, after the chairman declares the meeting open, shareholders attending the meeting online shall cast votes on proposals and elections on the virtual meeting platform before the chair announces the voting session ends or will be deemed abstained from voting.</p> <p>In the event of a virtual shareholders meeting, votes shall be counted at once after the</p>	<p>exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised in writing or electronic means shall prevail. When a shareholder has exercised voting rights both in writing or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>.....</p> <p>(Newly added)</p> <p>(Newly added)</p>	<p>Shareholders who participate by video can vote from the time when the chairman announces the meeting to the time when the voting is closed, however, a one-time vote count is required. A shareholder who has completed the registration of attendance by video and changes the intention to attendance in the physical shareholders' meeting in person, that shareholder shall cancel the registration</p>
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	<p><u>chairman announces the voting session ends, and results of votes and elections shall be announced immediately.</u></p> <p><u>When the Company convenes a hybrid shareholders meeting, if shareholders who have registered to attend the meeting online in accordance with Article 6 decide to attend the physical shareholders meeting in person, they shall revoke their registration two days before the shareholders meeting in the same manner as they registered. If their registration is not revoked within the time limit, they may only attend the shareholders meeting online.</u></p> <p><u>When shareholders exercise voting rights by correspondence or electronic means, unless they have withdrawn the declaration of intent and attended the shareholders meeting online, except for extraordinary motions, they will not exercise voting rights on the original proposals or make any amendments to the original proposals or exercise voting rights on amendments to the original proposal.</u></p>	<p>(Newly added)</p> <p>(Newly added)</p>	<p>before the meeting.</p> <p>Shareholders who exercise their voting rights in writing or through electronic means without revoking their intentions must still register to participate in the shareholders' meeting by video.</p>
<p>Article 14</p>	<p>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 immediately, including the names</p>	<p>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 immediately, including the names</p>	<p>Amended to improve corporate governance and protect the rights and interests of shareholders.</p>

	<p>the number of shares represented by proxies as well as the number of shares represented by shareholders attending the meeting by correspondence or electronic means, and shall make an express disclosure of the same at the place of the shareholders' meeting. In the event a virtual shareholders meeting, this Corporation shall upload the above meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.</p> <p>During the Company's virtual shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.</p> <p>.....</p>	<p>number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders' meeting.</p> <p>(Newly added)</p> <p>.....</p>	<p>number of shares and voting rights of the shareholders present at least 30 minutes prior to the commencement of the meeting and up until the adjournment of the meeting, so that shareholders participating in the shareholders' meeting video conference may simultaneously know shareholders' attendance rights.</p>
<p>Article 19</p>	<p>In the event of a virtual shareholders meeting, the Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least 15 minutes after the chair has announced the meeting adjourned.</p>	<p>(This article is newly added)</p>	<p>To regulate sufficient information disclosure time, so that shareholders participating in the shareholders' meeting video conference can immediately know the voting status and election results of various proposals.</p>

<p><u>Article 20</u></p>	<p><u>When the Company convenes a virtual-only shareholders meeting, both the chairman and secretary shall be in the same location, and the chairman shall declare the address of their location when the meeting is called to order.</u></p>	<p>(This article is newly added)</p>	<p>When it is stipulated that the shareholders' meeting will be held by video conference, the chairman shall announce the address of the venue at the time of commencing the meeting.</p>
<p><u>Article 21</u></p>	<p><u>In the event of a virtual shareholders meeting, the Company may offer a simple connection test to shareholders prior to the meeting, and provide relevant real-time services before and during the meeting to help resolve communication technical issues.</u></p> <p><u>In the event of a virtual shareholders meeting, when declaring the meeting open, the chairman shall also declare, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under Article 44-20, paragraph 4 of the Regulations Governing the Administration of Shareholder Services of Public Companies, if the virtual meeting platform or participation in the virtual meeting is obstructed due to natural disasters, accidents or other force majeure events before the chairman has announced the meeting adjourned, and the obstruction continues for more than 30 minutes, the meeting shall be postponed to or resumed on another date within five days, in</u></p>	<p>(This article is newly added)</p>	<p>Stipulating relevant methods for handling matters when the shareholders' meeting is held by video conference, in the event of impediment to participation on the video conference platform or by video due to a natural disaster, incident, or other force majeure.</p>

<p>which case Article 182 of the Company Act shall not apply.</p> <p>For a meeting to be postponed or resumed as described in the preceding paragraph, shareholders who have not registered to participate in the affected shareholders meeting online shall not attend the postponed or resumed session.</p> <p>For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.</p> <p>During a postponed or resumed session of a shareholders meeting held under the paragraph 2 , no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors.</p> <p>When the Company convenes a hybrid shareholders meeting, and the virtual meeting cannot continue as described in second paragraph, if the total number of</p>		
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<p>shares represented at the meeting, after deducting those represented by shareholders attending the virtual shareholders meeting online, still meets the minimum legal requirement for a shareholder meeting, then the shareholders meeting shall continue, and not postponement or resumption thereof under the second paragraph is required.</p> <p>Under the circumstances where a meeting should continue as in the preceding paragraph, the shares represented by shareholders attending the virtual meeting online shall be counted towards the total number of shares represented by shareholders present at the meeting, provided these shareholders shall be deemed abstaining from voting on all proposals on meeting agenda of that shareholders meeting.</p> <p>When postponing or resuming a meeting according to the second paragraph, this Corporation shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under Article 44-20, paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies.</p> <p>For dates or period set forth under Article 12, second half, and Article 13, paragraph 3 of Regulations Governing the Use of</p>		
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	<u>Proxies for Attendance at Shareholder Meetings of Public Companies, and Article 44-5, paragraph 2, Article 44-15, and Article 44-17, paragraph 1 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the paragraph 2.</u>		
<u>Article 22</u>	<u>When convening a virtual-only shareholders meeting, this Corporation shall provide appropriate alternative measures available to shareholders with difficulties in attending a virtual shareholders meeting online.</u>	(This article is newly added)	For shareholders not digitally literate, appropriate alternatives must be provided.
<u>Article 23</u>	<u>(Article number changed)</u>		

YFY Inc.

Asset Acquisition or Disposal Procedures

(Basis)

Article 1. These Procedures are set in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

(Applicable scope of assets)

Article 2. In addition to YFY's transactions with related persons, the acquisition or disposal of assets managed through transactions of derivatives and, according to law, mergers, divisions, acquisitions, or share transfer should be handled in accordance with their respective procedures. The applicable scope of assets mentioned in these Procedures is as follows:

- (I) Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
- (II) Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.
- (III) Memberships.
- (IV) Patents, copyrights, trademarks, franchise rights, and other intangible assets.
- (V) Right-of-use assets.
- (VI) Claims of financial institutions (including receivables, bills purchased and discounted, loans, and overdue receivables).
- (VII) Other major assets.

(Investment quota)

Article 3. YFY can invest in a variety of assets, with the following quota limitations:

- (I) The total value of a real property asset and right-of-use assets thereof not intended for operations must not be purchased at more than 10% of the total asset.
- (II) Investment amount in Mainland China must not exceed the investment amount upper limits as set by competent authorities.
- (III) In accordance with YFY's regulations, foreign long-term securities investment amounts (including investments in Mainland China) are not under restriction to 40% of the paid-in capital. Single portfolio investments must be resolved in shareholders' meetings and must not exceed 75% of the total assets.
- (IV) The total amount of short-term securities investments must not exceed 100% of the total assets. Therefore, single portfolio investments must not exceed 75% of the total asset.

YFY's subsidiaries may purchase real property not intended for operations or to be

included in the total amount of securities and can invest in individual securities following the same quota set by the parent company.

(Applicable notice standards)

Article 4. Under any of the following circumstances, YFY shall, within 2 days from the date of occurrence of the event, publicly announce the relevant information about the acquisition or disposal of assets on the designated website of the Financial Supervisory Commission, using the specified format:

- (I) Where the type of asset acquired or disposed of is equipment or its right-to-use asset for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$1 billion.
- (II) The acquisition or disposal of real property or right-of-use assets thereof intended for construction, where the trading counterparty is not related and the transaction amount exceeds NT\$500 million.
- (III) Where land is acquired under an arrangement on commissioning others to build on the Company's own land, engaging others to build on leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.
- (IV) Asset transactions other than the ones specified in the three preceding Subparagraphs or investments in Mainland China that amount to 20% of the company's paid-up capital or more than NT\$300 million. This shall not apply to the following circumstances:
 1. Buying and selling domestic government bonds or foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan.
 2. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of foreign government bonds or 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, or subscription or redemption of exchange traded notes.
 3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds that are issued by securities investment trust companies.

The amount of transactions above shall be calculated as follows:

- (I) The amount of any individual transaction.
- (II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding

year.

(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.

(Amount basis for non-New Taiwan Dollar transactions)

Article 5. When transactions are not based on New Taiwan Dollar as the currency, the acquisition or disposal transaction should be based on the equivalent value in US dollars or another foreign currency.

(Calculation of the transaction value)

Article 6. "Transaction value" refers to the agreed upon price of the acquisition or disposal. All other necessary expenses incurred before reaching the status of use due to acquisition are accounted for as part of the cost of assets but are not included in the calculation basis of this procedure.

(Managing procedures)

Article 7. When acquiring or disposing of assets, procedures shall be adopted in accordance with the category of asset it is applicable to, as follows:

(I) Application:

To acquire or dispose of assets, the relevant asset management department shall assess the gains and losses according to "long- and short-term equity investment evaluation essentials" or "fixed assets management measures" or other methods that are sufficient to ensure the Company's investment interests and shall, if necessary, meet relevant departments. According to the authorization level of the Company, it shall be processed after it is submitted for verification.

The following listed assets do not require pre-investment evaluation, due to the low level of asset transaction risk:

1. Trading of bonds under repurchase and resale agreements.
2. Subscription or redemption of domestic money market funds that are issued by securities investment trust companies.

(II) Appraisal:

1. For the purchase or sale of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's

paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:

- (1) If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 20% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price. The discrepancy between the appraised value and the transaction value mentioned in this procedure is based on the transaction value.
 - (2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more appraising entities shall be obtained. If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 10% that of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price.
 - (3) No more than 3 months may elapse between the date of the appraisal report issued by an appraising entity and the contract execution date; If the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may be issued by the original appraising entity.
 - (4) When acquiring or disposing of real property intended for construction or other fixed assets, unless there is a reasonable cause for being unable to obtain an immediate appraisal report, this shall be obtained within two weeks of the occurrence of events and follow CPA suggestions as per (1) and (2), except where a limited price, specific price, or special price is used as reference for the transaction price.
2. When the Company acquires or disposes of marketable securities, it shall obtain the most recent financial statements of the issuing company which have been prepared, checked, certified, or reviewed by a CPA before the date of the occurrence as a reference for evaluating the transaction price. If the transaction amount reaches 20% of the Company's paid-in capital or is NT\$300 million or more, a CPA must be consulted for an opinion on the reasonableness of the transaction price prior to the date of the occurrence. This requirement does not apply, however, to securities with publicly quoted prices from an active market, or if it has been otherwise provided by the regulations of the Financial

Supervisory Commission (FSC).

3. Where the Company acquires or disposes of intangible assets, right-of-use assets thereof or memberships and the transaction amount reaches 20% of paid-in capital or NT\$300 million or more, unless otherwise transacting with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence to render an opinion on the reasonableness of the transaction price.
4. Where the acquisition or disposal of assets has been through court auction procedures, the evidentiary documentation issued by the court may be used as a substitute for the appraisal report or CPA opinion.
5. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:
 - (1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
 - (2) May not be a related party or de facto related party of any party to the transaction.
 - (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.

When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions:

- (1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.
- (2) When executing 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's working papers.
- (3) They shall undertake an item-by-item evaluation of the appropriateness 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.

- (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 appropriate and reasonable, and that they have complied with applicable laws and regulations.
6. The calculation of the transaction amounts should follow the procedures as set forth in Article 4. "Within one year" as used herein refers to the year preceding the date of occurrence of the current transaction. The basis for calculation, however, shall not include any transactions for which a professional appraisal report or CPA's opinion has been obtained according to the procedures.
- (III) Tender price comparison or bargaining:
Following the appraisal, the relevant asset management department shall formulate a bottom price and follow procedures for tendering or price comparison. Should the current situation not allow for tendering or price comparison, the relevant party shall proceed with bargaining.
- (IV) Contract signing:
The results of the price comparison or bargaining should be adopted when signing a transaction contract with the counterparty, and the acting parties shall strive to ensure the interests of the Company.
- (V) Public disclosure and reporting:
When acquiring or disposing of assets, if compliant with Article 4 of these Procedures, the undertaking party shall inform the stock department using the stipulated format and nature. The stock department shall announce the relevant information on the reporting website designated by the competent authority within two days of the occurrence of events.
When, at the time of public announcement, there is a necessary correction to an error or omission in an item required by the regulations to be publicly announced, all the items shall be again publicly announced in their entirety within 2 days, commencing immediately from the date on which the error or omission is discovered.
If after the announcement there is an amendment, termination, or call off of the contract related to the signing of the transaction or if there is an amendment to the content of the announcement, relevant information shall be announced on the reporting website designated by the competent authority within two days of the occurrence of events.
- (VI) Reporting to the Board of Directors:
1. Should, for a special reason, the limited price, specific price, or special price be used as a reference for the transaction price, and the transaction's value falls under the announcement criteria as stipulated in Article 4, one-half of the Audit Committee must approve, and it must be submitted to the Board of Directors for

approval; Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the board meeting. Should a director express objection and have an audio or written record, this information shall be delivered to the Audit Committee. For future amendment in transaction conditions, comparable procedures should be followed.

2. In addition to the procedures in the preceding Subparagraph, if the transaction value falls under the criteria stipulated in Article 4 of the announcement, following the acquisition or disposal it should be reported to the Board of Directors for inspection.
3. The Company shall fully consider the opinions of each independent director when submitting it to the Board of Directors for discussion in accordance with this paragraph. Any dissenting opinions or reservations of independent directors shall be stated in the minutes of the board meeting.

(VII) Acceptance or inventory:

The acquisition and disposal of assets shall require the close examination and inspection by item according to the content and conditions of the contract and related documents. If a discrepancy is found, it must be denoted with a signature.

(VIII) Registration of rights to assets:

In the acquisition of real property, the rights to assets must be registered to the competent authority within the statutory period. Any changes shall likewise require registration.

- (IX) The department of general affairs shall handle insurance for the assets in accordance with its nature and current status.

(Definition of date of occurrence)

Article 8. Refers to the earliest of the signing date, payment date, commission date, date of ownership transfer, Board of Directors' resolution date, or any other dates when the transaction counterparty and the amount can be verified with certainty (based on the former). however, for investment for which approval of the competent authority is required, the earlier of the above date or the date of receipt of approval by the competent authority shall apply.

(Subsidiary information announcement)

Article 9. YFY's subsidiaries that are not publicly listed companies in the domestic market but have acquired or disposed of assets according to the announcement report criteria should inform YFY in written form immediately after the date of occurrence of events. YFY shall report on the reporting website designated by the competent authority within two days of the occurrence of events.

The subsidiaries mentioned in these Procedures shall be defined by the Regulations

Governing the Preparation of Financial Reports by Securities Issuers.

(Penalization for dereliction of duty)

Article 10. Relevant staff members who do not follow the procedures of acquisition and disposal of assets shall be penalized.

(Data retention)

Article 11. When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and opinions of the certified public accountant, attorney and securities underwriter at the Company headquarters, where they shall be retained for five years, except where otherwise provided by laws and regulations.

(Matters not mentioned herein)

Article 12. Other matters not mentioned herein in these Procedures shall be conducted in accordance with the provisions stipulated in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

YFY's subsidiaries may establish handling procedures for the acquisition or disposal of assets. If no procedures are established, relevant matters shall be handled in accordance with these Procedures.

(Miscellaneous)

Article 13. The establishment and amendment of these Procedures shall receive the approval of one-half of the Audit Committee and shall be submitted for approval by the Board of Directors and the shareholders. Should a director express an objection and provide audio or written record, this shall be delivered to the Audit Committee. Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the board meeting.

The Procedures' definition of "all of the Audit Committee and all directors" refers to those who are currently in office.

YFY Inc.

Amendment Table of Asset Acquisition or Disposal Procedures

Article	Amended articles	Existing Article	Description
Article 4	<p>Under any of the following circumstances, YFY shall, within 2 days from the date of occurrence of the event, publicly announce the relevant information about the acquisition or disposal of assets on the designated website of the Financial Supervisory Commission, using the specified format:</p> <p>(I) Where the type of asset acquired or disposed of is equipment or its right-to-use asset for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$1 billion.</p> <p>(II) The acquisition or disposal of real property or right-of-use assets thereof intended for construction, where the trading counterparty is not related and the transaction amount exceeds NT\$500 million.</p> <p>(III) Where land is acquired under an arrangement on commissioning others to build on the Company's own land, engaging others to build on leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or</p>	<p>Under any of the following circumstances, YFY shall, within 2 days from the date of occurrence of the event, publicly announce the relevant information about the acquisition or disposal of assets on the designated website of the Financial Supervisory Commission, using the specified format:</p> <p>(I) Where the type of asset acquired or disposed of is equipment or its right-to-use asset for business use, the trading counterparty is not a related party, and the transaction amount is more than NT\$1 billion.</p> <p>(II) The acquisition or disposal of real property or right-of-use assets thereof intended for construction, where the trading counterparty is not related and the transaction amount exceeds NT\$500 million.</p> <p>(III) Where land is acquired under an arrangement on commissioning others to build on the Company's own land, engaging others to build on leased land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or</p>	<p>1. Amendments to some articles pursuant to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies amended on January 28, 2022.</p> <p>2. Buying and selling domestic government bonds or foreign government bonds with a credit rating not lower than Taiwan's sovereign credit rating are also exempted from announcement and declaration.</p> <p>3. Subscription of foreign government bonds offered and issued in the primary market, or subscription or redemption of securities are also exempt from public announcement and</p>

	<p>joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(IV) Asset transactions other than the ones specified in the three preceding Subparagraphs or investments in Mainland China that amount to 20% of the company's paid-up capital or more than NT\$300 million. This shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Buying and selling domestic government bonds or <u>foreign government bonds with a credit rating not lower than the sovereign rating of Taiwan.</u> 2. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of <u>foreign government bonds</u> or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in 	<p>joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million.</p> <p>(IV) Asset transactions other than the ones specified in the three preceding Subparagraphs or investments in Mainland China that amount to 20% of the company's paid-up capital or more than NT\$300 million. This shall not apply to the following circumstances:</p> <ol style="list-style-type: none"> 1. Trading of domestic government bonds. 2. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of foreign bonds or ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or 	<p>declaration.</p>
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	<p>the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>subscription or redemption of exchange traded notes.</u></p> <p>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds that are issued by securities investment trust companies.</p> <p>The amount of transactions above shall be calculated as follows:</p> <p>(I) The amount of any individual transaction.</p> <p>(II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative</p>	<p>subscription or redemption of securities investment trust funds or futures trust funds, or subscription or resale of exchange-traded note.</p> <p>3. Trading of bonds under repurchase and resale agreements, or subscription or redemption of domestic money market funds that are issued by securities investment trust companies.</p> <p>The amount of transactions above shall be calculated as follows:</p> <p>(I) The amount of any individual transaction.</p> <p>(II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same</p>	
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	<p>acquisitions and disposals, respectively) of the same security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p>	<p>security within the preceding year.</p> <p>"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p>	
Article 7	<p>When acquiring or disposing of assets, procedures shall be adopted in accordance with the category of asset it is applicable to, as follows:</p> <p>.....</p> <p>(II) Appraisal:</p> <ol style="list-style-type: none"> 1. For the purchase or sale of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for 	<p>When acquiring or disposing of assets, procedures shall be adopted in accordance with the category of asset it is applicable to, as follows:</p> <p>.....</p> <p>(II) Appraisal:</p> <ol style="list-style-type: none"> 1. For the purchase or sale of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets 	<ol style="list-style-type: none"> 1. Same as above. 2. When an external expert issues an appraisal report or opinion, in addition to the relevant operational matters that should be handled when accepting and executing a case, it shall also comply with the legal regulations of the respective industry association. Thus, text was deleted stating that accountants should follow the Statement of Auditing Standards.

	<p>business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 20% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price. The discrepancy between the appraised value and the transaction value mentioned in this procedure is based on the transaction value.</p> <p>.....</p>	<p>thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 20% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price <u>in accordance with Statement on Auditing Standards No. 20, published by the Accounting Research and Development Foundation of the Republic of China (ARDF)</u>, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price. The discrepancy between the appraised value and the transaction value mentioned in this</p>	
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	<p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more appraising entities shall be obtained. If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 10% that of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price.</p> <p>.....</p> <p>2. When the Company acquires or disposes of marketable securities, it shall obtain the most recent financial statements of the issuing company which have been prepared, checked, certified, or reviewed by</p>	<p>procedure is based on the transaction value.</p> <p>(2) Where the transaction amount is NT\$1 billion or more, appraisals from two or more appraising entities shall be obtained. If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 10% that of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price <u>in accordance with Statement on Auditing Standards No. 20, published by the ARDE</u>, except in situations where the appraised price is higher than the acquisition price or lower than the disposal price.</p> <p>2. When the Company acquires or disposes of marketable securities, it shall obtain the most recent financial statements of the issuing company which have been prepared, checked, certified, or reviewed by</p>	
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	<p>a CPA before the date of the occurrence as a reference for evaluating the transaction price. If the transaction amount reaches 20% of the Company's paid-in capital or is NT\$300 million or more, a CPA must be consulted for an opinion on the reasonableness of the transaction price prior to the date of the occurrence. This requirement does not apply, however, to securities with publicly quoted prices from an active market, or if it has been otherwise provided by the regulations of the Financial Supervisory Commission (FSC).</p> <p>3. Where the Company acquires or disposes of intangible assets, right-of-use assets thereof or memberships</p>	<p>a CPA before the date of the occurrence as a reference for evaluating the transaction price. If the transaction amount reaches 20% of the Company's paid-in capital or is NT\$300 million or more, a CPA must be consulted for an opinion on the reasonableness of the transaction price prior to the date of the occurrence. <u>If the CPA requires the evidence of an expert report, the CPA shall do so in accordance with the provisions of the Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to securities with publicly quoted prices from an active market, or if it has been otherwise provided by the regulations of the Financial Supervisory Commission (FSC).</p> <p>3. Where the Company acquires or disposes of intangible assets, other right-of-use assets thereof or memberships and the transaction amount reaches 20% of paid-in capital or</p>	
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	<p>and the transaction amount reaches 20% of paid-in capital or NT\$300 million or more, unless otherwise transacting with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence to render an opinion on the reasonableness of the transaction price.</p> <p>4. Where the acquisition or disposal of assets has been through court auction procedures, the evidentiary documentation issued by the court may be used as a substitute for the appraisal report or CPA opinion.</p> <p>5. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(1) May not have previously received a final and unappealable</p>	<p>NT\$300 million or more, unless otherwise transacting with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence to render an opinion on the reasonableness of the transaction price. <u>The certified public accountant shall comply with the provisions of Statement of Auditing Standards No. 20 promulgated by the ARDF.</u></p> <p>4. Where the acquisition or disposal of assets has been through court auction procedures, the evidentiary documentation issued by the court may be used as a substitute for the appraisal report or CPA opinion.</p> <p>5. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions</p>	
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	<p>sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related party or de facto related party of any party to the transaction.</p> <p>(3) If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal</p>	<p>shall meet the following requirements:</p> <p>(1) May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities and Exchange Act, the Company Act, the Banking Act, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</p> <p>(2) May not be a related party or de facto related party of any party to the transaction.</p> <p>(3) If the Company is required to obtain appraisal reports from</p>	
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	<p>officers may not be related parties or de facto related parties of each other.</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply <u>with the self-regulatory rules of the industry associations to which they belong</u> and with the following provisions:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(2) When <u>executing</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's working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>appropriateness</u> and</p>	<p>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> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</p> <p>(1) Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</p> <p>(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's</p>	
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	<p>reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or 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</u> and reasonable, and that they have complied with applicable laws and regulations.</p> <p>6. The calculation of the transaction amounts should follow the procedures as set forth in Article 4. "Within one year" as used herein refers to the year preceding the date of occurrence of the current transaction. The basis for calculation, however, shall not include any transactions for which a professional appraisal report or CPA's opinion has been obtained</p>	<p>working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>comprehensiveness</u>, <u>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.</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 reasonable <u>and accurate</u>, and that they have complied with applicable laws and regulations.</p> <p>6. The calculation of the transaction amounts should follow the procedures as set forth in Article 4. "Within one year" as used herein refers to the year preceding the date of occurrence of the current transaction. The basis for calculation, however,</p>	
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	<p>according to the procedures.</p> <p>.....</p>	<p>shall not include any transactions for which a professional appraisal report or CPA's opinion has been obtained according to the procedures.</p> <p>.....</p>	
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YFY Inc.

Procedures for Transactions with Related Parties

(Basis)

Article 1. These Procedures are set in accordance with the "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

(Scope of application)

Article 2. When the Company engages in acquisition or disposal of assets from or to a related party, the Company shall comply with this Procedure, in addition to YFY's Asset Acquisition and Disposal Procedure.

The related parties mentioned in these Procedures shall be defined by the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(Investment quota)

Article 3. The acquisition or disposal of real property for non-operating purpose from or to related parties may not exceed 10% of YFY's paid-in capital.

The maximum amount of assets that YFY's subsidiary can acquire shall be the same as that of the parent company.

(Amount basis for non-New Taiwan Dollar transactions)

Article 4. When a transaction amount is not expressed in NTD, then the equivalent USD or other equivalent currencies shall be adopted as the calculation basis for asset acquisition.

(Calculation of the transaction value)

Article 5. "Transaction value" refers to the agreed upon price of the acquisition. Although other necessary expenses paid for assets that are acquired but not yet used must be included in the asset cost in the accounting book, they shall not be included in this Procedure and shall be calculated using the following method:

- I. The amount of any individual transaction.
- II. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
- III. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.
- IV. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

"Within the preceding year" as used in the preceding paragraph refers to the year preceding the date of occurrence of the current transaction.

(Managing procedures)

Article 6. The procedures for transactions with related parties are as follows:

I. Application:

The asset management department shall evaluate the gains or losses of an acquisition or disposal of assets from or to a related party in accordance with YFY's "Asset Acquisition and Disposal Procedure" and "Regulations Government Fixed Asset Management" or other methods that can ensure the Company's investment interests. Where necessary, the department shall notify relevant departments and submit the evaluation according to the Company's delegated authority level for approval.

II. Appraisal: In acquiring or disposing of assets from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total asset, or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser or certified public accountant and shall further comply with the following provisions:

- (I) If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 20% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price. The discrepancy between the appraised value and the transaction value mentioned in this procedure is based on the transaction value. This provision does not apply when all the appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are lower than the transaction price.
- (II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. If an appraisal conducted by two or more appraising entities exhibits a discrepancy exceeding 10% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price. This provision does not apply when all the appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are lower than the transaction price.
- (III) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, that where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.
- (IV) Except where a limited price or specified price is employed for the acquisition or disposal of real property for construction use from or to a related party as the reference basis for the transaction price, if an appraisal report cannot be obtained in time and there is a legitimate reason for the delay, the report, and the certified public accountant's opinion Items 1 and 2 of the preceding paragraph, shall be

obtained within 2 weeks commencing immediately from the date of occurrence.

- (V) Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide the Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall not be a related party of any party to the transaction.
- (VI) Where the Company acquires real property or right-of-use assets thereof from a related party, the Company shall appraise the rationality of the transaction cost in accordance with the following methods, and it shall also engage a CPA to check the appraisal and render a specific opinion:

1. Based upon the related party's transaction price plus necessary interest on funding and the costs to be duly borne by the buyer. Necessary interest on funding is imputed as the weighted average interest rate on borrowing in the year the Company purchases the property; provided, it may not be higher than the maximum non-financial industry lending rate announced by the Ministry of Finance.
2. If the related party has previously pledged the property as collateral to borrow from a financial institution, then the value estimated by the financial institution should be used as reference, provided that the financial institution lent more than 70% of the property value for more than 1 year. However, this may not apply where the financial institution is a related party of one of the trading counterparties.

Where land and buildings thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the buildings may be separately appraised in accordance with either of the means listed in this subparagraph.

Where the Company acquires real property or right-of-use assets thereof from a related party and one of the following circumstances exists, the acquisition shall not be applicable to the appraisal methods prescribed herein:

1. The related party acquired the real property or right-of-use assets thereof through inheritance or as a gift.
 2. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property or right-of-use assets thereof to the signing date for the current transaction.
 3. The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build real property, either on the Company's own land or on rented land.
 4. The real property right-of-use assets for business use are acquired by the public company with its parent or subsidiaries, or by its subsidiaries in which directly or indirectly holds 100% of the issued shares or authorized capital.
- (VII) For acquisition of related party's real property through auction procedures of courts, the appraisal report or certified public accountant's opinion can be replaced by documents issued by the courts.

III. Reporting to the Board of Directors:

When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to and passed by the Board of Directors:

1. The purpose, necessity and anticipated benefit of the acquisition or disposal of assets.
2. The reason for choosing the related party as a transaction counterparty.
3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 6, Paragraph 2, Subparagraph 6 and Article 7.
4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party.
5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the fund utilization.
6. An appraisal report from a professional appraiser or a CPA's opinion obtained in compliance with Paragraph 2 of Article 6.
7. Restrictive covenants and other important stipulations associated with the transaction.

With respect to the types of transactions listed below, when conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to regulations delegate the board chairman to decide such matters when the transaction is within NT\$500 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:

1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.
2. Acquisition or disposal of real property right-of-use assets held for business use.

If the transaction amount has been passed by the Board of Directors following this Procedure, it shall be approved by more than half of all audit committee members and then submitted to the Board of Directors for resolution. Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the

board meeting. Should a director express objection and have an audio or written record, this information shall be delivered to the Audit Committee. For future amendment in transaction conditions, comparable procedures should be followed. When proposed for discussion by the Board of Directors, independent directors' opinions shall also be fully taken into consideration. Any objections or qualified opinions made by independent directors must be detailed in board meeting minutes.

If the Company or a non-domestic public subsidiary engages in a transaction from Paragraph 1, and the transaction amount is more than 10% of the Company's total assets, the Company may not proceed to enter into a transaction contract or make a payment until the materials listed in Paragraph 1 have been submitted to the shareholders' meeting for approval. However, this does not apply to transactions between the Company and its subsidiaries or between its subsidiaries.

The calculation of the transaction amounts referred to in Paragraph 1, and the preceding paragraph shall be made in accordance with Article 5 of the Procedures, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to the shareholders' meeting for approval and passed by the Board of Directors need not be counted toward the transaction amount.

IV. Contract signing:

The results of the price comparison or bargaining should be adopted when signing a transaction contract with the counterparty, and the acting parties shall strive to ensure the interests of the Company.

V. Public disclosure and reporting:

When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20% or more of paid-in capital, 10% or more of the Company's total assets, or NT\$300 million or more, the undertaking department shall notify the stock affairs department in the appropriate format. The stock affairs department shall publicly announce and report the relevant information on the website designated by the competent authority in the securities industry within 2 days commencing immediately from the occurrence of the event. Provided, this may not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

When, at the time of public announcement, there is a necessary correction to an error or omission in an item required by the regulations to be publicly announced, all the items shall be again publicly announced in their entirety within 2 days, commencing immediately from the date on which the error or omission is discovered.

Where a change, termination, or rescission of a contract signed in regard to the original transaction with respect to a transaction that the Company has already publicly announced, the relevant information shall be announced on the information reporting website designated by the competent authority in the securities industry within 2 days

commencing immediately from the date of occurrence of the event.

VI. Acceptance or inventory:

Real property acquired from or disposed to a related party shall be accepted or inventoried in accordance with the content or conditions of the agreement and relevant documents. Any non-conforming matters shall be signed and submitted for handling.

VII. Registration of rights to assets:

In acquiring real property from a related party, property right registration shall be handled with the competent authority within the statutory period. The same applies when changes are made.

VIII. The department of general affairs shall handle insurance for the assets in accordance with its nature and current status.

The 10% of total assets in these Procedures is calculated based on the total assets in the latest individual financial reports specified in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

(Handling of Abnormal Prices)

Article 7. In acquiring real property or right-of-use assets thereof from a related party and the appraised values arrived at in accordance with Article 6, Paragraph 2, Subparagraph 6 herein are uniformly lower than the transaction price, the following procedures shall be followed:

- I. A special reserve shall be set aside against the difference between the transaction price and the appraised cost for the real property or right-of-use assets thereof. These funds may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the equity method to account for its investment in another public company, then the special reserve shall be set aside pro rata in a proportion consistent with the share of the equity stake in the other company.
- II. The independent director members of the Audit Committee shall comply, *mutatis mutandis*, with Article 218 of the Company Act.
- III. Actions taken pursuant to the preceding two subparagraphs shall be reported to a General Shareholders' Meeting, and the details of the transaction shall be disclosed in the annual report and investment prospectus.

When the Company has set aside a special reserve under the preceding paragraph, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased or leased at a premium, or they have been disposed of, or the leasing contract has been terminated, or adequate compensation has been made, or the status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the securities competent authority has given its consent.

When the Company obtains real property or right-of-use assets thereof from a related party, it shall also comply with the preceding two paragraphs if there is other evidence indicating that the acquisition was not an arms length transaction.

The rule specified in the first paragraph, however, shall not apply to the following

situations if the Company could provide objective evidence, professional appraisal reports and a CPA's opinion on the reasonableness of the transaction terms:

- I. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
 - (I) Where undeveloped land is appraised in accordance with Article 6, Paragraph 2, Subparagraph 6, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
 - (II) Completed transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market leasing practices.
- II. Where the Company acquires real property or obtains real property right-of-use assets through leasing from a related party, it may provide evidence that the terms of the transaction are similar to the terms of completed transactions involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year.

Completed transactions involving neighboring or closely valued parcels of land in the preceding in principle refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; "Transactions for similarly-sized parcels", in principle, refers to transactions completed by unrelated parties for parcels with a land area of no less than 50% of the property in the planned transaction. "Within one year" refers to one year dating back from the date of occurrence of acquiring of the real property or right-of-use assets thereof.

(Definition of date of occurrence)

Article 8. Refers to the earliest of the signing date, payment date, commission date, date of ownership transfer, Board of Directors' resolution date, or any other dates when the transaction counterparty and the amount can be verified with certainty (based on the former). However, for investments that require the approval of the competent authority, the date of occurrence shall be determined as the earlier between the above dates and the date approved by the competent authority.

(Subsidiary information announcement)

Article 9. Company subsidiaries (as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers) is not a domestic public company. When the acquisition or disposal of asset by YFY's subsidiary from or to a related party meets

Article 6, the subsidiary shall notify the Company in writing on the date of occurrence. The Company shall follow this Procedure and publicly announce and report the relevant information on the website designated by the competent authority in the securities industry within 2 days commencing immediately from the date of occurrence of the event. With regard to the threshold for announcement or reporting by subsidiaries prescribed in Article 6 (i.e., 20% of paid-in capital or 10% of total assets), the calculation basis for the threshold shall be the paid-in capital or total assets of the Company.

(Penalization for dereliction of duty)

Article 10. Related personnel who fail to comply with this Procedure when transacting with related parties shall be punished.

(Data retention)

Article 11. When engaging in related party transactions, the Company shall keep all relevant contracts, meeting minutes, log books, appraisal reports and opinions of the certified public accountant, attorney and securities underwriter at the Company headquarters, where they shall be retained for five years, except where another act provides otherwise.

(Matters not mentioned herein)

Article 12. Other matters not mentioned herein in these Procedures shall be conducted in accordance with the provisions stipulated in "Regulations Governing the Acquisition and Disposal of Assets by Public Companies."

(Miscellaneous)

Article 13. The establishment and amendment of these Procedures shall receive the approval of one-half of the Audit Committee and shall be submitted for approval by the Board of Directors and the shareholders. Should a director express an objection and provide audio or written record, this shall be delivered to the Audit Committee. Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the board meeting.

The Procedures' definition of "all of the Audit Committee and all directors" refers to those who are currently in office.

YFY Inc.

Comparison Table of Amendment to the Company's Procedure for Transactions with Related Parties

Article	Amended articles	Existing Article	Description
Article 6	<p>The procedures for transactions with related parties are as follows:</p> <p>.....</p> <p>II. Appraisal: In acquiring or disposing of assets from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total asset, or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser or certified public accountant and shall further comply with the following provisions:</p> <p>(I) If an appraisal conducted by an appraising entity exhibits a discrepancy exceeding 20% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price. The discrepancy between the appraised value and the transaction value mentioned in this procedure is based on the transaction value. This</p>	<p>The procedures for transactions with related parties are as follows:</p> <p>.....</p> <p>II. Appraisal: In acquiring or disposing of assets from or to a related party where the transaction amount reaches 20% of the Company's paid-in capital, 10% of the Company's total asset, or NT\$300 million or more, the Company shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser or certified public accountant and shall further comply with the following provisions:</p> <p>(I) If the discrepancy between the result of the appraisal report of an appraisal institution and the transaction price exceeds 20%, the Company shall request a certified public accountant to handle the matter <u>in accordance with the provision of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and comment on the reason for the</p>	<p>1. Amendments to some articles pursuant to the Regulations Governing the Acquisition and Disposal of Assets by Public Companies amended on January 28, 2022.</p> <p>2. When an external expert issues an appraisal report or opinion, in addition to the relevant operational matters that should be handled when accepting and executing a case, it shall also comply with the legal regulations of</p>

	<p>provision does not apply when all the appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are lower than the transaction price.</p> <p>(II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. If an appraisal conducted by two or more appraising entities exhibits a discrepancy exceeding 10% of the transaction value, a CPA must be engaged to provide an opinion with regards to the discrepant value and the reasonableness of the transaction price. This provision does not apply when all the appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are</p>	<p>discrepancy and the fairness of the transaction price. The discrepancy between the appraised value and the transaction value mentioned in this procedure is based on the transaction value. This provision does not apply when all the appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are lower than the transaction price.</p> <p>(II) Where the transaction amount is NT\$1 billion or more, appraisals from two or more professional appraisers shall be obtained. If the discrepancy between the result of the appraisal report of two or more appraisal institutions and the transaction price exceeds 10%, the Company shall request a certified public accountant to handle the matter <u>in accordance with the provision of Statement of Auditing Standards No. 20 published by the ARDF</u> and comment on the reason for the discrepancy and the fairness of the transaction price. This provision does not apply when all the</p>	<p>the respective industry association. Thus, text was deleted stating that accountants should follow the Statement of Auditing Standards.</p> <p>3. In addition to the transactions between the Company and its subsidiaries or between its subsidiaries, where the Company and subsidiaries acquire or dispose of assets from related parties and the transaction amount is 10% or more of the Company's total assets, the Company may only proceed after submitting relevant information</p>
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	<p>lower than the transaction price.</p> <p>.....</p> <p>III. Reporting to the Board of Directors:</p> <p>When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to and passed by the Board of Directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit 	<p>appraisal results for the assets to be acquired are higher than the transaction price, or all the appraisal results for the assets to be disposed of are lower than the transaction price.</p> <p>.....</p> <p>III. Reporting to the Board of Directors:</p> <p>When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been submitted to and passed by the Board of Directors:</p> <ol style="list-style-type: none"> 1. The purpose, necessity and anticipated benefit 	<p>to the shareholders' meeting for its approval.</p>
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	<p>of the acquisition or disposal of assets.</p> <ol style="list-style-type: none"> 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 6, Paragraph 2, Subparagraph 6 and Article 7. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from 	<p>of the acquisition or disposal of assets.</p> <ol style="list-style-type: none"> 2. The reason for choosing the related party as a transaction counterparty. 3. With respect to the acquisition of real property or right-of-use assets thereof from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with Article 6, Paragraph 2, Subparagraph 6 and Article 7. 4. The date and price at which the related party originally acquired the real property, the original transaction counterparty, and that transaction counterparty's relationship to the Company and the related party. 5. Monthly cash flow forecasts for the year commencing from the anticipated month of signing of the contract, and evaluation of the necessity of the transaction, and reasonableness of the funds utilization. 6. An appraisal report from 	
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	<p>a professional appraiser or a CPA's opinion obtained in compliance with Paragraph 2 of Article 6.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p>With respect to the types of transactions listed below, when conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to regulations delegate the board chairman to decide such matters when the transaction is within NT\$500 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property 	<p>a professional appraiser or a CPA's opinion obtained in compliance with Paragraph 2 of Article 6.</p> <p>7. Restrictive covenants and other important stipulations associated with the transaction.</p> <p><u>The transaction amount in the preceding paragraph shall be calculated according to Article 5. Amounts that have already been approved by the Board of Directors may be excluded from calculation.</u></p> <p>With respect to the types of transactions listed below, when conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100% of the issued shares or authorized capital, the Company's Board of Directors may pursuant to regulations delegate the board chairman to decide such matters when the transaction is within NT\$500 million and have the decisions subsequently submitted to and ratified by the next Board of Directors meeting:</p> <ol style="list-style-type: none"> 1. Acquisition or disposal of equipment or right-of-use assets thereof held for business use. 2. Acquisition or disposal of real property 	
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	<p>right-of-use assets held for business purposes.</p> <p>If the transaction amount has been passed by the Board of Directors following this Procedure, it shall be approved by more than half of all audit committee members and then submitted to the Board of Directors for resolution. Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the board meeting. Should a director express objection and have an audio or written record, this information shall be delivered to the Audit Committee. For future amendment in transaction conditions, comparable procedures should be followed. When proposed for discussion by the Board of Directors, independent directors' opinions shall also be fully taken into consideration. Any objections or qualified opinions made by independent directors must be detailed in board meeting minutes.</p> <p><u>If the Company or a non-domestic public subsidiary engages in a transaction from Paragraph 1, and the transaction amount is more than 10% of the Company's total assets, the</u></p>	<p>right-of-use assets held for business purposes.</p> <p>If the transaction amount has been passed by the Board of Directors following this Procedure, it shall be approved by more than half of all audit committee members and then submitted to the Board of Directors for resolution. Should one-half of the Audit Committee not approve, an approval of two-thirds of the Board of Directors is required, and the Audit Committee's resolution should be recorded in the meeting minutes of the board meeting. Should a director express objection and have an audio or written record, this information shall be delivered to the Audit Committee. For future amendment in transaction conditions, comparable procedures should be followed. When proposed for discussion by the Board of Directors, independent directors' opinions shall also be fully taken into consideration. Any objections or qualified opinions made by independent directors must be detailed in board meeting minutes.</p>	
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	<p><u>Company may not proceed to enter into a transaction contract or make a payment until the materials listed in Paragraph 1 have been submitted to the shareholders' meeting for approval. However, this does not apply to transactions between the Company and its subsidiaries or between its subsidiaries.</u></p> <p><u>The calculation of the transaction amounts referred to in Paragraph 1, and the preceding paragraph shall be made in accordance with Article 5 of the Procedures, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been submitted to the shareholders' meeting for approval and passed by the Board of Directors need not be counted toward the transaction amount.</u></p> <p>.....</p>		
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YFY Inc.

Rules of Procedure for Shareholders' Meetings

Article 1. These Rules are formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and serve as the basis for the Company's shareholders' meeting governance mechanism.

Article 2. The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3. Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.

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

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Matters pertaining to the election or discharge of directors, alteration of the Articles of Incorporation, reduction of capital, application for the approval of ceasing the status of the Corporation as a public company, approval of competing with the Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, spin-off, or any matters as set forth in Paragraph 1, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extraordinary motions. The essential contents may be

posted on the website designated by the competent authority in charge of securities affairs or by the Corporation, and the website shall be indicated in the above notice.

The notices for convening the shareholders' meeting have stated the election of directors and the date on which they assume office. After the re-election is completed, the same meeting cannot change the date of assumption of office through extraordinary motions or other methods.

Shareholders holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at an annual general meeting of shareholders, however only one matter shall be allowed in each single proposal. If a proposal contains more than one matter, then the said proposal shall not be included in the agenda. A shareholder proposal that urges the Corporation to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the Board of Directors. In addition, when the circumstances of any subparagraph of Article 172-1, Paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before an annual general meeting of shareholders is held, this Corporation shall publicly announce that it will receive shareholder proposals in writing or by way of electronic transmission, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words. Proposals containing more than 300 words will not be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the annual general meeting of shareholders and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4. For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.

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

After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this

Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5. The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6. This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

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

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

Article 7. Shareholders meetings that are convened by the Chairman shall be chaired by the Chairman. If the Chairman is unable to perform such duties due to a leave of absence or any other reason, the Chairman may appoint one of the directors to act on the Chairman's behalf. If the Chairman does not appoint a delegate, one shall be elected by the directors from among them.

If the Meeting is chaired by a director other than the Chairman, it shall be one who is familiar with the Company's business and financial status and that had been appointed more than six months prior. The same shall be true for a representative of a juristic person director that serves as chairperson.

It is advisable that shareholders meetings convened by the board of directors be chaired by the Chairman of the Board in person, attended by a majority of directors, at least one independent director in person, and at least one member of each functional committee on

behalf of the committee. The attendance shall be recorded in the meeting minutes.

If a shareholders meeting is convened by someone having the right to convene a meeting, but who is not a member of the Board of Directors, the said person shall chair the meeting. If more than one person has the right to convene the meeting, one shall be elected to chair the meeting.

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

Article 8. This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 9. Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chairperson shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chairperson may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chairperson shall declare the meeting adjourned.

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

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chairperson may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10. If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be decided by the board of directors. Relevant motions (including extraordinary motions and amendments to the original motion) should be voted on a case-by-case basis. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders' meeting. However, extraordinary motions should be proposed within the scope permitted by law, within the time limit when the chairperson

puts the matter before all shareholders present at the meeting, and can only be included in the agenda after receiving approval from the attending shareholders in accordance with legal procedures.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors. Unless by the resolution of the shareholders' meeting, the chairperson may not declare the meeting ended until all items on the agenda (including extraordinary motions) arranged in the preceding two paragraphs have been completed. The shareholders cannot designate any other person as chairperson and continue the meeting in the same or another place after the meeting is adjourned. If the chairperson declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chairperson in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chairperson 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 chairperson is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chairperson may announce the discussion closed, call for a vote, and arrange an adequate voting time.

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

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

Except with the consent of the chairperson, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chairperson may terminate the speech.

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

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

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

Article 12. Voting at a shareholders meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders meetings, the number of shares held by a

shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

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

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

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

Article 13. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

When the Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. The method of exercise shall be specified in the shareholders meeting notice. Shareholders exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person. However, shareholders will be deemed to have waived their rights with respect to extraordinary motions and amendments to original proposals of that meeting.

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

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

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

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

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

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

Article 14. The election of directors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and the number of votes with which they were elected.

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

Article 15. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chairperson of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results (including statistical weights). When directors are elected, the number of votes for each candidate should be disclosed. The minutes shall be kept permanently throughout the life of the Corporation.

Article 16. On the day of a shareholders meeting, this Corporation shall compile in the prescribed

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

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

Article 17. Staff handling administrative affairs of the shareholders' meeting shall wear identification badges or arm-bands.

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

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

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

Article 18. When a meeting is in progress, the chairperson may announce a break based on time considerations. If a force majeure event occurs, the chairperson may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.

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

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

Article 19. These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

YFY Inc.

Articles of Incorporation

Chapter 1. General Provisions

Article 1: The Company shall be incorporated as a private company limited by shares in accordance with the Company Act and it shall be named: YFY Inc. (English name: YFY Inc.).

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

2. H201010 General Investment.

Article 2-1: The Company may provide external guarantees.

Article 2-2: The Company shall be exempt from the restrictions on total investment amount, which shall not exceed forty percent of the paid-up capital.

Article 3: The head office of the Company is established in Kaohsiung and may, subject to business requirement, set up branch office(s) at other appropriate locations, either locally or abroad.

Article 4: Public announcements of the Company shall be made in accordance with the Company Act.

Chapter 2. Shares

Article 5: The total authorized capital of the Company shall be NT\$22 billion, divided into 22 billion shares with a par value of NT\$10 each. Such shares may be issued by installments.

Article 6: Stocks of the Company shall be registered, signed or sealed by at least three directors. The stocks shall be issued after proper certification by the competent authority or its authorized registration institutes. Stocks issued by the Company as well as other securities are not required to be printed. The Company shall contact the centralized securities depository enterprise institution for registration of the share certificates.

Article 7: Shareholders shall fill in and submit to the Company a seal specimen card for safe keep. Such seal specimen shall serve as proof when collecting share dividends or exercising other rights.

Article 8: The Company shall handle share matters in accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies.

Article 9: (Article Omitted.)

Article 10: (Article Omitted.)

Article 11: (Article Omitted.)

Article 12: Transfer of title for the stocks is not permitted within sixty days prior to the annual general meeting of shareholders; or within thirty days prior to the special meeting of shareholders, and within five days prior to the cut-off date determined for the distribution of dividends, bonus or other benefits.

Chapter 3. Shareholders Meeting

Article 13: The Company holds general and extraordinary shareholders' meetings, the general meeting shall be convened at least once a year. It shall be convened by the Board of Directors within six months after the close of each fiscal year. The extraordinary meeting shall be held in accordance with the relevant statutory requirements whenever deemed necessary. Shareholders' meetings are convened in accordance with the Company's Rules of Procedure for the Shareholders' Meeting.

Article 14: Notices shall be sent to all shareholders for the convening of shareholders' meetings, at least thirty (30) days in advance, in case of an annual general meeting of shareholders; and at least fifteen (15) days in advance, in case of special meetings. For shareholders holding less than one thousand (1000) registered shares, the notice of meeting may be publicly

announced on the Market Observation Post System.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.

Article 15: A shareholder who cannot attend shareholders' meeting may appoint a proxy to attend on his/her behalf by executing a power of attorney printed and issued by the Company, stating clearly the scope of the authorization. The regulations governing proxy attendance shall be pursuant to the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, in addition to Article 177 of the Company Act.

Article 16: Unless otherwise provided by the Company Act, a shareholders' meeting shall be chaired by the Chairman of the Board. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.

Article 17: Unless otherwise regulated by the Company Act, a shareholders' meeting resolution is passed when more than 50% of all outstanding shares are represented in the meeting, and voted in favor by more than 50% of all voting rights represented at the meeting.

Article 18: Unless otherwise prescribed by law, a shareholder shall have one voting right per share he or she is in possession of.

Voting rights can be exercised electronically or in writing during a shareholders' meeting. 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, the aforesaid shareholders shall also be considered to have forfeited the voting rights on extraordinary motions and resolution amendments.

Article 19: Shareholders' meeting resolutions shall be compiled into minutes with details including the date and place of the meeting, the name of Chairman, method of resolution, a summary of the essential points of the proceedings and the results of the meeting. The minutes shall be signed or sealed by the Chairman and disseminated to each shareholder no later than 20 days after the meeting. The meeting minutes may be produced and distributed in electronic form. The distribution of the meeting minutes mentioned in the preceding paragraph may be effected by way of public announcement on the Market Observation Post System.

The minutes mentioned in the preceding paragraph must be retained for as long as the company exists. Shareholders' attendance cards and proxy forms shall be kept by the Company for a duration of at least one year; however, in situations where a shareholder makes a litigious claim against the company according to Article 189 of the Company Act, the records shall be kept until the litigation is concluded.

Chapter 4. Directors and Managers

Article 20: The Company shall have 9 to 13 directors. The Board meeting is authorized to approve the number of directors. A candidate nomination system shall be adopted. Candidates shall be nominated and elected at the shareholders' meeting from the list of candidates in accordance with Article 198 of the Company Act. The term of office shall be three years, and the director may be eligible for re-election.

The number of independent directors shall be at least two and shall not be less than one-fifth of the total number of directors specified in the preceding paragraph. Regarding other requirements on independent directors including professional qualifications, restrictions on shareholdings and concurrent positions held, assessment of independence, method of nomination, and other compliance matters, the Company shall observe the regulations announced by the competent authority for the securities industry.

Article 20-1: The Company has established an Audit Committee at the 26th board meeting. The committee shall be composed of independent directors only, with no fewer than three

members, one of whom shall be the convener and at least one of them shall have expertise in accounting or finance. The authorities, organizational regulations, and other requirements pertaining to the Audit Committee shall be specified in related laws or the Company's Articles of Incorporation.

Article 21: The percentage of shareholdings of all of the Company's directors shall be based on the regulations of competent authority in charge of the securities industry.

Article 22: The directors shall organize the board meeting. The Chairman shall be elected from among the directors with at least two thirds in attendance and over half of those attending voting for him/her. A Vice Chairman may be elected in the same way. The Chairman of the Board shall represent the Company and handle all business affairs. If the Chairman is unable to perform such duties due to leave of absence or any other reason, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.

Article 23: A board meeting shall be convened once every three (3) months, and an impromptu board meeting may be held where necessary. Notifications of board meetings may be delivered electronically. If a director is unable to attend a meeting, he/she may appoint a proxy to attend the meeting by completing the company's proxy forms for each meeting, specifying the scope of delegation.

Each proxy may only represent one absent director.

In case a board meeting is proceeded via visual communication network, then the directors taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

Article 24: Board meetings shall be chaired by the Chairman of the Board. If the Chairman is absent, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is unavailable or no delegate is appointed by the Chairman, one shall be elected from among the directors to act on the Chairman's behalf.

Article 25: Unless otherwise prescribed in the Company Act, the resolutions made by the Board of Directors shall be passed by a majority vote at a meeting of the Board of Directors attended by more than half of all directors on the Board.

Article 26: The Board of Director shall be authorized to decide the directors' remunerations based on their level of engagement in and contribution to the Company as well as the standards adopted by the industry.

Article 27: (Article Omitted.)

Article 28: The Company shall have manager, whose title, appointment, dismissal, and remuneration shall be handled in accordance with Article 29 of the Company Act.

Chapter 5. Accounting

Article 29: The fiscal year for the Company shall be from January 1 of each year to December 31 of the same year. After the close of each fiscal year, the following reports shall be prepared by the Board of Directors, and submitted to the annual general meeting of shareholders for acceptance:

1. Business Report.
2. Financial statements.
3. Surplus earning distribution or loss off-setting proposals.

Article 30: If the Company sustains profit every year, 0.1% or more of the income shall be set aside as remunerations to employees, and 2% or less shall be distributed as director remuneration. However, an amount shall be set aside first to compensate cumulative losses, if any. Directors' remuneration may be distributed by way of cash dividends, and employees' remuneration may be distributed by way of cash dividends or stock dividends. The Board of Director shall be authorized to define the qualification requirements of employees entitled to receive shares or cash, including the employees of subsidiaries of the Company

that meet certain specific requirements. The distribution ratio of directors' remunerations, and the method of distribution and ratio of employees' remunerations shall be resolved by a majority vote at a Board meeting attended by more than two thirds of the directors, and shall be reported at the shareholders' meeting.

Employee and director remunerations are calculated deducting the cumulative losses from the profit for the year (i.e., the profit before employee and director remunerations is deducted from profit before tax).

- Article 30-1: If the Company has any surplus at the end of a year, it shall first be applied to pay income taxes according to the law and cover losses from the previous years. Then 10% of the balance will be allocated to a statutory surplus reserve, and a special surplus reserve shall be allocated or reserved according to the law. A special surplus reserve or retained earnings are set aside if needed. Any remaining balance shall be distributed as dividends and bonus by the total number of shares.
- Article 30-2: In consideration of external factors and the objectives of long term financial planning and in the interest of stable business growth, the Company's dividend policy measures future cash flows based on the capital budget and uses retained earnings to meet the cash flow requirements. An appropriate percentage of the remaining surplus will be retained as needed to support the ongoing business operations, and a minimum of 20% of the remaining surplus will be distributed in the form of cash dividends and the rest in share dividends. However, for the purpose of meeting other capital expenditure requirements, the Company may distribute the aforementioned remaining surplus in the form of share dividends only.
- Article 30-3: The Board of Directors may distribute a proportion or the entirety of dividends and bonuses in cash, and report such action to the Shareholders' Meeting, in accordance with a resolution adopted by a simple majority vote at a meeting of the Board of Directors attended by over two-thirds of the directors.
- Article 31: If there are any issues not covered in the Articles of Incorporation, the Company shall follow the provisions prescribed in the Company Act.
- Article 32: These Articles of Incorporation were established on January 20, 1950. The 67th amendment was approved by the shareholders' meeting on June 25, 2019.

Current Shareholding of Directors of YFY Inc.

Appendix 19

The shareholdings of all directors as recorded in the shareholder register up until the book closure date (April 25, 2022) of the current shareholders' meeting:

Title		Name	Date of appointment	Shares held when elected			Number of shares held as recorded in the shareholder register as of April 25, 2022		
				Type	Number of shares	Shareholding ratio	Type	Number of shares	Shareholding ratio
Chairman:	Yuen Foong Paper Co., Ltd. representative	Jean Liu	2021/5/17	Ordinary shares	18,268,073	1.10	Ordinary shares	18,268,073	1.10
Director		David Lo	2021/5/17						
Director		Kirk Hwang	2021/5/17						
Director	Shin-Yi Enterprise Co., Ltd. representative	Chin-San Wang	2021/5/17	Ordinary shares	77,794,610	4.69	Ordinary shares	77,794,610	4.69
Director		Chun-Chieh Huang	2021/5/17						
Independent Director	Hsi-Peng Lu		2021/5/17	Ordinary shares	0	0.00	Ordinary shares	0	0.00
Independent Director	Di-Shi Huang		2021/5/17	Ordinary shares	0	0.00	Ordinary shares	0	0.00
Independent Director	Yie-Yun Chang		2021/5/17	Ordinary shares	0	0.00	Ordinary shares	0	0.00
Independent Director	Jin-Li Hu		2021/5/17	Ordinary shares	0	0.00	Ordinary shares	0	0.00
Total					96,062,683	5.79		96,062,683	5.79

1. The Company's paid-in capital was NT\$16,603,714,950, and the total number of issued shares was 1,660,371,495.
2. Number of shares that must be held by all directors according to Article 26 of the Securities and Exchange Act (2.4%): 39,848,916 shares. Actual number of shares held (shares held by independent directors are not included in the number of shares held by directors): 96,062,683 shares. The number of shares has reached the legally required percentage.
3. The Company has set up an Audit Committee and therefore the provisions on the minimum percentage requirements for the shareholding of supervisors shall not apply.