Stock Code：3010

WAH LEE INDUSTRIAL CORP.

2020 Annual Shareholders' Meeting Manual

Date：May 28, 2020

Meeting Venue: No. 279, Liuhe 2nd Road, Qianjin District, Kaohsiung City (Holiday Garden Hotel, Forests Dynasty Room at 1F)

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Wah Lee Industrial Corp.

2019 Annual Shareholders' Meeting Agenda

Date：Thursday, May 28, 2020 @ 9:30

Meeting Venue: No. 279, Liuhe 2nd Road, Qianjin District, Kaohsiung City (Holiday Garden Hotel, Forests Dynasty Room at 1F)

1. Call meeting to order (Report presented shares)

2. Chairman Address

3. Reporting Items

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6. Election

By-election of all directors.

7. Other Matters

Proposal for the Release on the Prohibition of Participation in Competing Businesses by Directors and Their Representatives

8. Special Motion

9. Meeting Adjourned

Reporting Items

(I) 2019 Business Reporting

Explanatory Notes: Please refer to page 14 ~15 (Attachment (I))

(II) 2019 Audit Committee's Review Report

Explanatory Notes: Please refer to page 16 (Attachment (II))

(III) To report 2019 employees' profit sharing bonus and directors' compensations

Explanatory Notes:

According to article 20 of Articles of Incorporation and the resolution of the Board of Directors on March 25, 2020, the compensations of Board of Directors' and Supervisors' shared 1.15 % of the corporate profit before taxes and totaled TWD 21,013,000. The employees' profit-sharing bonus shared 11% of the corporate profit before taxes and totaled TWD 200,997,000. Both of them will be paid by cash.

(IV) 2019 Endorsement and guarantees reporting

Explanatory Notes: Please refer to page 17 ~21 (Attachment (III))

(V) 2019 Lending of capital reporting

Explanatory Notes: Please refer to page 22 (Attachment (IV))

(VI) 2019 Investments in China

Explanatory Notes: Please refer to page 23~25 (Attachment (V))

Proposed Resolution

Proposal I by Board of Directors
Cause of action: 2019 Business reporting and financial statement recognition.
Explanatory Notes:

1. Wah Lee Industrial Corp's business reports, the parent company only financial statements, and the consolidated financial statements are audited by independent auditors, Ms. Yan-Chiu Wu and Ms. Zehn-Li Chen of Deloitte & Touche.
2. For 2019 business reports, the audited parent company only financial statements and, the audited consolidated financial statements. Please refer to page 14~15(Attachment (I)) and page 26~35 (Attachment (VI))

Vote by poll:

Proposal II by Board of Directors
Cause of action: 2019 Earnings distribution proposal recognition.
Explanatory Notes:

1. The proposed profits distribution is allocated from 2019 Retained Earnings Available for Distribution. Each common share holder will be entitled to receive a cash dividend of NT$3.3 per share
2. The cash dividends will be distributed to each shareholder based on shareholding percentages, and be rounded down to the nearest dollar. The amounts under one dollar due to the rounding off are summed and be adjusted by ordering decimals from greatest to least and account numbers from the first to last until to be in accordance with the distribution amounts of cash dividends.
3. Authorize board of directors to deal with effect of the total shares outstanding if they diluted the earning per share and shareholders' dividends.
4. Propose to authorize the board of directors to set up ex-dividend date and other associated follow-up, once the shareholder's meeting approves this proposal.
5. 2019 Earnings distribution proposal. Please refer to page 36~37 (Attachment (VII))

Voting by poll:

Matters for Discussion

Proposal I by Board of Directors

Cause of action: Amendment to Partial article revision of “Articles of Incorporation”

Explanatory Notes:

1. To add the service items due to business, it is proposed that partial articles of “Articles of Incorporation” be amended.
2. A comparison table of “Articles of Incorporation” before and after amendment is attached. Please refer to page 38~40 (Attachment (VIII)).
3. “Articles of Incorporation” before the revision. Please refer to page 54~59 (Appendix (II)).

Voting by poll:

Proposal II by Board of Directors

Cause of action: Partial article revision of “Procedures for Making of Endorsements and Guarantees”

Explanatory Notes:

1. Due to the needs to raise the total amount of endorsements and guarantees resulted from business needs, it is proposed that partial articles of “Procedures for Making of Endorsements and Guarantees” be amended.
2. “Procedures for Making of Endorsements and Guarantees” revision comparison. Please refer to page 41~42 (Attachment (IX)).
3. “Procedures for Making of Endorsements and Guarantees” before the revision. Please refer to page 60~65 (Appendix (III)).

Voting by poll:

Proposal III by Board of Directors

Cause of action: Partial article revision of “Regulations of Shareholders’ Meeting”

Explanatory Notes:

1. Pursuant to the official letter No. 1080339900 issued on December 31, 2019 by Financial Supervisory Commission and with reference to: Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings”, it is proposed that partial articles of “Regulations of Shareholders’ Meeting” be amended.

2. “Regulations of Shareholders’ Meeting” revision comparison. Please refer to page 43~49 (Attachment (X)).
3. “Regulations of Shareholders’ Meeting” before the revision. Please refer to page 50~53 (Appendix (I)).

Voting by poll:

Election

Proposal by Board of Directors

Cause of action: By-election of all directors

Explanatory Notes:

1. The term of this Corporation's directors ends on May 25, 2020, and a by-election of directors shall be held in this general shareholders' meeting.
2. As per Article 13 of the Articles of Incorporation and resolutions made by the Board of Directors on February 21, 2020, this Corporation designs to have nine directors (incl. three independent directors elected with a three-year term from May 28, 2020 to May 27, 2023, and the term of the incumbent directors will end upon completion of this general shareholders' meeting.
3. The list of nominees for directors and independent directors resolved via voting by poll on March 25, 2020 by Board of Directors of this Corporation is as follows:

Name of Candidates for Directors	Education	Experience	Current Positions	Shares Held (Unit: Shares)
Kung Tai Investment Co., Ltd. Representative：Chang, Ray-Ching	Honorary Doctorate, National Sun Yat-sen University Honorary Doctorate, National Cheng Kung University	Chairman, Wah Lee Industrial Corp. Chairman & CEO, Wah Hong Industrial Corp.	Chairman, Wah Lee Industrial Corp. Chairman, Wah Hong Industrial Corp. Chairman, Nagase Wahlee Plastics Corp. Chairman, Wah Hong Holding Ltd. Chairman, Wah Hong Technology Ltd. Chairman, Wah Hong International Ltd. Chairman, Wah Hong Development Ltd. Chairman, Wah Lee Holding Ltd. SHC Holding Ltd., Chairman Chairman, Regent King International Ltd. Chairman, Fu Wang Hung Ltd.	14,439,155
Chen, Chun-Yin	Dept. of Metal & Mining, Waseda University, Japan	Vice Chairman, Wah Lee Industrial Corp.	Vice Chairman, Wah Lee Industrial Corp. Director, Nagase Wahlee Plastics Corp. Director, ORC Technology Corp. Director, Asahi Kasei Wah Lee Hi-Tech Corp.	3,796,014

			Director, Hsin Hao Company	
Kung Tai Investment Co., Ltd. Representative： Chang Tsuen-Hsien	Dept. of Electrical Engineering & Dept. of Biomedical Engineering, University of Southern California	CEO & President, Wah Lee Industrial Corp.	CEO & President, Wah Lee Industrial Corp. Director, Wah Lee Industrial Corp. Director, Wah Hong Industrial Corp. Director, Chang Wah Electromaterials Inc. Chairman, Raycong Industrial (Hong Kong) Ltd. Chairman, Shanghai Yikang Chemicals & Industries Co., Ltd. Director, Shanghai Wah Chang Trading, Ltd. Chairman, Dong Guan Hua Gang International Trading Co., Ltd. Director, ORC Technology Corp. Chairman, Wah Lee Tech (Singapore) Pte. Ltd. Director, Huaying Supply Chain Management (Shenzhen) Co., Ltd. Director, Wah Tech Industrial Co., Ltd.	14,439,155
Lin, Chi-Hai	Dept. of Chemical Engineering, National Cheng Kung University	Chairman, Toa Resin Corp.	Director, Wah Lee Industrial Corp. Chairman, Toa Resin Corp. Director, Mingtai Chemical Co., Ltd. Director, Yu Feng Rubber Industrial Co., Ltd. Director, Zhi Hui Technology Co.	2,609,959
Bau Guang Investment Co., Ltd. Representative： Lin, Shu-Chen	Dept. of Accounting, Kaohsiung Vocational Commercial School	Senior Advisor, Wah Lee Industrial Corp. Chairman, Bau Guang Investment Co., Ltd.	Director, Wah Lee Industrial Corp. Sr. Consultant, Wah Lee Industrial Corp. Chairman, Bau Guang Investment Corp.	1,971,873

Yeh, Ching-Pin	EMBA, National Sun Yat-Sen University	President, Wah Hong Industrial Corp.	Director, Wah Lee Industrial Corp. Director, Wah Hong Industrial Corp. President, Wah Hong Industrial Corp. Director, Daily Polymer Corp. Director, Jin Tai Sheng Co., Ltd. Director, Wah Ma Technology Sdn Bhd Director, Jun Hong Optometric Corp. Independent Director, Sumeeko Industries Co., Ltd.	3,356,263

Name of Candidates for Independent Directors	Education	Experience	Current Positions	Shares Held (Unit: Shares)	Reason for Continued Nomination after Three Consecutive Terms as Independent Directors
Chu, Hau-Min	MS & Ph.D., Economics, Brown University	Head of Dept., Dept. of Finance, National Chengchi University Principal, CTBC Business School	Independent Director, Wah Lee Industrial Corp. Adjunct Professor, Dept. of Finance, National Chengchi University Chair Professor, Ching Kuo Institute of Management and Health Chairman, IIH Management Consultancy Co. Chairman, IIH Biomedical Venture Fund I Co., Ltd. Independent Director, Chiawei Life Co. Independent Director, BNP Paribas Cardif TCB Life	0	With consideration to the candidate's working experience in professional fields of economics and finance as well as experience in corporate governance, which will result in significant benefit to this Corporation, therefore this candidate is nominated in this election with an expectation that this candidate provides timely supervision and professional opinions to the Board of

					Directors upon exercising duties as an independent director.
Wang, Yea-Kang	Master, Dept. of Urban Planning, National Chung Hsing University Dept. of Transportation Management, National Cheng Kung University	Director, Dept. of Commerce, MOEA Director, Industrial Development Bureau, MOEA Director, Small and Medium Enterprise Administration, MOEA Secretary General, Chinese National Federation of Industries Chairman, Taiwan Textile Research Institute	Independent Director, Wah Lee Industrial Corp. Consultant, Chinese National Federation of Industries Evaluation Expert, Public Constitution Commission, Executive Yuan Consultant, Taiwan Textile Research Institute Dean, Knowledge Service Center, Industrial Development Foundation, National Cheng Kung University Director, Johnson Health Tech Director, Wisher Industrial Independent Director, Eclat Textile Co., Ltd. Independent Director, Feng Hsin Steel Co., Ltd.	0	With consideration to the candidate's working experience in professional fields in the industry and business administration as well as experience in corporate governance, which will result in significant benefit to this Corporation, therefore this candidate is nominated in this election with an expectation that this candidate provides timely supervision and professional opinions to the Board of Directors upon exercising duties as an independent director.
Shyu, So-De	Ph.D., Finance, University of Alabama	Professor, Dept. of Finance Management, National Sun Yat-Sen University President and Professor, Takming University of Science and Technology	Independent Director, Wah Lee Industrial Corp. Principal & Professor, Takming University of Science and Technology	0	

4. This election for directors shall be handled following "Regulations of Elections of Directors". Please refer to page 66~67 (Appendix (IV)).

Voting by poll:

Other Motions

Proposal by Board of Directors

Cause of action: Proposal for the Release on the Prohibition of Participation in Competing Businesses by Directors and Their Representatives

Explanatory Notes:

1. As per Article 209 of the Company Act, a director who does anything for himself or on behalf of another person that is within the scope of the company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval.
2. In order to draw support from this Corporation’s directors for their expertise and relevant experience, under the circumstances of not causing any impairment to the interests of this Corporation, it is proposed that the Prohibition of Participation in Competing Businesses by Directors and Their Representatives be released.
3. The details of Prohibition of Participation in Competing Businesses by Directors and Their Representatives to be released are as follows:

Title	Name	Roles Served in Other Businesses
Corporate Director	Kung Tai Investment Co., Ltd.	None
Corporate Director Representative	Kung Tai Investment Co., Ltd. Representative： Chang, Ray-Ching	Chairman, Wah Hong Industrial Corp. Chairman, Nagase Wahlee Plastics Corp. Chairman, Wah Hong Holding Ltd. Chairman, Wah Hong Technology Ltd. Chairman, Wah Hong International Ltd. Chairman, Wah Hong Development Ltd. Chairman, Wah Lee Holding Ltd. SHC Holding Ltd., Chairman Chairman, Regent King International Ltd. Chairman, Fu Wang Hung Ltd.
Director	Chen, Chun-Yin	Director, Nagase Wahlee Plastics Corp. Director, ORC Technology Corp. Director, Asahi Kasei Wah Hee Hi-Tech Corp. Director, Hsin Hao Company
Corporate Director Representative	Kung Tai Investment Co., Ltd. Representative： Chang Tsuen-Hsien	Director, Wah Hong Industrial Corp. Director, Chang Wah Electromaterials Inc. Chairman, Raycong Industrial (Hong Kong) Ltd. Chairman, Shanghai Yikang Chemicals & Industries Co., Ltd. Director, Shanghai Wah Chang Trading, Ltd. Chairman, Dong Guan Hua Gang International Trading Co., Ltd.

		Director, ORC Technology Corp. Chairman, Wah Lee Tech (Singapore) Pte. Ltd.
Director	Lin, Chi-Hai	Chairman, Toa Resin Corp. Director, Mingtai Chemical Co., Ltd. Director, Yu Feng Rubber Industrial Co., Ltd. Director, Zhi Hui Technology Co.

Title	Name	Roles Served in Other Businesses
Corporate Director	Bau Guang Investment Co., Ltd.	Corporate Director of Wah Hong Industrial Corp.
Corporate Director Representative	Bau Guang Investment Co., Ltd. Representative: Lin, Shu-Chen	Chairman, Bau Guang Investment Co., Ltd.
Director	Yeh, Ching-Pin	Director, Wah Hong Industrial Corp. President, Wah Hong Industrial Corp. Director, Daily Polymer Corp. Director, Jin Tai Sheng Co., Ltd. Director, Wah Ma Technology Sdn Bhd Director, Jun Hing Optometric Corp. Independent Director, Sumeeko Industries Co., Ltd.
Independent Director	Chu, Hau-Min	Independent Director, Chiawei Life Co. Independent Director, BNP Paribas Cardif TCB Life Chairman, IIH Management Consultancy Co. Chairman, IIH Biomedical Venture Fund I Co., Ltd.
Independent Director	Wang, Yea-Kang	Director, Johnson Health Tech Director, Wisher Industrial Independent Director, Eclat Textile Co., Ltd. Independent Director, Feng Hsin Steel Co., Ltd.

Voting by poll:

Special Motion

Meeting Adjourned

【Attachment I】

Wah Lee Industrial Corp.

2019 Business report

Wah Lee broke two records in 2019: a. the consolidated revenue of Wah Lee reached a record high at NTD 54.67 billion; the Compound Annual Growth Rate (CAGR) in the previous 10 years is 11.34%, meaning the scale of revenue for this Corporation had been in an average growth rate at approx. 11% in the last ten years. From growth in scale at approx. NTD 18 billion in 2009 to NTD 54.6 billion in 2019, the scale of business has been thriving day by day. The gross profit of this Corporation reached NTD 4.18 billion, and the operating income reached the scale of NTD 1.57 billion, in addition, due to the excellent profit resulted from the re-investment through equity method in the previous year, which contributed to the abundant profit from non-operating profit gains, the consolidated profit before tax reached NTD 1.97 billion; b. the profit after tax and EPS reached a record in the recent 10 years, with the profit after tax at NTD 1.559 billion and EPS at NTD 6.12, 5.2% higher than that of the previous year. As for financial indexes, the consolidated current ratio and quick ratio of Wah Lee are 161% and 126% respectively, with the cash cycle 8 days more than that of the previous year, meanwhile the Return on Equity in 2019 is 12% resulting from the cash inflow from operating activities as high as NTD 1.798 billion. Various financial indexes are remained in excellent condition. These achievements may be credited to this Corporation's following on the pulse of technology by riding the waves of mainstream industries as well as the perseverance by all employees. Wah Lee has always been in the role of key raw materials, industrial integrator and technical supplier. We hereby wish to show our gratitude to our shareholders in the long-term support to this Corporation, which enabled us to reach the operating peaks one after another in cooperation with the suppliers and clients.

Albeit the fact that there are challenges in the macro economies, Wah Lee has cultivated in various mainstream industries for more than fifty years, seizing the business opportunities of various key raw materials and equipment, and we are fully confident in this Corporation's prospect. The following contains the highlights of business opportunities for various industrial products:

Wah Lee can be referred to as the "aircraft carrier" in the raw material industry with its complete distribution in industries: Wah Lee has a leading position in the high-end engineering plastics needed in ICT, with a continuous and successful penetration in supplying raw materials for optical lens, antenna module for smartphones, automotive parts as metal part replacements, lens module for auto pilot, and medical devices; Wah Lee has an ongoing lead in advanced fabrication of semiconductor products, as the usage of electronic-product-grade chemicals, components, specialty gas and other supplies is in a gradual increase following the nonstop advancement in advanced fabrication, and the revenue from semiconductor manufacturing is in continual growth; strengths of Wah Lee's PCB products lie in supplies including advanced dry film and CCL. As the advanced application era for 5G communications, cloud computing, high frequency transmission, smartphone, car electronics looms, we have seized the opportunities, which is showcased in the rapid growth in recent years; as the optoelectronic applications industry is in the rise, our sales in chemical supplies, optical boards and electronic components gradually rises, in addition, due to our successful business development for next-generation electronic products in European, American and Indian market, our sales in optoelectronics industry has experienced a gradual growth; furthermore, as the government has been actively promoting the development of green energy sectors, this Corporation provides raw materials and equipment as well as system integration between upstream and downstream, building solar energy plants in Taiwan, bringing stable profits to the Company. Meanwhile, green living environments with an area equivalent to 300 Daan Forest Parks has been created to fulfill the corporate social responsibilities and benefit the mass communities in the society. With regards to the prospect to the future, even though the circumstances is filled with challenges, the management team and all employees will conduct risk control and complete concrete business plans. We will uphold to Wah Lee's tradition of constantly steady management, cultivating the next-generation markets with prudence and optimism including the emerging biomedical industry, green environmental businesses, 5G telecommunications market, artificial intelligence (AI), Internet of Things (IoT), electric vehicle (EV) and self-driving cars, which are the foundations of continuous growth in the future of Wah Lee, and trailblazing a road to steady growth against the head winds.

Chairman: Ray-Ching Chang   CEO: Tsuen-Hsien Chang   Accounting Controller: Guo-Ping Li

【Attachment II】

Audit Committee review reporting

After the Board of Director reviewed 2018 business report, financial statements, and earnings distribution proposal and appointed Deloitte & Touche for an audit, Wah Lee Industrial Corp’s business reports, the parent company only financial statements, and the consolidated financial statements were audited by Deloitte & Touche and the audit report has been generated. The business report, financial statements, and earnings distribution proposal were sent to the audit committee and deemed to respect Securities Exchange Act and Company Act.

Respectfully present

Wah Lee Industrial Corp.

Audit committee convener: Shyu, So-De

Date: March 27, 2020

【Attachment III】

Wah Lee Industrial Corp.

Endorsement Report

January 1 to December 31, 2019

Unit: 1000 NTD

Number	Endorser	Endorsee Company Name	Endorsee Relationship	Single Company Endorsement Limit (note 1)	Beginning Balance	Ending Balance (note 3)	Incurred Amount (note 3)	Insured by Assets	% of Accumulated Endorsement/latest net income	Endorsement Maximum (note 2)	Endorsement Parent to subsidiary	Endorsement Subsidiary to Parent	Endorsement to China	Note
0	Wah Lee Industrial Corp.	Nagase Wahlee Plastics Corp.	The company which all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages	$2,288,979	$490,000	$490,000	$284,917	$ -	4.28	$8,011,428	N	N	N	
0	Wah Lee Industrial Corp.	Asahi Kasei Wah Lee Hi-Tech Corporation	The company which all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages	2,288,979	25,194	25,194	-	-	0.22	8,011,428	N	N	N	
0	Wah Lee Industrial Corp.	Shanghai Yi Kang Chemicals & Industries Co., Ltd.	Subsidiary of the Company	2,288,979	120,003	95,936	95,936	-	0.84	8,011,428	Y	N	Y	
0	Wah Lee Industrial Corp.	Dong Guan Hua Gang International Trading Co., Ltd.	Subsidiary of the Company	3,433,469	667,324	365,756	269,820	-	3.20	8,011,428	Y	N	Y	
0	Wah Lee Industrial Corp.	Raycong Industrial (Hong Kong) Ltd., Shanghai Yi Kang Chemicals & Industries Co., Ltd. and Dong Guan Hua Gang International Trading Co., Ltd.	Subsidiary of the Company	3,433,469	120,000	120,000	61,874	-	1.05	8,011,428	Y	N	Y	

0	Wah Lee Industrial Corp.	Shanghai Hua Chang Trading Co., Ltd.	The company which all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages	2,288,979	780,520	740,506	405,953	-	6.47	8,011,428	N	N	Y	
0	Wah Lee Industrial Corp.	WL Singapore	Subsidiary of the Company	3,433,469	884,534	464,690	239,430	-	4.06	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	Sakuragawa Solar Ltd.	Subsidiary of the Company	2,288,979	186,250	174,432	104,561	-	1.52	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	Miyazaki Solar Ltd.	Subsidiary of the Company	2,288,979	336,253	314,916	261,269	-	2.75	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	WL Indonesia	Subsidiary of the Company	2,288,979	145,360	92,938	54,258	-	0.81	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	WL Vietnam	Subsidiary of the Company	3,433,469	445,560	242,838	103,749	-	2.12	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	WT Industrial	Subsidiary of the Company	2,288,979	876,447	573,566	60,102	-	5.01	8,011,428	Y	N	N	
0	Wah Lee Industrial Corp.	Kingstone Energy Technology Corporation.	Subsidiary of the Company	2,288,979	876,447	573,566	60,102	-	1.45		Y	N	N	
1	Shanghai Yi Kang Chemicals & Industries Co., Ltd.	Shanghai Chang Wah Electromaterials Inc.	The company which all capital contributing shareholders make endorsements/ guarantees for their jointly invested company in proportion to their shareholding percentages	772,866	54,194	51,416	46,541	-	1.33	1,932,165	N	N	Y	
1	Shanghai Yi Kang Chemicals & Industries Co., Ltd.	Shanghai Alex & Dick Corporation	Subsidiary of the Company	772,866	60,264	60,264	3,347	-	1.56	1,932,165	Y	N	Y	
2	Kingstone Energy Technology Corporation.	KSA Energy Corporation	Subsidiary of the Company	163,050	1,382	1,382	-	-	0.20	326,100	Y	N	N	
2	Kingstone Energy Technology Corporation.	KSB Energy Corporation	Company for contractual obligations by providing mutual endorsements/guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	652,200	100,000	100,000	31,133	10,000	14.79	1,630,500	Y	N	N	

(Continued on next page)

(Continued from last page)

Number	Endorser	Endorsee		Endorsement Limit	Beginning Balance	Ending Balance	Incurred Amount	Insured by Assets	% of Accumulated Endorsement/ latest net income	Endorsement Maximum	Endorsement Parent to subsidiary	Endorsement Subsidiary to Parent	Endorsement to China	Note
		Company Name	Relationship	(note 1)		(note 3)	(note 3)			(note 2)				
2	Kingstone Energy Technology Corporation.	KSA Energy Corporation	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	652,200	507,876	400,000	80,630	25,000	59.14	1,630,500	Y	N	N	
2	Kingstone Energy Technology Corporation.	Open Sky Technology Corporation	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	652,200	51,550	-	-	-	4.66	1,630,500	N	N	N	
3	KSA Energy Corporation	KSB Energy Corporation	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes	2,500,000	100,000	100,000	31,133	-	312.40	3,750,000	N	N	N	

			of undertaking a construction project										
3	KSA Energy Corporation	Kingstone Energy Technology Corporation.	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	2,500,000	1,871,100	1,800,000	886,992	-	5,623.24	3,750,000	N	Y	N
4	KSB Energy Corporation	KSA Energy Corporation	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	2,000,000	410,000	400,000	80,630	-	3,553.34	4,000,000	N	N	N
4	KSB Energy Corporation	Kingstone Energy Technology Corporation.	Company for contractual obligations by providing mutual endorsements/ guarantees for another company in the same industry or for joint builders for purposes of undertaking a construction project	2,000,000	1,820,000	1,800,000	886,992	-	15,990.05	4,000,000	N	Y	N
5	Dong Guan Hua Gang International	Xiamen Hua Sheng Da Logistics Co. Ltd.	Subsidiary	396,097	30,500	-	-	-	-	990,242	N	N	Y

	Trading Co., Ltd.													

Notes:

1. Single Company Guarantee Limit=20% of Net Worth; subsidiary Endorsee holding 100% shareholders' voting right directly or indirectly =30% of Net Worth; Endorsement Maximum =70% of Net Worth.
2. Endorse Limit to a single company by Shanghai Yi Kang Chemicals & Industries Co., Ltd.=20% of Net Worth; subsidiary Endorsee holding 100% shareholders' voting right directly or indirectly =30% of Net Worth; Endorsement Maximum =50% of Net Worth.
3. Endorse Limit to a single company by Dong Guan Hua Gang International Trading Co., Ltd.=20% of Net Worth; Endorsement Maximum =50% of Net Worth.
4. The amount of endorsement/guarantee to a single business by Kingstone Energy Technology Corporation for fulfilling its contractual obligations shall not exceed 2 times of its paid-in capital, and the max total endorsement=5 times of paid-in capital; for other endorsement/guarantee without concerns of fulfilling its contractual obligations, the max total endorsement/guarantee to a single business=50% of the paid-in capital, and the max total amount of endorsement/guarantee=100% of paid-in capital.
5. The amount of endorsement/guarantee to a single business by KSA Energy Corporation for fulfilling its contractual obligations shall not exceed 100 times of its paid-in capital; Max total endorsement=150 times of paid-in capital.
6. The amount of endorsement/guarantee to a single business by KSB Energy Corporation for fulfilling its contractual obligations shall not exceed 200 times of its paid-in capital; Max total endorsement=400 times of paid-in capital.
7. US exchange rate US$1=$29.98; Japanese Yen exchange rate= JPY$1=$0.2760; Renminbi exchange rate= RMB$1=$4.3046; Thai baht exchange rate= THB$1=$1.0098.

【Attachment IV】

Wah Lee Industrial Corp. and Subsidiaries

Lending Report

January 1 to December 31, 2019

(In thousands of New Taiwan Dollars)

Number	Lessor	Lerssee	Accounting Item	Related Party	Lending Maximum	Ending Balance (note 1)	Incurred lending Amount (note 1 & 4)	Interest Rate (%)	Purpose of Lending	Business Transaction Amount	Reason for Necessity in Short-term Financing	Amount of Allowance for Losses	Collateral		Single Company Lending Limit (note 3)	Individual Lending Limit (note 2)	Note
													Name	Market Price			
1	Shanghai Yi Kang Chemicals & Industries Co., Ltd.	Shanghai Alex & Dick Corporation	Other Account Receivable-Related Party	Yes	$69,006	$64,569	$27,119	5.07	Short-term Operating	$ -	Business Turnover	$ -	-	$ -	$1,159,299	$1,159,299	
2	Huaying Supply Chain Management (Shenzhen) Co., Ltd.	Xiamen Hua Sheng Da Logistics Co. Ltd.	Other Account Receivable-Related Party	Yes	9,181	8,609	3,444	4.77	Short-term Operating	$ -	Business Turnover	$ -	-	$ -	58,996	58,996	
3	Dong Guan Hua Gang International Trading Co., Ltd.	Guangzhou Hsin Xian Company	Other Account Receivable-Related Party	Yes	39,076	38,741	37,020	4.77	Short-term Operating	$ -	Business Turnover	$ -	-	$ -	594,145	594,145	
3	Dong Guan Hua Gang International Trading Co., Ltd.	Meizhou Balanlife Company	Other Account Receivable-Related Party	Yes	20,804	19,801	-	-	Short-term Operating	$ -	Business Turnover	$ -	Pledge of Stock Rights	19,801	594,145	594,145	

Notes:

1. RMB exchange rate CNY$1＝$4.3036
2. Individual lending guideline is not exceeding 30% of the Net Worth.
3. The 1.4% equity and derived rights of Balanlife Dialysis Chain (Shenzhen) Limited. is RMB 4.6 million.
4. Written off upon preparation of consolidated financial reports.

【Attachment V】

Wah Lee Industrial Corp.

Investment to China Report

January 1 to December 31, 2019

Unit: NTD thousands

Invested Company	Business Item	Actual Equity	Investment Method	Beginning Balance of Investment Wired from Taiwan	Wired to or Collected from the Invested Company		Ending Balance of Investment Wired from Taiwan	Net Income (Loss) of Year End	Directly or Indirectly Held by Invested Company Shareholding %	Realized Net Income (Loss) of Year End (note 3)	Market Value of shareholding	Realized Net Income Wired back to Taiwan as of 2018	Note
					Wired to	Collected from							
Dong Guan Hua Gang International Trading Co., Ltd.	Industrial material sales	$ 1,122,295	Re-investment via third-region company Raycong Industrial (Hong Kong) Ltd.	$ -	$ -	$ -	$ -	$ 121,622	100.00	$ 121,622	$ 1,975,171	$ -	
Shanghai Yikang Chemicals & Industries Co. Ltd.	Chemical materials, Wax processing and sales, international trades, bonded area trades, domestic trades and warehouse business.	977,758	Re-investment via third-region company Raycong Industrial (Hong Kong) Ltd.	340,629	-	-	340,629	385,931	70.00	270,152	2,723,707	-	
Huaying Supply Chain Management (Shenzhen) Co., Ltd.	Supply chain management and consulting service	23,769	Re-investment via third-region company Raycong Industrial (Hong Kong) Ltd.	-	-	-	-	18,183	100.00	18,183	196,553	-	
Shanghai Hua Chang Trading Co., Ltd.	International trade & consulting; bonded area trades, domestic trades & simple processing business	71,952	Via the in the third country to invest Re-investment via third-region company Holding Ltd.	43,714	-	-	43,714	92,210	30.00	27,663	556,487	-	

Shanghai Chang Wah Electro Material Inc.	IC materials and equipment as an distributed agency	119,920	Re-investment via Chinese Company Shanghai Yikang Chemicals & Industrial Co.	-	-	-	-	37,760	21.44	11,564	82,211	-
Shanghai Alex&Dick Corporation	Import and Export of Goods and Technologies	12,914	Re-investment via Chinese Company Shanghai Yikang Chemicals & Industrial Co.	-	-	-	-	(6,074)	49.00	(5,059)	30,360	-
Shanghai Li Huang Company	Sales of Medical Machinery and Devices	14,334	Re-investment via Chinese Company Shanghai Yikang Chemicals & Industrial Co.	-	-	-	-	(1,185)	48.98	(2,225)	11,633	-
Meizhou Balanlife Company	Hemodialysis and Examination	4,305	Re-investment via Chinese Company Dongguan Hua Gang Co., Ltd.	-	-	-	-	(1,435)	51.00	(732)	1,466	-
Guangzhou Hsin Xian Company	Hospital Management, Medical Device Repair, and Wholesale and Retail Sale of Medical Supplies	4,305	Re-investment via Chinese Company Dongguan Hua Gang Co., Ltd.	-	-	-	-	10,008	100.00	10,008	14,200	-
Xiamen Hua Sheng Da Logistics Co. Ltd.	logistics warehousing industry	12,914	Re-investment via Chinese Company Huaying Supply Chain Management (Shenzhen) Co., Ltd.	-	-	-	-	(1,606)	70.00	(1,124)	7,571	-
Xiamen Jian Yuan Rong Logistics Co. Ltd.	logistics warehousing industry	34,437	Re-investment via Chinese Company Huaying Supply Chain Management (Shenzhen) Co., Ltd.	-	-	-	-	(977)	30.00	(293)	10,175	-

Xiamen Jiashengyuan Trade Development Co. Ltd.	logistics warehousing industry	8,609	Re-investment via Chinese Company Huaying Supply Chain Management (Shenzhen) Co., Ltd.	-	-	-	-	1,193	30.00	358	2,971	-

Investor	Accumulated investment to China at year end (note 3)	Ministry of Economic Affairs Investment Committee Approved Investment Amount (Note 2)	Investment Limit to China (Note 3)
Wah Lee Industrial Corp.	$ 384,343	$ 2,478,240	$ -

(Continued to the following page)

Notes:

1. Net investment income recognized in 2018 is based on:
   (1) Dongguan Hua Gang Co., Ltd. and Shanghai Yikang Chemicals & Industrial Co. Ltd.: audited by a CPA of Taiwan parent company
   (2) Others which were not audited by Certified Public Accountant
2. The variance between the accumulated outward remittance from Taiwan and the amount approved by Ministry of Economic Affairs Investment Committee is NTD 2,093,897 thousands, including NT$1,338,686 thousands (US$ 8,488 and HK$267,000) via the Raycong Industrial (Hong Kong) Ltd. in re-investment, NT$108,887 thousands (US$3,497 thousands) via the Wah Yuen Technology Holding Limited in re-investment, capitalization of retained earnings of NT$434,385 thousands (US$13,790 thousands) via the Shanghai Yikang Chemicals & Industrial Co. Ltd., and NT$14,500 thousands (US$500,000 thousands) via SHC Holding Ltd. in re-investment.
3. According to No. 0970460680 on August 29, 2008 amended by Ministry of Economic Affairs and amended announcement of "the guidance reviewing and auditing the investment in China or work with China in technology cooperation," Wah Lee Industrial Corp has gained the approval by Industry Department of Ministry of Economic Affairs to meet the third point criteria and also qualify to expand its business to China with no investment limit.

【Attachment VI】

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Wah Lee Industrial Corporation

Opinion

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

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

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing, Rule No.1090360805 issued by the FSC on February 25, 2020, and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China (ROC GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

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

Occurrence of revenue from specific customers

The operating revenue of the Group for the year ended December 31, 2019 is $ 54,681,829 thousand, of which the revenue or gross profit from specific customers shows significant growth over the last year. Therefore, we considered the occurrence of revenue from specific customers as a key audit matter based on the revenue recognition presumed as a significant risk in ROC GAAS.

Please refer to Note 4 to the consolidated financial statements for the related accounting policy of revenue recognition.

The main audit procedures that we performed to address the occurrence of the revenue from the above-mentioned specific customers were as follows:

1. Understood and tested the design and operating effectiveness of the internal controls relevant to shipment and revenue recognition.

2. Sampled the transcation documents related to the revenue from above-mentioned specific customers, including shipping and collection documents, etc., in order to ensure the occurrence of the revenue.

Other Matter

Certain investee accounted for using the equity method in the Group's consolidated financial statements for the years ended December 31, 2019 and 2018 were audited by other independent auditors; accordingly, our opinion insofar as it relates to the amounts and information disclosed, is based solely on the report of the other independent auditors.

The carrying value of the investments accounted for using the equity method as of December 31, 2019 and 2018 were NT$675,514 thousand and NT$667,677 thousand, respectively, representing both 2% of total consolidated assets; and the share of profit of associates for the years ended December 31, 2019 and 2018 were NT$69,036 thousand and NT$50,516 thousand, representing 4% and 2% of consolidated profit before income tax, respectively.

We have also audited the parent company only financial statements of Wah Lee Industrial Corporation as of and for the years ended December 31, 2019 and 2018 on which we have expressed an unmodified opinion with other matter paragraph.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Chiu-Yen Wu and Chen-Li Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 25, 2020

Notice to Readers

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

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

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands of New Taiwan Dollars)

	December 31, 2019		December 31, 2018	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,348,526	7	$ 2,541,851	8
Financial assets at fair value through profit or loss - current (Notes 4 and 7)	172,741	1	155,165	-
Financial assets at fair value through other comprehensive income - current (Notes 4 and 8)	68,900	-	62,804	-
Notes receivable (Notes 9, 27 and 29)	1,988,198	6	1,823,042	6
Trade receivables, net (Notes 4, 5 and 9)	13,482,001	39	13,162,764	41
Trade receivables - related parties (Notes 4, 5, 9 and 28)	105,120	-	169,116	1
Other receivables	65,284	-	51,595	-
Other receivables - related parties (Note 28)	83,571	-	9,802	-
Inventories (Notes 4, 5 and 10)	3,935,974	11	5,012,116	16
Prepayments for purchases (Note 28)	1,018,095	3	871,358	3
Other financial assets - current (Notes 11 and 29)	858,536	3	93,311	-
Other current assets	296,008	1	257,241	1
Total current assets	24,422,954	71	24,210,165	76
NONCURRENT ASSETS				
Financial assets at fair value through other comprehensive income - noncurrent (Notes 4 and 8)	572,981	2	698,149	2
Investments accounted for using the equity method (Notes 4 and 13)	4,555,030	13	4,388,440	14
Property, plant and equipment (Notes 4, 14, 28 and 29)	3,800,494	11	2,000,855	7
Right-of-use assets (Notes 3 and 15)	147,846	1	-	-
Goodwill (Notes 4 and 25)	112,668	-	32,035	-
Other intangible assets (Note 25)	230,607	1	85,483	-
Deferred tax assets (Notes 4 and 23)	325,649	1	273,991	1
Prepayments for equipment	1,706	-	14,400	-
Refundable deposits	108,899	-	76,313	-
Other financial assets - noncurrent (Notes 11 and 29)	79,673	-	-	-
Other noncurrent assets (Note 3)	52,367	-	55,881	-
Total noncurrent assets	9,987,920	29	7,625,547	24
TOTAL	$ 34,410,874	100	$ 31,835,712	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 16, 28 and 29)	$ 6,790,253	20	$ 6,899,446	22
Short-term bills payable (Note 16)	-	-	100,000	-
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	1,372	-	4,359	-
Contract liabilities - current (Note 21)	289,480	1	151,748	-
Notes payable (Note 17)	335,214	1	530,814	2
Notes payable - related parties (Notes 17 and 28)	201	-	1,548	-
Trade payables (Note 17)	5,532,981	16	5,742,826	18
Trade payables - related parties (Notes 17 and 28)	354,710	1	402,394	1
Other payables (Notes 18 and 28)	1,128,580	3	951,674	3
Current tax liabilities (Notes 4 and 23)	221,112	1	202,016	1
Lease liabilities - current (Notes 3 and 15)	32,649	-	-	-
Current portion of long-term borrowings (Notes 16 and 29)	250,456	1	257,960	1
Refund liabilities - current	161,493	-	132,323	-
Other current liabilities	15,549	-	19,821	-
Total current liabilities	15,114,050	44	15,396,929	48
NONCURRENT LIABILITIES				
Long-term borrowings (Notes 16 and 29)	4,510,009	13	2,615,954	8
Provision for employee benefits - noncurrent	14,760	-	14,760	-
Lease liabilities - noncurrent (Notes 3 and 15)	109,532	-	-	-
Net defined benefit liabilities - noncurrent (Notes 4 and 19)	320,668	1	339,236	1
Guarantee deposits received	419	-	419	-
Deferred tax liabilities (Notes 4 and 23)	1,056,833	3	1,059,479	4
Total noncurrent liabilities	6,012,221	17	4,029,848	13
Total liabilities	21,126,271	61	19,426,777	61
EQUITY ATTRIBUTABLE TO OWNERS OF THE CORPORATION (Note 20)				
Share Capital	2,313,901	7	2,313,901	7
Capital surplus	1,318,065	4	1,331,880	4
Retained earnings				
Legal reserve	2,084,659	6	1,950,063	6
Special reserve	679,347	2	78,160	1
Unappropriated earnings	6,029,012	17	6,070,997	19
Total retained earnings	8,793,018	25	8,099,220	26
Other equity	(980,087)	(3)	(679,347)	(2)
Total equity attributable to owners of the Corporation	11,444,897	33	11,065,654	35
NON-CONTROLLING INTERESTS (Notes 20 and 25)	1,839,706	6	1,343,281	4
Total equity	13,284,603	39	12,408,935	39
TOTAL	$ 34,410,874	100	$ 31,835,712	100

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

(With Deloitte & Touche auditors' report dated March 25, 2020)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

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

	For the Year Ended December 31			
	2019		2018	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 21 and 28)	$ 54,681,829	100	$ 52,935,016	100
OPERATING COSTS (Notes 10, 22 and 28)	50,497,138	92	48,724,664	92
GROSS PROFIT	4,184,691	8	4,210,352	8
OPERATING EXPENSES (Notes 9 and 22)				
Selling and marketing expenses	2,015,201	4	1,978,226	4
General and administrative expenses	505,988	1	481,854	1
Expected credit loss	89,067	-	2,982	-
Total operating expenses	2,610,256	5	2,463,062	5
OPERATING INCOME	1,574,435	3	1,747,290	3
NON-OPERATING INCOME AND EXPENSES				
Other income (Notes 22 and 28)	164,837	-	141,000	-
Other gains and losses (Note 22)	(29,489)	-	(42,007)	-
Finance costs (Notes 22 and 28)	(274,026)	-	(236,954)	-
Share of profit of associates	530,407	1	420,809	1
Total non-operating income and expenses	391,729	1	282,848	1
PROFIT BEFORE INCOME TAX	1,966,164	4	2,030,138	4
INCOME TAX EXPENSE (Notes 4 and 23)	407,083	1	540,777	1
NET PROFIT FOR THE YEAR	1,559,081	3	1,489,361	3
OTHER COMPREHENSIVE INCOME (Notes 20 and 23)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	9,375	-	698	-
Unrealized loss on investments in equity instruments designated as at fair value through other comprehensive income	(114,290)	-	(97,200)	(1)
Share of other comprehensive income (loss) of associates accounted for using the equity method	72,454	-	(22,311)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	9,797	-	(3,794)	-
Items that may be reclassified subsequently to profit or loss:				

(Continued)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

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

	For the Year Ended December 31			
	2019		2018	
	Amount	%	Amount	%
Exchange differences on translating the financial statements of foreign operations	$ (240,268)	(1)	$ (94,225)	-
Share of other comprehensive loss of associates accounted for using the equity method	(93,657)	-	(18,854)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	45,714	-	16,470	-
Other comprehensive loss for the year, net of income tax	(310,875)	(1)	(219,216)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 1,248,206	2	$ 1,270,145	2
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,415,822	3	$ 1,345,959	3
Non-controlling interests	143,259	-	143,402	-
	$ 1,559,081	3	$ 1,489,361	3
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Corporation	$ 1,141,555	2	$ 1,151,615	2
Non-controlling interests	106,651	-	118,530	-
	$ 1,248,206	2	$ 1,270,145	2
EARNINGS PER SHARE (Note 24)				
Basic	$ 6.12		$ 5.82	
Diluted	$ 5.93		$ 5.69	

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

(With Deloitte & Touche auditors’ report dated March 25, 2020) (Concluded)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

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

	Equity Attributable to Owners of the Company											
			Retained Earnings			Other Equity						
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain / (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	Unrealized Gain on Available-for-sale Financial Assets	Subtotal	Total	Non-Controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2018	$ 2,313,901	$ 1,440,508	$ 1,809,112	$ 197,138	$ 5,103,755	$ (284,224)	$ -	$ 206,064	$ (78,160)	$ 10,786,254	$ 1,055,137	$ 11,841,391
Effect of retrospective application	-	-	-	-	397,489	-	(191,425)	(206,064)	(397,489)	-	-	-
BALANCE AT JANUARY 1, 2018 AS ADJUSTED	2,313,901	1,440,508	1,809,112	197,138	5,501,244	(284,224)	(191,425)	-	(475,649)	10,786,254	1,055,137	11,841,391
Appropriation of 2017 earnings												
Legal reserve	-	-	140,951	-	(140,951)	-	-	-	-	-	-	-
Special reserve	-	-	-	(118,978)	118,978	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(763,587)	-	-	-	-	(763,587)	-	(763,587)
	-	-	140,951	(118,978)	(785,560)	-	-	-	-	(763,587)	-	(763,587)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(108,628)	-	-	-	-	-	-	-	(108,628)	-	(108,628)
Net profit for the year ended December 31, 2018	-	-	-	-	1,345,959	-	-	-	-	1,345,959	143,402	1,489,361
Other comprehensive income (loss) for the year ended December 31, 2018, net of income tax	-	-	-	-	2,441	(71,685)	(125,100)	-	(196,785)	(194,344)	(24,872)	(219,216)
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	1,348,400	(71,685)	(125,100)	-	(196,785)	1,151,615	118,530	1,270,145
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	(20,699)	(20,699)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (Notes 8 and 20)	-	-	-	-	1,971	-	(1,971)	-	(1,971)	-	-	-
Associates disposed the investments in equity instruments designated as at fair value through other comprehensive income (Note 20)	-	-	-	-	4,942	-	(4,942)	-	(4,942)	-	-	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	190,313	190,313
BALANCE AT DECEMBER 31, 2018	2,313,901	1,331,880	1,950,063	78,160	6,070,997	(355,909)	(323,438)	-	(679,347)	11,065,654	1,343,281	12,408,935
Appropriation of 2018 earnings												
Legal reserve	-	-	134,596	-	(134,596)	-	-	-	-	-	-	-
Special reserve	-	-	-	601,187	(601,187)	-	-	-	-	-	-	-
Cash dividends distributed by the Corporation	-	-	-	-	(740,448)	-	-	-	-	(740,448)	-	(740,448)
	-	-	134,596	601,187	(1,476,231)	-	-	-	-	(740,448)	-	(740,448)
Change in percentage of ownership interests in subsidiaries (Notes 12 and 23)	-	-	-	-	(8,049)	-	-	-	-	(8,049)	-	(8,049)
Changes in capital surplus from investments in associates accounted for using the equity method	-	(13,815)	-	-	-	-	-	-	-	(13,815)	-	(13,815)
Net profit for the year ended December 31, 2019	-	-	-	-	1,415,822	-	-	-	-	1,415,822	143,259	1,559,081
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	7,550	(251,603)	(30,214)	-	(281,817)	(274,267)	(36,608)	(310,875)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	1,423,372	(251,603)	(30,214)	-	(281,817)	1,141,555	106,651	1,248,206
Cash dividends distributed by the subsidiaries	-	-	-	-	-	-	-	-	-	-	(20,328)	(20,328)
Disposals of investments in equity instruments designated as at fair value through other comprehensive income (Notes 8 and 20)	-	-	-	-	(4,652)	-	4,652	-	4,652	-	-	-
Associates disposed the investments in equity instruments designated as at fair value through other comprehensive income (Note 20)	-	-	-	-	23,575	-	(23,575)	-	(23,575)	-	-	-
Increase in non-controlling interests	-	-	-	-	-	-	-	-	-	-	410,102	410,102
BALANCE AT DECEMBER 31, 2019	$ 2,313,901	$ 1,318,065	$ 2,084,659	$ 679,347	$ 6,029,012	$ (607,512)	$ (372,575)	$ -	$ (980,087)	$ 11,444,897	$ 1,839,706	$ 13,284,603

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

(With Deloitte & Touche audit report dated March 25, 2020)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

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

	For the Years Ended December 31	
	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	$ 1,966,164	$ 2,030,138
Adjustments for:		
Depreciation expenses	214,504	113,209
Amortization expenses	31,815	17,364
Expected credit loss	89,067	2,982
Net loss of financial instruments at fair value through profit or loss	4,814	5,300
Finance costs	274,026	236,954
Interest income	(14,879)	(9,675)
Dividend income	(12,714)	(7,445)
Share of profit of associates accounted for using the equity method	(530,407)	(420,809)
Gain on disposal of property, plant and equipment	(1,189)	(404)
Impairment loss on non-financial assets	53,689	64,652
Net gain on foreign currency exchange	(87,709)	(9,186)
Others	(67)	-
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through profit or loss	9,650	-
Notes receivable	(149,619)	(33,150)
Notes receivable - related parties	(15,496)	-
Trade receivables	(329,574)	(2,174,176)
Trade receivables - related parties	63,701	(72,518)
Other receivables	(6,490)	(2,681)
Other receivables - related parties	18,924	(2,406)
Inventories	1,039,205	(1,056,790)
Prepayments for purchases	(117,963)	(285,568)
Other current assets	(8,369)	(55,744)
Financial liabilities held for trading	(19,023)	483
Contract liabilities	107,283	(5,407)
Notes payable	(195,890)	(20,266)
Notes payable - related parties	(1,347)	(319,569)
Trade payables	(376,444)	469,593
Trade payables - related parties	(57,542)	129,535
Other payables	151,966	(142,701)
Refund liabilities	29,170	(39,925)
Other current liabilities	(4,777)	(1,912)
Net defined benefit liabilities	(9,222)	(4,596)
Cash generated from (used in) operations	2,115,257	(1,594,718)
Interest received	14,879	9,675
Dividends received	335,880	341,902
Interest paid	(269,021)	(233,133)
Income tax paid	(398,971)	(433,861)
Net cash generated from (used in) operating activities	1,798,024	(1,910,135)

(Continued)

WAH LEE INDUSTRIAL CORPORATION AND SUBSIDIARIES

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

	For the Years Ended December 31	
	2019	**2018**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	$ -	$ (155,970)
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,782	19,597
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	-	489
Purchase of financial assets at fair value through profit or loss	(304,141)	(89,344)
Proceeds from disposal of financial assets at fair value through profit or loss	291,853	-
Purchase of investments accounted for using the equity method	(7,310)	(91,263)
Net cash outflow on acquisition of subsidiaries (Note 25)	(401,261)	(102,645)
Payments for property, plant and equipment	(430,499)	(105,566)
Proceeds from disposal of property, plant and equipment	3,373	990
Decrease (increase) in refundable deposits	(11,238)	8,638
Payments for intangible assets	(13,776)	(12,505)
Decrease (increase) in other financial assets	(765,291)	56,652
Increase in other noncurrent assets	(4,168)	(39)
Net cash used in investing activities	(1,637,676)	(470,966)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term borrowings	(114,677)	3,022,791
Increase (decrease) in short-term bills payable	(100,000)	100,000
Proceeds from long-term borrowings	5,575,433	4,300,000
Repayment of long-term borrowings	(4,588,851)	(4,032,260)
Decrease in guarantee deposits received	-	(2,601)
Repayment of the principal portion of lease liabilities	(54,833)	-
Cash dividends	(740,448)	(763,587)
Change in non-controlling interests	(13,651)	(14,731)
Net cash generated from (used in) financing activities	(37,027)	2,609,612
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	(316,646)	(136,873)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(193,325)	91,638
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	2,541,851	2,450,213
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,348,526	$ 2,541,851

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

(With Deloitte & Touche audit report dated March 25, 2020) (Concluded)

【Attachment VII】

Wah Lee Industrial Corp.

The Proposal for Distribution of 2019 Earnings

Unit: NT Dollars

Items	Amount	
	Subtotal	total
Beginning Undistributed earnings		4,594,765,959
Add: For disposal of investments in equity instruments designated at fair value through other comprehensive income, the cumulative gain or loss that had been recognized in other comprehensive income is transferred directly to retained earnings.	18,923,335	
Add: Remeasurements of Defined Benefit Plans in Retained Earning	7,549,732	
Less: Changes in equity to the ownership to subsidiaries in Retained Earning	(8,048,924)	
Adjusted Undistributed Earnings		4,613,190,102
Add: Net Profit After tax	1,415,821,780	
Less: 10% Legal Reserve	(143,424,592)	
Less: reversal of special reserve	(300,739,564)	
Distributable Net Profit		5,584,847,726
Distributable Items:		
Dividend to shareholders- Cash (NT $3.3 per	(763,587,456)	

share)		
Un-appropriated undistributed earnings		4,821,260,270

Notes: The amount of this profit Distribution has priority in 2019 profit net.

President: Ray-Ching Chang Manager: Tsuen-Hsien Chang Accounting Supervisor: Guo-Ping Li

【Attachment VIII】

Wah Lee Industrial Corp.

The Comparison Chart of the Articles of Incorporation

Article No.	Contents		Basis and Reason for Amendment
	Text of Article before Amendment	Text of Article after Amendment	
Article 2	Below are the businesses that this Corporation runs: (1) F401010 International trade. (2) F107120 Wholesale of precision chemical materials. (3) F107140 Wholesale of plastic raw materials. (4) F119010 Wholesale of electronic materials. (5) F113110 Wholesale of battery. (6) F113070 Wholesale of telecommunications equipment. (7) F213010 Retail of electric appliances. (8) F108031 Wholesale of medical equipment. (9) F107130 Wholesale of synthetic resin. (10) F107150 Wholesale of synthetic rubber. (11) F107170 Wholesale of industrial additives. (12) F113100 Wholesale of pollution prevention and cure equipment. (13) F120010 Wholesale of refractory materials. (14) F107990 Wholesale of other chemical products (photoresist, metal oxide and silicon oxide grinding fluid, silicon carbide tube, glass substrate, conductive glass, liquid crystal, dry film	Below are the businesses that this Corporation runs: (1) F401010 International trade. (2) F107120 Wholesale of precision chemical materials. (3) F107140 Wholesale of plastic raw materials. (4) F119010 Wholesale of electronic materials. (5) F113110 Wholesale of battery. (6) F113070 Wholesale of telecommunications equipment. (7) F213010 Retail of electric appliances. (8) F108031 Wholesale of medical equipment. (9) F107130 Wholesale of synthetic resin. (10) F107150 Wholesale of synthetic rubber. (11) F107170 Wholesale of industrial additives. (12) F113100 Wholesale of pollution prevention and cure equipment. (13) F120010 Wholesale of refractory materials. (14) F107990 Wholesale of other chemical products (photoresist, metal oxide and silicon oxide grinding fluid, silicon carbide tube, glass substrate, conductive glass, liquid crystal, dry film photoresist, foaming agent, Air	New business items are added in response to business needs.

<table>
<tr><th rowspan="2">Article No.</th><th colspan="2">Contents</th><th rowspan="2">Basis and Reason for Amendment</th></tr>
<tr><th>Text of Article before Amendment</th><th>Text of Article after Amendment</th></tr>
<tr><td></td><td>photoresist, foaming agent, Air conditioning refrigerant, automotive and refrigerator refrigerant, flexible fiber, glass fiber, carbon fiber, boron fiber, polyethylene fiber).
(15) F113030 Wholesale of precision instrument.
(16) F103010 Wholesale of feed.
(17) F202010 Retail of feed.
<u>(18)</u> ZZ99999 In addition to the permitted business, this Corporation is able to operate businesses which are not prohibited or restricted.</td><td>conditioning refrigerant, automotive and refrigerator refrigerant, flexible fiber, glass fiber, carbon fiber, boron fiber, polyethylene fiber).
(15) F113030 Wholesale of precision instrument.
(16) F103010 Wholesale of feed.
(17) F202010 Retail of feed.
<u>(18) D101060 Self-usage power generation equipment utilizing renewable energy industry.</u>
<u>(19) E601010 Electric Appliance Construction.</u>
<u>(20) IG03010 Energy Technical Services.</u>
<u>(21) I301010 Software Design Services.</u>
<u>(22) I301020 Data Processing Services.</u>
<u>(23) J101040 Waste treatment.</u>
<u>(24) J101060 Wastewater (Sewage) Treatment.</u>
<u>(25) J101080 Waste Recycling.</u>
<u>(26) F106040 Wholesale of Water Containers.</u>
<u>(27) F105050 Wholesale of Furniture, Bedclothes Kitchen Equipment and Fixtures.</u>
<u>(28) F106050 Wholesale of Pottery, Porcelain and Glassware.</u>
<u>(29)</u> ZZ99999 In addition to the permitted business, this Corporation is able to operate businesses which are not prohibited or restricted.</td><td></td></tr>
</table>

Article No.	Contents		Basis and Reason for Amendment
	Text of Article before Amendment	Text of Article after Amendment	
Article 24	These Articles of Incorporation are agreed to and signed on August 22, 1968 by all the promoters of this Corporation, and the first Amendment was approved by the shareholders' meeting on July 13, 1974, …, the fortieth Amendment on June 8, 2010, the forty-first Amendment on June 3, 2013, the forty-second Amendment on June 17, 2016, the forty-third Amendment on May 26, 2017, the forty-fourth Amendment on May 30, 2019.	These Articles of Incorporation are agreed to and signed on August 22, 1968 by all the promoters of this Corporation, and the first Amendment was approved by the shareholders' meeting on July 13, 1974, …, the fortieth Amendment on June 8, 2010, the forty-first Amendment on June 3, 2013, the forty-second Amendment on June 17, 2016, the forty-third Amendment on May 26, 2017, the forty-fourth Amendment on May 30, 2019, **the forty-fifth Amendment on May 28, 2020.**	The date and the session of the last Amendment is added.

【Attachment IX】

Wah Lee Industrial Corp.

The Comparison Chart of Procedures for Endorsement and Guarantee

The Comparison Chart			
Article	Text of Article before Amendment	Text of Article after Amendment	Basis and Reason for Amendment
Article 5	Limits of Endorsements/ Guarantees 1. The total amount of endorsements worth and/or guarantees may not exceed <u>seventy percent (70%)</u> of this Corporation net worth as stated in its latest financial report. The total amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries reach <u>seventy percent (70%)</u> of this Corporation net worth as stated in its latest financial report. 2. The amount of endorsements and/or guarantees in favor of any single enterprise may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. The amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. Provide that it shall apply to endorsements/guarantees made between companies in which the public company holds, directly or indirectly, one hundred percent (100%) of the voting shares not exceed thirty percent (30%) of this Corporation net worth as stated in its latest financial report. "Net worth" in these	Limits of Endorsements/ Guarantees 1. The total amount of endorsements worth and/or guarantees may not exceed <u>**one hundred percent (100%)**</u> of this Corporation net worth as stated in its latest financial report. The total amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries reach <u>**one hundred percent (100%)**</u> of this Corporation net worth as stated in its latest financial report. 2. The amount of endorsements and/or guarantees in favor of any single enterprise may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. The amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. Provide that it shall apply to endorsements/guarantees made between companies in which the public company holds, directly or indirectly, one hundred percent (100%) of the voting shares not exceed thirty percent (30%) of this Corporation net worth as stated in its latest financial report. "Net worth" in these	A heightening in total amount of endorsement worth and guarantees is required in response to business needs.

The Comparison Chart			
Article	Text of Article before Amendment	Text of Article after Amendment	Basis and Reason for Amendment
	Procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	Procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.	

【Attachment X】

Wah Lee Industrial Corp.

The Comparison Chart of Regulations of Shareholders' Meeting

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
3. ~~When this Corporation holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. A shareholder exercising voting rights by correspondence or electronic means under the preceding paragraph will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. Attendance and voting at shareholders meetings shall be calculated based on numbers of shares, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.~~	3. **Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. Procedures for calling of shareholders' meeting and the shareholders' rights to make proposals of this Corporation shall be handled under Articles 172 and 172-1 of the Company Act.** **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 regular shareholders meeting 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**	Revised with reference to Article 3 of the Sample Template for "XXX Co., Ltd. Rules of Procedure for Shareholders Meetings"; in addition, the clause before amendment is moved to Article 16 of the Regulations hereof.

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
	Corporation and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place. **Where the full by-election of directors has been stated in the reasons for calling the shareholders' meeting, the date taking the office shall also be stated, and no changes to the date can be made in the same meeting by extraordinary motion or other methods after such by-election is completed in the shareholders' meeting**	
4. 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~~.~~ The time during which shareholder attendance registrations will be accepted shall be 30 minutes prior to the time the meeting commences.	4. 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, and **full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.** The time during which shareholder attendance registrations will be accepted shall be 30 minutes prior to the time the meeting commences.	Revised with reference to Article 5 of the Sample Template for "XXX Co., Ltd. Rules of Procedure for Shareholders Meetings"
6. Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.	6. **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.	Discretionary change in wording is made.

<table>
<tr><th colspan="2">The Comparison Chart</th><th rowspan="2">Basis and Reason for Amendment</th></tr>
<tr><th>Text of Article before Amendment</th><th>Text of Article after Amendment</th></tr>
<tr><td>7. 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.
(Following paragraph omitted)</td><td>7. <u>This</u> 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.
(Following paragraph omitted)</td><td>Discretionary change in wording is made.</td></tr>
<tr><td>9. If the shareholders’ meeting is convened by the board of directors, the agenda shall be determined by the board of directors. The meeting shall be conducted on the basis of the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.
If the shareholders’ meeting is convened by the person apart from the board of directors who own the right to convene, the provisions of the preceding paragraph shall be used.
Before the preceding two agendas scheduled in the proceedings (including motions) ends, the moderator shall not adjourn the meeting without resolution. But if the moderator violated the rules of procedure and announced to adjourn the meeting, the present shareholders shall vote more than half to elect one person to serve as the moderator and continue the meeting.</td><td>9. If the shareholders’ meeting is convened by the board of directors, the agenda shall be determined by the board of directors. <u>Relevant proposals (incl. motions and revisions to the original proposal) shall be passed through voting by poll.</u> The meeting shall be conducted on the basis of the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.
If the shareholders’ meeting is convened by the person apart from the board of directors who own the right to convene, the provisions of the preceding paragraph shall be used.
Before the preceding two agendas scheduled in the proceedings (including motions) ends, the moderator shall not adjourn the meeting without resolution. But if the moderator violated the rules of procedure and announced to adjourn the meeting, the</td><td>1st paragraph is amended following the full adoption of electronic voting by TWSE/TPEx listed companies and the implementation of voting by poll.</td></tr>
</table>

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
	present shareholders shall vote more than half to elect one person to serve as the moderator and continue the meeting.	
14. The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate for voting.	14. The Chairman **shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders;** the Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate for voting, **with sufficient voting time arranged**.	Such amendment is made to prevent the insufficient time for voting by shareholders due to excessive shortening of voting time for shareholders by the director with rights to convene a shareholders' meeting.
15. The persons who monitor and calculate the votes of the bill are assigned by the moderator, but the persons should own a shareholder's identity. The voting operation of the shareholders' meeting or the election of the bill shall be done in public at the meeting place of the shareholders' meeting, and the result shall be announced right after the completion of the counting of votes, including the weight of the statistics, and make it into record.	15. The persons who monitor and calculate the votes of the bill are assigned by the moderator, but the persons should own a shareholder's identity. The voting operation of the shareholders' meeting or the election of the bill shall be done in public at the meeting place of the shareholders' meeting, and the result shall be announced right after the completion of the counting of votes, including the weight of the statistics **and list of elects**, and make it into record. **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**	Revised with reference to Article 14 of the Sample Template for "XXX Co., Ltd. Rules of Procedure for Shareholders Meetings"

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
	pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.	
16. When this Corporation holds a shareholders meeting, ~~it may allow the shareholders to exercise voting rights by correspondence or electronic means~~. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals. Except as otherwise provided in the Company Act and in 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. ~~The report shall be passed without objection after the moderator asked all present shareholders. The effect is considered the same as the voting.~~	16. **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 this Corporation holds a shareholders meeting, **it shall allow the shareholders to exercise voting rights by correspondence or electronic means**. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.	Revised with reference to Article 13 of the Sample Template for "XXX Co., Ltd. Rules of Procedure for Shareholders Meetings"

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
~~If voting on a case-by-case basis,~~ after the moderator or his deputy announce the total number of voting rights of the present shareholders, the shareholders shall vote on a case-by-case basis. The results of the shareholders' consent, objection and abstention shall be entered into the public information observation place on the day of the shareholders' 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 this Corporation before 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**	

The Comparison Chart		Basis and Reason for Amendment
Text of Article before Amendment	Text of Article after Amendment	
	<u>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.</u> Except as otherwise provided in the Company Act and in **<u>this</u>** 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. The report shall be passed without objection after the moderator asked all present shareholders. The effect is considered the same as the voting. **<u>Upon voting</u>**, after the moderator or his deputy announce the total number of voting rights of the present shareholders **<u>case by case</u>**, the shareholders shall vote on a case-by-case basis. The results of the shareholders' consent, objection and abstention shall be entered into the public information observation place on the day of the shareholders' meeting.	

【Appendix I】

Wah Lee Industrial Corp.
Regulations of Shareholders' Meeting

Passed by the discussions of the shareholders' meeting on June 17, 2016

1. Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be held as provided in these Rules.

2. Shareholders or deputies attending the shareholders' meeting shall sign in, and sign-in procedures shall be replaced by handing in attendance cards. Attendance shares shall be calculated in accordance with the attendance card and the voting right that is exercised in written or electronic form. In order to confirm the attendance of the shareholders or their deputies, the shareholders or their deputies shall carry the documents to prove their identity for the inspection at the time of signing in. This Corporation shall not require any additional documents apart from the certified documents of the shareholders. Solicitors that are classified to proxy solicitation document should carry proof of identity documents for verification.

3. When this Corporation holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. A shareholder exercising voting rights by correspondence or electronic means under the preceding paragraph will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting. Attendance and voting at shareholders meetings shall be calculated based on numbers of shares, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.

4. 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. The time during which shareholder attendance registrations will be accepted shall be 30 minutes prior to the time the meeting commences.

5. If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair. When a director serves as chair, as referred to in the preceding paragraph, the director shall

be one who has held that position for six months or more and who understands the financial and business conditions of this Corporation. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders meetings convened by the board of directors be chaired by the chairperson of the board in person and attended by a majority of the directors, 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 a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

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

7. 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 recording shall be retained until the conclusion of the litigation. Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes in accordance with the provisions of Article 183 of the Company Act.

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

9. If the shareholders’ meeting is convened by the board of directors, the agenda shall be determined by the board of directors. The meeting shall be conducted on the basis of the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.
If the shareholders’ meeting is convened by the person apart from the board of directors who own the right to convene, the provisions of the preceding paragraph shall be used.
Before the preceding two agendas scheduled in the proceedings (including motions) ends, the moderator shall not adjourn the meeting without resolution. But if the moderator violated the rules of procedure and announced to adjourn the meeting, the present shareholders shall vote more than half to elect one person to serve as the moderator and continue the meeting.

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

11. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 3 minutes. When the shareholder speaks in violation of the preceding regulation, to speak overtime or beyond the scope of the issue, or violate the order of the meeting, the moderator shall suspend his speech. If the shareholder still violates after suspension, the moderator shall stop his speech.

12. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting. 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.

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

14. The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate for voting.

15. The persons who monitor and calculate the votes of the bill are assigned by the moderator, but the persons should own a shareholder’s identity.
The voting operation of the shareholders' meeting or the election of the bill shall be done in public at the meeting place of the shareholders’ meeting, and the result shall be announced right after the completion of the counting of votes, including the weight of the statistics, and make it into record.

16.When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.
Except as otherwise provided in the Company Act and in 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. The report shall be passed without objection after the moderator asked all present shareholders. The effect is considered the same as the voting.
If voting on a case-by-case basis, after the moderator or his deputy announce the total number of voting rights of the present shareholders, the shareholders shall vote on a case-by-case basis. The results of the shareholders’ consent, objection and abstention shall be entered into the public information observation place on the day of the shareholders' meeting.

17. When there is an amendment or an alternative to a proposal, the chair 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.

18. The chair shall command the picket (or security officer) to assist in maintaining the order of the venue. When the picket (or security officer) is present to assist in maintaining the order, the "picket" armband should be worn.

19. At the time of the meeting, the chair may, at his discretion, declare a rest. Under irresistible circumstances, the moderator shall adjudicate that the meeting be suspended, and announce the continued time for the meeting depending on the situation.
Before the agenda scheduled in the proceedings (including extempore motions) ends, if the venue of the meeting is not able to continue to use, the shareholders' meeting shall resolute another venue for the meeting.

20. If the agenda cannot be proceeded for any reason, the extension or renewal of the preceded shall be decided by the resolution of the shareholders' meeting within five days in no accordance with the regulations relevant to convention procedures in Article 182 of the Company Act, and the regulations relevant to convention procedures Article 172 of the Company Act are not applicable.

21. The matters not provisioned in these regulations shall be governed by the provisions of the Company Act, the Articles of Association of this Corporation and other relevant laws and regulations.

22. The rules and amendments shall be adopted after being passed by the shareholders’ resolution.

【Appendix II】

Wah Lee Industrial Corp.
Articles of Incorporation

Chapter 1 General Rule

Article 1: This Corporation is named as WAH LEE INDUSTRIAL CORP. in accordance with the provisions of the Company Act.

Article 2: Below are the businesses that this Corporation runs:

(1) F401010 International trade.
(2) F107120 Wholesale of precision chemical materials.
(3) F107140 Wholesale of plastic raw materials.
(4) F119010 Wholesale of electronic materials.
(5) F113110 Wholesale of battery.
(6) F113070 Wholesale of telecommunications equipment.
(7) F213010 Retail of electric appliances.
(8) F108031 Wholesale of medical equipment.
(9) F107130 Wholesale of synthetic resin.
(10) F107150 Wholesale of synthetic rubber.
(11) F107170 Wholesale of industrial additives.
(12) F113100 Wholesale of pollution prevention and cure equipment.
(13) F120010 Wholesale of refractory materials.
(14) F107990 Wholesale of other chemical products (photoresist, metal oxide and silicon oxide grinding fluid, silicon carbide tube, glass substrate, conductive glass, liquid crystal, dry film photoresist, foaming agent, Air conditioning refrigerant, automotive and refrigerator refrigerant, flexible fiber, glass fiber, carbon fiber, boron fiber, polyethylene fiber).
(15) F113030 Wholesale of precision instrument.
(16) F103010 Wholesale of feed.
(17) F202010 Retail of feed.
(18) ZZ99999 In addition to the permitted business, this Corporation is able to operate businesses which are not prohibited or restricted.

Article 3: This Corporation set the headquarters in Kaohsiung City, and is able to set branches domestically and abroad with the approval of the board of directors if necessary.

Article 4: The announcement method of this Corporation shall be handled in accordance with the relevant provisions of the Company Act.

Chapter 2 Shares

Article 5: The total capital of this Corporation is denominated as 3 billion NTD, divided into 300 million shares, 10 NTD per share, with the board of directors authorized to issue partially.

100 million NTD of the total capital is reserved for the issuance of the warrants, the subsidiary equity interests or the special shares of the equity interests, totaling 10 million shares, 10 NTD per share, and shall be issued partially in accordance with the

resolutions of the board of directors.

Article 6: The stocks of this Corporation are "in registered form", and are signed or stamped by three or more directors, and are issued by the authority or its authorized issuance registration agency.

When this Corporation issues new shares, it shall merge and print the stocks together on the basis of the total number issued, and shall have them kept by the securities centralized management institution custody.

The shares issued by this Corporation shall also be exempt from being printed and shall be registered to the securities centralized management institution and shall not apply the provisions of the preceding two regulations.

Article 7: The shares of this Corporation shall be handled in accordance with the relevant provisions of the Administration with the exception of the provisions of the Act or the securities regulations.

Article 8: (Deleted)

Chapter 3 Annual Shareholder Meeting

Article 9: Shareholders' meeting shall be of the following two kinds: Regular shareholders' meeting and special shareholders' meeting. The regular meeting of shareholders referred to in the preceding Paragraph shall be convened within six months after close of each fiscal year, unless otherwise approved by the competent authority for good cause shown whereas a special meeting of shareholders to be held in accordance with applicable laws and regulations when necessary.

Article 10: A shareholder may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the corporate stating therein the scope of power authorized to the proxy abided to not only Company Act but also “Rules Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies”.

Article 10-1: The corporate obligates to send its shareholders the shareholder meeting associated documents as well as notifications electronically.

Article 11: The voting right accompanied with each share; the shareholder has right to vote unless otherwise is stated “The shares held by shareholders having no voting right” in accordance with the provisions of Article 179, Company Act.

Article 12: A shareholders meeting shall, unless otherwise provided for in this Act, be convened by the Board of Directors. The chairman is the corporate CEO. When the corporate CEO is absent, the vise CEO will be the chairman. When the corporate vise CEO absence, the CEO will appoint a director to be a chairman. In case the chairman is not appointed by the CEO, one of the director will be the chairman. When a shareholders' meeting is convened by any other person having the convening right, he/she shall act as the chairman of that meeting provided that if there are two or more persons having the convening right, the chairman of the meeting shall be elected from among themselves.

Chapter 4 Directors, Supervisor, and Audit Committee

Article 13: The corporate designs to have seven to eleven directors elected with a three-year term elected or re-elected for the following terms by the shareholders. He or she will have the director term extension if the new director election has not taken place in time. The shareholding of all the shareholders' combined is abided by Financial Supervisory Commission.

Three independent directors are included with the required above. The directors will be nominated for each election held by the shareholders' meeting. The expertise, shareholding, occupation limitation of the three independent directors in accordance of the law governed by Financial Supervisory Commission.

Article 13-1: In compliance with Articles 14-4 of the Securities and Exchange Law, this Corporation shall establish an Audit Committee, which shall consist of all independent directors and be responsible for those responsibilities of Supervisors specified under the Company Act, the Securities and Exchange Law and other relevant regulations.

Audit committee member will be abided by all associated laws as well as the corporate structures approved by the board of directors.

This Corporation will compensate to level of committee abided by law or after considering its individual executing criteria.

Article 13-2: (Deleted).

Article 14: Board of Director is assembled by directors. Two-third of directors' presence and half of the directors agree to elect one director as a Company CEO to manage this Corporation and vise CEO will be elected to assist CEO for maintaining this Corporation operations.

Article 14-1: A notice of the reasons for convening a board meeting shall be given to each director 7 days before the meeting is convened. However, a board meeting may be convened at any time without such prescribed notices in case of urgent circumstances.

The notice to be given under the preceding paragraph may be effected by means of written notice, E-mail or fax.

Article 15: Internally, CEO of this Corporation represents shareholders and the chairman of Board of Director; externally, CEO represents this Corporation. When CEO is absent or unable to execute his or her duties, the vise CEO will substitute to maintain this Corporation operations. Under the circumstance of the absence for both CEO and vise CEO, one director will be appointed to present the meeting by CEO. When no director appointed, one director will be the chairman to proceed.

Article 16: Board of Director meeting is called by this Corporation CEO unless Company Act regulated otherwise. In case a director appoints another director to attend a meeting of the board of directors in his/her behalf, he/she shall, in each time, issue a written proxy and state therein the scope of authority with reference to the subjects to be discussed at the meeting. A director may accept the appointment to act as the proxy referred to in the preceding Paragraph of one other director only.

In case the independent director cannot present to the Board of Director meeting, his or her opposite or reserved resolutions shall be documented, presented to the Board of Director, and recorded on the Board of Director meeting minute. A written proxy of appointing the other independent director to the meeting is forbidden.

Article 16-1: Any resolution of Board of Director requires half of the directors' presence and half of the presented directors agree to proceed, and this meeting minute shall be signed or stamped by this Corporation CEO.

Article 16-2: (Deleted).

Article 16-3: (Deleted).

Chapter 5 Managerial Personnel

Article 17: A Chief Executive Officer and Vise Chief Executive Officer will be elected by Board of Director to maintain this Corporation operations and policies executions.

One President followed by the supervision of Board of Director and executed within the authorized range in this Corporation operations will be set up by this Corporation. The President's appointment, disappointment, and his or her the remuneration will abide by Article 29, Company Act.

Chapter 6 Accountant

Article 18: This Corporation requires to finalize (1) Business Report, (2) Financial Statements, and (3) Surplus Distribution or a legal reserve coverage proposal, present to Board of Director, and request for its recognition.

Article 19: The directors will be paid regardless the surplus or the loss of the fiscal year. The scale of this remuneration will be adjusted by Board of Director based on the individual involvement, not exceeding the highest remuneration scale of this Corporation. When the surplus is reported, the remuneration of directors will be paid in accordance of Article 20.

The directors will be covered by their liability insurance based on their liabilities in the business dealings.

Article 20: Nine percent (9%) to thirteen percent (13%) of the surplus will be accrued as employees' bonuses, and the remuneration of the directors and the supervisors cannot be two percent (2%) higher of the year end surplus. The loss, on the other hand, will be estimated and realized accordingly.

Employees who qualify to receive the bonuses will be paid by stock dividends or cash dividends.

Both employees' bonuses and the remuneration of the directors and the supervisors are present to Board of Director and report to the shareholders' meeting.

Article 20-1: This Corporation surplus will be obligated to pay its Company taxes first, covered the legal reserve, ten percent (10%) set aside as a legal reserve. When a legal reserve reaches its paid-in capital, the legal reserve will stop recorded. The remainder will set aside another sum as special reserve or otherwise allocated to respect the law; The remainder can be combined with unallocated surplus on the account, then present to Board of Director for the proposals of earring distribution as for shareholders' dividends for a resolution in the shareholders' meeting.

This Corporation dividend distribution policy will take into the consideration of company's potential developments, the investment environment, the demand of capitals, domestic competitions as well as the international competitors, and shareholders' benefits before its final resolution. Every year, not lower than ten percent (10%) of allocable surplus will be accounted for shareholders' dividends and accumulated earring cannot be lower than one percent (1%) of the actual company capital or no shareholders' dividends will be allocated. The shareholders' dividends will be paid with cash dividends or stock dividends and the cash dividends cannot be lower than fifty percent (50%) of the totaled shareholders' dividends.

Article 20-2: If this Corporation intended to buy this Corporation outstanding shares and transfer them to the employees the price per share lower than the market price, this shall be abided by Article 10-1 and Article 13 under "Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies" and approved by the latest shareholders' meeting (a half of the shareholders out of total outstanding shares of this Corporation and approved by two-third of the presented shareholders) and resolved by the shareholders' meeting before the shared being transferred to the employees.

Article 20-3: If this Corporation intended to issue number of shares subscription warrants to the employees with the lower market price (price per share) shall be regulated by Article 56-1 and Article 76 of Regulations Governing Information to be Published in Public Offering and Issuance Prospectuses and resolved by the shareholders' meeting before the issuance.

Chapter 7 Additions

Article 21: This Corporation's external endorsements required to respect these Corporation endorsement procedures.

Article 22: This Corporation reinvestment has not limited to forty percent (40%) of the pain-in capital, but its procedures requires to follow this Corporation short-term and long-term investment procedures.

Article 23: Uncovered mater of Article of Incorporation shall be abided by Company Act.

Article 24: These Articles of Incorporation are agreed to and signed on August 22, 1968 by all the promoters of this Corporation, and the first Amendment was approved by the shareholders' meeting on July 13, 1974, the second Amendment on September 21, 1974, the third Amendment on February 5, 1975, the fourth Amendment on July 13, 1977, the fifth Amendment on August 29, 1981, the sixth Amendment on September 18, 1983, the seventh Amendment on November 22, 1984, the eighth Amendment on October 8, 1986, the ninth Amendment on September 25, 1987, the tenth Amendment on December 7, 1989, the eleventh Amendment on September 7th, 1990, the twelfth Amendment on September 15, 1991, the thirteenth Amendment on January 24, 1992, the fourteenth Amendment on October 20, 1993, the fifteenth Amendment on November 20, 1993, the sixteen Amendment on January 27, 1994, the eighteenth Amendment on June 25, 1996, the nineteenth Amendment on July 31, 1996, the twentieth Amendment on October 3, 1996, the twenty-first Amendment on December 29, 1996, the twenty-second Amendment on June 15, 1997, the twenty-third Amendment on September 4, 1007, the twenty-fourth Amendment on October 17, 1997, the twenty-fifth Amendment on November 22, 1997, the twenty-six Amendment on May 19, 1998, then twenty-eight Amendment on October 17, 1998, the twenty-ninth Amendment on June 11, 1999, the thirtieth Amendment on May 15, 2000, the thirty-first Amendment on April 30, 2001, the thirty-second Amendment on May 30, 2002, the thirty-third Amendment on May 30, 2002, the thirty-fourth Amendment on June 18, 2003, the thirty-fifth Amendment on May 18, 2004, the thirty-sixth Amendment on June 7, 2005, the thirty-seventh Amendment on May 24, 2006, the thirty-eighth Amendment on June 13, 2007, the thirty-ninth Amendment on June 18, 2008, the fortieth Amendment on June 8, 2010, the forty-first Amendment on June 3, 2013, the forty-second Amendment on June 17, 2016, the forty-third Amendment on May 26, 2017.

Wah Lee Industrial Corp.

CEO：Ray-chin Chang

【Appendix III】

Procedures for Endorsement and Guarantee of Wah Lee Industrial Corp.

Approved by Shareholders' Meeting on May 30, 2019

Article 1: Purpose

The Procedures set forth below are the guidelines for this Corporation to provide endorsement and/or guarantee to outside parties. Any other matters not set forth in the Procedures shall be dealt with in accordance with the applicable laws, rules, and regulations.

Article 2: Applicable Laws and Regulations

The Procedures set forth below are pursuant to the relating regulation of Financial Supervisory Commission (hereafter refers to as FSC.)

Article 3: Application Subjects

The endorsement and/or guaranty referred to in these Procedures include the following:

1. Financial endorsements and/or guarantees, including:
   (1) Discounted bill financing;
   (2) Endorsement or guaranty made for the financing needs of other companies;
   (3) Issuing negotiable instruments for the purpose of providing guaranty to obtain finance for its own businesses to an entity other than the financial institutions.
2. "Custom duty endorsement and/or guarantees", which shall mean endorsement or guarantee for the Company itself or other companies in respect of the custom duty matters;
3. "Other endorsements and/or guarantees" which shall mean other endorsements or guarantees which cannot be included in the above two categories.

The lien or mortgage provided by this Corporation against its assets and properties for guaranteeing another company's loan should also follow the policies and procedures set forth herein.

Article 4: Subject of Endorsements/Guarantees

This Corporation may provide endorsement and/or guarantee for the following companies:

1. The companies with which it has business relations;
2. Subsidiaries in which this Corporation holds more than fifty percent (50%) of its total outstanding common shares;
3. The companies in which the parent company and the subsidiary together hold more than fifty percent (50%) of its outstanding common shares.

Companies in which the public company holds, directly or indirectly, ninety percent (90%) or more of the voting shares may make endorsements/guarantees for each other, and the amount of endorsements/guarantees may not exceed ten percent (10%) of the net worth of the public company, provided that this restriction shall not apply to endorsements/guarantees made between companies in which the public company holds, directly or indirectly, one hundred percent (100%) of the voting shares.

Companies in same type of business and providing mutual endorsements/guarantees in favor of each other in accordance with the contractual obligations in order to fulfill the needs of the construction project; or shareholders making endorsements and/or guarantees for their mutually invested company in proportion to their shareholding percentage, shall not be subject to the restriction set forth in the above Paragraph, and may provide such endorsements/guarantees.

Capital contribution referred to in the preceding paragraph shall mean capital contribution directly by the public company, or through a company in which the public company holds one hundred percent (100%) of the voting shares.

Article 5: Limits of Endorsements/ Guarantees

1. The total amount of endorsements worth and/or guarantees may not exceed seventy percent (70%) of this Corporation net worth as stated in its latest financial report. The total amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries reach seventy percent (70%) of this Corporation net worth as stated in its latest financial report.
2. The amount of endorsements and/or guarantees in favor of any single enterprise may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. The amount of endorsements worth and/or guarantees of this Corporation and its subsidiaries may not exceed twenty percent (20%) of this Corporation net worth as stated in its latest financial report. Provide that it shall apply to endorsements/guarantees made between companies in which the public company holds, directly or indirectly, one hundred percent (100%) of the voting shares not exceed thirty percent (30%) of this Corporation net worth as stated in its latest financial report.

"Net worth" in these Procedures means the balance sheet equity attributable to the owners of the parent company under the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 6: Hierarchy of Decision-Making and Authority on Endorsement/Guarantee

1. The endorsement/guarantee shall be decided by the board of directors in accordance with the normal operating procedures. However, due to the business needs, without overrating the seventy percent (70%) limit of each provision in accordance with external endorsement guarantee in Article 5, the board of directors shall authorize the Chairman to decide in accordance with the authorized operating procedures, submit to the recent board of directors for further recognition, but the major endorsement guarantee shall be approved by the Audit Committee in accordance with the relevant provisions, and shall be submitted to the resolutions of the board of directors, and report the situation of the endorsement guarantee to the shareholders' meeting, But if the total amount of this Corporation's and its subsidiaries' external endorsement guarantee is more than fifty percent (50%) of the net value of this Corporation, its necessity and reasonableness shall be stated in the shareholders' meeting.
2. For the endorsement/guarantee, if this Corporation is in necessity to exceed the amount as specified in Article 5 due to business needs, the board of directors shall approve and more than half of the directors shall be entitled to the possible loss of this Corporation's overrun and shall amend the endorsement guarantee procedures, and report to the shareholders' meeting for further recognition. If the shareholders'

meeting does not agree, it should be planned to delete the overrun within a certain period of time.

Article 7: Procedures for Handling and Scrutinizing Endorsement/Guarantee

1. Application
   The endorsee/guarantee company shall provide this Corporation basic information and financial information in writing to the Investor Relations and Investment Management Division or Finance Department in this Corporation to request the arrangement of endorsement/guarantee.
2. Credit checking
   As this Corporation accepts the request, the Investor Relations and Investment Management Division or Finance Department shall examine, evaluate the business of endorsee/guarantee company, its financial statement, credit worthiness and debt paying ability, profitability and the purpose of endorsee/guarantee and then drafts a report.
3. Evaluation
   (1) Where an endorsement/guarantee is made due to needs arising from business dealings, the Investor Relations and Investment Management Division or Finance Department shall evaluate whether the amount of an endorsement/guarantee is commensurate the total amount of trading between the two companies;
   (2) When making endorsements/guarantees, the Investor Relations and Investment Management Division or Finance Department in this Corporation shall evaluate the necessity and reasonableness, credit status and risk assessment of the entity for which the endorsement/guarantee is made and the impact on this Corporation's business operations, financial condition, and shareholders' equity;
   (3) For the endorsement/guarantee case that need for collateral, the endorsement/guarantee company shall provide the collateral, and people in charge in the Financial Department shall do the appraisal of the value thereof to protect this Corporation's interest.
4. Approval and Handling
   People in charge in Investor Relations and Investment Management Division or Financial Department shall submit the evaluation and credit checking information in the above to and resolved upon by the Board of Directors for approval and then to Financial Department for further endorsement/guarantee handling. A pre-determined limit may be delegated to the Chairman by the Board of Directors to facilitate execution and such endorsement/guarantee shall be reported to the most coming Board of Directors' Meeting for ratification. The limit shall not exceed seventy percent (70%) that set forth in Article 5 of endorsement/guarantee provided by this Corporation.
5. Case Filling
   The Financial Department shall prepare a memorandum book for this Corporation’s endorsement/guarantee and record in detail the following information: the endorsement/guarantee company, amount, date of approval by the board of directors, endorsement/guarantee date, and matters to be carefully evaluated under the regulation, content of the collateral and its values as well as terms and date for discharge of liability.

6. Follow-up and Extension
   The Financial Department shall request the endorsed/guaranteed company to report monthly how the amount of its endorsements and/or guarantees is used and notify said company whether it would apply for the extension of the endorsement/guarantee one month before the endorsement/guarantee due day. If said company wishes to maintain the endorsement/guarantee, it shall apply pursuant to this Article.
7. Discharge of Endorsement/Guarantee
   As for the cancellation of endorsement/guarantee, the Financial Department shall obtain the relating information to discharge the liability of endorsement/guarantee and record it into the memorandum book.

Article 8: Safekeeping and Procedure for Chop

This Corporation shall use this Corporation chop (the "Chop") registered with the Ministry of Economic Affairs ("MOEA") for the use of endorsement and/or guarantee. The Chop shall be under the safekeeping of a special personnel and may be used to issue negotiable instruments only following proper internal procedure. The appointment and the change of the personnel safekeeping the Chop shall be approved by the resolution of the Board of Directors.

This Corporation provides guarantees in favor of a foreign company, the Guarantee Agreement shall be signed by the person who was authorized by the Board of Directors.

Article 9: Guidelines for Handling Endorsement/Guarantee

1. The internal auditors of this Corporation shall at least quarterly audit endorsement guarantee to ensure the operating procedures and their implementation and make written records. If there is notice of major violations, they shall notify the Audit Committee in written form.
2. If the auditing entity or the finance department finds that this Corporation has changed on account of the circumstances and made the object under endorsement guarantee noncompliant with the Article 4 of this procedure, or if the amount of the endorsement guarantee is changed according to the basis of the calculation limit, or if the object under endorsement guarantee is the subsidiary whose net value is less than one- half of the paid- in capital, the applicant should notify the application department to set improvement plans, after being approved by the Chairman, submit to the board of directors, send the relevant improvement plan to the Audit Committee, and make improvements according to the schedule.

Those whose subsidiary’s stock par value doesn’t match 10 NTD, its paid-up capital calculated in accordance with the provisions of the second regulation shall be the sum of the capital reserve plus the capital surplus-additional paid-in capital.

Article 10: Control and Management of Endorsement/Guarantee by Subsidiaries

1. If the subsidiary of this Corporation intends to provide endorsement guarantee for others, the relevant operating procedures shall be established and shall be handled in accordance with these operating procedures; only the calculation of the net value shall be based on the net value of the subsidiary. Before the subsidiary who directly or indirectly holds more than ninety percent (90%) of the voting shares of this Corporation provides endorsement guarantee in accordance with the provisions of Article 4.2, it shall submit to the board of directors of this Corporation for processing, but this Corporation in direct and indirect hold of one

hundred percent (100%) of the voting shares providing endorsement guarantee is not in this limit.

2. This Corporation shall order the subsidiaries to check whether the operating procedures meet the standard of “Guidelines on the Loan and Endorsement Guarantee of Public Offering Companies” on its own, and whether the endorsement guarantee for others are handled in accordance with the procedures it set. If the subsidiaries of this Corporation provide endorsement for others, they shall provide relevant information to this Corporation on a regular basis.
3. The audit department of this Corporation should review the self-inspection reports of the subsidiaries.
4. Subsidiaries should organize the endorsement guarantee of last month before the 7th of each month (excluded), and submit to this Corporation.

Article 11: Information Disclosure

1. This Corporation shall announce and report the previous month's l endorsements/guarantees balances of its head office and subsidiaries by the 10th day of each month.
2. If loans of funds of this Corporation reach one of the following levels, this Corporation shall announce and report such event within two days commencing immediately from the date of occurrence:
   (1) The balance of endorsements/guarantees made by this Corporation and its subsidiaries exceed more than fifty percent (50%) of the net worth of this Corporation specified in its latest financial statement.;
   (2) The balance of endorsements/guarantees to any single enterprise by this Corporation and its subsidiaries exceed more than twenty percent (20%) of the net worth of this Corporation specified in its latest financial statement;
   (3) The balance of endorsements/guarantees to any single enterprise by this Corporation and its subsidiaries reaches NT$10 million or more and the balance of endorsements/guarantees, book value of investments accounted for using the equity method and funds lent to the enterprise.
   (4) The increase of endorsements/guarantees made by this Corporation or its subsidiaries reaches NT$30 million or more, and is more than five percent (5%) of the net worth of this Corporation specified in its latest financial statement.
3. This Corporation shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to be uploaded to the Market Observation Post System pursuant to subparagraph 4 of the preceding paragraph.
4. This Corporation shall evaluate the status of its loans of funds and reserve sufficient allowance for bad debts, and shall adequately disclose relevant information in its financial reports and provide certified public accountants with relevant information for implementation of necessary auditing procedures.
5. “Date of occurrence” in paragraph 2 means the date of contract signing, date of payment, dates of board of directors’ resolutions, or other date that can confirm the counterparty and monetary amount, whichever date is earlier.

Article 12: Penalty

When this Corporation managers and persons-in-charge have any violation of the Procedures, it shall report and check pursuant to the Employee Manual and be disciplined or punished according to law on the merits of each case.

Article 13: Enforcement and Amendments

The Procedures shall be approved by the Audit Committee, the Board of Directors, and the Shareholders' Meeting. Any amendment is subject to the same procedures.

【Appendix IV】

Wah Lee Industrial Corp.
Regulations of Election of Directors

Amended and passed in the shareholders' meeting on June 17, 2016

Article 1: Elections of directors shall be conducted in accordance with these Regulations.

Article 2: The cumulative voting method shall be used for election of the directors at this Corporation. Each share will have voting rights in number equal to the directors or supervisors to be elected, and may be cast for a single candidate or split among multiple candidates. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 3: Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The vote monitoring staff shall be shareholders.

Article 4:

1. Directors of this Corporation shall be elected by shareholders' meeting from the candidates with capabilities. The number of directors will be as specified in this Corporation's articles of incorporation, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.
2. The election of this Corporation's directors shall be handled following candidate nomination system and procedure as prescribed in Article 192 of the Company Act.
3. When the number of directors falls below five due to the dismissal of a director or as prescribed in Article 13, paragraph 2 of this Corporation's Articles of Incorporation for any reason, this Corporation shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in Article 13, paragraph 1 of this Corporation's articles of incorporation, this Corporation shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.
4. More than half of the directors shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.
5. The board of directors of this Corporation shall consider adjusting its composition based on the results of performance evaluation.

Article 5: The board of directors shall prepare separate ballots for directors and supervisors in numbers corresponding to the directors or supervisors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 6:

Article 7: A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.
3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 8: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

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 one 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: Unspecified matters in these Regulations shall be handled pursuant to the Company Act, Articles of Incorporation of this Corporation and other relevant laws and regulations.

Article 10: These Regulations, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

【Appendix V】

Wah Lee Industrial Corp.

Shareholding of Directors

1. This Corporation's paid-in capital is NT$2,313,901,380, number of shares outstanding is 231,390,138, in accordance with "Rules and review Procedures for Director and Supervisor Ownership Ratios at Public Companies", the minimum shareholding of directors is 12,000,000.
2. Until the date for suspension of share transfer for this shareholders' meeting (March 30th, 2020), shareholding of directors and supervisors who are listed in the shareholder booklet is presented as follows, and the data is made in accordance with the provision of Article 26 of the Securities and Exchange Act.

Title	Name	Date Elected	Term (Years)	Shareholding on ended share transfer day		Proxy Name
				Shares	%	
Chairman	Kung Tai Investment Co., Ltd	May 26th, 2017	3	14,439,155	6.24%	Chang, Ray-Ching
Vice Chairman	Chen, Chun-Yin	May 26th, 2017	3	3,796,014	1.64%	–
Director	Lin, Chi-Hai	May 26th, 2017	3	2,609,959	1.13%	–
Director	Bau Guang Investment Co., Ltd.	May 26th, 2017	3	1,971,873	0.85%	Lin, Shu-Chen
Director	Kung Tai Investment Co., Ltd.	May 26th, 2017	3	14,439,155	6.24%	Chang Tsuen-Hsien
Director	Yeh, Ching-Pin	May 26th, 2017	3	3,356,263	1.45%	–
Independent Director	Wang, Yea-Kang	May 26th, 2017	3	–	–	–
Independent Director	Chu, Hau-Min	May 26th, 2017	3	–	–	–
Independent Director	Shyu, So-De	May 26th, 2017	3	–	–	–
	Sum			**26,173,264**	**11.31%**	

Note: 1. Due to the three independent directors, other directors and supervisor shall be counted at 80%.

2. The audit committed was set up on May 26th, 2017 to replace the supervisor system.

【Appendix VI】

Other Explanation

Explanation for the shareholders' meeting accepting proposals of shareholders:

Explanation:

1. According to Article 172-1 of the Company Act, shareholders who hold shares over 1% of issued shares shall propose to shareholder's meeting, but the proposal shall be presented once at maximum and it shall be presented in 300 words.
2. This Corporation accepts 2020 Shareholders' meeting proposal during March 20^{th} to March 30^{th}, 2020 and published to the Market Observation Post System.
3. This Corporation had not received any proposal until the deadline of accepting proposals.