

Stock Code: 1305

China General Plastics Corporation

Handbook for the

2023 Annual General Meeting of Shareholders

Date: May 26, 2023

**Location: No.106, Gongyuan Rd, Zhunnan Town
Miaoli County, Taiwan (R.O.C.)
(Physical shareholders meeting)
Aesthetics Hotel**

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China General Plastics Corporation Procedure of the 2023 Annual General Meeting of Shareholders

1. Announcement of the Commencement of the Meeting
2. Chairperson Takes Chair
3. Opening Speech of the Chairperson
4. Report Items
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6. Extemporaneous Motions
7. Adjournment

China General Plastics Corporation
Year 2023
Agenda of Annual General Meeting of
Shareholders

Date : May 26, 2023 (Friday) AM 09:00

Location : No.106, Gongyuan Rd, Zhunnan Town, Miaoli

County, Taiwan (R.O.C.)

(Physical shareholders meeting)

Aesthetics Hotel

1. Report Items :

- (1) To report 2022 operating results.
- (2) To report Audit Committee's Review Reports of 2022 Financial Statement.
- (3) To report 2022 remuneration of directors and employees.

2. Matters for Ratification and Discussion :

- (1) To ratify 2022 Business Report and Financial Statements.
- (2) To ratify 2022 earnings distribution.
- (3) To approve the amendment to the Articles of Incorporation.
- (4) To approve the amendment to the Parliamentary Rules

for Shareholders' Meetings.

(5) To approve the amendment to the Rules for Election of Directors.

(6) To approve the permission of directors for competitive actions.

3. Extemporaneous Motions :

4. Adjournment

I. Report Items:

Report 1

To report 2022 operating results.

China General Plastics Corporation 2022 Business Report

The 2022 net sales was NT\$10.187 billion, a decrease of NT\$1.301 billion from the same period last year, for a budget achievement percentage of 83%. The operating loss was NT\$210 million, and the budget achievement percentage was -30%, which was a loss of NT\$1.12 billion compared with the same period last year, for a decline of 126%. The non-operating loss was NT\$290 million, and the net loss after tax was NT\$370 million. The budget achievement percentage was -24%, which was a loss of NT\$2.839 billion compared with the same period last year.

Business Outlook 2022 :

Raw materials :

Ethylene : In the past two years, close to 10 million tons in production of ethylene have been added. However, the outbreak of the war between Russia and Ukraine has pushed up energy prices and affected ethylene output. The global inflation has suppressed the demand for petrochemical raw materials. At the end of the year, the price in Northeast Asia fluctuated around CFR \$900/mt.

EDC : Due to the tight supply and strong domestic demand for PVC in the first half of the year, the export volume of EDC declined during the same period, and the price remained high. The price of alkali rose in the second half of the year, and the availability of chlor-alkali plants in the United States and Asia remained high. However, the global demand for PVC was weak, and the supply of EDC was oversupplied, resulting in a sharp drop in prices.

VCM : Affected by the Russia-Ukraine War and incidents encountered by manufacturers in Asia, PVC and VCM briefly rebounded to annual highs. However, the global interest rate hike and China's persistence in zero-tolerance policy for the pandemic caused the price of PVC in the Asian market to drop for eight consecutive months, which also caused the weakening price of VCM.

Products : The domestic demand for PVC in China was affected by the pandemic and India's anti-dumping sunset provision. In the first half of the year, the average monthly export volume of PVC exceeded 200,000 tons, hitting a record high, which caused the weakening price of PVC in Asia. In the second half of the year, the climbing mortgage interest rates in the US resulted in the reduction of domestic demand for PVC month by month, and the excess inventory was diverted to overseas markets. The continuous decline in the price of PVC has caused a serious shrinkage in product margins. Although the annual output of PVC was 205,000 tons, and the sold volume was 202,000 tons, the operating loss was NT\$771 million, a decline of 243% over 2021. In terms of chemical products, the rising global energy prices have tightened the supply of caustic soda and hydrochloric acid, and the prices remain high. The operating profit reached NT\$516 million, an increase of 192% over last year. The slowdown in global economic growth has also led to a decline in the demand for processed products. Affected by the shrinking end consumer market and the temporary suspension of transactions with Russian customers, the sales volume of tape products declined by 21% compared with last year. As for rubber, the high inflation in North America has made rubber a product less prioritized, and customers tend to be more conservative in placing orders, so the sales volume declined by 39%. The emerging business opportunities with public projects such as solar energy and offshore wind power caused the sales volume of building materials to buck the trends and grow by 1.1%. The overall operating profit of processed products was NT\$49 million, a decline of 59%. In investment in subsidiaries, TVCM's VCM output reduced by 31,000MT from 2020 to 417,000MT, with a budget achievement rate of 91%; sales volume reduced by 30,000MT to 427,000MT, with a budget achievement rate of 92% and a profit of NT\$22 million. In addition, CGPCPOL's PVC output reduced by 25,000MT YoY to 186,000MT, with a budget achievement rate of 87%; sales volume reduced by 6,000MT YoY to 186,000 MT, with a budget achievement rate of 87% and a loss of NT\$522 million.

Business Outlook 2023 :

Raw materials :

Ethylene : China has lifted its pandemic control restrictions and continued to increase support for economic recovery and real estate, which is expected to boost demand for ethylene and petrochemical

products; however, it is expected that nearly 8.5 million tons of new production capacity will be added in Asia, and the US ethylene export capacity will also increase, so the price of ethylene will be affected by the availability in the future.

EDC : The price of alkali is facing corrections and there are still profits. However, the high energy costs and the cooling of the U.S. housing market may affect demand both upstream and downstream. The extreme cold is over, and the supply of EDC is expected to gradually stabilize, but there are still uncertainties in price fluctuations.

VCM : Due to the weak demand for PVC in 2022, some VCM factories reduced their production. In Q1 2023, the VCM factories in Asia experienced short-term supply shortages due to scheduled annual repairs and rough production. However, SP Chemicals Holdings Ltd. in China added 400,000 tons of production for VCM which was expected to be operational in Q1, and the supporting PVC production was postponed to the next year. The VCM supply in Asia is expected to be more smooth after Q1. Overall, the lifting of pandemic control measures will help the simultaneous recovery of PVC and VCM demand around the world.

Products : Inflation around the world has reached its ceiling, the impact of geopolitical conflicts has gradually faded, and the optimism on China's domestic demand after the lifting of the pandemic control restrictions have caused the PVC market to show signs of improvement since December last year. It is expected that China will continue to loosen its restrictions on house purchase, ensure corporate financing and speed up rural construction. The weakening of the US dollar is also conducive to infrastructure expansion and the investment in the energy industry in emerging markets. It is expected that the PVC market this year will be better than last year.

Despite the economic headwinds of the external environment, we adhere to the long-term growth mindset to ensure stable operation and promote the upgrade of various equipment. The new ethylene/EDC/VCM storage tanks and automatic storage system will help improve the stability and flexibility of production and sales. We have been paying close attention to sustainable development and the trends of net zero carbon emissions for a long time. In response to successive announcements of measures such as the Carbon Border

Adjustment Mechanism (CBAM) in Europe and the Clean Competition Act (CCA) in the US, we have set a 27% carbon reduction target by 2030 and planned the carbon path to actively respond to the government's 2050 net-zero transformation policy. We also have introduced energy-saving improvements such as cooling tower fans, gas boilers, and refrigerators. This year, we plan to build additional solar power generation systems to gradually complete scope three greenhouse gas inventory (ISO 14064-1) and product carbon footprint (ISO 14067). We will also deepen industry-academia-research institute collaboration by expanding the AI functional organization, and emulating our project experience in the optimization of current processes and industrial safety early warning to continue to move toward the goal of making the entire factory smart. We expect to strengthen the Company's resilience, continue to reduce cost and achieve our energy conservation and carbon emissions reduction goals while taking into account talent nurturing and creation of economic benefits to make the Company sustainable.

To make more space for profit-making through an overall planning of the overall vinyl industrial chain, the management team will make employ the vertical integration mechanism and make effective management, implement HSE improvements, fulfill CSR, create and expand niche and maximize business performance to achieve and surpass the annual budget and target.

Chairperson: Yi-Gui Wu

President: Han-Fu Lin

Chief Accounting Officer: Jian-Zhou Guo

Report Items:

Report 2

To report Audit Committee's Review Reports of 2022 Financial Statement.

China General Plastics Corporation Audit Report

This Audit Committee have audited the 2022 Business Report prepared by the Board of Directors, the financial statements (including individual and consolidated financial statements) audited and certified by CPA Xiu-Chun Huang and CPA Zheng-Jun Qiu of Deloitte Taiwan, and the proposal for profit distribution and found no nonconformity. In accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, this report is presented for approval to AGM.

To
China General Plastics Corporation 2023 Annual General Meeting of Shareholders

Audit Committee, China General
Plastics Corporation
Independent Director: Zu-De Li
Independent Director: Ying-Bin Zheng
Independent Director: Liang-Xian Li
Independent Director: Chen-I Hsu

March 10, 2023

Report Items:

Report 3

To report 2022 remuneration of directors and employees.

Description: 1. Proceeded in accordance with related orders of the Ministry of Economic Affairs and Article 33 of the Articles of Incorporation of this Company.

2. Since the company made no profit in 2022, no remuneration for directors and employees will be distributed.

II. Matters for Ratification and Discussion:

Proposal 1

Proposed by the Board

To ratify 2022 Business Report and Financial Statements.

Description: 1. The 2022 financial statements (including individual and consolidated financial statements) approved by the Board on March 2, 2023 are audited by CPA Xiu-Chun Huang and CPA Zheng-Jun Qiu of Deloitte Taiwan and the Audit Committee for the record.

2. Please refer to p. 5-8 of this Handbook for the 2022 Business Report and p. 12-28 for the CPA Audit Report and the financial statements.

Resolution:

Independent Auditors' Report

The Board of Directors and Shareholders

China General Plastics Corporation:

Opinion

We have audited the accompanying financial statements of China General Plastics Corporation (the “Company”), which comprise the balance sheets as of December 31, 2022 and 2021, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 financial statements of the Company for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters for the financial statements of the Company for the year ended December 31, 2022 are stated as follows:

Authenticity of regional sales revenue recognition for specific products

The Company's sales revenue in 2022 decreased compared to the same period of last year. The sales revenue of specific products in specific regions increased significantly compared to the same period of last year, which had a significant impact on the sales revenue and financial results of the Company. Therefore, authenticity of revenue recognition for the sales to those customers is identified as one of the key audit matters.

Please refer to Notes 4 and 19 for relevant accounting policies and information in relation to revenue recognition.

We have performed the following audit procedures to validate authenticity of revenue recognition:

1. We studied and tested the internal control mechanism to monitor authenticity of revenue recognition, and assessed the effectiveness of its design and implementation. We evaluated the appropriateness of revenue recognition accounting policies adopted by management.
2. We reviewed original orders, shipping documents, and invoice to verify the authenticity of revenue recognition.
3. We inspected the receipt documents and the occurrence of sales returns and allowances post sales, and confirmed whether there were any irregularities.

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

To ensure that the financial statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for preparing and maintaining necessary internal control procedures pertaining to the financial statements.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the financial statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit 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 controls 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 internal controls of the Company.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.

4. Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to operate as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall expression, structure and contents of the financial statements (including relevant Notes), and whether the financial statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit and for expressing an opinion on the financial statements of the Company.

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 the key audit matters of the Company's the financial statements for the year ended December 31, 2022 .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.

Deloitte & Touche,

Taipei, Taiwan, Republic of China

CPA Huang, Hsiu-Chun

CPA Chiu, Cheng-Chun

Securities and Futures Commission
Approved Document No.

Financial Supervisory Commission Approved
Document No.

Tai Cai Zheng Liu Zi No. 0920123784

Jin Guan Zheng Liu Zi No. 0930160267

March 10, 2023

Notice to Readers:

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China General Plastics Corporation

Balance Sheets

December 31, 2022 and 2021

Unit: NT\$ thousands

CODE	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 96,210	1	\$ 472,412	3
1110	Financial assets at fair value through profit or loss (FVTPL) - current	423,357	3	289,388	2
1150	Notes receivables	128,386	1	195,162	2
1170	Trade receivables	880,120	7	1,197,720	8
1200	Other receivables	34,690	-	73,172	1
1220	Current tax assets	273	-	-	-
1310	Inventories	1,118,032	9	1,363,980	9
1410	Prepayments	30,343	-	27,299	-
1470	Other current assets	1,085	-	761	-
11XX	Total current assets	<u>2,712,496</u>	<u>21</u>	<u>3,619,894</u>	<u>25</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current	67,644	1	82,377	1
1550	Investments accounted for using the equity method	5,678,108	44	7,051,879	48
1600	Property, plant and equipment	3,868,478	30	3,454,391	23
1760	Investment properties	243,421	2	257,019	2
1840	Deferred tax assets	227,145	2	210,021	1
1990	Other non-current assets	8,892	-	10,209	-
15XX	Total non-current assets	<u>10,093,688</u>	<u>79</u>	<u>11,065,896</u>	<u>75</u>
1XXX	Total Assets	<u>\$ 12,806,184</u>	<u>100</u>	<u>\$ 14,685,790</u>	<u>100</u>
CODE	LIABILITIES AND EQUITY				
	Current Liabilities				
2100	Short-term borrowings	\$ 190,000	1	\$ -	-
2170	Trade payables	217,151	2	211,195	1
2180	Trade payables to related parties	803,425	6	1,509,369	10
2200	Other payables	420,228	3	561,648	4
2220	Other payables to related parties	6,480	-	3,263	-
2230	Current tax liabilities	-	-	161,641	1
2300	Other current liabilities	92,671	1	102,305	1
21XX	Total current liabilities	<u>1,729,955</u>	<u>13</u>	<u>2,549,421</u>	<u>17</u>
	Non-current liabilities				
2540	Long-term borrowings	792,549	6	-	-
2570	Deferred tax liabilities	483,809	4	485,251	4
2640	Net defined benefit liabilities	328,679	3	481,726	3
2670	Other non-current liabilities	24,420	-	6,415	-
25XX	Total non-current liabilities	<u>1,629,457</u>	<u>13</u>	<u>973,392</u>	<u>7</u>
2XXX	Total Liabilities	<u>3,359,412</u>	<u>26</u>	<u>3,522,813</u>	<u>24</u>
	Equity				
3110	Ordinary share	5,810,505	45	5,810,505	40
3200	Capital surplus	14,556	-	12,002	-
	Retained earnings				
3310	Legal reserve	1,117,245	9	870,332	6
3320	Special reserve	408,223	3	408,223	3
3350	Unappropriated retained earnings	2,029,080	16	3,981,643	27
3300	Total retained earnings	<u>3,554,548</u>	<u>28</u>	<u>5,260,198</u>	<u>36</u>
3400	Other equity	67,163	1	80,272	-
3XXX	Total equity	<u>9,446,772</u>	<u>74</u>	<u>11,162,977</u>	<u>76</u>
	Total liabilities and equity	<u>\$ 12,806,184</u>	<u>100</u>	<u>\$ 14,685,790</u>	<u>100</u>

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

Notice to Readers:

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China General Plastics Corporation
Statements of Comprehensive Income
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands, except Earnings (Losses) Per Share

CODE		2022		2021	
		Amount	%	Amount	%
4100	Net revenue	\$ 10,186,976	100	\$ 11,487,847	100
5110	Cost of revenue	<u>9,698,041</u>	<u>95</u>	<u>9,876,746</u>	<u>86</u>
5900	Gross profit	488,935	5	1,611,101	14
5910	Realized (unrealized) gains from sales	<u>9,953</u>	<u>-</u>	<u>(28,022)</u>	<u>-</u>
5950	Realized gross profit	<u>498,888</u>	<u>5</u>	<u>1,583,079</u>	<u>14</u>
	Operating expenses				
6100	Selling and marketing expenses	538,487	5	610,061	6
6200	General and administrative expenses	142,246	2	139,521	1
6300	Research and development expenses	<u>28,239</u>	<u>-</u>	<u>31,954</u>	<u>-</u>
6000	Total operating expenses	<u>708,972</u>	<u>7</u>	<u>781,536</u>	<u>7</u>
6900	Profit (loss) from operations	<u>(210,084)</u>	<u>(2)</u>	<u>801,543</u>	<u>7</u>
	Non-operating income and expenses				
7100	Interest income	2,828	-	1,126	-
7010	Other income	60,539	1	53,569	-
7020	Other gains and losses	93,612	1	(45,829)	-
7060	Share of profit (loss) of subsidiaries and associates accounted for using the equity method	<u>(360,753)</u>	<u>(4)</u>	<u>1,811,998</u>	<u>16</u>
7510	Interest expense	<u>(5,175)</u>	<u>-</u>	<u>(442)</u>	<u>-</u>
7000	Total non-operating income and expenses	<u>(208,949)</u>	<u>(2)</u>	<u>1,820,422</u>	<u>16</u>
7900	Profit (loss) before income tax	<u>(419,033)</u>	<u>(4)</u>	<u>2,621,965</u>	<u>23</u>
7950	Income tax (benefit) expense	<u>(48,786)</u>	<u>-</u>	<u>153,289</u>	<u>2</u>
8200	Net Profit (Loss) for the year	<u>(370,247)</u>	<u>(4)</u>	<u>2,468,676</u>	<u>21</u>
	Other comprehensive income (loss)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	112,020	1	4,532	-
8316	Unrealized losses on investments in equity instruments at FVTOCI	<u>(14,733)</u>	<u>-</u>	<u>(44,905)</u>	<u>-</u>
8326	Share of the other comprehensive income of subsidiaries and associates accounted for using the equity method unrealized gains (losses) on investments in equity instruments at FVTOCI	<u>(31,976)</u>	<u>-</u>	<u>38,864</u>	<u>-</u>
8331	Share of other comprehensive income of subsidiaries and associates accounted for using the equity method- remeasurement of defined benefit plans	25,755	-	(3,175)	-
8349	Income tax relating to items that will not reclassified subsequently to profit or loss	<u>(20,552)</u>	<u>-</u>	<u>(906)</u>	<u>-</u>
8310		<u>70,514</u>	<u>1</u>	<u>(5,590)</u>	<u>-</u>
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	41,526	-	(11,080)	-
8371	Share of the other comprehensive income (loss) of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	379	-	(338)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	<u>(8,305)</u>	<u>-</u>	<u>2,216</u>	<u>-</u>
8360		<u>33,600</u>	<u>-</u>	<u>(9,202)</u>	<u>-</u>
8300	Other comprehensive income (loss) for the year, net of income tax	<u>104,114</u>	<u>1</u>	<u>(14,792)</u>	<u>-</u>
8500	Total comprehensive income (loss) for the year	<u>(\$ 266,133)</u>	<u>(3)</u>	<u>\$ 2,453,884</u>	<u>21</u>
	Earnings (losses) per share				
9750	Basic	<u>(\$ 0.64)</u>		<u>\$ 4.25</u>	
9850	Diluted	<u>(\$ 0.64)</u>		<u>\$ 4.24</u>	

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

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China General Plastics Corporation
Statements of Changes in Equity
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands

		Capital surplus				Retained earnings				Other equity			
CODE		Ordinary share	Unpaid Dividends	Others	Total	Legal reserve	Special reserve	Unappropriated retained earnings	Total	Exchange differences on translating the financial statements of foreign operations	Unrealized gains (losses) on financial assets at FVTOCI	Total	Total equity
A1	Balance as of January 1, 2021	\$ 5,533,814	\$ 10,024	\$ 314	\$ 10,338	\$ 704,963	\$ 408,223	\$ 2,950,662	\$ 4,063,848	(\$ 43,259)	\$ 138,774	\$ 95,515	\$ 9,703,515
	Appropriation and distribution of earnings for 2020												
B1	Legal reserve	-	-	-	-	165,369	-	(165,369)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(996,086)	(996,086)	-	-	-	(996,086)
B9	Share dividends distributed by the Company	276,691	-	-	-	-	-	(276,691)	(276,691)	-	-	-	-
C17	Other changes in capital surplus	-	1,412	-	1,412	-	-	-	-	-	-	-	1,412
M5	Acquisition of part of the equity of subsidiaries	-	-	252	252	-	-	-	-	-	-	-	252
D1	Net Profit in 2021	-	-	-	-	-	-	2,468,676	2,468,676	-	-	-	2,468,676
D3	Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	-	-	451	451	(9,202)	(6,041)	(15,243)	(14,792)
D5	Total comprehensive income (loss) in 2021	-	-	-	-	-	-	2,469,127	2,469,127	(9,202)	(6,041)	(15,243)	2,453,884
Z1	Balance as of December 31, 2021	5,810,505	11,436	566	12,002	870,332	408,223	3,981,643	5,260,198	(52,461)	132,733	80,272	11,162,977
	Appropriation and distribution of earnings for 2021												
B1	Legal reserve	-	-	-	-	246,913	-	(246,913)	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(1,452,626)	(1,452,626)	-	-	-	(1,452,626)
C17	Other changes in capital surplus	-	2,436	118	2,554	-	-	-	-	-	-	-	2,554
D1	Net loss in 2022	-	-	-	-	-	-	(370,247)	(370,247)	-	-	-	(370,247)
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	-	-	117,223	117,223	33,600	(46,709)	(13,109)	104,114
D5	Total comprehensive income (loss) in 2022	-	-	-	-	-	-	(253,024)	(253,024)	33,600	(46,709)	(13,109)	(266,133)
Z1	Balance as of December 31, 2022	\$ 5,810,505	\$ 13,872	\$ 684	\$ 14,556	\$ 1,117,245	\$ 408,223	\$ 2,029,080	\$ 3,554,548	(\$ 18,861)	\$ 86,024	\$ 67,163	\$ 9,446,772

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

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China General Plastics Corporation
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands

CODE		2022	2021
	Cash flows from operating activities		
A10000	Profit (loss) before income tax	(\$ 419,033)	\$ 2,621,965
A20010	Adjustments for:		
A20100	Depreciation expenses	238,450	225,571
A20200	Amortization expense	59	46
A20400	Net loss (gain) on fair value change on financial instruments at FVTPL	31,715	(17,239)
A20900	Interest expense	5,175	442
A21200	Interest income	(2,828)	(1,126)
A21300	Dividend income	(8,203)	(34,216)
A22400	Share of loss (profit) of subsidiaries and associates accounted for using the equity method	360,753	(1,811,998)
A22500	Gain on disposal of property, plant and equipment	(5,297)	(2,663)
A23700	Provision for write-downs of inventories and obsolescence losses	55,776	15,598
A23900	(Realized) unrealized gains from sales	(9,953)	28,022
A30000	Net changes in operating assets and liabilities		
A31115	Financial Instruments at FVTPL	(165,684)	87,445
A31130	Notes receivable	66,776	(32,523)
A31150	Trade receivables (including related parties)	317,600	(41,607)
A31180	Other receivables (including related parties)	38,469	(24,686)
A31200	Inventories	190,172	(753,132)
A31230	Prepayments	(3,044)	(13,404)
A31240	Other current assets	(324)	415
A32150	Trade payables (including related parties)	(699,988)	363,374
A32180	Other payables (including related parties)	(127,011)	85,594
A32230	Other current liabilities	(9,634)	56,716
A32240	Net defined benefit liabilities	(41,027)	(43,939)
A33000	Cash generated from (used in) operating	(187,081)	708,655
A33100	Interest received	2,841	1,111
A33300	Interest paid	(4,422)	(442)
A33500	Income tax paid	(160,551)	(28,378)
AAAA	Net cash generated from (used in) operating activities	(349,213)	680,946

(Continued)

<u>CODE</u>		<u>2022</u>	<u>2021</u>
	Cash flows from investing activities		
B00030	Return of capital from financial assets at FVTOCI	\$ -	\$ 10,449
B02700	Payments for property, plant and equipment	(651,765)	(362,945)
B02800	Proceeds from disposal of property, plant and equipment	5,619	2,977
B03700	Increase in refundable deposits	(26,928)	(43,515)
B03800	Decrease in refundable deposits	28,378	44,472
B04500	Acquisition of intangible assets	(192)	-
B07600	Dividends received	<u>1,066,976</u>	<u>890,189</u>
BBBB	Net cash generated from investing activities	<u>422,088</u>	<u>541,627</u>
	Cash flows from financing activities		
C00100	Increase in short-term borrowings	190,000	-
C01600	Proceeds from long-term borrowings	1,969,400	-
C01700	Repayments of long-term borrowings	(1,170,000)	-
C03000	Increase in guarantee deposits received	12,085	2,395
C03100	Decrease in guarantee deposits received	(1,140)	(314)
C04400	Increase (decrease) in other non-current liabilities	(4)	46
C04500	Dividends paid	(1,449,418)	(995,375)
C05400	Acquisition of subsidiaries	<u>-</u>	<u>(2,653)</u>
CCCC	Net cash used in financing activities	<u>(449,077)</u>	<u>(995,901)</u>
EEEE	Net (decrease) increase in cash and cash equivalents	(376,202)	226,672
E00100	Cash and cash equivalents at the beginning of the year	<u>472,412</u>	<u>245,740</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 96,210</u>	<u>\$ 472,412</u>

(Concluded)

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Independent Auditors' Report

The Board of Directors and Shareholders

China General Plastics Corporation

Opinion

We have audited the accompanying consolidated financial statements of China General Plastics Corporation and its subsidiaries (collectively referred to as the “Group”), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2022 and 2021, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China ("The Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. 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 of the Group for the year ended December 31, 2022. 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.

The key audit matters identified in the Group's consolidated financial statements for the year ended December 31, 2022 are stated as follows:

Authenticity of regional sales revenue recognition for specific products

The Group's consolidated sales revenue in 2022 reduced compared to the same period of last year, but the sales revenue of specific products in certain areas increased significantly compared to the same period of last year, which had a significant impact on the sales revenue and financial results of the Group. Therefore, authenticity of revenue recognition for the sales to those customers is identified as one of the key audit matters.

Please refer to Notes 4 and 22 to the consolidated financial statements for relevant accounting policies and information in relation to revenue recognition.

We have performed the following audit procedures to validate authenticity of revenue recognition:

1. We studied and tested the internal control mechanism to monitor authenticity of revenue recognition, and assessed the effectiveness of its design and implementation. We evaluated the appropriateness of revenue recognition accounting policies adopted by management.
2. We reviewed original orders, shipping documents, and invoice to verify the authenticity of revenue recognition.
3. We inspected the receipt documents and the occurrence of sales returns and allowances subsequent to the balance sheet date, and sent letters to confirm whether there were any irregularities in accounts receivable at year-end.

Other Matters

We have also audited the parent company only financial statements of China General Plastics Corporation as of and for the years ended December 31, 2022 and 2021 on which we have issued an unmodified opinion.

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

To ensure that the Consolidated Financial Statements do not contain material misstatements caused by fraud or errors, the management is responsible for preparing prudent consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, as well as the IFRS, IAS, law and regulation reviews and their announcements recognized and announced by the Financial Supervisory Commission, and for preparing and maintaining necessary internal control procedures pertaining to the consolidated financial statements.

In preparing the consolidated financial statements, the management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to the going concern and using the going concern basis of accounting unless the 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 misstatements, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

1. Identify and evaluate the risk of material misstatements due to fraud or error in the consolidated financial statements; design and carry out appropriate countermeasures for the evaluated risk; and obtain sufficient and appropriate evidence as the basis for audit 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 controls 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 internal controls of the Group.
3. Assess the appropriateness of the accounting policies adopted by the management, as well as the reasonableness of their accounting estimates and relevant disclosures.
4. Conclude on the appropriateness of the 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 operate 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. 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 expression, structure and contents of the consolidated financial statements (including relevant Notes), and whether the consolidated financial statements fairly present relevant transactions and items.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the 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 and for expressing an opinion on the financial statements of the Group.

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 the key audit matters of the Group's the consolidated financial statements for the year ended December 31, 2022. 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.

Deloitte & Touche,
Taipei, Taiwan, Republic of China
CPA Huang, Hsiu-Chun

CPA Chiu, Cheng-Chun

Securities and Futures Commission
Approved Document No.
Tai Cai Zheng Liu Zi No. 0920123784

Financial Supervisory Commission
Approved Document No.
Jin Guan Zheng Liu Zi No. 0930160267

March 10, 2023

Notice to Readers:

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China General Plastics Corporation and Subsidiaries
Consolidated Balance Sheets
December 31, 2022 and 2021

Unit: NT\$ thousands

CODE	ASSETS	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents	\$ 1,276,545	8	\$ 1,220,291	7
1110	Financial assets at fair value through profit or loss (FVTPL) - current	882,742	5	862,460	5
1136	Financial assets at amortized cost - current	343,024	2	269,291	2
1150	Notes receivables	219,522	1	404,709	2
1170	Trade receivables	1,202,318	7	1,638,291	10
1200	Other receivables	77,351	1	137,681	1
1220	Current tax assets	570	-	-	-
1310	Inventories	2,562,490	15	3,102,691	18
1410	Prepayments	189,331	1	251,816	1
1470	Other current assets	1,158	-	1,062	-
11XX	Total current assets	<u>6,755,051</u>	<u>40</u>	<u>7,888,292</u>	<u>46</u>
	Non-current assets				
1517	Financial assets at fair value through other comprehensive income (FVTOCI) - non-current	71,317	1	87,151	1
1550	Investments accounted for using the equity method	379,522	2	396,902	2
1600	Property, plant and equipment	8,447,505	51	7,666,434	45
1755	Right-of-use assets	125,418	1	156,057	1
1760	Investment properties	483,501	3	507,848	3
1840	Deferred tax assets	381,748	2	228,381	2
1990	Other non-current assets	39,717	-	44,250	-
15XX	Total non-current assets	<u>9,928,728</u>	<u>60</u>	<u>9,087,023</u>	<u>54</u>
1XXX	Total Assets	<u>\$ 16,683,779</u>	<u>100</u>	<u>\$ 16,975,315</u>	<u>100</u>
CODE	LIABILITIES AND EQUITY	December 31, 2022		December 31, 2021	
		Amount	%	Amount	%
	Current Liabilities				
2100	Short-term borrowings	\$ 790,000	5	\$ 200,000	1
2110	Short-term notes and bills payable	199,668	1	-	-
2120	Financial liabilities at fair value through profit or loss (FVTPL) - current	9,529	-	-	-
2170	Trade payables	973,959	6	676,836	4
2180	Trade payables to related parties	227,795	2	237,498	1
2200	Other payables	727,073	4	1,018,080	6
2220	Other payables to related parties	18,753	-	15,197	-
2230	Current tax liabilities	661	-	687,974	4
2280	Lease liabilities	16,268	-	36,404	-
2300	Other current liabilities	144,906	1	120,512	1
21XX	Total current liabilities	<u>3,108,612</u>	<u>19</u>	<u>2,992,501</u>	<u>17</u>
	Non-current liabilities				
2540	Long-term borrowings	2,432,380	15	882,575	5
2570	Deferred tax liabilities	595,996	3	594,632	4
2580	Lease liabilities	113,696	1	124,307	1
2640	Net defined benefit liabilities	330,322	2	517,380	3
2670	Other non-current liabilities	61,545	-	28,651	-
25XX	Total non-current liabilities	<u>3,533,939</u>	<u>21</u>	<u>2,147,545</u>	<u>13</u>
2XXX	Total Liabilities	<u>6,642,551</u>	<u>40</u>	<u>5,140,046</u>	<u>30</u>
	Equity attributable to owners of the Company				
3110	Ordinary share	5,810,505	35	5,810,505	34
3200	Capital surplus	14,556	-	12,002	-
	Retained earnings				
3310	Legal reserve	1,117,245	7	870,332	5
3320	Special reserve	408,223	2	408,223	2
3350	Unappropriated retained earnings	2,029,080	12	3,981,643	24
3300	Total retained earnings	<u>3,554,548</u>	<u>21</u>	<u>5,260,198</u>	<u>31</u>
3400	Other equity	67,163	1	80,272	1
31XX	Total equity attributable to owners of the Company	<u>9,446,772</u>	<u>57</u>	<u>11,162,977</u>	<u>66</u>
36XX	Non-controlling Interests	<u>594,456</u>	<u>3</u>	<u>672,292</u>	<u>4</u>
3XXX	Total equity	<u>10,041,228</u>	<u>60</u>	<u>11,835,269</u>	<u>70</u>
	Total Liabilities and Equity	<u>\$ 16,683,779</u>	<u>100</u>	<u>\$ 16,975,315</u>	<u>100</u>

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Comprehensive Income
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands, except (Losses) Earnings Per Share

CODE		2022		2021	
		Amount	%	Amount	%
4100	Net revenue	\$ 17,637,479	100	\$ 20,221,524	100
5110	Cost of revenue	16,959,318	96	15,181,144	75
5900	Gross profit	678,161	4	5,040,380	25
	Operating expenses				
6100	Selling and marketing expenses	1,259,086	7	1,353,416	7
6200	General and administrative expenses	331,066	2	291,667	2
6300	Research and development expenses	72,479	1	77,173	-
6450	Expected credit losses	-	-	967	-
6000	Total operating expenses	1,662,631	10	1,723,223	9
6900	Profit (loss) from operations	(984,470)	(6)	3,317,157	16
	Non-operating income and expenses				
7100	Interest income	10,127	-	2,235	-
7010	Other income	322,808	2	103,761	1
7020	Other gains and losses	150,954	1	(132,984)	(1)
7060	Share of profit of associates accounted for using the equity method	10,208	-	22,159	-
7510	Interest expense	(26,810)	-	(5,294)	-
7000	Total non-operating income and expenses	467,287	3	(10,123)	-
7900	Net (loss) profit before tax	(517,183)	(3)	3,307,034	16
7950	Income tax (benefit) expense	(179,466)	(1)	675,616	3
8200	Net Profit (Loss) for the Year	(337,717)	(2)	2,631,418	13
	Other comprehensive income (loss)				
	Items that will not be reclassified subsequently to profit or loss:				
8311	Remeasurement of defined benefit plans	134,354	1	1,171	-
8316	Unrealized losses on investments in equity instruments at FVTOCI	(15,834)	-	(42,877)	-
8321	Share of the other comprehensive income (loss) of associates accounted for using the equity method-remeasurement of defined benefit plans	3,011	-	(242)	-
8326	Share of the other comprehensive income (loss) of associates accounted for using the equity method-unrealized gains (losses) on investments in equity instruments at FVTOCI	(31,015)	-	37,095	-
8349	Income tax relating to items that will not be reclassified subsequently to profit or loss	(16,826)	-	(906)	-
8310		73,690	1	(5,759)	-
	Items that may be reclassified subsequently to profit or loss:				
8361	Exchange differences on translating the financial statements of foreign operations	41,526	-	(11,080)	-
8371	Share of the other comprehensive income (loss) of associates accounted for using the equity method - exchange differences on translating the financial statements of foreign operations	379	-	(338)	-
8399	Income tax relating to items that may be reclassified subsequently to profit or loss	(8,305)	-	2,216	-
8360		33,600	-	(9,202)	-
8300	Other comprehensive income (loss) for the year, net of income tax	107,290	1	(14,961)	-
8500	Total comprehensive income (loss) for the year	(\$ 230,427)	(1)	\$ 2,616,457	13
	Net profit (loss) attributable to:				
8610	Owners of the Company	(\$ 370,247)	(2)	\$ 2,468,676	12
8620	Non-controlling Interests	32,530	-	162,742	1
8600		(\$ 337,717)	(2)	\$ 2,631,418	13
	Total comprehensive income (loss) attributable to:				
8710	Owners of the Company	(\$ 266,133)	(1)	\$ 2,453,884	12
8720	Non-controlling Interests	35,706	-	162,573	1
8700		(\$ 230,427)	(1)	\$ 2,616,457	13
	Earnings (losses) per share				
9750	Basic	(\$ 0.64)		\$ 4.25	
9850	Diluted	(\$ 0.64)		\$ 4.24	

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China General Plastics Corporation and Subsidiaries
Consolidated Statements of Changes in Equity
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands

Equity attributable to owners of the Company															
CODE		Ordinary share	Capital surplus			Retained earnings				Exchange differences on translating the financial statements of foreign operations	Other equity			Non-controlling Interests	Total equity
			Unpaid Dividends	Others	Total	Legal reserve	Special reserve	Unappropriated retained earnings	Total		Unrealized gains (losses) on financial assets at FVTOCI	Total	Total		
A1	Balance as of January 1, 2021	\$ 5,533,814	\$ 10,024	\$ 314	\$ 10,338	\$ 704,963	\$ 408,223	\$ 2,950,662	\$ 4,063,848	(\$ 43,259)	\$ 138,774	\$ 95,515	\$ 9,703,515	\$ 600,243	\$ 10,303,758
	Appropriation and distribution of earnings for 2020														
B1	Legal reserve	-	-	-	-	165,369	-	(165,369)	-	-	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(996,086)	(996,086)	-	-	-	(996,086)	-	(996,086)
B9	Share dividends distributed by the Company	276,691	-	-	-	-	-	(276,691)	(276,691)	-	-	-	-	-	-
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(87,619)	(87,619)
C17	Other changes in capital surplus	-	1,412	-	1,412	-	-	-	-	-	-	-	1,412	-	1,412
M5	Acquisition of part of the equity of subsidiaries	-	-	252	252	-	-	-	-	-	-	-	252	(2,905)	(2,653)
D1	Net profit in 2021	-	-	-	-	-	-	2,468,676	2,468,676	-	-	-	2,468,676	162,742	2,631,418
D3	Other comprehensive income (loss) in 2021, net of income tax	-	-	-	-	-	-	451	451	(9,202)	(6,041)	(15,243)	(14,792)	(169)	(14,961)
D5	Total comprehensive income (loss) in 2021	-	-	-	-	-	-	2,469,127	2,469,127	(9,202)	(6,041)	(15,243)	2,453,884	162,573	2,616,457
Z1	Balance as of December 31, 2021	5,810,505	11,436	566	12,002	870,332	408,223	3,981,643	5,260,198	(52,461)	132,733	80,272	11,162,977	672,292	11,835,269
	Appropriation and distribution of earnings for 2021														
B1	Legal reserve	-	-	-	-	246,913	-	(246,913)	-	-	-	-	-	-	-
B5	Cash dividends distributed by the Company	-	-	-	-	-	-	(1,452,626)	(1,452,626)	-	-	-	(1,452,626)	-	(1,452,626)
O1	Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(113,555)	(113,555)
C17	Other changes in capital surplus	-	2,436	118	2,554	-	-	-	-	-	-	-	2,554	13	2,567
D1	Net Profit (Loss) in 2022	-	-	-	-	-	-	(370,247)	(370,247)	-	-	-	(370,247)	32,530	(337,717)
D3	Other comprehensive income (loss) in 2022, net of income tax	-	-	-	-	-	-	117,223	117,223	33,600	(46,709)	(13,109)	104,114	3,176	107,290
D5	Total comprehensive income (loss) in 2022	-	-	-	-	-	-	(253,024)	(253,024)	33,600	(46,709)	(13,109)	(266,133)	35,706	(230,427)
Z1	Balance as of December 31, 2022	<u>\$ 5,810,505</u>	<u>\$ 13,872</u>	<u>\$ 684</u>	<u>\$ 14,556</u>	<u>\$ 1,117,245</u>	<u>\$ 408,223</u>	<u>\$ 2,029,080</u>	<u>\$ 3,554,548</u>	<u>(\$ 18,861)</u>	<u>\$ 86,024</u>	<u>\$ 67,163</u>	<u>\$ 9,446,772</u>	<u>\$ 594,456</u>	<u>\$ 10,041,228</u>

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

Notice to Readers:

The consolidated financial statement (Chinese version) of our company is audited by the CPA HUANG, HSIU-CHUN and CPA CHIU, CHENG-CHUN of Deloitte Taiwan. For the convenience of reading, the statement has been translated from Chinese to English. If there is any difference regarding the context or interpretation in the English version, the Chinese version shall prevail.

China General Plastics Corporation and Subsidiaries
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

Unit: NT\$ thousands

CODE		2022	2021
	Cash flows from operating activities		
A10000	Net (loss) profit before tax	(\$ 517,183)	\$ 3,307,034
A20010	Adjustments for:		
A20100	Depreciation expenses	697,370	681,269
A20200	Amortization expense	18,084	23,761
A20300	Expected credit losses	-	967
A20400	Net gain on fair value change on financial instruments at FVTPL	(60,404)	(19,628)
A20900	Interest expense	26,810	5,294
A21200	Interest income	(10,127)	(2,235)
A21300	Dividend income	(8,593)	(34,369)
A22300	Share of profit of associates accounted for using the equity method	(10,208)	(22,159)
A22500	(Gain) loss on disposal of property, plant and equipment	(1,135)	70,193
A23700	Provision for write-downs of inventories and obsolescence losses	142,081	22,917
A30000	Net changes in operating assets and liabilities		
A31115	Financial Instruments at FVTPL	49,651	677,273
A31130	Notes receivable	185,187	(203,932)
A31150	Trade receivables (including related parties)	447,133	60,503
A31180	Other receivables (including related parties)	61,213	(8,965)
A31200	Inventories	426,400	(1,924,507)
A31230	Prepayments	62,485	(156,391)
A31240	Other current assets	(96)	514
A32150	Trade payables (including related parties)	287,038	20,669
A32180	Other payables (including related parties)	(256,971)	95,848
A32230	Other current liabilities	24,394	25,293
A32240	Net defined benefit liabilities	(52,704)	(54,430)
A33000	Cash generated from operations	1,510,425	2,564,919
A33100	Interest received	9,252	2,328
A33300	Interest paid	(17,748)	(4,275)
A33500	Income tax paid	(685,551)	(356,551)
AAAA	Net cash generated from operating activities	<u>816,378</u>	<u>2,206,421</u>
	Cash flows from investing activities		
B00030	Return of capital from financial assets at FVTOCI	-	10,449

(Continued)

CODE		2022	2021
B00040	Acquisition of financial assets at amortized cost	(\$ 835,271)	(\$ 662,805)
B00050	Proceeds from disposal of financial assets at amortized cost	761,538	662,738
B02000	Increase in prepayments for investments	-	(50,000)
B02700	Payments for property, plant and equipment	(1,456,910)	(1,681,675)
B02800	Proceeds from disposal of property, plant and equipment	8,468	20,288
B03700	Increase in refundable deposits	(43,731)	(59,949)
B03800	Decrease in refundable deposits	47,538	55,796
B04500	Acquisition of intangible assets	(192)	-
B05400	Acquisition of investment properties	(1,500)	(3,298)
B06700	Increase in other non-current assets	(17,148)	(23,356)
B07600	Dividends received	8,593	34,369
BBBB	Net cash used in investing activities	(<u>1,528,615</u>)	(<u>1,697,443</u>)
Cash flows from financing activities			
C00100	Increase in short-term borrowings	590,000	200,000
C00500	Increase in short-term notes and bills payable	200,000	-
C01600	Proceeds from long-term borrowings	3,131,800	1,350,200
C01700	Repayments of long-term borrowings	(1,570,000)	(500,000)
C03000	Increase in guarantee deposits received	14,347	8,230
C03100	Decrease in guarantee deposits received	(1,225)	(2,800)
C04020	Repayments of the principal portion of lease liabilities	(35,614)	(34,658)
C04300	Increase (decrease) in other non-current liabilities	(6)	46
C04500	Dividends paid	(1,449,418)	(995,375)
C05400	Acquisition of ownership interests in subsidiaries	-	(2,653)
C05800	Cash dividends paid on non-controlling interests	(<u>113,461</u>)	(<u>87,619</u>)
CCCC	Net cash generated from (used in) financing activities	<u>766,423</u>	(<u>64,629</u>)
DDDD	Effects of exchange rate changes on the balance of cash held in foreign currencies	<u>2,068</u>	(<u>1,159</u>)
EEEE	Net increase in cash and cash equivalents	56,254	443,190
E00100	Cash and cash equivalents at the beginning of the year	<u>1,220,291</u>	<u>777,101</u>
E00200	Cash and cash equivalents at the end of the year	<u>\$ 1,276,545</u>	<u>\$ 1,220,291</u> (Concluded)

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

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Matters for Ratification and Discussion:

Proposal 2

Proposed by the Board

To ratify 2022 earnings distribution.

Description: 1. In 2022, the loss after tax was NT\$253,024,407.

After adding the beginning unappropriated earnings of NT\$2,282,104,653, the accumulated distributable earnings by the end of 2022 was NT\$2,029,080,246, and will distribute a Cash dividend of NT\$174,315,148, i.e. NT\$0.3 per share.

The unappropriated earnings after distribution will be NT\$1,854,765,098.

2. Please refer to p. 30, "Profit Distribution Table", for details.
3. The cash dividends allocated to each shareholder shall be rounded down to a whole dollar amount of New Taiwan Dollars, and the total amount of allocation will be subject to the actual amount allocated.
4. Please authorize the Chairman to set a target date for the distribution of cash dividends after the adoption of this proposal.

Resolution:

China General Plastics Corporation 2022 Profit Distribution Table

expressed in NTD

Net loss before tax of 2022	(419,033,469)
Add: Tax expense	<u>48,786,602</u>
Net loss after tax of 2022	(370,246,867)
Add: Retained earnings adjusted for investments made under the equity method	<u>117,222,460</u>
Loss after tax of 2022	(253,024,407)
Add: Beginning unappropriated earnings	<u>2,282,104,653</u>
Accumulated distributable earnings at the end of 2022	<u>2,029,080,246</u>
Distributable items: (total issued shares: 581,050,494)	
Cash dividend: 0.3/share	<u>174,315,148</u>
Unappropriated earnings at the end of 2022 transferred to the next year	<u>1,854,765,098</u>

Chairperson: Yi-Gui Wu President: Han-Fu Lin Chief Accounting Officer: Jian-Zhou Guo

Matters for Ratification and Discussion:

Proposal 3

Proposed by the Board

To approve the amendment to the “Articles of Incorporation”.

Description : 1. In order to make the company's method of convening shareholders' meetings can be held by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Articles of Incorporation”.

2. The amendment to the “Articles of Incorporation” is shown in the next page.

Resolution :

China General Plastics Corporation

The Amendment to the “Articles of Incorporation”

After amendment	Before amendment	Description
Article 15-1 Shareholders’ meeting of the company can be held by video conferencing or other methods announced by the central competent authority.		1. New provisions added. 2. It proclaim that the shareholders' meeting can be held by videoconferencing.
Article 16 Resolutions at a shareholders’ meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of <u>writing</u> or electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.	Article 16 Resolutions at a shareholders’ meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.	In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.
Article 31-1 The Company <u>shall</u> purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.	Article 31-1 The Company <u>may</u> purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.	Amended in accordance with the law.
Article 35 The Articles of Incorporation was established on February 28, 1964. (following content omitted) 49 th amendments hereto were made on June 21, 2019, <u>50th amendments hereto were made on May 26, 2023.</u>	Article 35 The Articles of Incorporation was established on February 28, 1964. (following content omitted) <u>48th amendments hereto were made on June 22, 2018,</u> 49 th amendments hereto were made on June 21, 2019.	Add the revision date.

Matters for Ratification and Discussion:

Proposal 4

Proposed by the Board

To approve the amendment to the “Parliamentary Rules for Shareholders’ Meetings”.

Description : 1. In order to add the relevant provisions of the shareholders' meeting to be convened by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Parliamentary Rules for Shareholders' Meetings”.

2. The amendment to the “Parliamentary Rules for Shareholders' Meetings” is shown in the next page.

Resolution :

China General Plastics Corporation

The Amendment to the “Parliamentary Rules for Shareholders’ Meetings”

After amendment	Before amendment	Description
<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. <u>Any changes to the convening of a shareholders meeting shall be resolved by the board meeting, which should be completed at the latest before the notice of the shareholders meeting is sent.</u> This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, <u>and the shareholders meeting agenda and supplemental meeting materials</u>, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation. <u>The abovementioned meeting agenda</u></p>	<p>Article 3: (Convening shareholders meetings and shareholders meeting notices) Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. <u>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.</u> In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation <u>and distributed on-site at the meeting place.</u> The reasons for convening a</p>	<ol style="list-style-type: none"> 1. Revised with respect to the legal amendments and business practices. 2. In accordance with the Regulations Governing the Administration of Shareholder Services of Public Companies (referred to as the Regulations Governing the Administration of Shareholder Services) and the Sample Template for XXX Co., Ltd. Rules of Procedure for Shareholders Meetings (referred to as the Sample Template) issued by the Taiwan Stock Exchange Corporation, add the methods of providing the meeting agenda and supplementary materials for the shareholders meeting that is convened through video conferencing. 3. In terms of the operations and procedures for shareholder

<p><u>and supplementary materials shall be made available by this Corporation to shareholders in the following ways on the day of the shareholders meeting:</u></p> <ol style="list-style-type: none"> <u>1. For physical shareholders meetings, to be distributed on-site at the meeting.</u> <u>2. For hybrid shareholders meetings, to be distributed on-site at the meeting and shared on the video conferencing platform.</u> <u>3. For virtual-only shareholders meetings, electronic documents should be shared on the video conferencing platform.</u> <p>The reasons for convening a shareholders meeting shall be specified in the meeting notice and publish, and the main contents for the reason should be listed and explained <u>according to law, and shall not be raised by an extraordinary motion.</u></p> <p>If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the</p>	<p>shareholders meeting shall be specified in the meeting notice and publish.</p> <p><u>Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with this Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, or demerger of the corporation, any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the subjects to be described and the essential contents shall be explained in the notice to convene the shareholders meeting.</u> None of the above matters may be raised by an extraordinary motion.</p> <p>If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. <u>A shareholder proposal proposed for urging a company to promote public interests or</u></p>	<p>services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
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<p>agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p>	<p><u>fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors.</u></p> <p>In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.</p> <p><u>Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article.</u></p> <p><u>At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.</u></p>	
<p>Article 4:</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p>	<p>Article 4:</p> <p>For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the</p>

<p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment. After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p> <p><u>Should the shareholder decide to attend the shareholders meeting by video conferencing after a proxy form has been received by this Corporation, a written notice of proxy cancellation shall be sent to this Corporation 2 days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</u></p>	<p>A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.</p> <p>After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.</p>	<p>requirements for a meeting which the shareholder wishes to attend through video conferencing if this Corporation convenes a shareholders meeting by video conferencing.</p>
<p>Article 5: (Principles determining the time and place of a shareholders meeting) 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.</p> <p><u>The restriction on the place of the meeting shall not apply when this</u></p>	<p>Article 5: (Principles determining the time and place of a shareholders meeting) 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.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add that the restriction on the place of the meeting shall not apply when this Corporation convenes a virtual-only.</p>

<p><u>Corporation convenes a virtual-only.</u></p>		
<p>Article 6: (Preparation of documents such as the attendance book) This Corporation shall specify in its shareholders meeting notices the time during which shareholder, <u>solicitors and proxies (collectively "shareholders")</u> attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>Registering to the video conferencing platform of the shareholders meeting should be completed at least 30 minutes before the meeting starts, those who complete the registration process are considered to have attended the meeting in person.</u> Shareholders shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other</p>	<p>Article 6: (Preparation of documents such as the attendance book) This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention. The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations. <u>Shareholders and their proxies (collectively "shareholders")</u> shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. <u>This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders.</u> Solicitors soliciting proxy forms shall also bring identification documents for verification. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the requirements for check-in and registration of shareholders attending the shareholders meeting through video conferencing and the disclosure of meeting materials if this Corporation convenes a shareholders meeting by video conferencing.</p>

<p>meeting materials. Where there is an election of directors, pre-printed ballots shall also be furnished.</p> <p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p> <p><u>For shareholders meetings that are held by video conferencing, shareholders who would like to attend the video conferencing of shareholders meeting should register with this Corporation at least two days before the shareholders meeting.</u></p> <p><u>For shareholders meetings that are held by video conferencing, this Corporation shall upload the meeting agenda, annual report and other relevant information to the video conferencing platform 30 minutes before the shareholders meeting, and keep this information disclosed until the end of the meeting.</u></p>	<p>When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.</p>	
<p><u>Article 6-1:</u> <u>(Matters to be included in the notice for the shareholders meeting conducted via video conferencing)</u> <u>The shareholders meeting notice should specify the following matters if the meeting is also made available through video conferencing:</u></p> <ol style="list-style-type: none"> <u>1. Methods of participation in the meeting through video conferencing and for exercising their rights.</u> <u>2. The handling of issues with the video conferencing platform or participation in the video conference due to natural disasters, incidents or other force majeure events.</u> <u>3. Other matters as required by law.</u> 		<ol style="list-style-type: none"> 1. This article adds. 2 In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add items that should be specified in the meeting notice if this Corporation convenes a shareholders meeting by video conferencing.

<p>Article 7: (The chair and non-voting participants of a shareholders meeting)</p> <p>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 directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. 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.</p>	<p>Article 7: (The chair and non-voting participants of a shareholders meeting)</p> <p>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 directors to act as chair. Where the chairperson does not make such a designation, the directors shall select from among themselves one person to serve as chair. <u>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. 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 the directors. 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.</u> 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.</p>	<p>In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
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<p>Article 8: (Documentation of a shareholders meeting by audio or video) This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation. <u>For the shareholders meetings held by video conferencing, this Corporation shall retain records of the shareholders' registration, login, check-in, questioning, voting and vote counting results, etc., and make continuous and uninterrupted audio and video recording of the entire meeting. The abovementioned materials and audio and video recordings shall be properly retained by this Corporation during the period of existence.</u></p>	<p>Article 8: (Documentation of a shareholders meeting by audio or video) This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures. The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the requirements for audio and video recording needed for video conferencing meetings if this Corporation convenes a shareholders meeting by video conferencing.</p>
<p>Article 9: Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book <u>and number of shares represented as checked in to the video conferencing meeting platform</u>, and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time,</p>	<p>Article 9: Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically. The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc.</p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the calculation method for the number of shares present if this Corporation convenes a shareholders meeting by video</p>

<p>and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc. 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.</p>	<p>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. <u>If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.</u> <u>If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.</u> <u>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.</u></p>	<p>conferencing. 2. In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
<p>Article 10: (Discussion of proposals) If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>Article 10: (Discussion of proposals) If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.</p>	<p>In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

<p>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</p> <p>When the chair is of the opinion that a proposal and of amendments or extraordinary motions has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote, and <u>Specify the voting time, and that the shareholders present should complete voting before the voting time ends.</u></p>	<p><u>The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.</u></p> <p><u>The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting.</u></p> <p><u>If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.</u></p> <p><u>The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. The time for voting shall be sufficient.</u></p>	
<p>Article 11: (Shareholder speech)</p> <p>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.</p> <p>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</p>	<p>Article 11: (Shareholder speech)</p> <p>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.</p> <p>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</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the methods, procedures and restrictions for shareholders asking questions if this Corporation convenes a</p>

<p>speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair; the chair shall stop any violation.</p> <p>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.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p> <p><u>For the shareholders meetings held by video conferencing, the shareholders who attend the meeting by video conferencing may raise their questions in text on the video conferencing platform after the chair announces the start of the meeting and before the chair announces the ending of the meeting. A shareholder may not raise their questions more than twice for a single motion, and each question is limited to 200 words.</u></p>	<p>speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.</p> <p>Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.</p> <p>When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair <u>and the shareholder that has the floor</u>; the chair shall stop any violation.</p> <p>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.</p> <p>After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.</p>	<p>shareholders meeting by video conferencing.</p>
<p>Article 13:</p> <p>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.</p>	<p>Article 13:</p> <p>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.</p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the</p>

<p>When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). 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. 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 <u>or by video conferencing</u>, 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</p>	<p>When this Corporation holds a shareholders meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). 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. 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 voting rights both by correspondence or electronic</p>	<p>Sample Template, add the relevant regulations for resolutions on various motions and voting if this Corporation convenes a shareholders meeting by video conferencing. 2. Text Correction.</p>
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<p>exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders.</p> <p>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. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p> <p><u>After the chair announces the start of</u></p>	<p>means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.</p> <p>Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. <u>After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.</u></p> <p>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. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.</p> <p>Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	
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<p><u>the meeting, the shareholders who participate in the meeting through video conferencing shall conduct voting on various motions and election through the video conferencing platform, and must complete the voting before the chair announces the close of voting. Those who do not complete the voting before the announced ending time are considered abstention. For the shareholders meetings held by video conferencing, the votes shall be counted once after the chair announces the close of voting, and the results of the voting and election will be announced.</u></p>		
<p>Article 16: (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies and number of shares whose <u>voting rights are exercised by correspondence or electronically</u>, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>For shareholders meetings that are held by video conferencing, this Corporation shall upload the above information to the video conferencing platform 30 minutes before the shareholders meeting, and keep it disclosed until the end of the meeting. When the shareholders meeting by video conferencing is announced to start, the number of voting rights of the attending shareholders shall be disclosed on the video conferencing platform. The same applies to when the total number of shares of the shareholders in attendance and a new</u></p>	<p>Article 16: (Public disclosure) On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting. <u>If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.</u></p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the relevant regulations on the disclosure of the number of shares present if this Corporation convenes a shareholders meeting by video conferencing.</p> <p>2 In terms of the operations and procedures for shareholder services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

<u>tally of votes is released during the meeting.</u>		
<p>Article 18: (Recess and resumption of a shareholders meeting)</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p>	<p>Article 18: (Recess and resumption of a shareholders meeting)</p> <p>When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.</p> <p>If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.</p> <p><u>A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.</u></p>	<p>In terms of the operations and procedures for shareholder services, there are active laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>

Matters for Ratification and Discussion:

Proposal 5

Proposed by the Board

To approve the amendment to the “Rules for Election of Directors”.

Description : 1. In order to add the relevant provisions of the shareholders' meeting to be convened by video conferencing, and due to actual needs, it is proposed to amend part of the company's “Rules for Election of Directors”.

2. The amendment to the “Rules for Election of Directors” is shown in the next page.

Resolution :

China General Plastics Corporation

The Amendment to the “Rules for Election of Directors”

After amendment	Before amendment	Description
<p>Article 6 (the above omitted) The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders’ meeting plus <u>written vote or e-votes</u>. (the rest omitted)</p>	<p>Article 6 (the above omitted) The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders’ meeting plus e-votes. (the rest omitted)</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>
<p>Article 10 <u>Electors should check only one of the candidates listed in the “To be Elected” field of each ballot. However, if shareholders exercise their votes in an electronic form, their voting shall be handled in accordance with the relevant laws and regulations of the competent authority.</u></p>	<p>Article 10 <u>The voters shall complete the relevant information based on the name list of candidates identified in the shareholders’ meeting handbook. Each ballot may enter only one candidate. When the candidate is a shareholder, please enter his/her account number and account name; otherwise, please enter the candidate’s name and ID No. When the candidate is a governmental organization or juristic person, the name of the governmental organization or juristic person shall be entered or both the name of the governmental organization or juristic person and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered. Shareholders may enter their seals to replace completion of the information about candidates referred to in the preceding paragraph.</u></p>	<p>Adjust the ballot format.</p>
<p>Article 11 A ballot is invalid under any of the following circumstances at the shareholders’ meeting: I. The ballot adopted is not that prepared pursuant to the Rules. II. A blank ballot <u>that has not been checked</u> is placed in the ballot box. III. The <u>checkmark</u> is unclear and indecipherable.</p>	<p>Article 11 A ballot is invalid under any of the following circumstances at the shareholders’ meeting: I. The ballot adopted is not that prepared pursuant to the Rules. II. A blank ballot is placed in the ballot box. III. The <u>writing</u> is unclear and indecipherable.</p>	<p>In line with the adjustment of the format of the ballot, the text shall be revised as appropriate.</p>

<p>IV. <u>The candidate that has been checked</u>, or the number of voting rights allotted is altered.</p> <p>V. Other words or marks are entered in addition to the information <u>checked</u> pursuant to the preceding Article and the number of voting rights allotted.</p> <p>VI. <u>There are more than two candidates on the same ballot.</u></p> <p>VII. <u>The total number of checked candidates exceeds the number of candidates to be elected.</u></p> <p>VIII. Total of voting rights allotted exceed the number of votes held by voters.</p> <p>Where the shareholders exercise their votes in <u>writing or</u> an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.</p>	<p>IV. <u>Names and related information of the candidates</u>, or the number of voting rights allotted is altered.</p> <p>V. <u>The check shows that the information completed pursuant to the preceding Article is inconsistent with the information related to the nominated candidate.</u></p> <p>VI. Other words or marks are entered in addition to the information <u>completed</u> pursuant to the preceding Article and the number of voting rights allotted.</p> <p>VII. <u>The candidate identified is not a candidate who is nominated, or the quota of candidates exceed the number of candidates to be elected.</u></p> <p>VIII. Total of voting rights allotted exceed the number of votes held by voters.</p> <p>Where the shareholders exercise their votes in an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws promulgated by the competent authority.</p>	
<p>Article 13</p> <p>The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of <u>written vote or</u> e-voting, shall be announced by the chairperson on the site.</p>	<p>Article 13</p> <p>The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of e-voting, shall be announced by the chairperson on the site.</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>
<p>Article 15</p> <p>The ballots for the election cast on the site, together with the <u>written vote or</u> e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company 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</p>	<p>Article 15</p> <p>The ballots for the election cast on the site, together with the e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company 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</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>

the conclusion of the litigation.	conclusion of the litigation.	
<p>Article 16</p> <p><u>If the shareholder meeting is held by video conferencing or other methods announced by the central competent authority, and there are other rules to be complied with as specified by the securities authority, the Company shall also comply with those rules.</u></p>	Article 16	<p>1. New provisions added.</p> <p>2. Add that the Company shall comply with other relevant rules if the Company convenes a shareholder meeting by video conferencing.</p>
<p>Article 16-<u>1</u></p> <p>Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.</p>	<p>Article 16</p> <p>Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.</p>	<p>Order of clauses amended.</p>

Matters for Ratification and Discussion:

Proposal 6

Proposed by the Board

To approve the permission of directors for competitive actions.

Description : 1. Referring to 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. Directors of the Company engage in business within the scope of business of the Company are tabulated below. Without harming the interest of the Company, it is proposed to allow their act in accordance with the Company Act.

Name of Directors	Concurrent Employers	Title
Han-Fu Lin (Representative of Union Polymer International Investment Corporation)	USI Education Foundation	Director
Pei-Chi Wu (Representative of Asia Polymer Corporation)	USIG (Shanghai) Co., Ltd. 、 USI Trading (Shanghai) Co., Ltd.	Chairman and General Manager

	USI Green Energy Corporation、Taita Chemical (Zhong Shan) Co., Ltd.、Taita Chemical (Tianjin) Co., Ltd.、Zhangzhou Taita Chemical Co.,Ltd.、Zhangzhou USI Trading Co., LTD.	Chairman
	USI Corporation、Asia Polymer Corp.、Taita Chemical Company, Limited、Chong Loong Trading Co. Ltd.	Director and General Manager
	APC (BVI) Holding Co., Ltd.、Dynamic Ever Investments Ltd.、Ever Conquest Global Limited、Ever Victory Global Ltd.、Golden Amber Enterprises Ltd.、Swanlake Traders Ltd.、Taita (BVI) Holding Co., Ltd.、USI International Corporation、USI (Hong Kong) Company Limited、USI Optronics Corporation、USIFE Investment Co., Ltd.、USI Management Consulting Corp.、APC Investment Corporation、USI Education Foundation、China General Terminal & Distribution Company、ACME Electronics (Kunshan) Co., Ltd.、Swanson Technologies Corporation、Swanson Plastics Corporation、Fujian Gulei Petrochemical Co., Ltd.、Taiwan United Venture	Director

	Capital Corp. 、 INOMA Corporation 、 Union Polymer International Investment Corporation	
Han-Tai Liu (Representative of Asia Polymer Corporation)	Ever Conquest Global Limited 、 Swanson Plastics (Malaysia) Sdn. Bhd. 、 China General Terminal & Distribution Company 、 Swanson Technologies Corporation 、 Taiwan United Venture Capital Corp. 、 Swanson Plastics (Kunshan) Co., Ltd. 、 ASK-Swanson (Kunshan) Company Limited 、 Swanson Plastics (Tianjin) Co., Ltd.	Director

Resolution :

III. Extemporaneous Motions

IV. Meeting Adjournment

Appendix 1

China General Plastics Corporation

Parliamentary Rules for Shareholders' Meetings (before amendment)

Amended on July 27, 2021

Article 1

To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2

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

Article 3

(Convening shareholders meetings and shareholders meeting notices)

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

This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the 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 Corporation and distributed on-site at the meeting place.

The reasons for convening a shareholders meeting shall be specified in the meeting notice and publish.

Election or dismissal of directors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with

this Corporation by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act and Articles 56-1 and 60-2 of Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be itemized in the subjects to be described and the essential contents shall be explained in the notice to convene the shareholders meeting. None of the above matters may be raised by an extraordinary motion.

If re-election of the complete board of directors is listed as the purpose of a meeting of shareholders and the inauguration date is stated, after the completion of the board of directors, the inauguration date shall not be change by a motion or other means in the same meeting of shareholders.

A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.

Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission in writing or by way of electronic transmission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.

Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4

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

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the

shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.

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

Article 5

(Principles determining the time and place of a shareholders meeting)

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.

Article 6

(Preparation of documents such as the attendance book)

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

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

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

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

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

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

Article 7

(The chair and non-voting participants of a shareholders meeting)

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 directors to act as chair. Where the chairperson does not make such a designation, 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.

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 the directors. 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.

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

Article 8

(Documentation of a shareholders meeting by audio or video)

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

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

Article 9

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

The chair shall call the meeting to order at the appointed meeting time, and announce relevant information of the number of non-voting shares and the number of shares in attendance, etc. 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 and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

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

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

Article 10

(Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. Any extemporary motion(s) and/or the amendment(s) to the original proposal(s) shall be resolved. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote. The time for voting shall be sufficient.

Article 11

(Shareholder speech)

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.

Report Items and matters unrelated to the proposals will not be put into discussion or vote. 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. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

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

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

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

Article 12

(Calculation of voting shares and recusal system)

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

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

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

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

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

Article 13

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

When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). 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.

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 voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.

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

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

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

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

Article 14

(Election)

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

of votes with which they were elected and the names not-elected as directors and the number of votes obtained.

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

Article 15

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results of resolution (including a record made of the vote); where there is an election of directors, shall record the number of the vote for each candidate who is nominated and the minutes shall be retained for the duration of the existence of this Corporation.

Article 16

(Public disclosure)

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

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

Article 17

(Maintaining order at the meeting place)

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

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

At the place of a shareholders meeting, if a shareholder attempts to speak through any device other

than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.

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

Article 18

(Recess and resumption of a shareholders meeting)

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

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

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

Article 19

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

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 2

China General Plastics Corporation

Articles of Incorporation (before amendment)

Section 1. General Provisions

- Article 1: The Company is incorporated under the Company Act of the Republic of China and named “華夏海灣塑膠股份有限公司” and “CHINA GENERAL PLASTICS CORPORAYION” in English.
- Article 2: The scope of the Company’s business is specified as follows:
1. Manufacture of plastic and raw materials.
 2. Manufacture of plastic products.
 3. Manufacture of the raw materials of plastic products.
 4. Manufacture of the printing and embossed wheel.
 5. Technical service (including design and installation), manufacture and sale of chemical equipment (including VCM plant).
 6. Marketing and commission processing business of above products.
 7. Research and extension services for the above businesses.
 8. F207110 Retail Sale of Petrochemical Materials.
 9. F107110 Wholesale of Petrochemical Materials.
 10. ZZ99999 Other than business requiring special approval, any business not prohibited or restricted by laws or regulations.
- Article 2-1: The Company’s total investment may be exempted from the restriction for no more than 40% of the paid-in capital prescribed by Article 13 of the Company Act.
- Article 2-2: The Company may make endorsement/guarantee externally due to the Company’s business needs or investment needs. The endorsement/guarantee shall be signed by the Chairman on behalf of the Company and comply with the Company’s operating procedure for making endorsement/guarantee.
- Article 3: The Company’s head office is situated in Taipei City, Taiwan, the R.O.C., and it’s factories are set up at the suitable site within the territories of the R.O.C., When necessary, the Company may set up branches or offices locally or overseas as approved by boards’ meeting.
- Article 4: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section 2. Stocks

- Article 5: The total capital stock of the Company shall be in the amount of NT\$6,500,000,000, divided into 650,000,000 common shares, at a par value of NT\$10 per share, and may be issued in installments.
- Article 6: When issuing shares, this Company may be exempted from printing the stocks for such shares, provided that registration to and retention by a centralized securities depository enterprise shall be made. Printed stocks shall be registered stocks signed or stamped by the directors representing the Company. Such stocks shall be numbered and certified by the law prior to issuance.
- Article 7: (Deleted)
- Article 8: The Company's handling of its shareholders services shall comply with the "Regulations Governing the Administration of Shareholder Services of Public Companies" prescribed by the securities authority.
- Article 9: (Deleted)
- Article 10: (Deleted)
- Article 11: (Deleted)
- Article 12: (Deleted)
- Article 13: The transfer of shares shall not be registered within 60 days prior to the convening date of a general shareholders' meeting, or within 30 days prior to the convening date of a special shareholders' meeting, or within five (5) days prior to the record date fixed by the Company for distribution of dividends, bonus or other benefits.

Section 3. Shareholders' Meeting

- Article 14: The Company's shareholders' meetings consist of the following:
1. General shareholders' meeting, shall be held once a year and within six (6) months after close of each fiscal year.
 2. Special shareholders' meeting, may be convened pursuant to laws when necessary.
- Unless otherwise provided for in laws and orders, a shareholders' meetings shall be convened by the Board of Directors.
- Article 15: Convening of a general shareholders' meeting shall be notified thirty (30) days ago. Convening of a special shareholders' meeting shall be notified fifteen (15) days ago.
- Article 16: Resolutions at a shareholders' meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the shareholders present, who represent more than a majority of the total issued shares. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of electronic transmission shall be deemed to have attended said shareholders'

meeting in person. The related matters shall be implemented in accordance with laws.

Article 17: When the number of shareholders present does not constitute the quorum prescribed in the preceding article, but those present represent one-thirds or more of the total number of issued shares, a tentative resolution may be passed by a majority of those present shareholders. A notice of such tentative resolution shall be given to each of the shareholders, and a shareholders' meeting shall be reconvened within one (1) month. In said shareholders' meeting, if the tentative resolution is again adopted by a majority of those present who represent one-thirds or more of the total number of issued shares, such tentative resolution shall be deemed to be a resolution under the preceding Article, unless otherwise provided in the Company Act.

Article 18: Unless otherwise provided for in laws or the Articles, each of shares held by each shareholder shall have the right to one (1) vote.

Article 19: (Deleted)

Article 20: Where any shareholder fails to attend a shareholders' meeting, he/she/it may appoint a proxy, pursuant to the Company Act and "Regulations Governing the Use of Proxies for Attendance at Shareholders' Meeting of Public Companies", which announced by securities authority, to attend a shareholders' meeting on his/her/its behalf by executing a power of attorney printed by the Company stating therein the scope of power authorized to the proxy.

Article 21: Unless otherwise provided for in the Company Act, a shareholders' meeting shall be convened by the Board of Directors, and chaired by the Company's Chairman of Board. Where the Chairman is absent, he/she is represented by the vice chairman. Where the vice chairman is also absent, the Chairman shall appoint a proxy to act on behalf of him/her. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors. A shareholders' meeting shall be proceeded in accordance with the Company's Parliamentary Rules for Shareholders' Meetings.

Article 22: Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chairperson of the meeting and shall be, together with the shareholders' attendance book and proxy letter, if any, retained at the Company. The minutes shall be distributed to all shareholders of the Company within twenty (20) days. The distribution of the minutes may be effected by means of a public notice.

Section 4. Directors and Audit Committee

Article 23: A candidates nomination system shall be adopted by the Company for election of

independent directors and non-independent directors. The Company shall have 9~11 directors who shall be elected by the shareholders' meeting from among the name list of candidates. The Chairman of the Board of Directors shall be elected from among the directors by a majority vote at a meeting attended by over two-thirds of the directors pursuant to Article 208 of the Company Act. The Chairman of the Board of Directors shall externally represent the Company. Electing from among the directors as the vice chairman is allowed in the above way. The total shares of the Company's registered share certificates held by the whole directors shall be no less than the proportion prescribed by the competent securities authority.

Article 23-1: The directors referred to in the preceding Article shall include at least three (3) independent directors.

The professional qualifications, shares held, restrictions on concurrent positions held, method of nomination and election, and other matters for compliance with respect to independent directors shall be governed by the competent securities authority's related regulations.

Article 23-2: The Company shall establish an Audit Committee pursuant to the Securities and Exchange Act, which shall consist of all independent directors of the Company. The Audit Committee or the committee members shall be responsible for exercising a supervisor's power prescribed by the Company Act, Securities and Exchange Act, and other related laws.

Article 23-3: The Company's Board of Directors may establish other functional committees. The articles of association thereof shall be established by the Board of Directors.

Article 24: The term of a director is three years and may be eligible for re-election.

Article 25: Functions of the Board of Directors:

1. Frame the organization.
2. Decide the business policy;
3. Review important regulations and contracts;
4. Appoint and dismiss managers;
5. Set up and terminate branches and sub-factories;
6. Draft budget and financial reports;
7. Review the investment in the business rewarded by the government
8. Draft allocation of earnings;
9. Decide the issuance of new shares;
10. Enforce the resolution made by a shareholders' meeting ;
11. Exercise the powers granted pursuant to laws, "Articles of Incorporation" and by a shareholders' meeting.

Article 26: Directors' meetings which convened by the Chairman, are chaired by the Chairman. Where the Chairman is absent, the Chairman shall appoint a director to act on

behalf of him/her. In the absence of such a designation, the directors shall elect from among themselves an acting chairman of the board of directors.

Article 27: The convener shall notify each director of the agenda within seven (7) days prior to the meeting. However, in the case of emergency, the meeting may be convened at any time.

A directors' meeting may be convened in writing or by electronic transmission.

Article 28: Where any director may authorize another director in writing to attend the directors' meeting on behalf of him/her pursuant to Article 205 of the Company Act.

Resolutions at a directors' meeting shall, unless otherwise provided for in laws or "Articles of Incorporation", be adopted by a majority of eligible votes of the directors at a meeting attended by a majority of the whole directors.

Article 29: (Deleted)

Article 30: The amounts of remuneration to directors shall be determined by the shareholders' meeting based on the rate prevailing in fellow companies and the directors' participation in and contribution to the Company's operation, regardless of whether or not the Company operates of profit. If a director serves other position concurrently in the Company, he/she may be remunerated with salary according to general standard.

Article 30-1: The Board of Directors has set up a Secretariat of the Board dedicated to handling the affairs related to the Board of Directors.

Section 5. Managerial Personnel

Article 31: Job title, appointment, discharge and remuneration of the Company's managerial personnel, if any, shall be decided by a majority of the directors present at a meeting attended by a majority of the whole directors. The Company's managerial personnel shall process the Company's routine affairs per the resolution made by a directors' meeting.

Article 31-1: The Company may purchase liability insurance against the damages to be borne by directors and officers with respect to the scope of business carried out by them during their term of office.

Section 6. Final Accounts

Article 32: The Company's fiscal year shall commence from January 1 until December 31 of each year. The Board of Directors shall prepare the following reports at the end of each fiscal year and send them to the general shareholders' meeting for recognition:

1. Business report;

2. Financial statements;
3. Motion for allocation of earnings or covering of loss.

Article 33: If the Company retains earnings in the current year, it shall allocate the compensation to directors and employees. The compensation to directors shall be no more than 1% of the earnings gained in the current year, while the compensation to employees shall be no less than 1% of the earnings. Notwithstanding, if the Company retains accumulated losses, it shall reserve the amount to be covered in advance.

Said compensation to employees may be allocated in the form of shares or in cash, compensation for employees may also be distributed to employees of companies controlled by or affiliated to this Company. The specific requirements shall be defined by the Board of Directors.

If the Company has net profits after tax according to its annual financial account, the Company may, after making up all past losses, set aside a 10% legal reserve from the remainder, if any. The remaining allocable earnings, if any, plus the accumulated unappropriated earnings for prior years and the balance after provision or reversal of special earnings required by the competent authority, shall be accumulated allocable earnings, which shall be allocated according to the proposal drafted by the Board of Directors and resolution made by a general shareholders' meeting duly. The shareholders' meeting may retain the earnings, in whole or in part, subject to the overview of business.

As the industry which the Company is engaged in refers to a matured industry, when resolving to allocate earnings, in consideration of the R&D needs and diversified business, the shareholders' dividend allocable shall be no less than 10% of the allocable earnings, including the cash dividend no less than 10% of the whole dividends. Notwithstanding, no dividend shall be allocated, if the allocable earnings per share is less than NT\$0.1.

Section 7. Bylaw

Article 34: Any matters not covered herein shall be implemented in accordance with the Company Act and related laws of the R.O.C.

Article 35: The Articles of Incorporation was established on February 28, 1964. (following content omitted) 48th amendments hereto were made on June 22, 2018, 49th amendments hereto were made on June 21, 2019.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 3

China General Plastics Corporation

Rules for Election of Directors (before amendment)

Amended on June 21, 2019

- Article 1: The Company's directors shall be elected in accordance with the Rules.
- Article 2: Election of the Company's directors shall be conducted at a shareholders' meeting.
- Article 3: Unless otherwise provided in related laws, the Company's directors shall be elected by the shareholders' meeting from the name list of candidates.
- Article 4: Quota of the Company's directors shall be based on the quota defined in the Company's Articles of Incorporation and approval by the Board of Directors.
- Article 5: The election of the Company's directors shall adopt an open cumulative voting system. In the process of electing directors at a shareholders' meeting. The number of votes exercisable in respect of one share shall be the same as the number of directors to be elected, and the total number of votes per share may be consolidated for election of one candidate or may be split for election of two or more candidates. The votes which is cast on the site at the shareholders' meeting. Attendance card numbers printed on the ballots may replace the names of voting shareholders. The voters' equity shall be based on the Company's roster of shareholders. Election of the Company's independent directors and non-independent directors shall adopt the candidate nomination system referred to in Article 192-1 of the Company Act.
- Article 6: The Company's independent and non-independent directors shall be elected at the same time, but in separately calculated numbers. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a director elected. 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.
- The votes referred to in Paragraph 1 shall be calculated based on the votes cast at the shareholders' meeting plus e-votes.
- For the e-voting result referred to in the preceding paragraph, an entity which meets Article 44-6 of the Regulations Governing the Administration of Shareholder Services of Public Companies shall be commissioned to verify the shareholders' identity and votes and certify the statistics of votes prior to the shareholders' meeting.
- Article 7: The Board of Directors shall prepare ballots to be cast at the shareholders' meeting. The ballots shall be affixed with the Company's official seal, as well as the voters'

attendance card number and number of votes.

For the election of the Company's directors, shareholders may choose to exercise their voting right in electronic form or by balloting on the site.

Shareholders who choose to exercise their voting right in an electronic form shall exercise the right on the e-voting platform designated by the Company.

Article 8: The chairperson shall designate several monitoring and counting personnel prior to the election to perform their duty.

Article 9: The ballot box and lot-drawing box at the shareholders' meeting shall be prepared by the Company and inspected by the monitoring personnel openly before the voting or lot drawing.

Article 10: The voters shall complete the relevant information based on the name list of candidates identified in the shareholders' meeting handbook. Each ballot may enter only one candidate. When the candidate is a shareholder, please enter his/her account number and account name; otherwise, please enter the candidate's name and ID No. When the candidate is a governmental organization or juristic person, the name of the governmental organization or juristic person shall be entered or both the name of the governmental organization or juristic person and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered. Shareholders may enter their seals to replace completion of the information about candidates referred to in the preceding paragraph.

Article 11: A ballot is invalid under any of the following circumstances at the shareholders' meeting:

- I. The ballot adopted is not that prepared pursuant to the Rules.
- II. A blank ballot is placed in the ballot box.
- III. The writing is unclear and indecipherable.
- IV. Names and related information of the candidates, or the number of voting rights allotted is altered.
- V. The check shows that the information completed pursuant to the preceding Article is inconsistent with the information related to the nominated candidate.
- VI. Other words or marks are entered in addition to the information completed pursuant to the preceding Article and the number of voting rights allotted.
- VII. The candidate identified is not a candidate who is nominated, or the quota of candidates exceed the number of candidates to be elected.
- VIII. Total of voting rights allotted exceed the number of votes held by voters.

Where the shareholders exercise their votes in an electronic form, the invalid ballots shall be identified pursuant to the Rules and also the related laws

promulgated by the competent authority.

- Article 12: Where the total of voting rights allotted are less than the number of votes held by the voters, the decreased votes shall be waived.
- Article 13: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, including the results of calculation of e-voting, shall be announced by the chairperson on the site.
- Article 14: The Company shall issue notifications to the persons elected as directors.
- Article 15: The ballots for the election cast on the site, together with the e-voting materials, shall be sealed with the signatures/seals of the monitoring personnel and kept by the Company 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 16: Any matters not covered herein shall be implemented in accordance with the Company Act, the Company's Articles of Incorporation, and other related laws.
- Article 17: The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.

In case of any discrepancy between the English translation and the Chinese version, the Chinese version shall prevail.

Appendix 4

China General Plastics Corporation

Stake of Directors

Title	Name	Stake
Chairperson	Yi-Gui Wu (Representative of Union Polymer International Investment Corporation)	145,079,236
Vice Chairman	Han-Fu Lin (Representative of Union Polymer International Investment Corporation)	
Director	Pei-Chi Wu (Representative of Asia Polymer Corporation)	46,886,185
Director	Han-Tai Liu (Representative of Asia Polymer Corporation)	
Director	Hung-To Wu (Representative of USIFE Investment Co., Ltd.)	550,722
Independent Director	Zu-De Li	0
Independent Director	Ying-Bin Zheng	0
Independent Director	Liang-Xian Li	0
Independent Director	Chen-I Hsu	0
Total Stake of Directors		192,516,143
Stake by Law of Directors		18,593,615

Note: 1. The said stake is the number of shares registered in the List of Shareholders dated by the book due date (March 28) of the 2023 AGM.

2. The total issued shares of CGPC are 581,050,494 shares.

Appendix 5

The Impact of Stock Dividend Issuance on Business

Performance, EPS, and ROE: No estimates should be disclosed as no financial forecast was made for 2023.

Item		Year	2023 (Estimates)
Beginning paid-in capital			NT\$5,810,504,940
Stock dividend of the year (Note 1)	Cash dividend per share		NT\$0.3
	Stock dividend per share for capitalization with earnings.		0 share
	Stock dividend per share for capitalization with capital reserve.		0 share
Impact on business performance	Operating income		N/A (Note 2)
	Rate of increase (decrease) of operating income YOY		
	Net profit after tax		
	Rate of increase (decrease) of net profit after tax YOY		
	EPS		
	Rate of increase (decrease) of EPS YOY		
	Average ROI (reciprocal of average price-earnings ratio (PER))		
Proposed EPS and PER	If issuing dividends in cash for capitalization with earnings	Proposed EPS	
		Proposed annual average ROI	
	If no capitalization with legal reserve	Proposed EPS	
		Proposed annual average ROI	
	If issuing dividends in cash for capitalization with earnings without capitalization with legal reserve	Proposed EPS	
		Proposed annual average ROI	

Note 1: Dividend distribution for 2022 is shown according to the profit distribution proposal resolved by the Board on March 2, 2023.

Note 2: CGPC does not conduct open financial forecast of any kind, and the information relating to the impact on business performance, proposed EPS and PER are not applicable.

1. The company shall present all basic assumptions for estimates or proposed data.
2. Proposed EPS for issuing dividends in cash for capitalization with earnings.

$$= [\text{Net profit after tax} - \text{Imputed interest for cash dividends}^* \times (1 - \text{Tax rate})] \div [\text{Total Issued Shares by End of Year} - \text{Number of Shares with Dividends}^{**}]$$

Imputed interest for cash dividends* = Amount of capitalization with earnings x General interest rate for one-year loan

Number of Shares with Dividends**: The number of shares increased from the stock dividends in the previous year.
3. Annual PER: Annual Average Market Price Per Share \div EPA in the Annual Financial Statement

Chairperson:

Manager:

Case Officer:

Appendix 6

Description of shareholders proposals:

1. Referring to Article 172-1 of the Company Act: “Shareholder(s) holding one per cent (1%) or more of the total number of outstanding shares of a company may make a proposal for discussion at a general meeting of shareholders, provided that only one matter shall be allowed in each single proposal of not more than 300 words.”
2. The acceptance period of proposals from shareholders for the 2023 AGM is from March 19, 2023 to March 29, 2023. Such information was disclosed on the Market Observation Post System by law on March 9, 2023.
3. No proposal from shareholder was received during the said period.