

Stock Code : 5434



崇越科技股份有限公司
TOPCO SCIENTIFIC CO., LTD.

2021 Annual Shareholders' Meeting

Meeting Handbook

May 31, 2021

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A. 2021 Annual Shareholders' Meeting Procedure

- I、 Call Meeting to Order
- II、 Chairman's Address
- III、 Report Items
- IV、 Resolutions
- V、 Extemporaneous Motions
- VI、 Meeting Adjourned

B. 2021 Annual Shareholders' Meeting Agenda

Time : 9:00 a.m., Monday, May 31, 2021

Place : 9Floor, No. 489, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City.

I、 Call Meeting to Order

II、 Chairman's Address

III、 Report Items

(1) The 2020 Business Report.

(2) The 2020 Audit Committee's Review Report.

(3) The 2020 Remuneration to Employees, Directors and Supervisors.

(4) The 2020 Earnings Distribution of cash dividends.

IV、 Resolutions

(1) The 2020 Financial Statements.

(2) The 2020 Earnings Distribution.

V、 Extemporaneous Motions

VI、 Meeting Adjourned

1. Report Items

I、 The 2020 Business Report.

Explanation:

- (1) The Company's 2020 Business Report is attached hereto as Attachment 1.
Please refer to page 6.
- (2) For adoption.

II、 The 2020 Audit Committee's Review Report.

Explanation:

- (1) The Company's 2020 Audit Committee's Review Report is attached hereto as Attachment 2. Please refer to pages 8.
- (2) For adoption.

III、 The 2020 Remuneration to Employees, Directors and Supervisors.

Explanation:

- (1) Pursuant to Article 20 of the Company's Articles of Incorporation, the Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit sharing bonus and not more than 3% of its earnings as remuneration to directors and supervisors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses.
- (2) In accordance with the Company's Articles, 6% of earnings for the period totaling NT\$151,770,000 has been distributed in cash as profit sharing bonus to employees and 2% of earnings totaling NT\$ 50,590,000 in cash distributed as remuneration to directors and supervisors.
- (3) For adoption.

IV、 The 2020 Earnings Distribution of cash dividends.

Explanation:

- (1) Pursuant to Article 20 of the Company's Articles of Incorporation, the Board of Directors is authorized to approve the distribution of dividends and bonuses in cash, in whole or in part for submission to the shareholder' meeting for acceptance.
- (2) The Company's proposes to distribute cash dividends in the amount of NT\$ 1,453,596,536 to shareholders (cash dividend at NT\$8 per share).
- (3) The Chairman is authorized to set the ex-dividend date and handle other matters in relation to the proposal for distribution of cash dividends.
- (4) For adoption.

2. Resolutions

I、 The 2020 Financial Statements. (Proposed by the Board of Directors)

Explanation:

- (1) The Company's 2020 Financial Statements, including Balance Sheet, Income Statement, Statement of Changes in Shareholders' Equity, and Cash Flow Statement, were audited by independent auditors Au, Yiu Kwan & Chien, Szu Chuan of KPMG. It was reviewed by Audit Committee and includes Business Reports.
- (2) The Company's 2020 Financial Statements are attached hereto as Attachment 3 and Attachment 4. Please refer to pages 9~24.
- (3) For adoption.

Resolution:

II、 The 2020 Earnings Distribution. (Proposed by the Board of Directors)

Explanation:

- (1) The Board of Directors resolved to adopt the proposal of the Company's 2020 earnings.
- (2) Earnings Distribution Proposal for the Year 2020 is attached hereto as Attachment 5. Please refer to page 25.
- (3) For adoption.

Resolution:

3. Extemporary Motions

4. Meeting Adjourned

C. Attachment

Attachment 1.

2020 Business Report

We would like to thank all shareholders for your continued support over the past year. As a result of the joint efforts of the management team and all staff members coupled with the demand for advanced EUV process materials by the semiconductor industry and significant growth of the Chinese market, we set a new benchmark in our operations and our revenues and profits hit a historic high in 2020. The consolidated revenue of the group reached NT\$ 36.17 billion, which represents an increase by 14% over the previous year. Profit after tax and EPS amounted to NT\$ 2.068 billion and NT\$ 11.38, respectively. In the field of corporate governance, the Company was honored with a Corporate Sustainability Award and a Taiwan Corporate Sustainability Report Gold Award; we again earned the Sports Activist Award and Taiwan iSports certificate presented by the Sports Administration of the Ministry of Education and were recognized with a Corporate Health Responsibility Bronze Award by Common Health Magazine in 2020.

According to statistics released by the ITRI ISTI (Industrial, Science, and Technology International Strategy Center), the output value of Taiwan IC industry reached NT\$ 3.22 trillion in 2020, which marks a growth of 20.9% compared to 2019. Revenues from semiconductor and electronic materials accounted for around 80% of the consolidated revenue of the group, driven by constantly innovation of advanced processes, and expansion of production capacities. The demand for advanced process materials such as photoresist and silicon wafers is continuous rising, couple with the added impact of the US-China trade war and the COVID-19 pandemic, customers continue to pull in inventory to maintain supply stability, which generates significant growth momentum in the field of sales.

In recent years, China has proactively increased its local content rate in the field of semiconductors. In response, the Company has built a Wafer-Foundry-Service platform through smart scheduling and cloud applications, which offer IC design houses to find matching foundry capacities, and accelerate the operation of product introduction to the market. These efforts have earned us the trust of up- and downstream of supply chains, and resulted in continued business growth.

In the field of environmental engineering, we have obtained numerous large-scale wastewater treatment, air-conditioning and electromechanical projects in Taiwan and China. We also achieved good results in the development of industrial waste disposal services and chemical sales, as well as in the improvement of waste system flow and the expansion of overseas markets.

As for the livelihood-related business, the Company upholds its founding principles of safeguarding the health of consumers. Our signature product, the Anyo Santé Premium Silver Perch Essence, has successively garnered Monde Selection Gold Award presented by the International Quality Institute and Eatender (senior-friendly food) Award presented by the Council of Agriculture. We have formed a cross-industry alliance with 7-Eleven to build a comprehensive frozen supply chain and thereby achieve stable sales growth.

Looking ahead to 2021, the semiconductor industry is still expected to benefit from 5G applications and demand for high-speed computing for IoT and AI. It is anticipated that the growth trend in 2020 will persist this year. Mass production of advanced processes will drive the increasing demand for photo resist and related materials, and is projected to result in revenue growth. Topco Group will continue to assess and to introduce new products including 5G key materials,

third-generation semiconductor materials, and metallic materials, and to pursue suitable strategic alliances and partnerships to expand our agency rights and markets. In the field of overseas markets, we target business opportunities of the rising autonomy and de-Americanization for the Chinese semiconductor industry. We are firmly committed to the expansion of our presence in the Singaporean, Vietnamese, and Japanese markets, and to set up service points in the US to respond to customer needs nearby.

As far as environmental engineering is concerned, we maintain our deep commitment to the circular economy. Relevant initiatives include waste disposal, calcium fluoride sludge resource and reuse, and smart green eco-friendly pig farm. These initiatives are expected to expand our business scope in the field of environmental engineering. In the field of livelihood-related, we strive to optimize the production efficiency of Anyong Biotechnology and intensify the cooperation between Anyong Fresh and retail channels and deployment in overseas markets. We are also committed to increasing the visitor numbers of Anyo Museum and have created the professional sports training brand “XPORTS” with the ultimate goal of an all-inclusive linkage and integration of the resources of the Group to develop the health care business.

Over the past three decades, Topco Group has steadfastly fulfilled its role as an industry integrator and technology provider, and joined hands with suppliers and customers in the creation of win-win values. In the future, we will maintain our deep commitment to hi-tech industries, expansion of our overseas service network, and intensification of market deployment to gain the ability to satisfy customer expectations in the field of products and services in a rapid manner. We also embrace the diversified development of circular economy concepts and our health business. Finally, we aim to strengthen our efforts in the field of talent recruitment and training, employee care, shareholder rewards, implementation of corporate governance, fulfillment of CSR, and pursuit of corporate sustainability.

Topco Scientific Co., Ltd.



Jeffery Pan
Chairman



Simon Tseng / Charles Lee
President



Nicole Lee
Chief Accounting Officer

Attachment 2.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2020 Business Report, Financial Statements and proposal for Earnings Distribution. Consolidated and parent company only Financial Statements have been audited and certified by Au, Yiu Kwan, CPA, and Chien, Szu Chuan, CPA, of KPMG and audit reports relating to the Financial Statements have been issued. The Business Report, Financial Statements and Earnings Distribution Proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of TOPCO SCIENTIFIC CO., LTD. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

TOPCO SCIENTIFIC CO., LTD.

Chairman of the Audit Committee: Chen Linsen

Chen Linsen

March 16, 2021

Attachment 3.

Independent Auditors' Report

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the financial statements of Topco Scientific Co., Ltd. ("the Company"), which comprise the balance sheets as of December 31, 2020 and 2019, and the statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the financial statements of the Company for 2020 and 2019. The investments accounted for using equity method constituted 10.22% and 10.36% of the total assets as of December 31, 2020 and 2019; and the share of profits of associates and joint ventures accounted for using equity method constituted 16.13% and 17.00% of profits before tax for the years ended December 31, 2020 and 2019, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts of subsidiaries and investments accounted for equity method, is based solely on the reports of the other auditors.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Operating Revenue

Please refer to note 4(o) "Revenue" for accounting policies related to revenue recognition; and note 6(t) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Company's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the financial statements of the Company. Therefore, revenue recognition is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Company are in accordance with the related standards. In addition, we examined the sales contracts between the Company and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

2. Valuation of inventories

Please refer to note 4(g) "Inventories" for accounting policies related to valuation of inventories; note 5(b) for uncertainty in valuation of inventories; and note 6(f) for related description for valuation of inventories.

Description of Key Audit Matters:

Valuation of inventories is measured by cost and net realizable value. The inventories purchased were based on the demand of customer orders, and the Company may be exposed to the risk concerning the carrying amount of inventories which is lower than the realizable value due to market price declined and business cycle of the industry. Therefore, valuation of inventories is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: evaluating whether the Company's valuation of inventories is conducted in accordance with the Company's accounting policies and related standards; examining the inventory aging reports and analyzing the changes on the aging of inventories in each period, including conducting sampling procedures to examine the accuracy of inventory aging reports and understanding the sales prices adopted by the management and subsequent fluctuation in market price to assess the rationality of net realizable value of inventories.

3. Valuation of Accounts Receivable

Please refer to note (4)(f) "Financial instruments" for accounting policies related to valuation of accounts receivable; note 5(a) for uncertainties in valuation of accounts receivable; and note 6(d) "Notes and accounts receivable".

Description of Key Audit Matters:

Allowance for accounts receivable is evaluated based on the lifetime expected credit loss of accounts shown in objective evidences. Therefore, valuation of accounts receivable is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: examining allowance for accounts receivable of the Company to determine whether related accounting policies are applied appropriately, analyzing the allowance for uncollectible accounts receivable based on the accounts receivable aging report, examining the collection record of the past and the subsequent period, economic condition of the industry, concentration of credit risk, and the Company's assessment on the ability of the customers with imperfect credit record to repay in order to evaluate the rationality of the recognition of allowance for uncollectible accounts receivable and amounts recognized.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the investment in other entities accounted for using the equity method to express an opinion on these financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)
March 16, 2021

Notes to Readers

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

The independent auditors' report and the accompanying financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and financial statements, the Chinese version shall prevail.

Independent Auditors' Report

To the Board of Directors of Topco Scientific Co., Ltd.:

Opinion

We have audited the consolidated financial statements of Topco Scientific Co., Ltd. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, and the consolidated statement of comprehensive income, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (please refer to Other Matter paragraph), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and with the International Financial Reporting Standards ("IFRSs"), International Accounting Standards ("IASs"), Interpretations developed by the International Financial Reporting Interpretations Committee ("IFRIC") or the former Standing Interpretations Committee ("SIC") endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audit in accordance with the "Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants" and the 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 Certified Public Accountants Code of Professional Ethics in Republic of China ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We did not audit the financial statements for certain investments accounted for using equity method in the consolidated financial statements of the Group for 2020 and 2019. The investments accounted for using equity method constituted 7.82% and 7.79% of the total consolidated assets as of December 31, 2020 and 2019; and the share of gains of associates and joint ventures accounted for using equity method constituted 14.67% and 15.80% of profit before tax for the year ended December 31, 2020 and 2019, respectively. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts of subsidiaries and investments accounted for equity method, is based solely on the reports of the other auditors.

The Company has prepared its parent-company-only financial statements as of and for the years ended December 31, 2020 and 2019, on which we have issued an unmodified opinion with other matter paragraph.

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 current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Recognition of Operating Revenue

Please refer to note 4(p) "Revenue" for accounting policies related to revenue recognition; note 5(c) for revenue recognition of construction and the percentage of completion method for construction contracts; and note 6(v) "Revenue" for details of revenue.

Description of Key Audit Matters:

Due to the wide variety of the Group's products, different transactions were generated according to customers and product portfolio. Identification of revenue recognition has significant influence on the consolidated financial statements of the Group. In addition, the budgets for construction contracts highly depend on the management's judgments. The evaluation of above budgets may result in significant changes in income and losses for the reporting period. Therefore, revenue recognition is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: testing related manual and systematic control over sales cycle to assess if the revenue recognition policies of the Group is in accordance with the related standards. In addition, we examined the sales contracts between the Group and its customers to understand their trading modality and conditions, evaluating and comparing if revenue recognition is consistent with the terms of the contracts; acquiring construction contracts that have significant effects on financial results to verify that there is no difference in the percentage of completion calculated by the Group; conducting testing for details of revenue before and after the balance sheet date and verifying if revenue recognition is in accordance with the contract terms.

2. Valuation of inventories

Please refer to note 4(h) "Inventories" for accounting policies related to valuation of inventories; note 5(b) for uncertainty in valuation of inventories; and note 6(f) for related description for valuation of inventories.

Description of Key Audit Matters:

Valuation of inventories is measured by cost and net realizable value. The inventories purchased were based on the demand of customer orders, and the Group may be exposed to the risk concerning the carrying amount of inventories which is lower than the realizable value due to market price declined and business cycle of the industry. Therefore, valuation of inventories is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: evaluating whether the Group's valuation of inventories is conducted in accordance with the Group's accounting policies and related standards; examining the inventory aging reports and analyzing the changes on the aging of inventories in each period, including conducting sampling procedures to examine the accuracy of inventory aging reports and understanding the sales prices adopted by the management and subsequent fluctuation in market price to assess the rationality of net realizable value of inventories.

3. Valuation of Accounts Receivable

Please refer to note 4(g) "Financial instruments" for accounting policies related to valuation of accounts receivable; note 5(a) for uncertainties in valuation of accounts receivable; and note 6(d) "Notes and accounts receivable".

Description of Key Audit Matters:

Allowance for accounts receivable is evaluated based on the lifetime expected credit loss of accounts shown in objective evidences. Therefore, valuation of accounts receivable is considered as one of the key matters in our audit.

How the matter was addressed in our audit:

Our principal audit procedures included: examining allowance for accounts receivable of the Group to determine whether related accounting policies are applied appropriately, analyzing the allowance for uncollectible accounts receivable based on the accounts receivable aging report, examining the collection record of the past and the subsequent period, economic condition of the industry, concentration of credit risk, and the Group's assessment on the ability of the customers with imperfect credit record to repay in order to evaluate the rationality of the recognition of allowance for uncollectible accounts receivable and amounts recognized.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient 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. We remain solely responsible for our audit opinion.

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Yiu-Kwan Au and Szu-Chuan Chien.

KPMG

Taipei, Taiwan (Republic of China)

March 16, 2021

Notes to Readers

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

The independent auditors' report and the accompanying consolidated financial statements are the English translation of the Chinese version prepared and used in the Republic of China. If there is any conflict between, or any difference in the interpretation of the English and Chinese language independent auditors' report and consolidated financial statements, the Chinese version shall prevail.

Attachment 4.

2020 Financial Statements

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2020		December 31, 2019				December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$ 1,045,224	6	1,089,787	7	2100	Short-term borrowings (note 6(l))	\$ 1,255,962	8	695,000	5
1110	Current financial assets at fair value through profit or loss (notes 6(b))	7,409	-	8,374	-	2120	Total current financial liabilities at fair value through profit or loss (note 6(b))	711	-	-	-
1170	Notes and accounts receivable, net (note 6(d))	3,149,145	19	2,950,000	20	2130	Current contract liabilities (note 6(t))	59,301	-	165,023	1
1180	Notes and accounts receivable due from related parties, net (notes 6(d) and 7)	96,435	1	89,310	1	2170	Notes and accounts payable	2,903,742	18	2,885,291	20
1476	Other current financial assets (notes 6(e), 6(k) and 7, 8)	646,176	4	24,865	-	2180	Notes and accounts payable to related parties (note 7)	233,280	2	156,414	1
1311	Inventories, net (note 6(f))	1,882,299	12	1,659,419	11	2200	Other current financial liabilities	500,719	3	438,781	3
1479	Other current assets, others	126,629	1	103,629	1	2251	Current provisions (note 6(n))	836	-	866	-
		6,953,317	43	5,925,384	40	2280	Current lease liabilities (note 6(m))	33,573	-	33,610	-
Non-current assets:											
1510	Non-current financial assets at fair value through profit or loss (note 6(b))	69,705	-	64,648	-	2365	Current refund liabilities	27,224	-	57,737	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))	976,691	6	812,805	6	2399	Other current liabilities	201,459	1	172,158	1
1550	Investments accounted for using equity method (note 6(g))	5,929,239	36	5,278,945	36			5,216,807	32	4,604,880	31
1600	Property, plant and equipment (note 6(h), 6(j) and 7)	2,172,346	13	2,386,776	16	Non-Current liabilities:					
1755	Right-of-use assets (note 6(i))	130,827	1	102,054	1	2570	Deferred tax liabilities and other non-current liabilities (note 6(q))	313,836	2	359,517	2
1840	Deferred tax assets (note 6(q))	116,236	1	119,982	1	2580	Non-current lease liabilities (note 6(m))	97,360	1	68,714	1
1900	Other non-current assets (note 6(k) and 8)	59,225	-	59,427	-	2640	Non-current net defined benefit liability (note 6(p))	205,956	1	204,696	2
		9,454,269	57	8,824,637	60			617,152	4	632,927	5
								5,833,959	36	5,237,807	36
Total assets											
		\$ 16,407,586	100	14,750,021	100	Total liabilities					
Liabilities and Equity											
Current liabilities:											
3100	Ordinary shares (note 6(r))	1,816,996	11	1,816,996	12	Equity attributable to owners of parent:					
3200	Capital surplus (note 6(r))	2,340,779	14	2,340,676	16						
3300	Retained earnings (note 6(r))	5,766,816	35	4,917,348	33						
3400	Other equity (note 6(r))	649,036	4	437,194	3						
		10,573,627	64	9,512,214	64	Total equity					
						Total liabilities and equity					
		\$ 16,407,586	100	14,750,021	100			\$ 16,407,586	100	14,750,021	100

TOPCO SCIENTIFIC CO., LTD.

Statements of Comprehensive Income

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars, Except for Earnings
Per Common Share which is expressed in New Taiwan Dollars)

		2020		2019	
		Amount	%	Amount	%
Operating Revenues: (notes 6(t) and 7)					
4110	Net sales revenue	\$ 19,845,787	96	18,082,967	96
4800	Other operating revenue	762,028	4	753,717	4
	Operating revenue, net	20,607,815	100	18,836,684	100
Operating costs: (notes 6(f), 7 and 12)					
5110	Cost of sales	17,812,192	86	16,207,502	86
5800	Other operating costs	171,235	1	150,321	1
		17,983,427	87	16,357,823	87
	Gross profit	2,624,388	13	2,478,861	13
Operating expenses: (notes 7 and 12)					
6100	Selling expenses	534,389	3	542,532	3
6200	Administrative expenses	809,846	4	663,157	3
6300	Research and development expenses	18,595	-	14,671	-
	Total operating expenses	1,362,830	7	1,220,360	6
	Net operating income	1,261,558	6	1,258,501	7
Non-operating income and expenses:					
7100	Interest income	3,880	-	6,736	-
7101	Other income (notes 6(b), 6(c) and 6(v))	82,397	-	74,166	-
7102	Other gains and losses, net (notes 6(h) and 6(v))	42,254	-	(5,999)	-
7105	Financial costs	(6,033)	-	(4,507)	-
7060	Share of gain of subsidiaries, associates and joint ventures accounted for using equity method (note 6(g))	943,092	5	722,997	4
		1,065,590	5	793,393	4
7900	Profit (loss) from continuing operations before tax	2,327,148	11	2,051,894	11
7950	Less: Income tax expenses (note 6(q))	258,798	1	329,586	2
	Profit (loss)	2,068,350	10	1,722,308	9
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(14,203)	-	(2,305)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	170,454	1	253,409	1
8330	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	11,211	-	(917)	-
8349	Less: Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(2,841)	-	(461)	-
		170,303	1	250,648	1
8360	Components of other comprehensive income that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	4,635	-	(73,160)	-
8380	Share of other comprehensive income of subsidiaries, associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	(4)	-	(164)	-
8399	Less: Income tax related to components of other comprehensive income that will be reclassified to profit or loss	927	-	(14,632)	-
	Components of other comprehensive income that will be reclassified to profit or loss	3,704	-	(58,692)	-
8300	Other comprehensive income	174,007	1	191,956	1
	Comprehensive income	\$ 2,242,357	11	1,914,264	10
Earnings per share: (note 6(s))					
9750	Basic earnings per share (NT dollars)	\$ 11.38		9.48	
	Diluted earnings per share (note 6(s))				
9850	Diluted earnings per share (NT dollars)	\$ 11.29		9.42	

See accompanying notes to financial statements.

(English Translation of Financial Statements and Report Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD.

Statements of Changes in Equity

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	Retained earnings						Other equity			
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total retained earnings	Exchange differences on translation of foreign financial statements	Unrealized gains (losses) on financial assets measured at fair value through other comprehensive income	Total other equity	Total equity
Balance at January 1, 2019	\$ 1,816,996	2,340,679	1,127,832	39,150	2,997,168	4,164,150	(45,044)	284,188	239,144	8,560,969
Profit for the year ended December 31, 2019	-	-	-	-	1,722,308	1,722,308	-	-	-	1,722,308
Other comprehensive income	-	-	-	-	(1,843)	(1,843)	(58,692)	252,491	193,799	191,956
Total comprehensive income	-	-	-	-	1,720,465	1,720,465	(58,692)	252,491	193,799	1,914,264
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	140,468	-	(140,468)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(963,008)	(963,008)	-	-	-	(963,008)
Reversal of special reserve	-	-	-	(39,150)	39,150	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	(3)	-	-	(8)	(8)	-	-	-	(11)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(4,251)	(4,251)	-	4,251	4,251	-
Balance at December 31, 2019	1,816,996	2,340,676	1,268,300	-	3,649,048	4,917,348	(103,736)	540,930	437,194	9,512,214
Profit for the year ended December 31, 2020	-	-	-	-	2,068,350	2,068,350	-	-	-	2,068,350
Other comprehensive income	-	-	-	-	(11,377)	(11,377)	3,704	181,680	185,384	174,007
Total comprehensive income	-	-	-	-	2,056,973	2,056,973	3,704	181,680	185,384	2,242,357
Appropriation and distribution of retained earnings:										
Legal reserve appropriated	-	-	172,231	-	(172,231)	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,181,047)	(1,181,047)	-	-	-	(1,181,047)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(26,458)	(26,458)	-	26,458	26,458	-
Others	-	103	-	-	-	-	-	-	-	103
Balance at December 31, 2020	\$ 1,816,996	2,340,779	1,440,531	-	4,326,285	5,766,816	(100,032)	749,068	649,036	10,573,627

(English Translation of Financial Statements and Report Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD.

Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,327,148	2,051,894
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	132,078	98,710
Amortization expense	10,362	8,368
Expected credit loss (gain)	230	(437)
Net loss on financial assets at fair value through profit or loss	2,186	876
Interest expense	6,033	4,507
Interest income	(3,880)	(6,736)
Dividend income	(38,100)	(30,900)
Share of loss (profit) of subsidiaries, associates and joint ventures accounted for using equity method	(943,092)	(722,997)
Loss from disposal of property, plant and equipment	(98,493)	-
Others	97	787
Total adjustments to reconcile profit (loss)	(932,579)	(647,822)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(206,500)	(757,738)
Increase in inventories	(222,880)	(103,120)
Decrease (increase) in financial assets at fair value through profit or loss	965	(46)
Decrease (increase) in other current assets	(28,402)	54,239
Decrease in other current financial assets	10,598	8,157
Total changes in operating assets	(446,219)	(798,508)
Changes in operating liabilities:		
Increase in notes and accounts payable	95,317	801,905
Increase (decrease) in contract liabilities	(105,722)	34,954
Increase in other current financial liabilities	64,571	90,134
Decrease in current provisions	(30)	(341)
Increase (decrease) in current refund liabilities	(30,513)	36,641
Increase (decrease) in other current liabilities	62,853	(36,474)
Increase (decrease) in net defined benefit liability	(12,943)	3,597
Total changes in operating liabilities	73,533	930,416
Total changes in operating assets and liabilities	(772,686)	131,908
Total adjustments	(1,305,265)	(515,914)
Cash inflow generated from operations	1,021,883	1,535,980
Interest received	4,095	6,600
Interest paid	(5,862)	(4,283)
Dividends received	1,026,690	227,015
Income taxes paid	(332,371)	(183,432)
Net cash flows from operating activities	1,714,435	1,581,880
Cash flows from (used in) investing activities:		
Proceeds from capital reduction of financial assets at fair value through profit or loss	2,184	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,384	4,416
Proceeds from capital reduction of financial assets at fair value through profit or loss	-	1,219
Acquisition of financial assets at fair value through profit or loss	(6,532)	(13,462)
Acquisition of investments accounted for using equity method	(746,277)	(268,221)
Proceeds from disposal of investments accounted for using equity method	28,927	-
Proceeds from capital reduction of investments accounted for using equity method	37,400	-
Acquisition of property, plant and equipment	(135,324)	(94,915)
Proceeds from disposal of property, plant and equipment	353,304	-
Increase (decrease) in refundable deposits	(1,305)	2,231
Acquisition of intangible assets	(2,999)	(1,641)
Increase in restricted assets	(632,124)	(500)
Net cash flows from (used in) investing activities	(1,098,362)	(370,873)
Cash flows from (used in) financing activities:		
Increase in short-term loans	560,962	225,000
Cash dividends paid	(1,181,047)	(963,008)
Increase (decrease) in guarantee deposits	-	(966)
Payment of lease liabilities	(40,654)	(27,708)
Others	103	-
Net cash flows from (used in) financing activities	(660,636)	(766,682)
Net increase (decrease) in cash and cash equivalents	(44,563)	444,325
Cash and cash equivalents at beginning of period	1,089,787	645,462
Cash and cash equivalents at end of period	\$ 1,045,224	1,089,787

See accompanying notes to financial statements.

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

		December 31, 2020		December 31, 2019				December 31, 2020		December 31, 2019	
		Amount	%	Amount	%			Amount	%	Amount	%
Assets											
Current assets:											
1100	Cash and cash equivalents (note 6(a))	\$	3,371,555	16	3,133,630	16	2100	Short-term borrowings (note 6(m))	\$	1,395,195	7
1110	Current financial assets at fair value through profit or loss (note 6(b))		434,918	2	197,100	1	2120	Current financial liabilities at fair value through profit or loss (note 6(b))		711	-
1140	Current contract assets (note 6(v))		487,677	2	581,421	3	2130	Current contract liabilities (note 6(v))		497,899	2
1170	Notes and accounts receivable, net (note 6(d))		5,573,659	26	5,074,125	26	2170	Notes and accounts payable		4,232,495	20
1180	Notes and accounts receivable due from related parties, net (notes 6(d) and 7)		105,595	-	118,273	1	2180	Notes and accounts payable to related parties (note 7)		1,713,673	8
1476	Other current financial assets (notes 6(c), 6(l) and 8)		1,000,545	5	117,748	-	2200	Other current financial liabilities		684,851	3
1300	Inventories, net (note 6(f))		3,195,814	15	3,302,721	17	2250	Current provisions (note 6(p))		169,025	1
1479	Other current assets, others		264,707	1	406,622	2	2280	Current lease liabilities (note 6(o))		93,532	-
			14,434,470	67	12,931,640	66	2320	Long-term borrowings, current portion (note 6(n))		65,747	-
Non-current assets:											
1510	Non-current financial assets at fair value through profit or loss (note 6(b))		85,857	-	111,097	-	2365	Current refund liabilities		27,224	-
1517	Non-current financial assets at fair value through other comprehensive income (note 6(c))		1,004,425	5	829,550	4	2399	Other current liabilities		561,889	3
1550	Investments accounted for using equity method (note 6(g))		1,786,506	8	1,529,405	8				9,442,241	44
1600	Property, plant and equipment (note 6(i))		3,276,146	15	3,521,162	18	Non-Current liabilities:				
1755	Right-of-use assets (note 6(j))		454,843	2	376,108	2	2540	Long-term borrowings (note 6(n))		523,159	2
1760	Investment property, net (note 6(k) and 8)		182,193	1	126,075	1	2580	Non-current lease liabilities (note 6(o))		364,270	2
1840	Deferred tax assets (note 6(s))		116,951	1	115,783	1	2670	Deferred tax liabilities and other non-current liabilities (note 6(s))		327,775	2
1900	Other non-current assets (notes 6(l) and 8)		110,324	1	98,684	-	2640	Non-current net defined benefit liability		205,956	1
			7,017,245	33	6,707,864	34				1,421,160	7
										10,863,401	51
Total liabilities											
Equity attributable to owners of parent:											
3100	Ordinary shares (note 6(t))									1,816,996	8
3200	Capital surplus (note 6(t))									2,340,779	11
3300	Retained earnings (note 6(t))									5,766,816	27
3400	Other equity (note 6(t))									649,036	3
										10,573,627	49
3610	Non-controlling interests									14,687	-
										10,588,314	49
Total equity											
Total liabilities and equity											
		\$	21,451,715	100	19,639,504	100			\$	21,451,715	100

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars, Except for Earnings Per Common Share
which is expressed in New Taiwan Dollars)

		2020		2019	
		Amount	%	Amount	%
Operating Revenues: (notes 6(v) and 7)					
4110	Net sales revenue	\$ 31,084,563	86	27,077,760	85
4520	Construction revenue	4,148,506	11	3,665,901	12
4800	Other operating revenue	934,925	3	956,855	3
	Operating revenue, net	36,167,994	100	31,700,516	100
Operating costs: (notes 6(f), 6(r), 7 and 12)					
5110	Cost of sales	27,846,974	77	24,304,990	77
5500	Construction cost	3,760,379	10	3,233,788	10
5800	Other operating costs	255,891	1	242,925	1
		31,863,244	88	27,781,703	88
5910	Less: Unrealized profit (loss) from sales	(292)	-	(292)	-
	Gross profit	4,305,042	12	3,919,105	12
Operating expenses: (notes 6(r), 6(w), 7 and 12)					
6100	Selling expenses	1,135,327	3	1,111,360	3
6200	Administrative expenses	1,007,774	3	885,021	3
6300	Research and development expenses	100,230	-	77,361	-
	Total operating expenses	2,243,331	6	2,073,742	6
	Net operating income	2,061,711	6	1,845,363	6
Non-operating income and expenses:					
7100	Interest income	20,852	-	27,138	-
7010	Other income (notes 6(g) and 6(x))	81,861	-	55,660	-
7020	Other gains and losses, net (notes 6(g), 6(i) and 6(x))	48,825	-	(27,666)	-
7050	Finance costs	(27,170)	-	(30,669)	-
7060	Share of gain of associates and joint ventures accounted for using equity method (notes 6(g))	373,347	1	348,306	1
7670	Impairment loss (notes 6(g) and 6(i))	-	-	(9,933)	-
		497,715	1	362,836	1
	Profit (loss) from continuing operations before tax	2,559,426	7	2,208,199	7
7950	Less: Income tax expenses (note 6(s))	494,101	1	491,246	2
	Profit (loss)	2,065,325	6	1,716,953	5
8300	Other comprehensive income:				
8310	Components of other comprehensive income that will not be reclassified to profit or loss				
8311	Gains (losses) on remeasurements of defined benefit plans	(14,203)	-	(2,305)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	181,680	-	252,491	1
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	(15)	-	1	-
8349	Less: income tax related to components of other comprehensive income that will not be reclassified to profit or loss	(2,841)	-	(461)	-
		170,303	-	250,648	1
8360	Components of other comprehensive income (loss) that will be reclassified to profit or loss				
8361	Exchange differences on translation of foreign financial statements	4,631	-	(73,179)	-
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	-	-	(145)	-
8399	Less: income tax related to components of other comprehensive income that will be reclassified to profit or loss	927	-	(14,632)	-
		3,704	-	(58,692)	-
8300	Other comprehensive income	174,007	-	191,956	1
	Comprehensive income	\$ 2,239,332	6	1,908,909	6
	Profit, attributable to:				
8610	Profit, attributable to owners of parent	\$ 2,068,350	6	1,722,308	5
8620	Profit, attributable to non-controlling interests	(3,025)	-	(5,355)	-
		\$ 2,065,325	6	1,716,953	5
	Comprehensive income attributable to:				
	Comprehensive income, attributable to owners of parent	\$ 2,242,357	6	1,914,264	6
	Comprehensive income, attributable to non-controlling interests	(3,025)	-	(5,355)	-
		\$ 2,239,332	6	1,908,909	6
	Earnings per share: (note 6(u))				
9750	Basic net income per share	\$ 11.38		9.48	
9850	Diluted net income per share	\$ 11.29		9.42	

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)

TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the years ended December 31, 2020 and 2019

(Expressed in Thousands of New Taiwan Dollars)

	Equity attributable to owners of parent											
							Other equity					
							Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income			Total equity attributable to owners of parent	Non-controlling interests	Total equity
	Retained earnings						Exchange differences on translation of foreign financial statements					
	Ordinary shares	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Total			Total other equity			
Balance at January 1, 2019	\$ 1,816,996	2,340,679	1,127,832	39,150	2,997,168	4,164,150	(45,044)	284,188	239,144	8,560,969	25,599	8,586,568
Profit for the year ended December 31, 2019	-	-	-	-	1,722,308	1,722,308	-	-	-	1,722,308	(5,355)	1,716,953
Other comprehensive income	-	-	-	-	(1,843)	(1,843)	(58,692)	252,491	193,799	191,956	-	191,956
Total comprehensive income	-	-	-	-	1,720,465	1,720,465	(58,692)	252,491	193,799	1,914,264	(5,355)	1,908,909
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	140,468	-	(140,468)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(963,008)	(963,008)	-	-	-	(963,008)	-	(963,008)
Reversal of special reserve	-	-	-	(39,150)	39,150	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries	-	(3)	-	-	(8)	(8)	-	-	-	(11)	-	(11)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,344)	(1,344)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(4,251)	(4,251)	-	4,251	4,251	-	-	-
Balance at December 31, 2019	1,816,996	2,340,676	1,268,300	-	3,649,048	4,917,348	(103,736)	540,930	437,194	9,512,214	18,900	9,531,114
Profit for the year ended December 31, 2020	-	-	-	-	2,068,350	2,068,350	-	-	-	2,068,350	(3,025)	2,065,325
Other comprehensive income	-	-	-	-	(11,377)	(11,377)	3,704	181,680	185,384	174,007	-	174,007
Total comprehensive income	-	-	-	-	2,056,973	2,056,973	3,704	181,680	185,384	2,242,357	(3,025)	2,239,332
Appropriation and distribution of retained earnings:												
Legal reserve appropriated	-	-	172,231	-	(172,231)	-	-	-	-	-	-	-
Cash dividends of ordinary share	-	-	-	-	(1,181,047)	(1,181,047)	-	-	-	(1,181,047)	-	(1,181,047)
Changes in non-controlling interests	-	-	-	-	-	-	-	-	-	-	(1,188)	(1,188)
Disposal of investments in equity instruments designated at fair value through other comprehensive income	-	-	-	-	(26,458)	(26,458)	-	26,458	26,458	-	-	-
Other	-	103	-	-	-	-	-	-	-	103	-	103
Balance at December 31, 2020	\$ 1,816,996	2,340,779	1,440,531	-	4,326,285	5,766,816	(100,032)	749,068	649,036	10,573,627	14,687	10,588,314

(English Translation of Consolidated Financial Statements Originally Issued in Chinese)
TOPCO SCIENTIFIC CO., LTD. AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2020 and 2019
(Expressed in Thousands of New Taiwan Dollars)

	2020	2019
Cash flows from (used in) operating activities:		
Profit before tax	\$ 2,559,426	2,208,199
Adjustments:		
Adjustments to reconcile profit (loss):		
Depreciation expense	295,014	262,945
Amortization expense	12,665	12,904
Expected credit loss (gain)	(895)	1,471
Net gain on financial assets at fair value through profit or loss	(7,598)	(1,962)
Interest expense	27,170	30,669
Interest income	(20,852)	(27,138)
Dividends income	(38,527)	(30,934)
Share of profit of associates and joint ventures accounted for using equity method	(373,347)	(348,306)
Loss (gain) on disposal of property, plant and equipment	(94,545)	6,801
Loss on disposal of investments accounted for using equity method	-	2,485
Impairment loss	-	9,933
Others	(413)	1,471
Total adjustments to reconcile profit (loss)	(201,328)	(79,661)
Changes in operating assets and liabilities:		
Changes in operating assets:		
Increase in notes and accounts receivable	(486,265)	(240,585)
Decrease (increase) in inventories	106,907	(645,670)
Decrease (increase) in financial assets at fair value through profit or loss	(236,581)	24,296
Decrease in other current assets	141,915	84,435
Decrease (Increase) in other current financial assets	16,148	(881)
Decrease (Increase) in contract assets	93,744	(87,068)
Total changes in operating assets	(364,132)	(865,473)
Changes in operating liabilities:		
Increase in notes and accounts payable	228,029	485,070
Increase (decrease) in contract liabilities	(243,902)	37,393
Increase in other current financial liabilities	78,610	98,800
Increase (decrease) in current provisions	(25,102)	56,019
Increase (decrease) in current refund liabilities	(30,513)	30,370
Increase (decrease) in other current liabilities	341,677	(37,657)
Increase (decrease) in other operating liabilities	(12,943)	3,597
Total changes in operating liabilities	335,856	673,592
Total changes in operating assets and liabilities	(28,276)	(191,881)
Total adjustments	(229,604)	(271,542)
Cash inflow generated from operations	2,329,822	1,936,657
Interest received	19,786	27,204
Dividends received	228,828	149,559
Interest paid	(27,118)	(32,361)
Income taxes paid	(544,673)	(323,091)
Net cash flows from operating activities	2,006,645	1,757,968
Cash flows from (used in) investing activities:		
Acquisition of financial assets at fair value through profit or loss	(6,532)	(13,462)
Proceeds from disposal of financial assets at fair value through profit or loss	8,771	1,000
Proceeds from disposal of financial assets at fair value through other comprehensive income	4,621	4,416
Proceeds from capital reduction of financial assets at fair value through profit or loss	4,023	1,219
Proceeds from capital reduction of financial assets at fair value through other comprehensive income	2,184	-
Acquisition of investments accounted for using equity method	(85,520)	-
Proceeds from disposal of investments accounted for using equity method	-	1,500
Proceeds from capital reduction of associates accounted for investments accounted for using equity method	37,500	-
Proceeds from disposal of property, plant and equipment	360,633	34,567
Acquisition of property, plant and equipment	(272,967)	(312,462)
Decrease (increase) in refundable deposits	(1,764)	4,431
Acquisition of intangible assets	(9,341)	(3,737)
Decrease (increase) in restricted assets	(915,064)	34,716
Net cash flows from (used in) investing activities	(873,456)	(247,812)
Cash flows from (used in) financing activities:		
Increase (decrease) in short-term loans	356,856	157,271
Proceeds from long-term borrowings	81,000	150,420
Repayments of long-term borrowings	(62,950)	(54,386)
Increase (decrease) in guarantee deposits received	5,564	(2,612)
Payment of lease liabilities	(100,370)	(77,706)
Cash dividends paid	(1,181,047)	(963,008)
Changes in non-controlling interests	(1,188)	(1,355)
Others	103	-
Net cash flows from (used in) financing activities	(902,032)	(791,376)
Effect of exchange rate changes on cash and cash equivalents	6,768	(66,028)
Net increase (decrease) in cash and cash equivalents	237,925	652,752
Cash and cash equivalents at the beginning of period	3,133,630	2,480,878
Cash and cash equivalents at the end of period	\$ 3,371,555	3,133,630

Attachment 5.

Topco Scientific Co., Ltd.
Earnings Distribution Proposal for the Year 2020

Unit:NT\$	
Item	Amount
Unappropriated retained earnings of previous years	2,295,770,777
Add(Subtract) :	
Disposal of investments in equity instruments measured at fair value through other comprehensive income	(26,458,056)
Remeasurement of defined benefit plans	(11,377,327)
Adjusted unappropriated retained earnings of previous years	2,257,935,394
Net income of 2020	2,068,350,006
Retained earnings available for distribution as of December 31,2020	4,326,285,400
Subtract : 10% Leagal reserve	(203,051,462)
Distribution item- Dividends to common shares holders (cash dividend at NT\$8 per share)	(1,453,596,536)
Unappropriated retained earnings	2,669,637,402



Chairman: Jeffery Pan



President: Simon Tseng

Charles Lee



Chief Accounting Officer: Nicole Lee

Appendix

Appendix 1.

Rules and Procedures of Shareholders' Meeting

1. Shareholders' Meeting of the Company (the "Meeting") shall be conducted in accordance with the Rules and Procedures.
2. Shareholders attending the Meeting shall sign in the attendance book or the attendance cards shall be submitted for the purpose of signing in. The number of shares represented by shareholders attending the Meeting shall be calculated in accordance with the attendance book or the attendance cards submitted as well as the proxies submitted in hard copy or electronically.
3. Attendance and voting at the shareholders' meeting shall be calculated in accordance with the number of shares.
4. The Meeting shall be held at the head office of the Company or at any other appropriate place that is convenient for the shareholders to attend. The time to start the Meeting shall not be earlier than 9:00 a.m. or later than 3:00 p.m.
5. The Chairman of the Board of Directors shall be the chairman presiding at the Meeting in the case that the Meeting is convened by the Board of Directors. If, for any reason, the Chairman of the Board of Directors cannot preside at the Meeting, the representative or one of the Directors shall preside at the Meeting. If the Meeting is convened by another person entitled to convene the Meeting, such person shall be the Chairman to preside at the Meeting. Where there are two or more persons having the convening right, the Chairman of the Meeting shall be elected from among themselves.
6. The Company may appoint designated legal counsel, Certified Public Accountant or other related to attend the Meeting. Persons handling affairs of the Meeting shall wear an identification card or badge.
7. The process of the Meeting shall be tape-recorded or videotaped and these tapes shall be kept for at least one year except in the event of a litigation filed by shareholders in accordance with Article 189 of the Company Act, the relevant audio or video recordings shall be kept until the litigation is concluded.
8. The Chairman shall call the Meeting to order if the number of shares represented by the shareholders present at the Meeting has reached the quorum at the time scheduled for the Meeting. Where the quorum has not been reached at the time scheduled for the Meeting, the Chairman may postpone the meeting. The postponements shall be limited to two times at the most and the Meeting shall not be postponed for long than one hour in the aggregate. If after two postponements no quorum can yet be constituted but the shareholders present at the Meeting represent more than one third of the total outstanding shares, tentative resolutions by more than 50 percent of the shareholders present may be made in accordance with Section 1, Article 175 of the Company Act. If during the process of the Meeting the number of outstanding shares represented by the shareholders present at the Meeting becomes sufficient to constitute the quorum, the Chairman may submit the tentative resolutions to the Meeting for approval in accordance with Article 174 of the Company Act.
9. The agenda of the Meeting shall be set by the Board of Directors and the Meeting shall proceed in accordance with the agenda unless otherwise resolved at the Meeting. The Chairman shall refrain anyone from making the speech shall he or she be in violation of the meeting procedures and advise such person to speak during special motion. The aforementioned provision applies *mutatis mutandis* to cases where the Meeting is convened by any person, other than the Board of directors, entitled to convene such Meeting. The shareholders cannot designate any other person as Chairman and continue the Meeting in the same or other place after the Meeting is adjourned.
10. When a shareholder present at the Meeting wishes to speak, a Speech Note shall be filled out with summary of the speech, the shareholders' number (or the number of the Attendance Card)

and the name of the shareholder. The sequence of speeches by shareholders shall be determined by the Chairman. If any shareholder present at the Meeting submits a Speech Note but does not speak, no speech shall be deemed to have been made by such shareholder. In case the contents of the speech of a shareholder are inconsistent with the contents of the Speech Note, the contents of the actual speech shall prevail. Unless otherwise permitted by the Chairman and the shareholder speaking, no shareholder shall interrupt the speeches of the other shareholders, otherwise the Chairman shall stop such interruption.

11. Each shareholder making a speech shall not speak for more than three minutes except where the Chairman permits, the speech may be extended for an additional two minutes. The Chairman may terminate the speech shall the allotted time be exceeded.
12. Unless otherwise permitted by the chairman, each shareholder shall not, for each discussion item, speak more than two times, and each time not exceeding 3 minutes. In case the speech of any shareholder violates the above provision or exceeds the scope of the discussion item, the chairman may stop the speech of such shareholder.
13. Corporate shareholders may only designate one representative to attend the Meeting. If a corporate shareholder designates two or more representatives to attend the Meeting, only one representative can speak for each discussion item.
14. After the speech of a shareholder, the chairman may respond himself/herself or appoint an appropriate person to respond.
15. The Chairman may announce to end the discussion of any resolution and go into voting if the Chairman deems it appropriate.
16. Except otherwise specified in the Company Act or the Company's Articles of Incorporation of, a resolution shall be adopted by a majority of the votes represented by the shareholders present at the Meeting. The resolution shall be deemed adopted and shall have the same effect as if it was voted by casting ballots if no objection is voiced after solicitation by the Chairman.
17. If there is amendment to or substitute for a discussion item, the Chairman shall decide the sequence of voting for such discussion item, the amendment or substitute. If any one of them has been adopted, the others shall be deemed vetoed and no further voting is necessary.
18. The person(s) to check and the person(s) to record the ballots during a vote by casting ballots shall be appointed by the Chairman. The person(s) checking the ballots shall be a shareholder(s). The result of voting shall be announced at the Meeting and placed on record.
19. During the Meeting, the Chairman may, at his discretion, set time for intermission. In case of incident of force majeure, the Chairman may decide to temporarily suspend the Meeting and announce, depending on the situation, when the Meeting will resume. If the Meeting is unable to continue at the same place prior to the discussion items (including special motions) listed in the agenda being resolved, shareholders present at the meeting may resolve to find another alternative location to continue the meeting. Shareholders present at the Meeting may resolve either to postpone or resume the Meeting within five days in accordance with Article 182 of the Company Act.
20. The Chairman may conduct the disciplinary officers or (security guards) to assist in keeping order of the Meeting place. Such disciplinary officers (or security guards) shall wear badges for identification purpose.
21. Attendees of the Meeting shall obey the instructions given by the Chairman or the disciplinary officers or (security guards) who are authorized to remove anyone who violates the rules and orders from the premise. Anyone who is ordered to leave the premise shall do so immediately.
22. Any matters not covered herein shall be governed by the Company Act and the Company's Articles of Incorporation.
23. The Rules and Procedures and any amendments hereafter shall be effective from the date approved by the shareholders' meeting.

Adopted on April 23, 1999.

First revision on May 17, 2002.

Second revision on June 6, 2012.

Appendix 2.

Articles of Incorporation

Chapter 1 General Provision

- Article 1 The Company is incorporated under the Company Act and its name is Topco Scientific Co., Ltd.
- Article 2 The Company engages in the following business activities:
- (1) CB01010 Machinery and Equipment Manufacturing
 - (2) CB01030 Pollution Controlling Equipment Manufacturing
 - (3) CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery
 - (4) CC01080 Electronic Parts and Components Manufacturing
 - (5) CC01090 Batteries Manufacturing
 - (6) E103101 Environmental Protection Construction
 - (7) E599010 Pipe Lines Construction
 - (8) E601010 Electric Appliance Construction
 - (9) E603040 Fire Fighting Equipment Construction
 - (10) E603050 Cybernation Equipment Construction
 - (11) E604010 Machinery Installation Construction
 - (12) E701030 Restrained Telecom Radio Frequency Equipment and Materials Construction
 - (13) E701040 Basic Telecommunications Equipment Construction
 - (14) F102170 Wholesale of Food and Grocery
 - (15) F106050 Wholesale of Pottery, Porcelain and Glassware
 - (16) F107990 Wholesale of Other Chemical Products
 - (17) F108031 Wholesale of Drugs, Medical Supplies
 - (18) F108040 Wholesale of Cosmetics
 - (19) F113010 Wholesale of Machinery
 - (20) F113020 Wholesale of Household Appliance
 - (21) F113100 Wholesale of Pollution Controlling Equipment
 - (22) F113110 Wholesale of Batteries
 - (23) F117010 Wholesale of Fire Fighting Equipment
 - (24) F119010 Wholesale of Electronic Materials
 - (25) F203010 Retail of Food Products and Groceries
 - (26) F208031 Retail of Medical Equipment
 - (27) F208040 Retail of Cosmetics
 - (28) F213010 Retail of Household Appliances
 - (29) F213080 Retail of Machinery and Equipment
 - (30) F213100 Retail of Pollution Controlling Equipment
 - (31) F213110 Retail of Batteries
 - (32) F217010 Retail of Fire Fighting Equipment
 - (33) F219010 Retail of Electronic Materials
 - (34) F401010 International Trade
 - (35) F401021 Restrained Telecom Radio Frequency Equipment and Materials Construction
 - (36) IG03010 Energy Technical Services
 - (37) J101030 Waste Disposal Services
 - (38) J101040 Waste Treatment Services
 - (39) J101080 Waste Recycling Services

- (40) J802010 Sport Training Business
- (41) J803020 Sport and Competition Business
- (42) ZZ99999 All other business activities not prohibited or restricted by law.

- Article 2-1 The Company may provide guarantees to external parties and in return charge the company receiving the guarantee a guarantee fee where appropriate.
- Article 2-2 The Company may, for business requirements, re-invest in other business enterprises and shall not be bound by Article 13 of the Company Act which stipulates that the total value of investments in such other business enterprises shall not exceed 40% of the Company's paid-up capital.
- Article 3 The registered office of the Company is located in Taipei City and whenever the Company deems necessary the Board of Directors may resolve to set up representative and branch offices at various locations within and outside the territory of the Republic of China.
- Article 4 Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Chapter 2 Capital Stock

- Article 5 The total capital stock of the Company shall be in the amount of NT\$2,200,000,000, divided into 220,000,000 common shares with a par value of NT\$10. The Board of Directors may resolve to issue any unissued shares from time to time. The Company shall reserve NT\$100,000,000 of the capital stock mentioned in the preceding paragraph for issuing 10,000,000 shares employee stock options with a par value of NT\$10. The Board of Directors may resolve to issue the employee stock options in instalments. The Board of Directors is authorized to administer the buy-back of the Company's shares where required by law.
- Article 6 Deleted.
- Article 7 The Company may issue shares without physical printed certificates provided that it arranges for book-entry registration with a central securities depository.
- Article 8 Registration for transfer of shares shall be suspended sixty (60) days immediately before the date of general meeting of shareholders, and thirty (30) days immediately before the date of any special meeting of shareholders, or within five (5) days before the day on which dividend, bonus, or any other benefit is scheduled to be paid by the Company.

Chapter 3 Meeting of Shareholders

- Article 9 Shareholders' meetings of the Company are of two types, namely: (1) general meetings and (2) special meetings. General meetings shall be convened, by the Board of Directors, within six (6) months after the close of each fiscal year. Special meetings shall be convened in accordance with the relevant laws, rules and regulations of the Republic of China.
- Article 9-1 Matters to be resolved at a shareholders' meeting shall be as follows:
1. Adoption of and amendment to these Articles of Incorporation.

2. Election and discharge of directors.
3. Authorize a director who does anything for himself or on behalf of another person that is within the scope of the Company's business.
4. Enter into, amend, or terminate any contract for lease of the Company's business in whole, or for entrusted business, or for regular joint operations with others.
5. Transfer the whole or any essential part of its business or assets.
6. Accept the transfer of another's whole business or assets, which has great bearing on the business operation of the Company.
7. Resolution on any other matters required by law or regulation.

- Article 10 A shareholder appointing a person as proxy to attend a shareholders' meeting in the place of the shareholder shall sign or affix his/her seal thereon a proxy form printed and issued by the Company. A shareholder may issue only one proxy form and appoint only one proxy for a meeting. Shareholders appointing a person as proxy to attend a shareholders' meeting shall be handled in accordance with the relevant provision of the Company Act and the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies".
- Article 11 Each shareholder of the Company is entitled to one vote for each share held, except those with no voting rights stipulated in Articles 179 and 197-1 of the Company Act.
- Article 12 Unless otherwise provided by the Company Act or other applicable laws or regulations, a resolution of a shareholders' meeting shall be made with the approval of a majority of the voting rights of the shareholders present at a meeting at which shareholders representing a majority of the total issued shares are present.
- Article 12-1 Meetings of shareholders shall be handled in accordance with the Company Act and the Articles of Incorporation as well as the Company's "Rules and Procedures of Shareholders' Meetings". All resolutions adopted at a shareholders' meeting shall be recorded in the meeting minutes and handled in accordance with Article 183 of the Company Act.

Chapter 4 Directors

- Article 13 The Company shall have seven to nine Directors, serving a term of office of three (3) years. Directors shall be elected under the candidate nomination system of directors set out in Article 192-1 of the Company Act at the shareholders meetings and are eligible for re-election and re-appointment. The election shall adopt the cumulative voting system.
The aforesaid Board of Directors must have at least three (3) Independent Directors. The number of Independent Directors shall constitute at least one-fifth or more of the total number of Directors. Independent Directors shall be elected from the list of Independent Directors' nominees. The qualification of Independent Directors shall comply with the relevant regulations of the governing authority.
- Article 13-1 The Board of Directors is authorized to determine the remuneration to the Chairman and Directors with industry norm as the benchmark.
The Company may purchase indemnity insurance to cover the liabilities of Directors appropriate for exercising their business duties during their office.
- Article 14 Any Director who has transferred more than one half of his or her shares owned at the time of being elected during office shall be subject to ipso facto dismissal. In the case that vacancies

on the Board of Directors exceed, for any reason, one third of the total number of the Directors, then the Board of Directors shall convene an extraordinary shareholders' meeting within sixty (60) days of the occurrence of the event to elect new Directors to fill such vacancies.

The number of name-bearing shares of the Company held by the Directors, shall be no less than a specified percentage of the Company's total number of issued shares. The aforesaid percentage shall be stipulated in accordance with Article 26, paragraph 2 of the "Minimum Percentages of Registered Shares to Be Held by Directors and Supervisors" of the Securities and Exchange Act.

- Article 14-1 Duties of the Board of Directors: The duties of the Board of Directors are to conduct the Company's business activities. The Board of Directors is authorised to resolve any matters other than those that require the resolution at the Shareholders' Meeting in accordance with the Company Act or the Company's Articles of Incorporation. The Company's Board of Directors may resolve to establish a Remuneration Committee or other functional committees to meet business and operational requirements.
- Article 14-2 Meeting of the Board of Directors: Except otherwise provided by the Company Act, the Chairman shall convene at least one meeting of the Board of Directors each quarter and may host special meetings where required. The aforementioned meetings shall be convened in accordance with the provisions of Articles 203 and 204 of the Company Act and the Company's "Rules and Procedures for Meetings of Board of Director".
- Article 15 Where the Chairman is on leave or is unable to be present at the meeting to exercise his or her duties, he or she can appoint a representative in accordance with Article 208 of the Company Act.
- Article 15-1 Unless otherwise provided by the Company Act or the Company's Articles of Incorporation, a resolution of the Board of Directors shall be made with the approval of a majority of the Directors present at a meeting at which a majority of the Directors is present. Directors shall be present in person at meetings of the Board of Directors. A Director unable to be present at a meeting may appoint another Director to act at the meeting on behalf of such absent Director, but shall in each instance issue a proxy form specifying the scope of authorization with respect to the reasons of the meeting limited to one proxy per attending Director.
- Article 16 Deleted.
- Article 16-1 The Audit Committee and its members are responsible for carrying out the duties of supervisors set out in the Company Act, Securities and Exchange Act and other relevant laws and regulations.
- Article 16-2 Deleted.
- Article 16-3 Deleted.

Chapter 5 Managerial Officers

- Article 17 The Company may appoint one or more President(s). The appointment or dismissal of the Company's President(s) shall be approved at a meeting of Board of Directors by a majority of the Directors present at the meeting attended by a majority of the

Directors. The President is authorized for the appointment or dismissal of other managerial officers. The Company's managerial officers are authorized to sign on behalf of the Company in accordance with the Company's relevant rules and within the authorization limit granted.

Chapter 6 Accounting

- Article 18 After the close of each fiscal year, the Board of Directors shall prepare and submit the following reports to the ordinary shareholders' meeting for acceptance: (1) Business Report; (2) Financial Statements; (3) Proposal for Distribution of Earnings or Covering of Losses.
- Article 19 Deleted.
- Article 20 The Company shall set aside no less than 4% of its earnings for the period, if any, as employees' profit-sharing bonus and not more than 3% of its earnings as remuneration to Directors. Notwithstanding the forgoing, the Company shall reserve a sufficient amount of earnings to offset its accumulated losses. Where remuneration to employees are distributed by way of shares or cash, employees of affiliated enterprises of the Company may be eligible provided that certain criteria are met that approved by the Board of Directors.
The Company's earnings for the current fiscal year shall be distributed in the following order: (1) first to be offset against losses; (2) 10 percent of the remaining earnings, if any, be set aside as legal reserve; (3) allocate or reverse special reserve in accordance with regulations or rules of the governing authority; (4) the sum of any balance remaining and accumulated retained earnings for the current period will be accumulated earnings available for distribution. The aforesaid accumulated earnings may be distributed in the manner set out in the proposal put forward by the Board of Directors and upon adoption at the meeting of shareholders.
The Company authorizes the Board of Directors to resolve by a majority vote at a Board of Directors' meeting attended by at least two-thirds of the total number of directors to distribute dividends or bonuses in whole or in part by way of cash or to distribute the legal reserve and capital reserve in whole or in part and report such distributions to the shareholders' meeting.
- Article 20-1 The Company may distribute dividends by way of cash or issuance of new shares, taking into account earnings for the current fiscal year and the overall industry environment, provided that the total value of cash dividends distributed shall be at least 10 percent of the total value of dividends distributed and any shortfall may be supplemented by the issuance of new shares upon resolution at a shareholders' meeting pursuant to the Company Act.
- Article 21 Any matters not covered herein shall be governed by the Company Act.
- Article 22 These Articles of Incorporation were adopted on February 6, 1990. The first amendment was made on September 29, 1992; the second on April 15, 1993; the third on May 10, 1993; the fourth on August 10, 1994; the fifth on March 1, 1995; the sixth on February 1, 1996; the seventh on March 25, 1996; the eighth on June 10, 1997; the ninth on September 5, 1997; the tenth on April 10, 1998; the eleventh on April 23, 1999; the twelfth on July 13, 1999; the thirteenth on April 17, 2000; the fourteenth on April 17, 2000; the fifteenth on May 7, 2001; the sixteenth on May 7, 2001; the seventeenth on May 17, 2002; the eighteenth on June 12, 2003; the nineteenth on June

12, 2003; the twentieth on June 15, 2004; the twenty-first on June 15, 2004; the twenty-second on June 14, 2005; the twenty-third on June 14, 2005; the twenty-fourth on June 14, 2006; the twenty-fifth on June 15, 2007; the twenty-sixth on June 13, 2008; the twenty-seventh on June 19, 2009; the twenty-eighth on June 15, 2010; the twenty-ninth on June 15, 2011; the thirtieth on June 6, 2012; the thirty-first on June 17, 2013; the thirty-second on June 15, 2016; the thirty-third on June 14, 2017; the thirty-fourth on June 10, 2019. the thirty-fifth on June 22, 2020.

Topco Scientific Co., Ltd.

Chairman: Jeffery Pan

Appendix 3.

The Impact of the Issuance of Bonus Shares on the Company's Operating Performance, Earnings Per Share and Return on Shareholders' Investment :

None.

Appendix 4.

Shareholding All of the Company's Directors

1. Pursuant to Article 26 of the Securities and Exchange Act and the “Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies” , the minimum number of shares and percentage of shares held by the all of the Company's Directors are as follows:

The Company's issued ordinary shares	181,699,567 shares
Percentage of shares held by All Directors required by law	6%
Number of shares held by All Directors required by law	10,901,974 shares

2. The numbers of shares held by the directors and supervisors individually and by the entire bodies thereof respectively as recorded in the shareholders' register as of the book closure date (April 2, 2021) for that shareholders' meeting.

Title	Name	Shareholding
Director	J. W. Kuo	7,333,759
Director	Jeffery Pan	1,500,817
Director	Simon Tseng	1,029,950
Director	Charles Lee	1,093,948
Director	Jia Pin Investment Development Co., Ltd. Representative: Robert Lai	6,979,382
Director	Pei-fen, Chang	1,198,963
Independent Director	Chen, Linsen	0
Independent Director	Sun, Pi-Chuan	0
Independent Director	Cheng, Jen-Wei	0
Number of shareholding by all Directors		19,136,819