

Stock Code: 1304

USI Corporation

Handbook for the

2023 Annual General Meeting of
Shareholders

Date: May 31, 2023

Location: 5F, No.2, Yuanshan Rd., Niasong Dist.,

Kaohsiung City, Taiwan (R.O.C.)

The Kaohsiung Grand Hotel, Po Shou Hall

(Physical shareholders meeting)

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USI Corporation
Procedure of the 2023 Annual General Meeting of
Shareholders

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9. Adjournment

USI Corporation

Year 2023

Agenda of Annual General Meeting of Shareholders

Date : May 31, 2023 (Wednesday) AM 09:00

Location: 5F, No.2, Yuanshan Rd., Niasong Dist., Kaohsiung City, Taiwan
(R.O.C.)

The Kaohsiung Grand Hotel, Po Shou Hall
(Physical shareholders meeting)

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 (I):

- (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”.

3. Elections:

To elect nine directors.

4. Matters Discussion (II):

To approve the permission of directors for competitive actions.

5. Extemporary Motions:

6. Adjournment

I. Report Items:

Report 1

To report 2022 operating results.

USI Corporation

2022 Business Report

The company's operating revenue for 2022 is NT\$15.6 billion, which decreased by 2.5% compared with last year, and the budget achievement percentage is 126%. The net profit before tax is NT\$1.93 billion, which decreased by NT\$3.94 billion compared with last year, and the budget achievement percentage is 69%. The net profit after tax is NT\$1.555 billion.

The war between Russia and Ukraine at the beginning of the year, and the oil price surging past US\$100 per barrel around the world also padded the cost of raw materials. The continuing spread of the pandemic slowed down the global economic recovery, and the Federal Reserve Board of the US resolved to have large rate hikes, which further induced global recession concerns. Benefiting from the green economy, the demand for EVA for solar power was strong at the beginning of the year, which pushed up the EVA price. The price reached the highest point in May. Due to the subsequent surge in the price of raw materials, module manufacturers had weaker demand, which in turn affected the demand for packaging films. After shoe manufacturers also had lower demand, the price of EVA in the market had a downturn in June. The price stopped falling in

September, but it did not have a significant rebound. The price again went down in October, before stabilizing in December. The total sales volume of EVA for the year was 126,000 tons, which decreased by 14% compared with last year. HDPE is mainly sold for domestic consumption. The pandemic in Taiwan for the year affected the demand, which lowered the sales volume to 81,000 tons, which decreased by 22% compared with last year. The rupture of the TO furnace tube caused the one-month production shutdown in the year, so the production volume of EVA/PE reached only 207,000 tons, which decreased by 17% compared with last year. In terms of the development of renewable energy, the accumulated on-grid capacity from solar power projects has reached 5.9 MW, and 7.3 million kWh of green electricity can be produced on an annual basis, which contributes to the reduction of about 3,700 tons of carbon dioxide equivalent, and achieve the goals of corporate sustainability and carbon emissions reduction. In terms of research and development, we have continued to optimize the production process of optical-grade cyclic block copolymers to improve the quality and performance of raw materials, and develop new specifications with high heat resistance to target electronic applications and other applications with high heat resistance requirements. We continued to expand production applications in ink, shoe styrene, and electrical wires/cables for high value-added EVA products. The production of high MI HDPE materials was stabilized, and sales and shipment of products for use in injection molding continued. We also made continual process improvement of existing PE products for quality improvement to promote products to optical application market. In total, the net profit from operations for the year is NT\$3.469 billion,

which decreased by NT\$53 million compared with last year. The net non-operating expenses is NT\$1.537 billion, which mainly consists of share of loss of associates and joint ventures accounted for using the equity method.

The company has continued to promote sustainable development and actively responded to the government's energy conservation and carbon reduction policies. The company has started to plan our green power strategy, test efficiency and discuss energy conservation measures of major energy-consuming equipment, and collaborate with the administration of the NTU Experimental Forest to adopt an area of 5 hectares for the new afforestation plan. The company has obtained the product carbon footprint verification statement and the certificate in water efficiency management for the year, and will continue to promote process safety management to fulfill public safety promises. Besides continuous participation in charitable and epidemic control in social welfare, the company offered job opportunities to local residents. Additionally, the company supported vulnerable groups, education in remote townships, environmental protection, and ecological conservation through the USI Education Foundation. Furthermore, it offered grants and scholarships for colleges and universities and sponsored colleges/university social service activities. In terms of employee care, the company has been awarded the Sports Enterprise Certification by the Sports Administration for four consecutive years for our efforts in strengthening employee health management.

Looking forward to 2023, countries around the world are aware of green energy issues and have gradually implemented carbon emissions reduction measures. The long-term demand for solar

energy is expected to last. As countries around the world lift their border restriction, new production capacity for EVA will be increased, and the green economy will create new demand. However, the uncertainties caused by inflation, rate hikes, tighter monetary policies, economic slowdown, the war between Russia and Ukraine and other factors remain, and the market is not too optimistic about future economic conditions. The company will make efforts to seek stable and low-cost ethylene sources, lower production costs, continue improving the quality of product and technical service, develop differentiated products, and enhance the cultivation of markets outside of China to disperse market risk. The company keeps on enhancing competitiveness for sustainable development and growth.

Chairperson: Yi-Gui Wu

President: Pei-Ji Wu

Chief Accounting Officer: Chuan-Hua Kuo

Report Items:

Report 2

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

USI Corporation Audit Report

This Audit Committee has audited the 2022 Business Report produced by the Board of Directors, the financial statements (including consolidated and individual financial statements) audited and certified by CPA Pi-Yu Chuang and CPA Cheng-Hung Kuo 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

The 2023 Annual General Meeting of Shareholders

Audit Committee, USI Corporation

Independent Director: Chong Chen

Independent Director: Tyzz-Jiun Duh

Independent Director: Ying-Jun Hai

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 34 of the Articles of Incorporation of the Company.

2. The 2022 remuneration for directors will be distributed in cash at 0.15%, NT\$3,000,000, of the 2022 earnings.

3. The 2022 remuneration for employees will be distributed in cash at 1%, NT\$ 19,542,779, of the 2022 earnings.

II. Matters for Ratification and Discussion (I):

Proposal 1

Proposed by the Board

To ratify 2022 Business Report and Financial Statements.

- Description: 1. The 2022 financial statements (including consolidated and individual financial statements) approved by the Board on March 7, 2023 are audited by CPA Pi-Yu Chuang and CPA Cheng-Hung Kuo of Deloitte Taiwan and the Audit Committee for the record.
2. Please refer to p. 4-7 of this Handbook for the 2022 Business Report and p.11-32 for the CPA Audit Report and the financial statements.

Resolution:

Independent Auditors' Report

TO USI Corporation

Audit opinion

We have audited the consolidated balance sheets of USI Corporation and its subsidiaries (the Group) as of the years ended December 31, 2022 and 2021, and the Consolidated Statements of Comprehensive Income, Consolidated Statements of Changes in Equity, Consolidated Statements of Cash Flows and Notes to the Consolidated Financial Statements (including the Summary of Significant Accounting Policies) for the months from January 1 to December 31 of 2022 and 2021. The accountant opinions are that the accompanying consolidated financial statements have been prepared in all material respects in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the 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, making it impossible to properly express the consolidated financial position of the Group as of December 31, 2022 and 2021, and the consolidated financial performance and consolidated cash flow for the periods from January 1 to December 31, 2022 and 2021.

Basis for audit opinion

The audit was conducted in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Auditing Standards. 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance for the Group in our audit of the consolidated financial statements for the year 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 matter identified in the audit of the Group's consolidated financial statements for the year ended December 31, 2022 is as follows.

Authenticity of specific sales revenue

In 2022, the Group's sales revenue from specific customers and specific regions increased year-on-year. Whether the sales revenue is properly recognized at the time of meeting performance obligations will have a material impact on the Consolidated Financial Statements and is therefore considered a key audit matter for the current year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(17) and 26 to the Consolidated Financial Statements.

We have carried out the main audit procedures for the above-mentioned authenticity of the sales revenue from specific customers as follows:

1. Understand and test the effectiveness of the design and implementation of key internal control systems for the authenticity of sales revenue from specific customers.
2. Check the transaction documents of sales revenue of specific customers, including sales orders, shipping documents and collection documents, to confirm the authenticity of the recognition of sales revenue.

Other matters

We have also audited the parent company only financial statements of USI 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 charging with governance for the consolidated financial statements

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

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

Those in charge 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 auditor's 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

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 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 the 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 auditor's 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 auditor's 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 related notes) and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 in charge 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 Group for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's 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 Pi-Yu Chuang and Cheng-Hung Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 10, 2023

Notice to Readers

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

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

USI CORPORATION AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
Current assets				
Cash and cash equivalents	\$ 11,498,415	15	\$ 10,365,353	12
Financial assets at fair value through profit or loss (FVTPL) - current	2,724,497	3	5,742,266	7
Financial assets at fair value through other comprehensive income (FVTOCI) - current	97,183	-	145,921	-
Financial assets at amortized cost - current	439,929	1	349,137	1
Notes receivable, net	544,546	1	875,745	1
Accounts receivable, net	7,395,035	10	8,515,477	10
Other receivables	259,201	-	511,725	1
Current tax assets	18,802	-	8,931	-
Inventories	7,199,654	9	7,599,843	9
Prepayments	1,220,781	2	1,009,420	1
Other current assets	216,907	-	243,222	-
Total current assets	<u>31,614,950</u>	<u>41</u>	<u>35,367,040</u>	<u>42</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current	2,060,835	3	2,286,817	3
Financial assets at amortized cost - non-current	358,679	-	382,501	-
Investments accounted for using the equity method	13,611,385	17	19,335,554	23
Property, plant and equipment	25,520,104	33	24,471,011	29
Right-of-use assets	1,634,654	2	727,341	1
Investment properties, net	624,562	1	711,345	1
Goodwill	270,211	-	270,211	-
Other intangible assets, net	48,274	-	43,983	-
Deferred tax assets	1,341,378	2	651,568	1
Other non-current assets	656,537	1	577,842	-
Total non-current assets	<u>46,126,619</u>	<u>59</u>	<u>49,458,173</u>	<u>58</u>
Total Assets	<u>\$ 77,741,569</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>
	Liabilities and Equity			
CURRENT LIABILITIES				
Short-term borrowings	\$ 2,400,326	3	\$ 2,498,041	3
Short-term notes payable	290,613	1	279,635	-
Financial liabilities at fair value through profit or loss (FVTPL) - current	27,839	-	3,380	-
Trade payables	3,349,040	4	3,528,998	4
Other payables	2,262,374	3	2,894,818	3
Current tax liabilities	1,647,045	2	2,618,632	3
Lease liability - current	102,435	-	73,065	-
Current portion of long-term borrowings	-	-	3,059,116	4
Refund liabilities - current	28,247	-	28,630	-
Other current liabilities	667,938	1	565,262	1
Total current liabilities	<u>10,775,857</u>	<u>14</u>	<u>15,549,577</u>	<u>18</u>
NON-CURRENT LIABILITIES				
Bonds payable	5,992,228	8	5,989,773	7
Long-term borrowings	6,366,223	8	4,453,323	5
Provisions - non-current	136,375	-	136,375	-
Deferred tax liabilities	1,395,175	2	1,417,922	2
Lease liabilities - non-current	1,262,591	1	387,502	1
Net defined benefit liabilities - non-current	754,722	1	1,151,009	1
Other non-current liabilities	133,513	-	94,771	-
Total non-current liabilities	<u>16,040,827</u>	<u>20</u>	<u>13,630,675</u>	<u>16</u>
Total Liabilities	<u>26,816,684</u>	<u>34</u>	<u>29,180,252</u>	<u>34</u>
Equity attributable to owners of the Company				
Share capital	11,887,635	15	11,887,635	14
Capital surplus	449,960	1	366,185	-
Retained earnings				
Legal reserve	3,872,190	5	3,343,086	4
Special reserve	375,127	-	375,127	-
Unappropriated earnings	8,377,890	11	9,881,214	12
Total retained earnings	<u>12,625,207</u>	<u>16</u>	<u>13,599,427</u>	<u>16</u>
Other equity	8,896	-	84,358	-
Treasury shares	(475,606)	-	(475,606)	-
Total equity attributable to owners of the Company	<u>24,496,092</u>	<u>32</u>	<u>25,461,999</u>	<u>30</u>
Non-controlling Interests	<u>26,428,793</u>	<u>34</u>	<u>30,182,962</u>	<u>36</u>
Total equity	<u>50,924,885</u>	<u>66</u>	<u>55,644,961</u>	<u>66</u>
Total liabilities and equity	<u>\$ 77,741,569</u>	<u>100</u>	<u>\$ 84,825,213</u>	<u>100</u>

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31, 2022		For the Year Ended December 31, 2021	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 66,437,122	100	\$ 71,755,542	100
COST OF GOODS SOLD	<u>55,496,976</u>	<u>83</u>	<u>54,001,841</u>	<u>75</u>
GROSS PROFIT	<u>10,940,146</u>	<u>17</u>	<u>17,753,701</u>	<u>25</u>
OPERATING EXPENSES				
Selling and marketing expenses	3,406,260	5	3,163,322	4
Administrative expenses	1,360,037	2	1,279,057	2
Research and development expenses	436,993	1	429,830	1
Expected credit loss (profit) reversed on accounts receivable	<u>865</u>	<u>-</u>	<u>(1,426)</u>	<u>-</u>
Total operating expenses	<u>5,204,155</u>	<u>8</u>	<u>4,870,783</u>	<u>7</u>
PROFIT FROM OPERATIONS	<u>5,735,991</u>	<u>9</u>	<u>12,882,918</u>	<u>18</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	146,498	-	79,601	-
Other income	950,949	1	627,387	1
Other gains and losses	233,549	-	57,628	-
Finance costs	(215,420)	-	(167,097)	-
Share of loss of associates and joint ventures accounted for using the equity method	<u>(6,154,577)</u>	<u>(9)</u>	<u>(727,995)</u>	<u>(1)</u>
Total non-operating income and expenses	<u>(5,039,001)</u>	<u>(8)</u>	<u>(130,476)</u>	<u>-</u>
Net profit before income tax	696,990	1	12,752,442	18
Income tax expense	<u>758,179</u>	<u>1</u>	<u>2,672,991</u>	<u>4</u>
Net (loss) income for the year	<u>(61,189)</u>	<u>-</u>	<u>10,079,451</u>	<u>14</u>

(Continued)

(Continued)

	For the Year Ended December 31, 2022		For the Year Ended December 31, 2021	
	Amount	%	Amount	%
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurements of the defined benefit plan	\$ 247,135	-	(\$ 9,779)	-
Unrealized gain (loss) on equity instruments at FVTOCI	(222,591)	-	107,187	-
Income tax relating to items that will not be reclassified	(38,886)	-	(1,691)	-
	(14,342)	-	95,717	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	860,412	1	(337,228)	-
Income tax relating to items that may be reclassified subsequently to profit or loss	(131,480)	-	54,262	-
	728,932	1	(282,966)	-
Other comprehensive income for the period, net of income tax	714,590	1	(187,249)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	\$ 653,401	1	\$ 9,892,202	14
Net (loss) profit attributable to				
Owners of the Company	\$ 1,555,097	2	\$ 5,191,394	7
Non-controlling Interests	(1,616,286)	(2)	4,888,057	7
	(\$ 61,189)	-	\$ 10,079,451	14
Total comprehensive income attributable to				
Owners of the Company	\$ 1,567,260	2	\$ 5,615,597	8
Non-controlling Interests	(913,859)	(1)	4,276,605	6
	\$ 653,401	1	\$ 9,892,202	14
Earnings per share				
From continuing operations				
Basic earnings per share	\$ 1.45		\$ 4.84	
Diluted earnings per share	\$ 1.45		\$ 4.83	

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	Equity attributable to owners of the Company												
	Capital surplus				Retained earnings			Other Equity					
	Share Capital	Treasury Share Transactions	Shares of Changes in Capital Surplus of Associates	Others	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized gain (loss) on financial assets at FVTOCI	Treasury shares	Total	Non-controlling Interests	Total equity
Balance as of January 1, 2021	\$ 11,887,635	\$ 264,647	\$ 37,211	\$ 19,940	\$ 3,109,625	\$ 781,059	\$ 5,606,462	(\$ 583,855)	\$ 343,660	(\$ 475,606)	\$ 20,990,778	\$ 27,732,865	\$ 48,723,643
Distribution of earnings in 2020													
Provision for legal reserve	-	-	-	-	233,461	-	(233,461)	-	-	-	-	-	-
Reversal of special surplus reserve	-	-	-	-	-	(405,932)	-	-	-	-	-	-	-
Cash dividends distributed to the Company	-	-	-	-	-	-	(1,188,763)	-	-	-	(1,188,763)	-	(1,188,763)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(1,714,633)	(1,714,633)
Net profit for the year 2021	-	-	-	-	-	-	5,191,394	-	-	-	5,191,394	4,888,057	10,079,451
Other comprehensive income for the year 2021, net of income tax	-	-	-	-	-	-	(804)	(127,118)	552,125	-	424,203	(611,452)	(187,249)
Total comprehensive income for the year 2021	-	-	-	-	-	-	5,190,590	(127,118)	552,125	-	5,615,597	4,276,605	9,892,202
Changes in equity of subsidiaries recognized by equity method	-	-	4,691	-	-	-	-	-	-	-	4,691	2,586	7,277
Changes in capital surplus	-	-	-	1,367	-	-	-	-	-	-	1,367	-	1,367
Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329	-	38,329
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	100,454	-	(100,454)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(114,461)	(114,461)
Balance as of December 31, 2021	11,887,635	302,976	41,902	21,307	3,343,086	375,127	9,881,214	(710,973)	795,331	(475,606)	25,461,999	30,182,962	55,644,961
Distribution of earnings in 2021													
Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-	-	-
Cash dividends distributed to the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)	-	(2,615,280)
Cash dividends distributed by subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(2,804,905)	(2,804,905)
Net profit (loss) for the year 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097	(1,616,286)	(61,189)
Other comprehensive income for the year 2022, net of income tax	-	-	-	-	-	-	86,594	339,780	(414,211)	-	12,163	702,427	714,590
Total comprehensive income for the year 2022	-	-	-	-	-	-	1,641,691	339,780	(414,211)	-	1,567,260	(913,859)	653,401
Changes in equity of subsidiaries recognized by equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)	4,326	709
Other changes in capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405	-	1,405
Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325	-	84,325
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	1,031	-	(1,031)	-	-	-	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(39,731)	(39,731)
Balance as of December 31, 2022	<u>\$ 11,887,635</u>	<u>\$ 387,301</u>	<u>\$ 39,947</u>	<u>\$ 22,712</u>	<u>\$ 3,872,190</u>	<u>\$ 375,127</u>	<u>\$ 8,377,890</u>	<u>(\$ 371,193)</u>	<u>\$ 380,089</u>	<u>(\$ 475,606)</u>	<u>\$ 24,496,092</u>	<u>\$ 26,428,793</u>	<u>\$ 50,924,885</u>

USI CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax for the year	\$ 696,990	\$ 12,752,442
Income (expenses) items		
Depreciation expenses	2,350,740	2,272,146
Amortization expense	58,946	63,774
Expected credit loss (profit) reversed on accounts receivable	865	(1,426)
Net loss (gain) on financial assets and liabilities at FVTPL	117,767	(336,404)
Finance costs	215,420	167,097
Interest income	(146,498)	(79,601)
Dividend income	(463,584)	(390,903)
Share of loss of associates and joint ventures accounted for using the equity method	6,154,577	727,995
(Gain) loss of disposal and scrapping of property, plant and equipment	(1,188)	64,669
Provision for write-downs of inventories and obsolescence losses	262,016	32,415
Gain on revised lease	-	(660)
Recognition of refund liabilities	7,330	19,165
Changes in operating assets and liabilities		
Decrease in financial assets and liabilities mandatorily classified as at FVTPL	2,924,461	88,477
Decrease (increase) in notes receivable	331,199	(204,169)
Decrease (increase) in accounts receivable	1,119,159	(1,703,446)
Decrease (increase) in other receivables	262,793	(269,309)
Decrease (increase) in inventories	134,495	(3,334,541)
Increase in prepayments	(610,074)	(196,392)
Decrease (increase) in other current assets	26,315	(61,585)
(Decrease) increase in accounts payable	(179,958)	122,161
(Decrease) increase in other payables	(614,894)	525,173
Decrease in refund liabilities	(7,713)	(6,925)
Decrease in net defined benefit liabilities	(301,437)	(140,684)
Increase in other current liabilities	<u>102,676</u>	<u>190,761</u>
Cash generated from operations	12,440,403	10,300,230
Interest received	136,229	79,222
Interest paid	(215,453)	(159,354)
Income tax paid	<u>(2,611,392)</u>	<u>(1,286,929)</u>
Net cash generated from operating activities	<u>9,749,787</u>	<u>8,933,169</u>

(Continued)

(Continued)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
Cash flows from investing activities		
Acquisition of FVTOCI	(\$ 43)	(\$ 4,835)
Disposal of FVTOCI	28,399	203,458
Return of capital from financial assets at FVTOCI	41,329	52,244
Purchase of financial assets at amortized cost	(83,098)	(71,820)
Acquisition of long-term equity investments using the equity method	(90,000)	-
Net cash outflows from acquisition of subsidiaries (Note 31)	-	(34,056)
Acquisitions of property, plant and equipment	(2,770,191)	(3,622,312)
Proceeds from disposal of property, plant and equipment	41,615	36,325
Increase in refundable deposits	(48,811)	(6,401)
Acquisition of other intangible assets	(10,581)	(733)
Acquisition of right-of-use assets	-	(25,567)
Acquisition of investment properties	(3,714)	(3,298)
Increase in other non-current assets	(82,451)	(280,145)
Dividends received	463,584	390,903
Net cash used in investing activities	<u>(2,513,962)</u>	<u>(3,366,237)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	(97,715)	(228,229)
Increase (decrease) in short-term notes payable	11,000	(377,000)
Issuing of bonds	-	3,991,268
Repayments of bonds	(3,000,000)	(2,000,000)
Proceeds from mid- to long-term borrowings	21,407,630	24,225,000
Repayments of mid- to long-term borrowings	(19,566,743)	(27,277,000)
Proceeds from guarantee deposits received	16,661	6,186
Repayments of the principal portion of lease liabilities	(89,717)	(70,349)
Increase (decrease) in other non-current liabilities	22,081	(1,670)
Cash dividends paid	(2,615,280)	(1,188,763)
Change in non-controlling interests	(39,731)	(114,461)
Cash dividends paid on non-controlling interests	<u>(2,804,905)</u>	<u>(1,714,633)</u>
Net cash used in financing activities	<u>(6,756,719)</u>	<u>(4,749,651)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>653,956</u>	<u>(88,935)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,133,062	728,346
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>10,365,353</u>	<u>9,637,007</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 11,498,415</u>	<u>\$ 10,365,353</u>

Independent Auditors' Report

TO USI Corporation

Audit opinion

We have audited the Parent Company Only Balance Sheets of USI Corporation (USI) as of the years ended December 31, 2022 and 2021, and the Parent Company Only Statements of Comprehensive Income, Parent Company Only Statements of Changes in Equity, Parent Company Only Statements of Cash Flows and Notes to the Parent Company Only Financial Statements (including the Summary of Significant Accounting Policies) for the months from January 1 to December 31 of 2022 and 2021.

The accountant opinions are that the preparations of significant issues of the Parent Company Only Financial Statements are made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers. They fairly present the accompanying financial conditions as of December 31 of 2022 and 2021 of USI Corporation and the accompanying financial performance and accompanying cash flows for the months from January 1 to December 31 of 2022 and of 2021.

Basis for audit opinion

The audit was conducted in accordance with the Rules Governing Auditing and Certification of Financial Statements by Certified Public Accountants and Auditing Standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent Company Only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant, and keep independent of USI Corporation. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance for USI in our audit of the Parent Company Only Financial Statements for the year 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.

The key audit matter identified in the audit of the Company's Parent Company Only Financial Statements for the year ended December 31, 2022 is as follows.

Authenticity of specific sales revenue

In 2022, USI Corporation's sales revenue of solar film products to specific customers increased year-on-year. Whether the sales revenue is properly recognized at the time of meeting performance obligations will have a material impact on the Parent Company Only Financial Statements and is therefore considered a key audit matter for the current year.

For accounting policies relating to sales revenue and relevant disclosure information, please refer to Notes 4(12) and 23 to the Parent Company Only Financial Statements.

We have carried out the main audit procedures for the above-mentioned authenticity of the sales revenue from specific customers as follows:

1. Understand and test the effectiveness of the design and implementation of key internal control systems for the authenticity of sales revenue from specific customers.
2. Check the transaction documents of sales revenue of specific customers, including sales orders, shipping documents and collection documents, to confirm the authenticity of the recognition of sales revenue.

Responsibilities of management and governance for the Parent Company Only Financial Statements

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

In preparing the Parent Company Only Financial Statements, the 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 the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those in charge with the Company's governance (including the Audit Committee) are responsible for overseeing its financial reporting process.

Auditors' responsibilities for the audit of the Parent Company Only Financial Statements

Our objectives are to obtain reasonable assurance about whether the Parent Company Only Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 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 the Parent Company Only Financial Reports.

As part of an audit in accordance with auditing standards 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 Parent Company Only 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 the 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 auditor's report to the related disclosures in the Parent Company Only 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 auditor's 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 Parent Company Only Financial Statements (including the related notes) and whether the Parent Company Only Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the Parent Company Only Financial Statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We communicate with those in charge 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 Parent Company Only Financial Statements of the Company for the year ended December 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's 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 Pi-Yu Chuang and Cheng-Hung Kuo.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 10, 2023

Notice to Readers

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

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

USI CORPORATION
Parent Company Only Balance Sheets
December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

Assets	December 31, 2022		December 31, 2021	
	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,303,341	4	\$ 1,108,794	3
Financial assets at fair value through profit or loss (FVTPL) - current	533,166	2	2,595,881	7
Financial assets at amortized cost - current	76,348	-	61,149	-
Notes receivable, net	88,808	-	119,379	-
Accounts receivable, net	2,267,755	7	1,964,107	5
Accounts receivable, related parties	118,818	-	106,468	-
Other receivables	48,153	-	106,418	-
Other receivables, related parties	422,770	1	593,853	2
Inventories	1,413,526	4	1,252,391	3
Prepayments	208,866	1	204,395	1
Total current assets	<u>6,481,551</u>	<u>19</u>	<u>8,112,835</u>	<u>21</u>
NON-CURRENT ASSETS				
Financial assets at fair value through other comprehensive income (FVTOCI) - non-current	870,662	3	922,551	3
Financial assets at amortized cost - non-current	-	-	12,968	-
Investments accounted for using the equity method	19,855,669	58	21,859,237	58
Property, plant and equipment	6,331,437	19	6,511,029	17
Right-of-use assets	5,191	-	9,641	-
Investment properties	134,914	-	159,713	1
Intangible assets	666	-	40	-
Deferred tax assets	444,382	1	142,813	-
Other non-current assets	145,513	-	121,615	-
Total non-current assets	<u>27,788,434</u>	<u>81</u>	<u>29,739,607</u>	<u>79</u>
Total Assets	<u>\$ 34,269,985</u>	<u>100</u>	<u>\$ 37,852,442</u>	<u>100</u>
Liabilities and Equity				
CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss (FVTPL) - current	\$ 13,769	-	\$ 2,492	-
Accounts payable	985,157	3	1,019,778	3
Accounts payable, related parties	304,917	1	394,449	1
Other payables	459,138	1	532,320	1
Other payables, related parties	24,563	-	16,195	-
Current tax liabilities	826,833	2	779,227	2
Lease liabilities - current	32,249	-	31,336	-
Current portion of long-term borrowings	-	-	2,999,199	8
Other current liabilities	149,749	1	189,951	1
Total current liabilities	<u>2,796,375</u>	<u>8</u>	<u>5,964,947</u>	<u>16</u>
NON-CURRENT LIABILITIES				
Bonds payable	5,992,228	18	5,989,773	16
Long-term borrowings	729,703	2	34,310	-
Deferred tax liabilities	59,355	-	100,769	-
Lease liabilities - non-current	85,188	-	115,187	-
Net defined benefit liabilities - non-current	94,352	1	172,677	1
Investments credits balances for using equity method	-	-	1,195	-
Other non-current liabilities	16,692	-	11,585	-
Total non-current liabilities	<u>6,977,518</u>	<u>21</u>	<u>6,425,496</u>	<u>17</u>
Total Liabilities	<u>9,773,893</u>	<u>29</u>	<u>12,390,443</u>	<u>33</u>
Equity				
Share capital	11,887,635	35	11,887,635	31
Capital surplus	449,960	1	366,185	1
Retained earnings				
Legal reserve	3,872,190	11	3,343,086	9
Special reserve	375,127	1	375,127	1
Unappropriated earnings	8,377,890	25	9,881,214	26
Total retained earnings	<u>12,625,207</u>	<u>37</u>	<u>13,599,427</u>	<u>36</u>
Other equity	8,896	-	84,358	-
Treasury shares	(475,606)	(2)	(475,606)	(1)
Total equity	<u>24,496,092</u>	<u>71</u>	<u>25,461,999</u>	<u>67</u>
Total liabilities and equity	<u>\$ 34,269,985</u>	<u>100</u>	<u>\$ 37,852,442</u>	<u>100</u>

USI CORPORATION
Parent Company Only Statements of Comprehensive Income
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	For the Year Ended December 31, 2022		For the Year Ended December 31, 2021	
	Amount	%	Amount	%
OPERATING REVENUE	\$ 15,632,151	100	\$ 16,034,251	100
COST OF GOODS SOLD	<u>11,437,888</u>	<u>73</u>	<u>11,730,457</u>	<u>73</u>
GROSS PROFIT	4,194,263	27	4,303,794	27
The unrealized profits with the subsidiaries	(1,505)	-	(1,175)	-
The realized profits with the subsidiaries	<u>1,175</u>	<u>-</u>	<u>1,247</u>	<u>-</u>
The realized gross profit	<u>4,193,933</u>	<u>27</u>	<u>4,303,866</u>	<u>27</u>
OPERATING EXPENSES				
Selling and marketing expenses	325,268	2	390,366	2
Administrative expenses	249,089	2	230,902	2
Research and development expenses	<u>150,870</u>	<u>1</u>	<u>160,688</u>	<u>1</u>
Total operating expenses	<u>725,227</u>	<u>5</u>	<u>781,956</u>	<u>5</u>
PROFIT FROM OPERATIONS	<u>3,468,706</u>	<u>22</u>	<u>3,521,910</u>	<u>22</u>
NON-OPERATING INCOME AND EXPENSES				
Interest income	16,538	-	5,948	-
Other income	168,587	1	202,579	1
Other gains and losses	(29,622)	-	38,730	-
Finance costs	(73,666)	(1)	(94,746)	(1)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	(<u>1,618,808</u>)	(<u>10</u>)	<u>2,196,420</u>	<u>14</u>
Total non-operating income and expenses	(<u>1,536,971</u>)	(<u>10</u>)	<u>2,348,931</u>	<u>14</u>

(Continued)

(Continued)

	For the Year Ended December 31, 2022		For the Year Ended December 31, 2021	
	Amount	%	Amount	%
Net profit before income tax	\$ 1,931,735	12	\$ 5,870,841	36
INCOME TAX EXPENSE	<u>376,638</u>	<u>2</u>	<u>679,447</u>	<u>4</u>
NET PROFIT FOR THE PERIOD	<u>1,555,097</u>	<u>10</u>	<u>5,191,394</u>	<u>32</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of the defined benefit plans	41,282	-	5,820	-
Loss of equity instruments at FVTOCI	(34,862)	-	(29,190)	-
Share of profit or loss of other comprehensive income of subsidiaries accounted for using equity method	(325,781)	(2)	575,855	4
Income tax relating to items that will not be reclassified	(8,256)	-	(1,164)	-
	<u>(327,617)</u>	<u>(2)</u>	<u>551,321</u>	<u>4</u>
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	294,953	2	(90,466)	(1)
Share of profit or loss of other comprehensive income of subsidiaries accounted for using equity method	103,818	-	(54,745)	-
Income tax relating to items that may be reclassified	(58,991)	-	18,093	-
	<u>339,780</u>	<u>2</u>	<u>(127,118)</u>	<u>(1)</u>
Other comprehensive income for the period, net of income tax	<u>12,163</u>	<u>-</u>	<u>424,203</u>	<u>3</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>\$ 1,567,260</u>	<u>10</u>	<u>\$ 5,615,597</u>	<u>35</u>
EARNINGS PER SHARE				
Basic earnings per share	<u>\$ 1.45</u>		<u>\$ 4.84</u>	
Diluted earnings per share	<u>\$ 1.45</u>		<u>\$ 4.83</u>	

USI CORPORATION
Parent Company Only Statements of Changes in Equity
For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	Capital surplus				Retained earnings			Other equity			Total equity
	Share Capital	Treasury Share Transactions	Shares of Changes in Capital Surplus of Subsidiaries recognized by Equity Method	Others	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange differences on translating the financial statements of foreign operations	Unrealized Gain (Loss) on Financial Assets at FVTOCI	Treasury shares	
Balance as of January 1, 2021	\$ 11,887,635	\$ 264,647	\$ 37,211	\$ 19,940	\$ 3,109,625	\$ 781,059	\$ 5,606,462	(\$ 583,855)	\$ 343,660	(\$ 475,606)	\$ 20,990,778
Distribution of earnings in 2020											
Provision for legal reserve	-	-	-	-	233,461	-	(233,461)	-	-	-	-
Reversal of special surplus reserve	-	-	-	-	-	(405,932)	405,932	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(1,188,763)	-	-	-	(1,188,763)
Net profit for the year 2021	-	-	-	-	-	-	5,191,394	-	-	-	5,191,394
Other comprehensive income for the year 2021, net of income tax	-	-	-	-	-	-	(804)	(127,118)	552,125	-	424,203
Total comprehensive income for the year 2021	-	-	-	-	-	-	5,190,590	(127,118)	552,125	-	5,615,597
Changes in equity of subsidiaries recognized by equity method	-	-	4,691	-	-	-	100,454	-	(100,454)	-	4,691
Other changes in capital surplus	-	-	-	1,367	-	-	-	-	-	-	1,367
Dividends distributed to subsidiaries to adjust capital reserve	-	38,329	-	-	-	-	-	-	-	-	38,329
Balance as of December 31, 2021	11,887,635	302,976	41,902	21,307	3,343,086	375,127	9,881,214	(710,973)	795,331	(475,606)	25,461,999
Distribution of earnings in 2021											
Provision for legal reserve	-	-	-	-	529,104	-	(529,104)	-	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	(2,615,280)	-	-	-	(2,615,280)
Net profit for the year 2022	-	-	-	-	-	-	1,555,097	-	-	-	1,555,097
Other comprehensive income for the year 2022, net of income tax	-	-	-	-	-	-	86,594	339,780	(414,211)	-	12,163
Total comprehensive income for the year 2022	-	-	-	-	-	-	1,641,691	339,780	(414,211)	-	1,567,260
Changes in equity of subsidiaries recognized by equity method	-	-	(1,955)	-	-	-	(1,662)	-	-	-	(3,617)
Other changes in capital surplus	-	-	-	1,405	-	-	-	-	-	-	1,405
Dividends distributed to subsidiaries to adjust capital reserve	-	84,325	-	-	-	-	-	-	-	-	84,325
Disposal of equity instruments measured at fair value through other comprehensive income	-	-	-	-	-	-	1,031	-	(1,031)	-	-
Balance as of December 31, 2022	<u>\$ 11,887,635</u>	<u>\$ 387,301</u>	<u>\$ 39,947</u>	<u>\$ 22,712</u>	<u>\$ 3,872,190</u>	<u>\$ 375,127</u>	<u>\$ 8,377,890</u>	<u>(\$ 371,193)</u>	<u>\$ 380,089</u>	<u>(\$ 475,606)</u>	<u>\$ 24,496,092</u>

USI CORPORATION

Parent Company Only Statements of Cash Flows

For the years ended December 31, 2022 and 2021

(In Thousands of New Taiwan Dollars)

	For the Year Ended December 31, 2022	For the Year Ended December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax for the year	\$ 1,931,735	\$ 5,870,841
Income (expenses) items		
Depreciation expenses	625,885	607,937
Amortization expense	14,455	13,452
Net loss (gain) on financial assets and liabilities at FVTPL	61,309	(93,217)
Finance costs	73,666	94,746
Interest income	(16,538)	(5,948)
Dividend income	(65,750)	(99,744)
Share of profit or loss of subsidiaries, associates and joint ventures accounted for using equity method	1,618,808	(2,196,420)
Loss (gain) on disposal and scrap of property, plant and equipment	12,921	(2,794)
Provision for write-downs of inventories and obsolescence losses	31,749	22,935
The unrealized profits with the subsidiaries	1,505	1,175
The realized profits with the subsidiaries	(1,175)	(1,247)
Changes in operating assets and liabilities		
Decrease (increase) in financial assets mandatorily classified as at FVTPL	2,012,683	(414,994)
Decrease (increase) in notes receivable	30,571	(55,225)
Increase in accounts receivable	(303,648)	(599,799)
Accounts receivable – related parties increase	(12,350)	(12,388)
Decrease (increase) in other receivables	58,529	(65,138)
Other receivables – related parties decrease (increase)	46,083	(248,664)
Increase in inventories	(192,884)	(499,217)
Increase in prepayments	(4,471)	(31,924)
Decrease in other current assets	-	1
(Decrease) increase in accounts payable	(34,621)	307,411
Accounts payable - related parties increase (decrease)	(89,532)	206,159
(Decrease) increase in other payables	(43,147)	131,106
Other payables - related parties increase	8,368	4,289
Increase (decrease) in other current liabilities	(40,202)	113,939
Decrease in net defined benefit liabilities	(37,043)	(35,111)
Cash generated from operations	5,686,906	3,012,161
Interest received	16,274	6,600

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	<u>For the Year Ended December 31, 2022</u>	<u>For the Year Ended December 31, 2021</u>
Interest paid	(\$ 90,186)	(\$ 85,259)
Income tax paid	(<u>739,262</u>)	(<u>156,246</u>)
Net cash generated from operating activities	<u>4,873,732</u>	<u>2,777,256</u>
Cash flows from investing activities		
Return of capital from financial assets at FVTOCI	17,028	20,898
Purchase of financial assets at amortized cost	(4,460)	(76,499)
Acquisitions of associate accounted for using the equity method	(90,000)	-
Net cash outflows from acquisition of subsidiaries	-	(34,092)
Acquisitions of property, plant and equipment	(437,802)	(518,149)
Proceeds from disposal of property, plant and equipment	3,644	1,905
Increase in refundable deposits	(18,704)	(1,947)
Acquisitions of intangible assets	(750)	-
Other receivables – related parties decrease (increase)	125,000	(125,000)
Increase in other non-current assets	(19,525)	(15,303)
Dividends received	<u>693,035</u>	<u>149,837</u>
Net cash generated from (used in) investing activities	<u>267,466</u>	(<u>598,350</u>)
CASH FLOWS FROM FINANCING ACTIVITIES		
Decrease in short-term borrowings	-	(499,000)
Issuing of bonds	-	3,991,268
Repayments of bonds	(3,000,000)	(2,000,000)
Proceeds from mid- to long-term borrowings	794,412	3,634,284
Repayments of mid- to long-term borrowings	(100,000)	(5,900,000)
Proceeds from guarantee deposits received	78	591
Repayments of the principal portion of lease liabilities	(31,426)	(30,974)
Increase in other non-current liabilities	5,588	516
Cash dividends paid	(2,615,280)	(1,188,763)
Acquisition of subsidiaries	(<u>23</u>)	(<u>70,000</u>)
Net cash used in financing activities	(<u>4,946,651</u>)	(<u>2,062,078</u>)
NET INCREASE IN CASH AND CASH EQUIVALENTS	194,547	116,828
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>1,108,794</u>	<u>991,966</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 1,303,341</u>	<u>\$ 1,108,794</u>

Matters for Ratification and Discussion (I):

Proposal 2

Proposed by the Board

To ratify 2022 earnings distribution.

Description : 1. In 2022, the net profit was NT\$ 1,641,060,395. After appropriating NT\$ 164,106,040 as the legal reserve, the distributable net profit of 2022 is NT\$ 1,476,954,355. By the end of 2022, the accumulated distributable earnings is NT\$ 8,213,784,393 and will be distributed cash dividend NT\$ 832,134,450, i.e. NT\$0.7 per share.

The unappropriated earnings after distribution will be NT\$ 7,381,649,943.

2. Please refer to next page, “Profit Distribution Table”, for details.
3. According to this proposal, the profit of 2022 will first be distributed, and the insufficiency will be distributed from the profit of previous years.
4. 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.
5. Please authorize the Chairman to set a target date for the distribution of cash dividends after the adoption of this proposal.

Resolution:

USI Corporation
2022 Profit Distribution Table

expressed in NTD

Net profit before tax of 2022	1,931,735,108
Less: Income tax	(376,637,196)
Net profit of 2022	1,555,097,912
Add: Measuring the Gains of equity instruments by fair value through other comprehensive gains and losses	1,030,882
Less: Retained earnings adjusted for investments made under the equity method	(1,662,272)
Add: Retained earnings adjusted for the defined benefit plan after re-measurement	86,593,873
Earnings after tax of 2022	1,641,060,395
Less: Legal reserve	(164,106,040)
Distributable net profit of 2022	1,476,954,355
Add: Beginning unappropriated earnings	6,736,830,038
Accumulated distributable earnings at the end of 2022	8,213,784,393
Distributable items: (total issued shares: 1,188,763,500)	
Cash dividend: 0.7/share	832,134,450
Total of distributable items	832,134,450
Unappropriated earnings at the end of 2022 transferred to the next year	7,381,649,943

Chairperson: Yi-Gui Wu President: Pei-Ji Wu
Chief Accounting Officer: Chuan-Hua Kuo

Matters for Ratification and Discussion (I):

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 :

USI Corporation

The Amendment to the “Articles of Incorporation”

After amendment	Before amendment	Description
<p>Article 7: <u>The Company’s handling of it’s shareholders services shall comply with the “Regulations Governing the Administration of Shareholder Services of Public Companies” prescribed by the competent securities authority’s.</u></p>	<p>Article 7: <u>The share certificates of the Company shall be registered and state each shareholder’s real name. Where there are two (2) persons or more that own the same share or shares, such co-owners shall select one of them to act on behalf of them.</u></p>	<p>In order to cooperate with the current shareholder services affairs operation, the text shall be revised as appropriate.</p>
<p>Article 8: (Deleted)</p>	<p>Article 8: <u>Where it is necessary for the Company to re-issue new share certificates upon transfer of ownership or loss of or damage to the share certificates, the Company may collect sufficient printing costs or adequate stamp duty expenses.</u></p>	
<p>Article 11-1: <u>Shareholders’ meeting of the Company can be held by video conferencing or other methods announced by the central competent authority.</u></p>		<p>1. New provisions added. 2 It proclaim that the shareholders' meeting can be held by video conferencing.</p>
<p>Article 12: 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. The voting power at a shareholders' meeting of the Company may be exercised by way of <u>writing or</u> electronic transmission. A shareholder who exercises his/her/its voting power at a shareholders meeting by way of <u>writing or</u> electronic transmission shall be deemed to have attended said shareholders' meeting in person. The related matters shall be implemented in accordance with laws.</p>	<p>Article 12: 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. The voting power at a shareholders' meeting of the Company may be exercised by way of electronic transmission. 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.</p>	<p>In order to cooperate with the current shareholder services affairs operation, the text shall be revised as appropriate.</p>

<p>Article 22: The Chairman has the power to act on behalf of the Company and <u>shall act in accordance with</u> the laws, articles of incorporation, and resolution made by a shareholders' meeting or directors' meeting.</p>	<p>Article 22: The Chairman has the power to act on behalf of the Company and <u>control the Company's important business with power, whose power is only restricted by laws</u>, articles of incorporation, and resolution made by a shareholders' meeting or directors' meeting.</p>	<p>In order to cooperate with the current operation.</p>
<p>Article 32-1: 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.</p>	<p>Article 32-1: 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.</p>	<p>Amended in accordance with the law.</p>
<p>Article 38: The Articles of Incorporation was established on May 15, 1965. (following content omitted) <u>50th amendments hereto were made on May 31, 2023.</u></p>	<p>Article 38: The Articles of Incorporation was established on May 15, 1965. (following content omitted) <u>49th amendments hereto were made on June 12, 2019.</u></p>	<p>Add the revision date.</p>

Matters for Ratification and Discussion (I):

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 :

USI 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, and the shareholders meeting agenda and supplemental meeting materials, 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 and supplementary materials shall be made available by this Corporation to</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 and <u>distributed on-site at the meeting place.</u> The reasons for convening a shareholders meeting shall be specified in the meeting</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

<p><u>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 according to law, and shall not be raised by an extraordinary motion. (omitted below)</p>	<p>notice and public.</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. (omitted below)</p>	<p>shareholder services, there are actives laws and regulations, so the section is deleted, and will not be repeatedly described in the Rules.</p>
<p>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</p>	<p>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</p>	<p>In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the 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>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>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>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>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 Corporation convenes a virtual-only.</u></p>	<p>Article 5: (Principles determining the time and place of a shareholders meeting)</p> <p>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>Article 6: (Preparation of documents such as the attendance book)</p> <p>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.</p> <p>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</p>	<p>Article 6: (Preparation of documents such as the attendance book)</p> <p>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.</p> <p>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</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</p>

<p>be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.</p> <p><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></p> <p>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.</p> <p>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.</p> <p>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>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</u></p>	<p>of suitable personnel assigned to handle the registrations.</p> <p><u>Shareholders and their proxies (collectively "shareholders")</u> shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.</p> <p>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.</p> <p>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>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>shareholders meeting by video conferencing.</p>
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<p><u>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><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> <p><u>1. Methods of participation in the meeting through video conferencing and for exercising their rights.</u></p> <p><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></p> <p><u>3. Other matters as required by law.</u></p>		<p>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>
<p><u>Article 8:</u> <u>(Documentation of a shareholders meeting by audio or video)</u> 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,</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><u>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 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 <u>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. (omitted below)</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. (omitted below)</p>	<p>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 conferencing.</p>
<p>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</p>	<p>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</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 shareholders meeting by video conferencing.</p>

<p>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>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>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>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</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>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</p>	<p>1. In accordance with the Regulations Governing the Administration of Shareholder Services and the Sample Template, add the relevant regulations for resolutions on various motions and voting if this Corporation convenes a shareholders meeting by video conferencing.</p> <p>2. Text Correction.</p>

<p>waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>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.</p> <p>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 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</p>	<p>his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.</p> <p>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.</p> <p>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.</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,</p>	
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<p>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.</p> <p>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 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.</u></p> <p><u>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>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.</p> <p>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>Article 16: (Public disclosure)</p> <p>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 <u>and number of shares whose 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.</u> <u>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 tally of votes is released during the meeting.</u></p>	<p>Article 16: (Public disclosure)</p> <p>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.</p> <p><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>
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Matters for Ratification and Discussion (I):

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 :

USI Corporation
The Amendment to the “Rules for Election of Directors”

After amendment	Before amendment	Description
<p>Article 3 (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 3 (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 6 <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 6 <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. If /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 7 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). <u>There are more than two candidates on the same ballot.</u></p>	<p>Article 7 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). <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>In line with the adjustment of the format of the ballot, the text shall be revised as appropriate.</p>

<p>(III). 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>(IV). The <u>checkmark</u> is unclear and indecipherable.</p> <p>(V). <u>The candidate that has been checked</u>, or the number of voting rights allotted is altered.</p> <p>(VI). <u>The total number of checked candidates exceeds the number of candidates to be elected.</u></p> <p>(VII). <u>A blank ballot that has not been checked is placed in the ballot box.</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>(III). 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>(IV). The <u>writing</u> is unclear and indecipherable.</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). <u>Names and related information of the candidates</u>, or the number of voting rights allotted is altered.</p> <p>(VII). 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 14</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 the conclusion of the litigation.</p>	<p>Article 14</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 conclusion of the litigation.</p>	<p>In order to cooperate with the current stock affairs operation, the text shall be revised as appropriate.</p>

<p><u>Article 15</u> <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>		<ol style="list-style-type: none"> 1. New provisions added. 2. Add that the Company shall comply with other relevant rules if the Company convenes a shareholder meeting by video conferencing.
<p><u>Article 16</u> The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.</p>	<p><u>Article 15</u> The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.</p>	Order of clauses amended.
<p><u>Article 17</u> In the event of any matters not covered herein, the Chinese version shall apply.</p>	<p><u>Article 16</u> In the event of any matters not covered herein, the Chinese version shall apply.</p>	

III.Elections

Proposed by the Board

To elect nine directors.

- Description :
1. The term of all directors of the current board will expire on June 11, 2023, please elect another nine directors (including four independent directors) in accordance with the Articles of Incorporation.
 2. The candidate nomination system shall apply. AGM shall elect directors from the candidate list. Please refer to the table in the next page for the names, education, and experience of candidates.
 3. All new directors will take up their office immediately after the election for a term of three years, i.e. from May 31, 2023 to May 30, 2026.

Results :

USI Corporation

List of Candidates for Directorial Election (including independent directors)

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
1	13518	173,776,546	Shing Lee Enterprise (Hong Kong) Limited : Yi-Gui Wu	—	College graduated Chairman: USI Corporation 、Asia Polymer Corporation 、China General Plastics Corp. 、Taita Chemical Co., Ltd. 、Acme Electronics Corporation 、USI Optronics Corporation and Swanson Plastics Corporation CTCI Corporation Executive Director Chinese National Federation of Industries Executive Supervisors	Chairman: USI Corporation 、Asia Polymer Corporation 、China General Plastics Corp. 、Taita Chemical Co., Ltd. 、Acme Electronics Corporation 、USI Optronics Corporation 、Swanson Plastics Corporation CTCI Corporation Director Chinese National Federation of Industries Executive Director	Director Candidate
2	205675	101,355,673	Asia Polymer Corporation : Jing-Sho Yu	—	Bachelor of Engineering, Kyushu University (Japan) USI Corporation Managing Director	Director : Shing Lee Enterprise (Hong Kong) Limited 、 Union Polymer International Investment Corporation 、 Ever Victory Global Limited	Director Candidate
3	205675		Asia Polymer Corporation : Zhe-Yi Gao	—	Department of Chemical Engineering, National Taiwan University; PhD in Chemical Engineering, Perdue University Chief Scientist, Dow Chemical; Senior Consultant and Expert, Industrial Technology Research Institute (Chairman Office); Senior Advisor, Chi Lin Technology Co., Ltd.	Director : USI Corporation 、 Inoma Corporation Consultant: USI Group	Director Candidate

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
4	205671	15,109,901	Taita Chemical Company, Limited : Pei-Ji Wu	—	Tunghai University <u>Dow Chemical</u> Director, Asia Pacific Packaging & Specialty Plastics Value Chain, Business Development & Sustainability. Commercial Director, Asia Pacific PU & Systems. General Manager, Asia Pacific Thermosets. Sales Director, Greater China Basic Plastics. Product Manager, Asia Pacific Engineering Plastics, Compounds & Blends. Marketing Manager, Asia Pacific Engineering Plastics. <u>ESSO Taiwan</u> Sales Engineer	Director : USI Corporation 、Taita Chemical Co., Ltd. 、Asia Polymer Corporation President: USI Corporation 、Taita Chemical Co., Ltd. 、Asia Polymer Corporation 、China General Plastics Corp.	Director Candidate
5	13518	173,776,546	Shing Lee Enterprise (Hong Kong) Limited Ltd. : Hong-Ting Wu	—	Boston University Questrom School of Business (B.s.B.A); Shanghai Jiaotong University Antai College of Economics & Management (MBA) Yuanta Securities Investment Consulting Corp.; Taipei, Taiwan : Research Associate - Financial Analyst Aetas Technology Incorporated, Zhenjiang, CHINA : Legal & Financial Manager	GiftFox Technology Co., Ltd., Shanghai, China : Founder & CEO Oak Analytics, Inc., Delaware, USA : Director & Early Investor Bloominous, Inc., Los Angeles, California, USA: Early Investor	Director Candidate
6	—	0	Chong Chen	A10319××××	Masters of Law, National Taiwan University (Taiwan); Visiting Scholar, Goethe University Frankfurt (Germany) Senior Advisor to the President, Office of the President (Taiwan);President of the	Chair Professor at School of Law and School of Business, Soochow University (Taiwan) Director : Lien Hwa Industrial Corporation 、Union Petrochemical Corporation	Independent Director Candidate

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
					Executive Yuan, Taiwan (R.O.C.); Vice President of the Executive Yuan, Taiwan (R.O.C.); Chairman of the Financial Supervisory Commission under the Executive Yuan, Taiwan (R.O.C.); Chairman of the Taiwan Stock Exchange; and Chairman of Taiwan Cooperative Bank.	Chairman: The Appacus Foundation ∙ Vision Project Foundation	
7	—	0	Tyzz-Jiun Duh	T12036××××	Ph.D Graduate Institute of Forestry, National Taiwan University Director General, Department of Commerce, Ministry of Economic Affairs Director General, Department of Industrial Technology, Ministry of Economic Affairs Director General, Industrial Development Bureau, Ministry of Economic Affairs Minister, Ministry of Economic Affairs Minister, National Development Council Vice Premier, Executive Yuan Part-time Associate Professor, Department of Business, Soochow University (Taiwan)	Policy Advisor, Taiwan Electrical and Electronic Manufacturers' Association Chief Consultant, Taiwan Transportation Vehicle Manufacturers' Association ∙ Chinese National Federation of Industries Top Advisor Independent Director: USI Corporation ∙ Macronix International Co., Ltd. ∙ CDIBC Capital Group ∙ China Development Financial Holding Corp.	Independent Director Candidate
8	—	0	Ying-Jun Hai	D10070××××	Master Degree in International Business Management, the University of Texas at Dallas Former Country Manager G.E. Capital Taiwan, Former Vice Chairman, CEO and Chairman in Strategic Steering Committee, Delta Electronics, Inc.	Chairman of Delta ESG Committee and Strategic Steering Committee Member, Delta Electronics, Inc.; Director and ESG & Net Zero Committee Member, CTCI Corporation; Independent Director, Audit Committee Member, Chairman and Convener of Compensation Committee, ESG Committee Member, USI Corporation; Independent Director, Audit Committee Member and Compensation Committee Member, Taiwan Semiconductor Manufacturing Company Limited, etc.	Independent Director Candidate

No.	A/C No.	Stake	Name	Citizen ID No.	Major Education/Experience	Major Current Position	Remarks
9	—	0	Sun-Te Chen	A10426××××	MBA, University of Missouri Chairman of Zoyi Capital Responsible Person, Taiwan of CitiGroup	Chairman: Taipei Fubon Commercial Bank Co., Ltd. 、TFB Capital Co., Ltd. 、Taipei Fubon Bank Charity Foundation Director: Fubon Financial Holding Co., Ltd. 、Fubon Securities Co., Ltd. 、Fubon Bank (Hong Kong) Limited 、Fubon Bank (China) Co., Ltd. 、Taiwan Cement Corporation 、BAROC 、The Bankers Association of Taipei Supervisor: Fubon Sports & Entertainment Co., Ltd. 、Elephant Mountain Inc. Independent Director of Lion Travel Co., Ltd. Independent Director of Uni-President China Holdings Ltd. (Registered in Hong Kong) Independent Director of Uni-President China Holdings Ltd. (Registered in Cayman Islands)	Independent Director Candidate

Reasons for continuing to nominate independent directors who have served three terms:

1. Mr. Chong Chen has served as the President of the Executive Yuan, and Chief Executive, the Ministry of Finance and Economics, and the head of the financial sector. He has written many treatises and books in relation to the issues of the economic or financial development direction and related public policy. In addition, he currently serves as the chairman of the "Vision Project Foundation ". The foundation focuses on the reports published by the United Nations *Sustainable Development Goals* (SDGs) and the actions taken by them to seek effective solutions, which are of great help to the USI Corporation's promotion of sustainable development. Although he has been re-elected as an independent director of USI Corporation for three terms, he usually makes constructive suggestions at the functional committee and the board of directors meetings based on his independent professional judgments. It is recommended to nominate him as an independent director candidate.
2. Mr. Ying-Jun Hai is currently serving as the chairman of Delta Electronics, Inc. He has rich practical experience in formulating the company's operation and development direction, planning the organizational structure, promoting and implementing strategic innovation business development, strengthening corporate governance and the operational efficiency of the board of directors. In addition, he serves as the chairman of the "Taiwan Climate Partnership", an organization that introduces global climate pulse and successful carbon reduction experience to help domestic companies move towards the goal of net zero, which is of great help to USI Corporation's promotion of sustainable development. Although he has been re-elected as an independent director of USI Corporation for three terms, he usually makes constructive suggestions at the functional committee and the board of directors meetings based on his independent professional judgments. It is recommended to nominate him as an independent director candidate.

IV.Matters for Discussion (II)

Proposed by the Board

To approve the permission of directors for competitive actions.

- Description :
1. While some new directors may engage in or operate a business similar to or within the scope of the Company's business, subject to no harm to the interests of the Company, it is proposed to allow such acts in accordance with Article 209 of the Company Act.
 2. The competitive actions in which new directors engage are shown in the next page.

Resolution :

USI Corporation

Directors' Engagement in Competitive Business Table

On the day of being elected, some directors of this Company engage in the following business items that are within the scope of business of this Company:

Asia Polymer Corporation

China General Terminal & Distribution Company
Acme Electronics Corporation

China General Plastics Corp.
APC Investment Corporation

Taita Chemical Company, Limited

Acme Electronics Corporation

Yi-Gui Wu (Shing Lee Enterprise (Hong Kong) Limited Ltd.)

A.S. Holdings (UK) Limited	Director	Chinese National Federation of Industries	Executive Director
Acme Components (Malaysia) Sdn. Bhd.	Director	CTCI Corporation	Director
Acme Electronics (Cayman) Corp.	Chairman	Taita Chemical Company, Limited	Chairman
Acme Ferrite Products Sdn. Bhd.	Director	Taiwan VCM Corporation	Director
APC (BVI) Holding Co., Ltd.	Director	Asia Polymer Corporation	Chairman
CGPC (BVI) Holding Co., Ltd.	Director	APC Investment Corporation	Chairman
CGPC America Corporation	Director	USI Optronics Corporation	Chairman
Dynamic Ever Investments Ltd.	Director	Chong Loong Trading Co. Ltd.	Chairman
	President	USI Education Foundation	Chairman
Ever Conquest Global Limited	Director	China General Plastics Corp.	Chairman
Ever Victory Global Limited	Director	CGPC Polymer Corporation	Chairman
	President	Acme Electronics Corporation	Chairman
Forever Young Co., Ltd.	Director	ACME Electronics (Kunshan) Co., Ltd.	Director
Golden Amber Enterprises Ltd.	Director	ACME Electronics (Guangzhou) Co., Ltd.	Director
PT. Swanson Plastics Indonesia	Director	ASK-Swanson (Kunshan) Company Limited	Director
Swanson International Limited	Director	Swanson Technologies Corporation	Chairman
Swanson Plastics (India) Private Limited	Director	Swanson Plastics (Tianjin) Co., Ltd.	Director
Swanson Plastics (Malaysia) Sdn. Bhd.	Director	Swanson Plastics (Kunshan) Co., Ltd	Director
Swanson Plastics (Singapore) Pte. Ltd.	Director	Swanson Plastics Corporation	Chairman
Taita (BVI) Holding Co., Ltd.	Director		
USI International Corporation	Director		

Emerald Investment Corporation	Director	Taiwan United Venture Capital Corp.	Chairman
KHL Venture Capital Co., Ltd.	Director	Zhangzhou USI Trading Co., LTD.	Director
Fujian Gulei Petrochemical Co., Ltd.	Chairman		

Jing-Sho Yu (Asia Polymer Corporation)

Shing Lee Enterprise (Hong Kong) Limited Ltd	Director	Ever Victory Global Limited	Director
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Zhe-Yi Gao (Asia Polymer Corporation)

INOMA Corporation	Director
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Pei-Ji Wu (Taita Chemical Company, Limited)

Dynamic Ever Investments Ltd.	Director	China General Terminal & Distribution Company	Director
Ever Victory Global Limited	Director	Swanson Technologies Corporation	Director
Taita (BVI) Holding Co., Ltd.	Director	INOMA Corporation	Director
APC (BVI) Holding Co., Ltd.	Director	Taiwan United Venture Capital Corp.	Director
Ever Conquest Global Limited	Director	Chong Loong Trading Co. Ltd.	Director President
USI International Corporation	Director	USI Trading (Shanghai) Co., Ltd.	Chairman President
Golden Amber Enterprises Ltd.	Director	ACME Electronics (Kunshan) Co., Ltd.	Director
Taita Chemical (Zhong Shan) Co., Ltd.	Chairman	Fujian Gulei Petrochemical Co., Ltd.	Director
Taita Chemical (Tianjin) Co., Ltd.	Chairman	Zhangzhou USI Trading Co., LTD.	Chairman
China General Plastics Corp.	Director	Zhangzhou Taita Chemical Co.,Ltd.	Chairman
Asia Polymer Corporation	Director President		
Taita Chemical Company, Limited	Director President		
APC Investment Corporation	Director		
USI Education Foundation	Director		
Swanson Plastics Corporation	Director		
USI Optronics Corporation	Director		

Hong-Ting Wu (Shing Lee Enterprise (Hong Kong) Limited Ltd.)

Technology Co., Ltd	Director CEO	Oak Analytics, Inc. GiftFox	Director
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Chong Chen (Independent Director)

Lien Hwa Industrial Corporation	Director	The Appacus Foundation	Chairman
Union Petrochemical Corporation	Director	Vision Project Foundation	Chairman

Tyzz-Jiun Duh (Independent Director)

Macronix International Co., Ltd.	Independent Director	CDIB Capital Group	Independent Director
Walsin Lihwa Corporation	Independent Director	China Development Financial Holding Corp.	Independent Director

Ying-Jun Hai (Independent Director)

Delta Electronics, Inc.	Chairman	Delta Networks, Inc.	Director
CTCI Corporation	Director	Delta Electronics Capital Company	Director
Delta Electronics (Shanghai) Co., Ltd.	Director	Taiwan Semiconductor Manufacturing Company Limited	Independent Director
Cyntec Co., Ltd.	Director		

Sun-Te Chen (Independent Director)

Fubon Financial Holding Co., Ltd.	Director	Fubon Securities Co., Ltd.	Director
Taipei Fubon Commercial Bank Co., Ltd.	Chairman	Fubon Bank (China) Co., Ltd.	Director
TFB Capital Co., Ltd.	Chairman	Lion Travel Co., Ltd.	Independent Director
Fubon Bank (Hong Kong) Limited	Director	Uni-President China Holdings Ltd.	Independent Director
		Taiwan Cement Corporation	Director

V. Extemporaneous Motions

VI. Meeting Adjournment

Appendix 1

USI Corporation Parliamentary Rules for Shareholders' Meetings (before amendment)

Amended on July 26, 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 the company 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. 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 the company.

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

USI 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 “台灣聚合化學品股份有限公司” and “USI Corporation” in English.
- Article 2: The scope of the Company’s business is specified as follows:
1. Manufacturing, processing and sale of PE plastic raw materials (including ethylene-vinyl acetate copolymer resins).
 2. Manufacturing, processing and sale of PE plastic products (including products of ethylene-vinyl acetate copolymer).
 3. Manufacturing, processing and sale of catalyst and related chemicals required by the plastic industry.
 4. R&D of technology related to the plastic industry, and acquisition, sale and license of know-how and patent right thereof.
 5. Design, manufacturing, processing and sale of plastic processing equipment.
 6. General import/export businesses (other than those requiring special approval).
 7. ZZ99999 Other than business requiring special approval, any business not prohibited or restricted by laws or regulations.
- Article 3: The Company’s head office is situated in Kaohsiung City, Taiwan, the R.O.C., and, when necessary, may set up branches locally or overseas considered by the Company as necessary or adequate for promoting its business.
- Article 4: Public announcements of the Company shall be made in accordance with Article 28 of the Company Act.

Section 2. Capital

- Article 5: The total capital stock of the Company shall be in the amount of NT\$13,426,023,650, divided into 1,342,602,365 shares, at a par value of NT\$10 per share, and may be issued in installments.
- Article 6: The Company's share certificates shall be affixed with the signatures or personal seals of three or more directors of the Company, be assigned with serial numbers, indicate particulars referred to in Article 162 of the Company Act, and be issued upon the competent authority's approval of the registration of incorporation and certification pursuant to the Company Act. For the shares to be issued to the public by the Company, the Company may be exempted from printing any share certificate for the shares issued.
- Article 7: The share certificates of the Company shall be registered and state each shareholder's real name. Where there are two (2) persons or more that own the same share or shares, such co-owners shall select one of them to act on behalf of them.
- Article 8: Where it is necessary for the Company to re-issue new share certificates upon transfer of ownership or loss of or damage to the share certificates, the Company may collect sufficient printing costs or adequate stamp duty expenses.
- Article 9: 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 10: The Company's shareholders' meetings consist of the following:
1. General shareholders' meeting
 2. Special shareholders' meeting
- The general shareholder's meeting shall be convened by the Board

of Directors once a year and within six (6) months after close of each fiscal year pursuant to laws. In the case of important motions to be resolved, a special shareholders' meeting may be convened by the Board of Directors upon resolution of the Board, or upon written request by shareholder(s) who has/have been continuously holding 3% or more of the total number of the issued shares of the Company over one (1) year. The general shareholders' meeting and special shareholders' meeting may be held within/outside the territories of the R.O.C.

Article 11: Convening of a general shareholders' meeting shall be notified thirty (30) days ago, and convening of a special shareholders' meeting to be notified fifteen (15) days ago. The causes of meeting shall be indicated in the notice pursuant to the Company Act or other laws.

Article 12: 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. The voting power at a shareholders' meeting of the Company may be exercised by way of electronic transmission. 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 13: 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. 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 14: Unless no voting right or restricted voting right required under laws or the Articles, each of shares held by each shareholder shall have the right to one (1) vote.
- Article 15: Where any shareholder fails to attend a shareholders' meeting, he/she may appoint a proxy to attend the meeting on behalf of him/her pursuant to the Company Act and exercise power on behalf of him/her. The proxy is not limited to the Company's shareholder.
- Article 16: Unless otherwise provided 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, the Chairman shall appoint a proxy to act on behalf of him/her pursuant to Article 208 of the Company Act.
- Article 17: 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.

Section 4. Directors and Audit Committee

- Article 18: 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 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 18-1: 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 18-2: 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 18-3: 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 19: Directors shall hold the position for three (3) years and may be re-electable.

Article 19-1: 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.

Article 20: Functions of the Board of Directors:

1. Research and draft the business policy;
2. Review important regulations and contracts;
3. Appoint and dismiss managers;
4. Set up and terminate branches;
5. Review budget and final accounts;
6. Propose the motion for amendments to articles of incorporation, change of capital and dissolution or merger of the Company at a shareholders' meeting;
7. Propose the motion for allocation of earnings or covering of loss at a shareholders' meeting;
8. Exercise the powers granted pursuant to laws, Articles of Incorporation and by a shareholders' meeting.

Article 21: The Chairman of the Board shall be elected among the directors present at a directors' meeting by a majority vote of the directors

present the meeting attended by two-thirds or more of the directors.

Article 22: The Chairman has the power to act on behalf of the Company and control the Company's important business with power, whose power is only restricted by laws, articles of incorporation, and resolution made by a shareholders' meeting or directors' meeting.

Article 23: Directors' meetings shall be convened by the Chairman, except for the first meeting of each term of the Board of Directors which shall be convened by the director who received a ballot representing the largest number of votes at the election of directors. The convener shall notify each director of the date & place of the meeting as well as the agenda within seven (7) days prior to the meeting. Any director may waive the right to receive the notice in writing after or before the meeting. A directors' meetings may be held within/outside the territories of the R.O.C.
A directors' meeting may be convened in writing or by electronic transmission.

Article 24: If a directors' meeting is convened by the Chairman, the meeting shall be chaired by the Chairman. Where the Chairman is absent, the Chairman shall appoint a proxy to act on behalf of him/her.

Article 25: A directors' meeting shall not start, unless it is attended by a majority of directors. Resolutions at a directors' meeting shall, unless otherwise provided for in Company Act or other laws, be adopted by a majority of eligible votes of the directors present.

Article 26: A director may authorize another director in writing to attend the directors' meeting on behalf of him/her and exercise the voting right on behalf of him/her pursuant to laws, provided that a director may accept the appointment to act as the proxy of one other director only.

Article 27: Directors shall exercise their powers per the resolution adopted by a directors' meeting.

Article 28: (Deleted)

Article 29: (Deleted)

Article 30: 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. 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.

Article 32: The Company's managerial personnel shall process the Company's routine affairs per the resolution made by a directors' meeting.

Article 32-1: 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. Financial Report

Article 33: 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 34: 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, including the employees of the Company's subsidiaries meeting certain specific requirements entitled to receive shares or cash. 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.

- Article 35: The Company's total investment in other companies may be exempted from the restriction for no more than 40% of the paid-in capital prescribed by the Company Act.
- 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.

Section 7. Bylaw

- Article 36: The Company's articles of association and enforcement rules thereof shall be established separately.

Article 37: Any matters not covered herein shall be implemented in accordance with the Company Act and related laws of the R.O.C.

Article 38: The Articles of Incorporation was established on May 15, 1965. (following content omitted) 49th amendments hereto were made on June 12, 2019.

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

Appendix 3

USI Corporation Rules for Election of Directors (before amendment)

Amended on June 12, 2019

- Article 1: The Company's directors shall be elected in accordance with the Rules.
- Article 2: The election of the Company's directors shall adopt an open cumulative voting system. In the process of electing directors at a shareholders' meeting, attendance card numbers printed on the ballots may replace the names of voting shareholder. 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. 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 vote.
- Where election of the Company's directors adopts the e-voting system pursuant to laws, 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 3: Unless otherwise provided in related laws, the Company's directors shall be elected by the shareholders' meeting from the name list of candidates. Quota of the Company's directors shall be based on the quota defined in the Company's Articles of Incorporation and passed by the Board of Directors. 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 4: The chairperson shall designate several monitoring and counting personnel prior to the election to perform their duty.

Article 5: The task of the monitoring personnel is as follows:

- (I) The ballot box inspected by the monitoring personnel openly before the voting.
- (II) Picket the order and monitoring whether there is any negligence or illegality in voting.
- (III) After the vote is over, check the number of ballots.
- (IV) Check the ballots for invalid ballots, and hand over the number of valid ballots.
- (V) Monitoring the number of voting rights for each candidate that the counting personnel record.

Article 6: 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. If /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 7: 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). The candidate identified is not a candidate who is nominated, or the quota of candidates exceed the number of candidates to be elected..
- (III). Other words or marks are entered in addition to the information completed pursuant to the preceding Article and the number of

voting rights allotted.

(IV). The writing is unclear and indecipherable.

(V). The check shows that the information completed pursuant to the preceding Article is inconsistent with the information related to the nominated candidate.

(VI). Names and related information of the candidates, or the number of voting rights allotted is altered.

(VII). 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 8: 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 9: After the ballots are all in the ballot box, the monitoring and counting personnel will open the ballot box together.

Article 10: The number of ballots counted and recorded is monitored by the monitoring personnel.

Article 11: When there is any doubt about the ballots, the monitoring personnel is asked to check whether it is invalid. The invalid ticket should be placed separately.

Article 12: The voting rights shall be calculated on site immediately after the end of the poll, and the results of the calculation, shall be announced by the chairperson on the site.

Article 13: The Company shall issue notifications to the persons elected as directors.

Article 14: 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 15: 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 16: The Rules shall be enforced upon approval by a shareholders' meeting. The same shall apply where the Rules are amended.

Article 17: In the event of any matters not covered herein, the Chinese version shall apply.

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

Appendix 4

USI Corporation Stake of Directors

Title	Name	Stake
Chairperson	Yi-Gui Wu (Representative of Shing Lee Enterprise (Hong Kong) Limited Ltd.)	173,776,546
Director	Jing-sho Yu (Representative of Asia Polymer Corporation)	101,355,673
Director	Zhe-Yi Gao (Representative of Asia Polymer Corporation)	
Director	Guang-Zhe Huang (Representative of Taita Chemical Company, Limited)	15,109,901
Director	Pei-Ji Wu (Representative of Taita Chemical Company, Limited)	
Director	Hong-Ting Wu (Representative of Shing Lee Enterprise (Hong Kong) Limited Ltd.)	173,776,546
Independent Director	Chong Chen	0
Independent Director	Tyzz-Jiun Duh	0
Independent Director	Ying-Jun Hai	0
Total Stake of Directors		290,242,120
Stake by Law of Directors		32,000,000

Note: 1. The said stake is the number of shares registered in the List of Shareholders dated by the book due date (April 2) of the 2023 AGM.

2. The total issued shares of USI are 1,188,763,500 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\$11,887,635,000
Stock dividend of the year (Note 1)	Cash dividend per share	NT\$0.7
	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 7, 2023.

Note 2: USI 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.
= [Net profit after tax – Imputed interest for cash dividends* x (1 – Tax rate)] ÷ [**Total Issued Shares by End of Year – 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 ÷ EPA in the Annual Financial Statement

Chairman:

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 2023AGM is from March 31, 2023 to April 10, 2023. Such information was disclosed on the Market Observation Post System by law on March 15, 2023.

3. No proposal from shareholder was received during the said period.