

Stock Code: 2201

2020 Annual Shareholder's Meeting Agenda Handbook

Date: June 18, 2020

Location: 1F, No. 3, Sec. 3, Chung Hsing Road,

Xindian District, New Taipei City (The Dome Theater at Auto Mall)



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Yulon Motor Co., Ltd. 2020 Annual Shareholder's Meeting Agenda

Meeting Time: 9:00am on June 18, 2020 (Thursday)

Meeting Place: 1F, No. 3, Sec. 3, Chung Hsing Road, Xindian District, New Taipei City

(The Dome Theater at Auto Mall)

Meeting Agenda: I. Call the Meeting to Order

II. Chairman's Address

- III. Reporting Items:
 - 1. The 2019 Business Report and Prospect.
 - 2. The 2019 Audit Committee' Report.
 - 3. The 2019 Distribution of Employees' and Directors' Remuneration.
 - 4. The Status of Endorsement and Guarantee.
 - 5. The accumulated losses in 2019 exceeded 50% of the paid-in capital.
- IV. Acknowledgements:
 - 1. Acknowledge the 2019 Financial Statements.
 - 2. Acknowledge the 2019 deficit compensation.
- V. Discussions:
 - 1. Proposal to discuss the reduction of capital to make up for losses.
 - 2. Amendments to the Company's "Articles of Incorporation."
 - 3. Amendments to the Company's "Rules of Procedure for Shareholders Meetings."
- VI. Extemporary Motions
- VII. Meeting Adjournment

Reporting Items

1. The 2019 Business Report and Prospect

Explanation:

Please refer to Attachment 1 (pages11-12) for the Business Report.

2. The 2019 Audit Committee' Report

Explanation:

Please refer to Attachment 2 (page 13) for the Audit Committee's Review Report.

3. The 2019 Distribution of Employees' and Directors' Remuneration

Explanation:

- (1) Pursuant to the provision of Article 27 of revised Articles of Incorporation, the Company shall appropriate remuneration for directors and employees of that year in case of any profits. The remuneration for Directors may not exceed 0.5% of the profit and the remuneration for employees may not fall below 0.1%.
- (2) The 2019 annual losses for the Company was NT\$24.472 billion before distributing the employees' and directors' remuneration. Pursuant to the provisions of Article 27 of Incorporation, it is proposed that the allocation for employees compensation and directors remuneration would not be conducted. Previous remuneration amount is approved by the Remuneration Committee and the Board of Directors.

4. The Status of Endorsement and Guarantee

Explanation:

On December 31 2019, the total endorsement and guarantee line was NT\$ 26.012 billion while the actual endorsement and guarantee amount was NT\$12.912 billion and the maximum amount provided to single entity was NT\$ 6.930 billion.

The status of endorsement and guarantee was in compliance with Article 4 of the Procedures for Endorsement and Guarantee (The total amount of endorsements and guarantees shall not exceed 75% of the Company's net worth. The total amount of endorsement and guarantee provided by the Company to any single entity shall not exceed 40% of the guarantee line.)

The endorsement and guarantee statement is as follows:

Yulon Motor Co., Ltd. Endorsement and Guarantee Statement December 31, 2019

In ten thousands of NTD

Entity Name	Guarantee Line	Actual Drawdown Amount
ESINN CO., LTD	144,000	39,000
Luxgen Motor Co., Ltd.	1,135,000	693,000
Yulon Development Co., Ltd.	60,000	0
Yu Ching Business Co., Ltd.	100,000	7,000
Sin Chi Co., Ltd.	50,000	20,000
UNIVATION MOTOR PHILIPPINES, INC.	75,265	8,261
Luxgen (Hangzhou) Automobile Sales Co., Ltd.	903,180	522,856
Luxgen Taipei Motor Co., Ltd.	60,000	0
Luxgen Taoyuan Motor Co., Ltd.	20,800	0
Luxgen Taichung Motor Co., Ltd.	16,500	0
Luxgen Tainan Motor Co., Ltd.	20,000	0
Luxgen Kaohsiung Motor Co., Ltd.	16,425	0
Total	2,601,170	1,290,117

5. The accumulated losses in 2019 exceeded 50% of the paid-in capital

Explanation:

The accumulated loss of the Company's audited financial statements in 2019 was NT\$23.880billion, which was over 50% of the paid-in capital of NT\$15.729billion of December 31, 2019. It is caused by the recognition of the impairment by Luxgen Motor Co., Ltd. Luxgen (hangzhou) Motor Sales Co., Ltd. Hua-Chuang Automobile Information Technical Center Co., Ltd. after estimating the future recoverable amount based on the intangible assets, as well as the allowance extracted by related companies from the account receivable for the deduction of bad debt.

Acknowledgements

Proposal 1

Proposed by the Board of Directors

Proposal: Acknowledge the 2019 Financial Statements

Explanation:

- 1. Yulon's 2019 Financial Statements were audited by CPA Hsin-Wei TAI and CPA Yu-Wei FAN, members of the Deloitte & Touche. The Financial Statements and Business Report have been reviewed and determined to be correct and accurate by the Audit Committee.
- 2. The 2019 Business Report (please refer to Attachment 1 from page 11 to page 12) and Financial Statements (please refer to Attachment 3 · Attachment 4 from page 14 to page 37) are enclosed for reference.
- 3. Please proceed with the acknowledgement.

Resolution:

Acknowledgements

Proposal 2

Proposed by the Board of Directors

Proposal: Acknowledge the 2019 deficit compensation.

Explanation:

- 1. In accordance with the 2019 financial statements, the net loss for the year is about NT\$24.465billion. The 2019 deficit compensation statement is proposed in accordance with the Article 228 of Company Act. Please refer to Attachment 5 (page 38) for the deficit compensation Statement.
- 2. Base on the consideration for the need of profitability, future working capital, changes in the industrial environment, the right of shareholders and the long-term financial planning, company proposed not to distribute dividends during the year.
- 3. Please proceed with the acknowledgement.

Resolution:

Discussions

Proposal 1

Proposed by the Board of Directors

Proposal: Proposal to discuss the reduction of capital to make up for the losses.

Explanation:

- 1. To strengthen the financial structure and increase net value per share, the Company plans to reduce the capital to make up for the losses.
- 2. Amount of the capital reduction and Capital reduction ratio: It is proposed to reduce NT\$5,729,199,090 and eliminate 572,919,909 shares of common stock based on the 1,572,919,909 outstanding shares, and the capital reduction ratio will be approximately 36.4239%.
- 3. Shares are canceled according to the shareholding ratios recorded in the register of shareholders on the record date for stock conversion with capital reduction, it is estimated that the number of per thousand shares will be reduced by approximately 364.239 shares (Renew about 635.761 shares per thousand shares). After the capital reduction, it is up to the original shareholder to file a patchwork registration of the odd lots that are less than one share with the Company's independent registrar from the 5 days before the book closure date to the 1 day before the book closure date. If the shareholders have not filed a pathe odd lots that are still less than one share afterwards, the Company shall pay cash(to cover the costs of entry operations for centrally deposited securities) and registration of dematerialized securities in accordance with the stock par value (rounding off below NT\$1), the Chairman shall be authorized to negotiate with the specific person in acquisition of the odd lots that are less than one share.
- 4. After the capital reduction, the paid-in capital of the company is NT\$10 billion, Par value of NT \$ 10, issued shares is 1billionshares.
- 5. After the capital reduction, the new shares will be issued without physical issuance, with the rights and obligations same as the ones of original shares. After the case of capital reduction has been passed during the shareholders' meeting and approved by the authority, the Board of Directors shall be authorized to set a capital reduction base date and handle the matters related to it.
- 6. Prior to the record date of capital reduction, if there are any changes in the number of shares in the Company's actual circulation, the ratio of shareholders' capital reduction will change. Or if the case was approved and modified by the legal or governing authority, or any requirements for amendment due to the changes of the external environment, , it is proposed to request the shareholders' meeting to authorize the Board of Directors to handle the matter.

- 7. The reasons for the capital reduction, the Company's program for enhancement of operation and the control measures for the program implementation are separately shown as follows:
 - (1). Reasons for the Capital Reduction:

For 2019, the net loss is NT\$24.465 billion. In order to make up for such loss, it is planned to utilize the special reserve of NT\$15.145 billion and reduce the capital of NT\$5.729 billion. It is expected that after such capital reduction, the financial structure will be improved and the future net value per share will be increased.

- (2). Program for Enhancement of Operation
 - (2.1). Mass production of new models of domestic cars.
 - (2.2). Promote new businesses to satisfy more diversified customers, and create scale of economy to reduce costs via resource sharing and cousage.
 - (2.3). Establish a joint venture company with Foxconn. In the future, the joint venture company will be used for promoting the new business model of open and shared platform within the global automotive industry. By combining the complementary advantages of the Company and Foxconn in vehicle R&D and ICT industry resources, it is expected to provide comprehensive solution services for global target customers.
 - (2.4). Promote the activities to reduce the costs and increase the productivity.
 - (2.5). The construction of Yulon City Business District is being implemented as planned and is expected to be completed by Q4 of 2021.
 - (2.6). Process the assets to increase the cash flow.
- (3). Control Measures for the Program Implementation The Company will hold business operation review meetings weekly to analyze and review the business objectives and performance, with a view to continuously improving the Company's competitiveness.
- (4). The implementation and effectiveness of the Program for Enhancement of Operation will be reported at the 2021 Shareholders' Meeting.
- 8. Please proceed with the discussion.

Resolution:

Discussions

Proposal 2

Proposed by the Board of Directors

Proposal: Amendments to the Company's "Articles of Incorporation."

Explanation:

- 1. In response to the "Company Act" amendments, proposed amendments to the Company's "Articles of Incorporation."
- 2. Please refer to Attachment 6 (page 39) for the comparison table before and after revisions
- 3. Please proceed with the discussion.

Resolution:

Discussions

Proposal 3

Proposed by the Board of Directors

Proposal: Amendments to the Company's "Rules of Procedure for Shareholders Meetings" Explanation:

- 1. In response to the "Rules Governing the Conduct of Shareholders Meetings" amendments by Taiwan Stock Exchange Corporation, proposed amendments to the Company's "Rules of Procedure for Shareholders Meetings"
- 2. Please refer to Attachment 7 (page 40-41) for the comparison table before and after revisions
- 3. Please proceed with the discussion.

Resolution:

Extemporary Motions

Meeting Adjournment

Attachment 1:



Dear Shareholders, welcome to the 2020 annual shareholders' meeting of Yulon Motor Co., Ltd. The summary of the Company's business operation results of 2019 and overall business plans of 2020 are as follows:

I. Sales profit:

A total of 439,800 vehicles were sold last year, a small increase of 1.1% compared to the 435,000 vehicles sold last year. However, the market share of imported cars has reached 47.7%, which has exerted certain impacts to domestic cars.

In 2019, the Company sold 42,823 cars, the total operating income last year was NT\$30.262 billion, the operating profit was NT\$1.048 billion, the net loss before tax was NT\$24.465 billion. The main reason for such loss is that the sales performance of the brands owned by the Company does not reach the expected level. Therefore, the Company, based on the Conservatism Principle, has recognized the impairment loss of technology assets of Luxgen motor models development and the impairment loss of molds, and extracted allowance for the impairment of accounts receivable based on the risk of recovery.

To make up for the loss, it is planned to utilize the special reserve of NT\$15.145 billion and conduct the capital reduction of NT\$5.729 billion. After the capital reduction, the Paid-in Capital is reduced to NT\$10 billion with a reduction rate at about 36.4%, the financial structure will be improved, and the net value per share would be increased.

II. Continue to Introduce New Car Models:

Luxgen had introduced the URX model in December of 2019 and enhanced the functions of welcabs to meet consumer demands. And Yulon-Nissan also separately introduced a new generation of Leaf EV and imported vehicles Altima in Q3 of 2019.

III. Promote the Open Platform of Automotive Industry:

In response to changes of the industrial environment, the Company has adjusted its strategies to satisfy more diversified customers. In addition to starting to serve as the OEM of and export tricycle motorbikes (ADIVA), the Company also has signed a joint venture agreement with Foxconn in this FY to establish a joint venture company to promote the open platform and shared business model. By combining the complementary advantages of the Company and Foxconn in vehicle R&D and ICT industry resources, it is expected to provide comprehensive solution services for global target customers.

IV. Activating the use of assets:

Based on comprehensive evaluation and prudent consideration, the changes to the Construction Project of Xin-dian Yulon City Business District had been promulgated in October of 2019, which the construction would focus on shopping malls and the construction period would be shortened. The Yulon City Business District is expected to be completed and officially opened by Q4 of 2021.

V. Strengthening corporate governance:

The Company has been awarded the top 5 percent of the "Corporate Governance Evaluation" of the Taiwan Stock Exchange (TWSE) for six consecutive years and has been included in the FTSE4Good TIP Taiwan ESG Index. In the future, Yulon will continue to improve its corporate governance in the areas of integrity management, transparency of operational information, and effective functions of the board of directors and related functional committees.

VI. Implementing corporate social responsibility and Strengthening community care:

Yulon Motor ranked12rd in the large-scale company category of Excellence CSR Award of Common Wealth Magazine in 2019.

In response to the demand from the aging population and the increasing disabled population in Taiwan, through the innovative social benefit model, to bridge the mobile services and barrier-free travel through the CARPLUS Auto Leasing Corporation and friendly drivers from LUXGEN V7 well-being team.

The "Employer Liability Insurance" premium has been donated to Taipei and Sanyi Township Cleaning Team, which has benefited 30,000 people so far in order to provide them with a job security and livelihood protection. In addition, in the spirit of feedback to the village, the Company will continue to sponsor the "Taiwan International Woodcarving Competition," provide scholarships to students at all levels of the school in Sanyi regularly, and organize "Yulon Kids Basketball Summer Camp" and "San Yi Yulon Car Design Camp" to provide children in the community with a variety of learning experiences.

In the future, the Company will continue to work in pursuit of the welfare of employees, shareholders and society on the aforementioned basis. Finally we would like to express our gratitude for the support and care from all shareholders for Yulon Motor over the past. Thank you.

Chairman: Yen Chen Li-Lien

President: Zhen-Xiang Yao

Chief Accountant: Steven, W.Y. Lo

Attachment 2:

The Board of Directors has prepared the 2019 Business Report, Financial Statements and

proposal for earnings distribution. The CPA Hsin-Wei TAI and CPA Yu-Wei FAN, members of

the Deloitte & Touche, were retained to audit Yulon Financial Statements and had issued the

unqualified-standard wording audit report. The Business Report, Financial Statements, and

deficit compensation proposal have been reviewed and determined to be correct and accurate

by the Audit Committee. According to Article 14.4 of the Securities Exchange Act and Article

219 of the Company Law, we hereby submit this report.

To the 2020 Annual Shareholders' Meeting

Yulon Motor Co., Ltd.

Audit Committee Convenor: Yi-Hong Hsieh

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Date: March 30, 2020

Attachment 3:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Yulon Motor Company Ltd.

Opinion

We have audited the accompanying financial statements of Yulon Motor Company Ltd. (the "Company"), which comprise the balance sheets as of December 31, 2019 and 2018, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Yulon Motor Company Ltd. as of December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audit of the financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020 and auditing standards generally accepted in the Republic of China. We conducted our audit of the financial statements for the year ended December 31, 2018 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters of the Company's financial statements for the year ended December 31, 2019 are stated as follows:

Impairment Assessment of Vehicle Model Development Cost and Molds of Luxgen Motor, Subsidiary Accounted for Using Equity Method

Please refer to Note 13 for details.

Due to the decline of sales volume of Luxgen in Taiwan and China, the Company identifies different models of vehicles as separate cash-generating units, and tests them for impairment at least annually. The Company also assesses the recoverable amount of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd. the car manufacturer of Luxgen in China. Because assessment of impairment and recoverable amount of an asset involves professional judgment, we determine the impairment assessment of the vehicle model development cost and molds equipment and the assessment of the recoverable amount of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd as key audit matters.

The main audit procedures we have performed in respect of the key audit matter stated above about impairment assessment of the vehicle model development cost and molds equipment as follows:

- 1. We understood the process and basis for the estimated growth rate and profitability of the sales forecast of the Company.
- 2. We reviewed whether the estimated operating cash flow considered the latest operating performance and industry overview.
- 3. We assessed the evaluation model used by the management.
- 4. We assessed the weighted average cost of capital (WACC) used by the management in calculating the recoverable amount in accordance with the valuation model, including risk-free rate, volatility and risk premium. We verified that the WACC was consistent with the Company status and the industry.
- 5. We involved our internal financial services specialists in the assessment of net fair value.

The main audit procedures we have performed in respect of the key audit matter stated above about recoverable assessment of the recoverable amount of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd. were as follows:

- 1. We understood and assessed the reasonableness of the assumptions and methods used by management to analyze the financial position and recoverable amounts of Dongfeng Yulong Motor Co., Ltd.
- 2. We obtained the documentation of the management's assessment of the recoverable amount of receivables and assessed whether the amount of allowance for impairment is sufficient as of the end of the reporting period.

Impairment of Trade Receivable of Yulon Finance Corporation and
Its Subsidiaries ("YFC Group"), Subsidiary Accounted for Using Equity Method

The provision for impairment of trade receivables of YFC Group is based on assumptions about risk of default and expected loss rates. YFC Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on YFC Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, this is determined as a key audit matter.

Our audit procedures included:

- 1. We understood the policies on impairment of trade receivable and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and re-performance of related internal controls.
- 2. We involved our IT specialists in testing the system that generated related documents used by management in performing controls, in order to verify the correctness of the assumptions used in the default rate and expected loss rate.
- 3. We calculated the expected credit loss based on the impairment policy of YFC Group.

Other Matter

As described in Note 1, the Company obtained control and ability to direct the relevant activities of Haitec Co., Ltd. since December 31, 2019. The transaction was determined as a business combination of entities under common control. Therefore, the balance sheet, the statement of changes in equity and the statement of cash flows as of and for the year ended December 31, 2018 have been restated.

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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Hsin-Wei Tai and Yu-Wei Fan.

Deloitte & Touche Taipei, Taiwan Republic of China

March 30, 2020

Notice to Readers

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

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

BALANCE SHEETS

DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars)

	2019		2018		
ASSETS	Amount	%	Amount	%	
CURRENT ASSETS					
Cash and cash equivalents	\$ 7,262,478	9	\$ 7,410,223	8	
Financial assets at fair value through profit or loss - current	1,742,556	2	22,295	-	
Financial assets at amortized cost - current Note and trade receivable	7,200,566 23,857	9	1,432,880 25,170	2	
Notes and trade receivable from related parties	303,328	_	1,084,994	1	
Other receivables	322,164	1	290,585	-	
Inventories	10,590,908	13	9,904,373	10	
Other current assets	332,354	1	1,418,207	1	
Total current assets	27,778,211	<u>35</u>	21,588,727	22	
NON-CURRENT ASSETS	• 440 440		2 422 = 24		
Financial assets at fair value through other comprehensive income - non-current Investments accounted for using equity method	2,418,449 32,117,684	3 40	2,433,791 54,837,446	2 56	
Property, plant and equipment	6,711,446	8	6,461,658	30 7	
Right-of-use assets	3,365	-	-	-	
Investment properties	8,460,236	11	9,840,094	10	
Intangible assets	1,263,090	1	1,275,678	1	
Deferred tax assets Other non-current assets	593,368 573,500	1 1	551,778 622,081	l 1	
Other non-current assets	373,300	1	022,081	1	
Total non-current assets	52,141,138	<u>65</u>	76,022,526	<u>78</u>	
TOTAL	<u>\$ 79,919,349</u>	<u>100</u>	<u>\$ 97,611,253</u>	<u>100</u>	
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade payables	\$ 1,233,436	2	\$ 1,858,817	2	
Trade payables to related parties	1,590,476	2	1,224,905	1	
Other payables	1,696,346	2	1,404,745	2	
Current tax liabilities Lease liabilities - current	46,375 31	-	108,937	-	
Current portion of long-term borrowing and bonds payable	1,500,000	2	- -	-	
Other current liabilities	15,813		67,752		
Total current liabilities	6,082,477	8	4,665,156	5	
NON-CURRENT LIABILITIES					
Bonds payable	15,300,000	19	15,300,000	16	
Long-term borrowings Deferred tax liabilities	2,580,315	3	1,480,000 2,570,313	1 3	
Lease liabilities - non-current	3,298	<i>3</i>	2,370,313	<i>3</i>	
Net defined benefit liabilities - non-current	582,964	1	556,629	1	
Deposits received	210,567	-	179,860	-	
Credit balance on the carrying value of investments accounted for using the equity method	9,314,207	12	524,723	-	
Other non-current liabilities	9,113		32,732		
Total non-current liabilities	28,000,464	<u>35</u>	20,644,257	21	
Total liabilities	34,082,941	43	25,309,413	<u>26</u>	
EQUITY					
Share capital					
Ordinary shares	15,729,199 6,566,405	<u>20</u> 8	15,729,199 6 507 072	<u>16</u> 7	
Capital surplus Retained earnings	6,566,495	8	6,597,972	/	
Legal reserve	8,281,822	11	8,078,119	8	
Special reserve	39,373,565	49	38,373,565	39	
Unappropriated earnings	(23,880,202)	(30)	2,787,202	3	
Total retained earnings	23,775,185	30	49,238,886	50	
Other equity Exchange differences on translating foreign operations	(1,255,680)	(2)	(919,398)	(1)	
Unrealized gain on financial assets at fair value through other comprehensive income	1,397,517	2	1,466,521	1	
Gain on hedging instrument	(4)		252		
	141,833		547,375		
Treasury shares	(376,304)	<u>(1</u>)	<u>(376,304)</u>		
Common control of predecessor rights	_		564,712	1	
Total equity	45,836,408	57	72,301,840	74	
TOTAL	<u>\$ 79,919,349</u>	<u>100</u>	<u>\$ 97,611,253</u>	<u>100</u>	

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

(With Deloitte & Touche audit report dated March 30, 2020)

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

	2019		2018		
	Amount	%	Amount	%	
ODED ATING DEVENIUE					
OPERATING REVENUE Sales	\$ 29,202,817	96	\$ 30,440,107	96	
Other operating revenue	1,059,112	<u>4</u>	1,368,631	<u>4</u>	
Other operating revenue	1,037,112		1,500,051		
Total operating revenue	30,261,929	<u>100</u>	31,808,738	<u>100</u>	
OPERATING COSTS					
Cost of goods sold	27,419,237	91	28,678,794	90	
Other operating cost	206,053	1	279,630	1	
1 0					
Total operating costs	27,625,290	92	28,958,424	91	
GROSS PROFIT	2,636,639	8	2,850,314	9	
GROSS FROITI	2,030,039	o	2,630,314	9	
(UNREALIZED) REALIZED GAIN ON					
TRANSACTIONS WITH SUBSIDIARIES,					
ASSOCIATES AND JOINT VENTURES	695		(3,798)		
REALIZED GROSS PROFIT	2,637,334	8	<u>2,846,516</u>	9	
OPERATING EXPENSES					
Selling and marketing expenses	120,060	_	119,834		
General and administrative expenses	965,315	3	885,971	3	
Research and development expenses	145,151	1	168,092	1	
Expected credit loss	358,920	1	100,072	_	
Expected eredit 1688	<u></u>				
Total operating expenses	1,589,446	5	1,173,897	4	
PROFIT FROM OPERATIONS	1,047,888	3	1,672,619	5	
NON OBED ATING INCOME (LOSS)					
NON-OPERATING INCOME (LOSS) Share of gains of subsidiaries, associates and					
joint ventures	(26,534,175)	(88)	415,081	1	
Other income	64,760	(00)	69,559	_	
Interest income	106,947	1	103,015	1	
Finance costs	(216,931)	(1)	(148,352)	-	
Other gains and losses	494,501	2	49,864	_	
Total non-operating income	(26,084,898)	<u>(86</u>)	489,167	2	
			(Con	tinued)	

STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

	2019		2018			
	Amount	%	Amount	%		
PROFIT (LOSS) BEFORE INCOME TAX	\$(25,037,010)	(83)	\$ 2,161,786	7		
INCOME TAX BENEFIT (EXPENSE)	(6,890)		124,754			
NET PROFIT (LOSS) FOR THE YEAR	(25,030,120)	<u>(83</u>)	2,037,032	7		
OTHER COMPREHENSIVE INCOME Items that will not be reclassified subsequently to profit or loss:						
Remeasurement of defined benefit plans Unrealized loss on investments in equity instruments at fair value through other	(91,351)	-	42,723	-		
comprehensive income Share of other comprehensive loss of	285,487	1	(224,506)	(1)		
subsidiaries, associates and joint ventures accounted for using the equity method	3,837 197,973	<u>-</u> 1	(38,968) (220,751)	<u></u>		
Items that may be reclassified subsequently to profit or loss: Share of other comprehensive loss of						
subsidiaries, associates and joint ventures accounted for using the equity method	(336,539)	_(1)	(325,539)	_(1)		
Other comprehensive loss for the year, net of income tax	(138,566)		(546,290)	_(2)		
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR	<u>\$(25,168,686)</u>	<u>(83</u>)	\$ 1,490,742	5		
EARNINGS (LOSS) PER SHARE (NEW TAIWAN DOLLARS)						
Basic Diluted	\$\(\)(16.61) \$\((16.61)\)		\$ 1.39 \$ 1.39			

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

(With Deloitte & Touche audit report dated March 30, 2020)

(Concluded)

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

							Other Equity Unrealized Gain				
				Retained Earnings		Exchange Differences on Translating	(Loss) on Financial Assets at Fair Value Through Other	Gain/(Loss) on		Common Control	
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Undistributed Earnings	Foreign Operations	Comprehensive Income	Hedging Instruments	Treasury Shares	of Predecessor Rights	Total Equity
BALANCE, JANUARY 1, 2018	\$ 15,729,199	\$ 6,665,705	\$ 7,849,288	\$ 37,373,565	\$ 2,824,893	\$ (593,515)	\$ 1,755,559	\$ (92)	\$ (376,304)	\$ -	\$ 71,228,298
Appropriation of the 2017 earnings Legal reserve Special reserve Cash dividends distributed by the Company (NT\$0.58 per share)	- - -	- - -	228,831	1,000,000	(228,831) (1,000,000) (912,294)	- - -	- - -	- - -	- - -	- - -	- - (912,294)
Change in equity from investments in subsidiaries, associates and joint ventures accounted for by using equity method	-	(69,178)	-	-	(1,885)	-	-	-	-	-	(71,063)
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	1,445	-	-	-	-	-	-	-	-	1,445
Net profit for the year ended December 31, 2018	-	-	-	-	2,037,032	-	-	-	-	-	2,037,032
Other comprehensive income for the year ended December 31, 2018, net of income tax	_	_	_	_	71,119	(325,883)	(291,870)	344	_	_	(546,290)
Total comprehensive income for the year ended December 31, 2018		<u>-</u> _			2,108,151	(325,883)	(291,870)	344		<u>-</u>	1,490,742
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	_		_	_	(2,832)	-	2,832	_	-	_	-
BALANCE, DECEMBER 31, 2018	15,729,199	6,597,972	8,078,119	38,373,565	2,787,202	(919,398)	1,466,521	252	(376,304)	-	71,737,128
Effect of retrospective application and retrospective restatement		-			-		-	-		564,712	564,712
BALANCE AT JANUARY 1, 2019 AS RESTATED	15,729,199	6,597,972	8,078,119	38,373,565	2,787,202	(919,398)	1,466,521	252	(376,304)	564,712	72,301,840
Appropriation of 2018 earnings Legal reserve Special reserve Cash dividends distributed by the Company (NT\$0.67 per share)	- - -	- -	203,703	1,000,000	(203,703) (1,000,000) (1,053,856)	- - -	:	:	- - -	- - -	- (1,053,856)
Change in equity from investments in subsidiaries, associates and joint ventures accounted for by using equity method	-	(31,477)	-	-	(211,413)	-	-	-	-	-	(242,890)
Net profit for the year ended December 31, 2019	-	-	-	-	(24,465,408)	-	-	-	-	(564,712)	(25,030,120)
Other comprehensive loss for the year ended December 31, 2019, net of income tax	_		_	_	(87,425)	(336,282)	285,397	(256)	_	_	(138,566)
Total comprehensive income for the year ended December 31, 2019	_	-	-		(24,552,833)	(336,282)	285,397	(256)	-	(564,712)	(25,168,686)
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-				354,401		(354,401)	_	-	-	
BALANCE, DECEMBER 31, 2019	\$ 15,729,199	<u>\$ 6,566,495</u>	<u>\$ 8,281,822</u>	\$ 39,373,565	<u>\$(23,880,202)</u>	<u>\$ (1,255,680)</u>	<u>\$ 1,397,517</u>	<u>\$ (4)</u>	<u>\$ (376,304)</u>	<u>\$</u>	<u>\$ 45,836,408</u>

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

(With Deloitte & Touche audit report dated March 30, 2020)

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$(25,037,010)	\$ 2,161,786
Adjustments for:		
Share of profit of subsidiaries, associates and joint ventures	26,534,175	(415,081)
Gain on proceeds of investments accounted for using the		,
equity method	(3,150,981)	-
Reversal of impairment loss/impairment loss recognized on		
non-financial assets	2,407,055	(723)
Depreciation expenses	382,572	350,151
Expected credit loss	358,920	-
Finance costs	216,931	148,352
Interest income	(106,947)	(103,015)
Amortization expenses	37,113	42,724
Net gain on fair value changes of financial assets designated as		
at fair value through profit or loss	(35,734)	(1,541)
Dividend income	(34,899)	(18,861)
Unrealized loss/(gain) on foreign currency exchange	(29,380)	27,608
Realized (gain)/loss on the transactions with subsidiaries,		
associates and joint ventures	(28,470)	(2,588)
Gain on disposal of property, plant and equipment	-	(45)
Changes in operating assets and liabilities		
Financial assets mandatorily classified as at fair value through		
profit or loss	(1,684,527)	146,190
Notes and trade receivable	414,527	(445,426)
Other receivables	(12,682)	(84,593)
Inventories	209,244	(359,802)
Other current assets	53,692	(1,128,022)
Other operating assets	(406,917)	(25,591)
Trade payables	(232,905)	(1,292,702)
Other payables	290,267	(1,511,220)
Other current liabilities	(51,935)	29,285
Net defined benefit liabilities - non-current	(65,017)	(350,306)
Other operating liabilities	(23,620)	3,035
Cash used in generated from (used in) operations	3,472	(2,830,385)
Interest received	88,050	118,738
Interest paid	(215,550)	(146,971)
Income tax paid	_	(10,595)
Not each yeard in an austing a stirities	(124.020)	(2.060.212)
Net cash used in operating activities	(124,028)	(2,869,213)
		(Continued)

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018					
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds of associates investment accounted for using equity method	\$ 12,103,631	\$ -					
Acquisition of associates investment accounted for using equity method	(8,939,995)	(14,867,431)					
Acquisition of property, plant and equipment	(1,135,209)	(434,321)					
Proceeds from disposal of financial assets at amortized cost	(5,767,686)	3,656,720					
Dividends received	4,082,137	5,235,296					
Proceeds from the capital reduction of investments accounted for	669 992	00 120					
using the equity method Payments for intangible assets	668,883 (23,210)	90,128					
Proceeds from disposal of property, plant and equipment	1,941	45					
Purchase of financial assets at fair value through other							
comprehensive income	-	(1,830,200)					
Payments for investment properties		(490,259)					
Net cash generated from (used in) investing activities	990,492	(8,640,022)					
CASH FLOWS FROM FINANCING ACTIVITIES							
Dividends paid	(1,053,856)	(912,294)					
Decrease in guarantee deposits received	30,707	(1,376)					
Payment of lease	(3,067)	-					
Issuance of bonds payable Payments for transaction costs attributable to the issuance of debt	-	5,300,000					
instruments		(20,000)					
Net cash (used in) generated from financing activities	(1,026,216)	4,366,330					
EFFECTS OF EXCHANGE RATE CHANGES ON THE							
BALANCE OF CASH HELD IN FOREIGN CURRENCIES	12,007	(2,320)					
NET DECREASE IN CASH AND CASH EQUIVALENTS	(147,745)	(7,145,225)					
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	7,410,223	14,555,448					
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 7,262,478</u>	<u>\$ 7,410,223</u>					
The accompanying notes are an integral part of the financial statements.							
(With Deloitte & Touche audit report dated March 30, 2020)		(Concluded)					

Attachment 4:

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders Yulon Motor Company Ltd.

Opinion

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

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

Basis for Opinion

We conducted our audit of the consolidated financial statements for the year ended December 31, 2019 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Rule No. 1090360805 issued by the Financial Supervisory Commission of the Republic of China on February 25, 2020, and auditing standards generally accepted in the Republic of China. We conducted our audit of the consolidated financial statements for the year ended December 31, 2018 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matters of the Group's consolidated financial statements for the year ended December 31, 2019 are stated as follows:

Impairment Assessment of Luxgen's Vehicle Model Development Cost and Molds, and the Assessment of Recoverable Amount of Dongfeng Yulon Motor Co., Ltd.'s

Account Receivable and Other Receivables

(Please refer to Notes 4, 5, 12, 14, 21 and 30.)

Due to the decline of sales volume of Luxgen in Taiwan and China, the Group identifies different models of vehicles as separate cash-generating units, and tests them for impairment at least annually. The Group also assesses the recoverable amount of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd, the car manufacturer of Luxgen in China. Because the above-mentioned are an area of professional judgment, we determine the impairment assessment of the vehicle model development cost and molds equipment and the recoverable assessment of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd as key audit matter.

The main audit procedures we have performed in respect of the key audit matter stated above about impairment assessment of the vehicle model development cost and molds equipment as follows:

- 1. We understood the process and basis for the estimated growth rate and profitability of the sales forecast of the Group.
- 2. We reviewed whether the estimated operating cash flow considered the latest operating performance and industry overview.
- 3. We assessed the evaluation model used by the management.
- 4. We assessed the weighted average cost of capital (WACC) used by the management in calculating the recoverable amount in accordance with the valuation model, including risk-free rate, volatility and risk premium. We verified that the WACC was consistent with the Group status and the industry.
- 5. Use of the independent financial adviser of the Firm to assist in the assessment of net fair value.

The main audit procedures we have performed in respect of the key audit matter stated above about recoverable assessment of accounts receivable and other receivables of Dongfeng Yulon Motor Co., Ltd as follows:

- 1. Understand and assess the reasonableness of the assumptions and methods used by management to analyse the financial position and recoverable amounts of Dongfeng Yulong Motor Co., Ltd.
- 2. Obtain the recoverable amount assessed by the management and assess whether the amount of allowance for impairment is sufficient for the end of the period.

Estimated Impairment of Trade Receivable

As described in Note 5, the determination of estimated impairment of trade receivable of the Group's horizontal segments takes into consideration the present value of estimated future cash flows based on assumptions about risk of default and expected loss rates. The Group uses judgment in making these assumptions and in selecting the inputs to the impairment calculation, based on the Group's historical experience, existing market conditions as well as forward looking estimates as of the end of each reporting period. Where the actual future cash inflows are less than expected, a material impairment loss may arise. The key assumptions and inputs used involved significant management judgment and estimation uncertainty; thus, this is determined as a key audit matter.

Our audit procedures included the following:

- 1. We understood the policies on impairment of trade receivable and assessed the reasonableness of impairment of receivables by performing inquiry, inspection and reperformance of related internal controls.
- 2. We involved our internal IT specialists in testing the system that generated related documents used by management in the evaluation and determination of default rate and expected loss rate; the tests verified the correctness of the assumptions used in the determination of default rate and expected loss rate.
- 3. We recalculated the impairment based on the impairment policy of the Group.

Other Matter

We have also audited the financial statements of Yulon Motor Company Ltd. as of and for the years ended December 31, 2019 and 2018 on which we have issued an unmodified opinion.

As described in Note 1, the Group had the ability to direct the relevant activities of Haitec Co., Ltd, and had control since December 31, 2019. This transaction was determined to the business combination under common control. Therefore, the consolidated balance sheets, the consolidated statements of changes in equity statements and the consolidated statements of cash flows should be restated from December 31, 2018.

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

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- 1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- 3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

The engagement partners on the audit resulting in this independent auditors' report are Hsin-Wei, Tai and Yu-Wei, Fan.

Deloitte & Touche Taipei, Taiwan Republic of China

March 30, 2020

Notice to Readers

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

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

CONSOLIDATED BALANCE SHEETS DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019		2018	
ASSETS	Amount	%	(Audited after Resta	%
CURRENT ASSETS				
Cash and cash equivalents Financial assets at fair value through profit or loss - current	\$ 26,147,935 3,122,549	8 1	\$ 29,901,221 670,694	9
Financial assets at fair value through other comprehensive income - current	123,754	-	126,059	-
Derivative financial assets for hedging - current Financial assets at amortized cost - current	232 9,863,773	3	12,356 5,559,293	2
Notes and trade receivable	134,239,270	43	114,859,381	36
Notes and trade receivable from related parties Lease receivable	2,624,469	1 -	12,280,189 25,017,877	4 8
Finance lease receivables	27,576,053	9	-	-
Other receivables Inventories	3,094,985 16,573,045	1 5	5,109,778 17,298,242	1 5
Other current assets	6,015,310	2	8,827,761	3
Incremental costs of obtaining a contract - current	2,562,866	1	2,035,940	1
Total current assets	231,944,241	<u>74</u>	221,698,791	<u>69</u>
NON-CURRENT ASSETS Financial assets at fair value through profit or loss - non-current	2,249	-	2,620	-
Financial assets at fair value through other comprehensive income - non-current	486,268	-	602,818	-
Financial assets at amortized cost - non-current Investments accounted for using the equity method	464,750 21,095,613	7	513,664 29,260,373	9
Property, plant and equipment	36,381,174	12	37,984,471	12
Right-of-use assets Investment properties	3,629,258 8,324,573	1 3	9,756,450	3
Goodwill	882	-	882	-
Vehicle model development cost Other intangible assets	6,309,074 460,577	2	11,138,852 437,747	4
Deferred tax assets	1,855,003	1	1,551,030	1
Long-term finance lease receivables Long-term lease receivables	1,330,231	-	1,346,884	1
Refundable deposits	380,281	-	1,204,279	-
Long-term prepayments for lease Other non-current assets	1,227,369	-	1,070,081 3,291,617	- 1
Total non-current assets	81,947,302	26	98,161,768	31
TOTAL.	\$ 313,891,543	100	\$ 319,860,559	
	<u>9 31330713913</u>	<u>-100</u>	<u>9 517,000,557</u>	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term bills payable Short-term borrowings	\$ 98,483,301 78,122,271	32 25	\$ 81,952,228 80,802,175	26 25
Financial liabilities for hedging - current	241	-	81	-
Financial liabilities at amortized cost - current Notes and trade payables	1,834,953 4,966,357	1 2	5,446,374	2
Notes and trade payable to related parties	8,649,402	3	8,724,303	3
Other payables	10,005,161	3	8,840,616	3
Current tax liabilities Provisions - current	677,559 223,494	-	799,648 283,760	-
Lease liabilities - current	788,127	-		-
Current portion of bonds payable Current portion of long-term borrowings	10,340,447 3,549,488	3 1	6,443,671 1,592,897	2
Other current liabilities	12,962,448	4	12,776,196	4
Total current liabilities	230,603,249	74	207,661,949	_65
NON-CURRENT LIABILITIES				
Bonds payable	15,300,000	5	15,300,000	5
Long-term borrowings Provisions - non-current	2,780,352 724,016	1 -	4,078,650 873,808	1 -
Deferred tax liabilities	4,045,315	1	4,001,887	1
Lease liabilities - non-current Net defined benefit liabilities - non-current	1,951,982 1,001,238	1 -	1,008,356	1
Other non-current liabilities	404,240		2,511,935	1
Total non-current liabilities	26,207,143	8	27,774,636	9
Total liabilities	256,810,392	82	235,436,585	<u>74</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital Ordinary shares	15,729,199	5	15,729,199	5
Capital surplus	6,566,495	$\frac{5}{2}$	6,597,972	$\frac{5}{2}$
Retained earnings	0.201.022		0.070.110	
Legal reserve Special reserve	8,281,822 39,373,565	3 13	8,078,119 38,373,565	2 12
Unappropriated earnings	(23,880,202)	<u>(8)</u>	2,787,202	<u>1</u> <u>15</u>
Total retained earnings Other equity	23,775,185	8	49,238,886	15
Exchange differences on translating foreign operations	(1,255,680)	-	(919,398)	-
Unrealized gain on financial assets at fair value through other comprehensive income Gain (loss) on hedging instrument	1,397,517	-	1,466,521 252	-
Total other equity	141,833	<u>-</u>	547,375	<u> </u>
Treasury shares	(376,304)		(376,304)	
Total equity attributable to owners of the Company	45,836,408	15	71,737,128	22
COMMON CONTROL OF PREDECESSOR RIGHTS			564,712	_ -
NON-CONTROLLING INTERESTS	11,244,743	3	12,122,134	4
Total equity	57,081,151	<u>18</u>	84,423,974	<u>26</u>
TOTAL	<u>\$ 313,891,543</u>	100	<u>\$ 319,860,559</u>	<u>100</u>

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

(With Deloitte & Touche auditors' report dated March 30, 2020)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

	2019		2018	
	Amount	%	Amount	%
OPERATING REVENUE				
Sales	\$ 58,150,540	68	\$ 63,345,325	72
Investment income	19,741	-	18,560	12
Rental revenue	8,219,150	10	8,105,901	9
Service revenue	3,573,043	4	3,528,631	4
Other operating revenue	15,838,100	18	13,117,284	<u>15</u>
Total operating revenue	85,800,574	<u>100</u>	88,115,701	<u>100</u>
OPERATING COSTS				
Cost of goods sold	49,412,806	57	56,071,453	64
Investment cost	316	-	21,780	-
Rental cost	6,778,597	8	6,645,835	8
Service cost	2,399,963	3	2,047,297	2
Other operating cost	21,336,100	<u>25</u>	4,369,681	5
Total operating costs	79,927,782	93	69,156,046	<u>79</u>
GROSS PROFIT	5,872,792	7	18,959,655	21
REALIZED (UNREALIZED) GAIN ON TRANSACTIONS WITH ASSOCIATES AND	4.264		5 571	
JOINT VENTURES	4,364		5,571	
REALIZED GROSS PROFIT	5,877,156	7	18,965,226	21
OPERATING EXPENSES				
Selling and marketing expenses	8,018,465	9	8,416,494	10
General and administrative expenses	6,395,241	8	5,766,397	6
Research and development expenses	803,572	1	295,157	-
Expected credit loss	21,398,578	<u>25</u>	2,468,835	3
Total operating expenses	36,615,856	_43	16,946,883	<u>19</u>
PROFIT FROM OPERATIONS	(30,738,700)	<u>(36</u>)	2,018,343	2
NON-OPERATING INCOME				
Other income	1,258,489	1	1,190,465	1
Other losses	266,775	-	(322,421)	-
			(Con	tinued)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

	2019		2018	
	Amount	%	Amount	%
Finance costs Share of profit of associates and joint ventures	\$ (1,122,664)	(1)	\$ (513,165)	-
accounted for by the equity method Interest income	6,300,049 598,903	7 1	2,693,289 318,551	3
Total non-operating income	7,301,552	8	3,366,719	4
PROFIT BEFORE INCOME TAX	(23,437,148)	(28)	5,385,062	6
INCOME TAX EXPENSE	1,096,329	1	1,538,026	1
NET PROFIT FOR THE YEAR	(24,533,477)	<u>(29</u>)	3,847,036	5
OTHER COMPREHENSIVE INCOME Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans Unrealized gain on investments in equity	(98,701)	-	55,961	-
instruments at fair value through other comprehensive income Share of the other comprehensive losses of	197,175	-	(211,382)	-
associates and joint ventures accounted for by the equity method	106,811 205,285	-	(61,299) (216,720)	_ -
Items that may be reclassified subsequently to profit or loss:				
Exchange differences arising on translation operations Loss on hedging instruments not subject to	(242,559)	-	(160,396)	-
basis adjustment Share of the other comprehensive of	(451)	-	643	-
associates and joint ventures accounted for by the equity method	(267,007) (510,017)	<u>-</u>	(311,323) (471,076)	<u>(1)</u> <u>(1)</u>
Other comprehensive loss for the year, net of income tax	(304,732)		(687,796)	(1)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$(24,838,209)</u>	<u>(29</u>)	\$ 3,159,240 (Con-	<u>4</u> tinued)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

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

	2019	2018		
	Amount	%	Amount	%
NET DOCEIT ATTRIBUTA DI E TO.				
NET PROFIT ATTRIBUTABLE TO: Owners of the Company	\$(24,465,408)	(29)	\$ 2,037,032	2
Common control of predecessor rights	(564,712)	(1)	-	_
Non-controlling interests	496,643	1	1,810,004	2
	<u>\$(24,533,477)</u>	<u>(29</u>)	\$ 3,847,036	<u>4</u>
TOTAL COMPREHENSIVE INCOME				
ATTRIBUTABLE TO: Owners of the Company	\$(24,603,974)	(29)	\$ 1,490,742	2
Common control of predecessor rights	(564,712)	(29) (1)	\$ 1,490,742	_
Non-controlling interests	330,477	<u>1</u>	1,668,498	2
	<u>\$(24,838,209)</u>	<u>(29</u>)	\$ 3,159,240	4
EARNINGS PER SHARE				
Basic	<u>\$(16.61</u>)		<u>\$1.39</u>	
Diluted	<u>\$(16.61</u>)		<u>\$1.39</u>	

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

(With Deloitte & Touche auditors' report dated March 30, 2020)

(Concluded)

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

	Equity Attributable to Owners of the Company												
				Retained Earnings	Unappropriated	Exchange Differences on Translating Foreign	Other Equity Unrealized Gain on Financial Assets at Fair Value Through Other Comprehensive	Gain (Loss) on Hedging			Common Control of Predecessor	Non-controlling	
	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Earnings	Operations	Income	Instruments	Treasury Shares	Total	Rights	Interests	Total Equity
BALANCE, JANUARY 1, 2018	\$ 15,729,199	\$ 6,665,705	\$ 7,849,288	\$ 37,373,565	\$ 2,824,893	\$ (593,515)	\$ 1,755,559	\$ (92)	\$ (376,304)	\$ 71,228,298	\$ -	\$ 8,688,986	\$ 79,917,284
Appropriation of the 2017 earnings Legal reserve Special reserve	- -	- -	228,831	1,000,000	(228,831) (1,000,000)	- -	- -	- -	- -	- -	- -	- -	- -
Cash dividends distributed by the Company (NT\$0.58 per share) Cash dividends distributed by subsidiaries	-	-	-	-	(912,294)		-	-	-	(912,294)	-	(1,194,067)	(912,294) (1,194,067)
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	(24,422)	-	-	(794)	-	-	-	-	(25,216)	-	-	(25,216)
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	(43,311)	-	-	(1,091)	-	-	-	-	(44,402)	-	44,402	-
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	2,115,343	2,115,343
Net profit for the year ended December 31, 2018	-	-	-	-	2,037,032	-	-	-	-	2,037,032	-	1,810,004	3,847,036
Other comprehensive income for the year ended December 31, 2018, net of income tax					71,119	(325,883)	(291,870)	344	-	(546,290)	-	(141,506)	<u>(687,796</u>)
Total comprehensive income for the year ended December 31, 2018		-		_	2,108,151	(325,883)	(291,870)	344	_	1,490,742	_	1,668,498	3,159,240
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income	-	· -	_	-	(2,832)	-	2,832	_	- <u>-</u>	_	-	_	_
BALANCE, DECEMBER 31, 2018 (AFTER RESTATEMENT)	15,729,199	6,597,972	8,078,119	38,373,565	2,787,202	(919,398)	1,466,521	252	(376,304)	71,737,128	-	11,323,162	83,060,290
Effect of retrospective application and retrospective restatement	-		_	_	-	_		_	_	-	564,712	798,972	1,363,684
BALANCE AT JANUARY 1, 2018 AS RESTATED	15,729,199	6,597,972	8,078,119	38,373,565	2,787,202	(919,398)	1,466,521	252	(376,304)	71,737,128	564,712	12,122,134	84,423,974
Appropriation of the 2018 earnings Legal reserve Special reserve	- -	- -	203,703	1,000,000	(203,703) (1,000,000)	- -	-	-	- -	- -	- -	- -	- -
Cash dividends distributed by the Company (NT\$0.67 per share) Cash dividends distributed by subsidiaries	- -	- -	- -	-	(1,053,856)	-	- -	- -	-	(1,053,856)	-	(1,106,576)	(1,053,856) (1,106,576)
Change in equity from investments in associates and joint ventures accounted for by using equity method	-	(31,477)	-	-	(99,130)	-	-	-	-	(130,607)	-	-	(130,607)
Change in equity from the differences between the consideration received or paid and the carrying amount of the subsidiaries' net assets during disposal or acquisition	-	-	_	-	(112,283)	-	-	-	-	(112,283)	-	196,389	84,106
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(297,681)	(297,681)
Net profit for the year ended December 31, 2019	-	-	-	-	(24,465,408)	-	-	-	-	(24,465,408)	(564,712)	496,643	(24,533,477)
Other comprehensive income for the year ended December 31, 2019, net of income tax			-	-	(87,425)	(336,282)	285,397	(256)	-	(138,566)	-	(166,166)	(304,732)
Total comprehensive income for the year ended December 31, 2019	-	-		-	(24,552,833)	(336,282)	285,397	(256)	_	(24,603,974)	(564,712)	330,477	_(24,838,209)
Associates disposed the investments in equity instruments designed as at fair value through other comprehensive income			-	-	354,401	-	(354,401)	-			-		
BALANCE, DECEMBER 31, 2019	\$ 15,729,199	<u>\$ 6,566,495</u>	\$ 8,281,822	\$ 39,373,565	<u>\$ (23,880,202)</u>	<u>\$ (1,255,680)</u>	\$ 1,397,517	<u>\$ (4)</u>	\$ (376,304)	\$ 45,836,408	<u> </u>	\$ 11,244,743	\$ 57,081,151

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

(With Deloitte & Touche auditors' report dated March 30, 2020)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	\$(23,437,148)	\$ 5,385,062
Adjustments for:	,	
Expected credit loss	21,398,578	2,468,836
Impairment loss recognized on non-financial assets	15,906,408	1,143,742
Interest income	(14,833,597)	
Depreciation expenses	7,829,520	6,815,997
Share of profit of associates and joint ventures accounted for		
by the equity method	(6,300,049)	(2,693,289)
Finance costs	4,259,798	2,787,334
Gain on proceeds of investments accounted for using the	(= 1 = 0 = 0 1)	
equity method	(3,150,981)	-
Amortization expenses	2,440,283	2,104,069
Net loss on foreign currency exchange	392,212	260,331
Gain on modification of lease	(43,745)	-
Net (gain) loss on fair value change of financial assets and	(42.010)	20.220
liabilities designated as at fair value through profit or loss	(42,819)	20,339
Dividend income	(40,366)	(55,233)
Loss on disposal of property, plant and equipment	26,171	29,462
Recognition (reversal) of provisions	(18,131)	139,777
Loss on disposal of intangible assets	5,765	2,963
Realized (gain) loss on the transactions with associates and	(4.264)	4 101
joint ventures accounted for by the equity method	(4,364)	4,191
Impairment loss recognized on financial assets Changes in operating assets and liabilities	-	3,931
Financial assets mandatorily classified as at fair value through		
profit or loss	(2,444,466)	1,472,283
Notes and trade receivable	(21,182,638)	
Other receivables	(2,986,874)	(2,823,425)
Inventories	1,435,159	(2,677,241)
Other current assets	238,090	(2,537,991)
Finance lease receivables	(4,849,395)	(8,367,259)
Available-for-operating-sale leased assets	(5,902,672)	(6,042,113)
Incremental cost of obtaining a contract	(2,641,734)	(2,148,491)
Other operating assets	(863,775)	(2,348,530)
Notes and trade payable	(162,611)	(555,614)
Other payables	169,807	(4,945,487)
Provisions	(191,926)	(175,641)
Guarantee deposits received	1,140,787	842,695
Other current liabilities	(745,673)	135,778
Accrued pension liabilities	(104,668)	(371,709)
Other operating liabilities	50,183	(125,489)
Cash used in operations	(34,654,871)	(48,569,536)
Interest received	15,059,719	11,749,174
		(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
Interest paid	\$ (3,815,630)	\$ (2,741,023)
Income tax paid	(1,488,363)	(1,114,203)
Net cash used in operating activities	(24,899,145)	(40,675,588)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash used in proceeds on associates	11,159,039	-
Purchase of financial assets at amortized cost	(9,068,553)	(2,413,956)
Payments for property, plant and equipment	(4,851,284)	(3,740,191)
Dividend received	3,447,908	4,352,049
Proceeds from disposal of financial assets at amortized cost	3,229,295	5,861,518
Proceeds from disposal of property, plant and equipment	1,112,448	863,962
Payments for intangible assets	(1,711,579)	(144,823)
Payments for other non-current assets	-	(1,197,397)
Proceeds from the capital reduction of investments accounted for		
using the equity method	668,883	90,128
Proceeds on financial assets at fair value through other		
comprehensive income	397,883	3,040
Payments for investment properties	(307,270)	(344,370)
Decrease in refundable deposits	(74,027)	(13,438)
Payment for right-of-use assets	(12,931)	-
Purchase on financial assets at fair value through other		
comprehensive income	(2,539)	(1,904)
Acquisition of subsidiaries	9,147	-
Purchase of investments accounted for using the equity method	-	(325,399)
Decrease in prepayments for leases	-	(41,172)
Proceeds on intangible assets	-	293
Net cash generated from investing activities	3,996,420	2,948,340
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term bills payable	285,247,376	248,774,288
Repayment of short-term bills payable	(268,628,212)	(234,214,646)
Proceeds from short-term borrowings	157,502,187	192,888,277
Repayment of short-term borrowings	(158,616,675)	(173,105,661)
Proceeds from long-term borrowings	22,816,461	1,163,156
Repayment of long-term borrowings	(22,233,460)	(794,768)
Issuance of bonds payable	3,892,150	7,396,900
Dividends paid	(2,152,500)	(2,085,150)
Payment of lease liabilities principal	(818,040)	-
Proceeds of financial liabilities at amortized cost	697,703	-
Change in non-controlling interests	(303,398)	(241,251)
Decrease (increase) in guarantee deposits received	(153,522)	54,692
Proceeds from subsidiaries of issuance of preference shares	-	2,356,594
		(Continued)

YULON MOTOR COMPANY LTD. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars)

	2019	2018
Proceeds from organizational reorganization Payments for transaction costs attributable to the issuance of debt	\$ -	\$ 955,210
instruments		(20,000)
Net cash generated from financing activities	17,250,070	43,127,641
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(100,631)	(130,361)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,753,286)	5,270,032
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	29,901,221	24,631,189
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>\$ 26,147,935</u>	<u>\$ 29,901,221</u>

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

(With Deloitte & Touche auditors' report dated March 30, 2020)

(Concluded)

Attachment 5:



In NTD

Item	Total
Undistributed earnings of prior period	529,642,426
Plus: Disposal of Investments in Equity Instruments at air Value through Other Comprehensive Income	354,400,882
Less: Long-term equity investment adjusted to retained earnings	(211,412,806)
Less: The re-measured amount of defined benefit plans recognized in retained earnings	(87,424,584)
Adjusted undistributed earnings	585,205,918
Net loss	(24,465,407,975)
Deficit yet to be compensated – at the end of 2019	(23,880,202,057)
Compensation items	
Legal reserve used to cover deficits	0
Special reserve – Appropriated in accordance with business needs used to cover deficits	15,145,000,000
Undistributed ending retained earnings (after deficit compensation)	(8,735,202,057)

Chairman:



President:



Chief Accountant:



Attachment 6:

Comparison Table for the "Articles of Incorporation" Before and After Revision

After the Revision	Before the Revision	Remark
Article 6:	Article 6:	In response to
The Company's shares are ordered,	The Company's shares are ordered,	the " Company
numbered, and detailed with mandatory	numbered, and detailed with mandatory	Act "
information, and with the signature of	information, and with the signature of	amendments
The director representing the company	three directors or affixed, the stamp of	
or affixed, the stamp of the Company,	the Company, and then certified for	
and shall be duly certified or	lawful issuance. The Company may	
authenticated by the bank which is	have dematerialized stock shares	
competent to certify shares under the	issued; however, must contact the	
<u>laws before issuance thereof</u> . The	securities centralized depository	
Company may have dematerialized	institutions for registration.	
stock shares issued; however, must		
contact the securities centralized		
depository institutions for registration.		
Article 31	Article 31	Added revision
The Articles of Incorporation was	The Articles of Incorporation was	date.
established on July 23, 1953.	established on July 23, 1953.	
(omitted). The 53nd amendment was	(omitted). The 53nd amendment was	
implemented on June 21, 2019. The	implemented on June 21, 2019.	
54nd amendment was implemented on		
June 18, 2020.		

Attachment 7:

Comparison Table for the "Rules of Procedure for Shareholders Meetings" Before and After Revision

After the Revision	Before the Revision	Remark
Article 9:	Article 9:	The appropriate
The Chairman may announce	The Chairman may announce	and proper time
discretionally to have the proposal	discretionally to have the proposal	period of voting is
discussion ended for voting, and arrange	discussion ended for voting. When	clearly stipulated
the appropriate and proper time period of	necessary, the Chairman may announce	for shareholders
voting. When necessary, the Chairman	to have the proposal discussion	to exercise their
may announce to have the proposal	terminated.	voting rights. The
discussion terminated.		content is content
		amended.
Article 10:	Article 10:	The Company
For the resolution of proposals, unless	For the resolution of proposals, unless	adopts e-voting
otherwise provided in the Company Law,	otherwise provided in the Company Law,	comprehensively,
the consent of a majority vote of the	the consent of a majority vote of the	and thoroughly
attending shareholders shall prevail. The	attending shareholders shall prevail. The	implements the
meeting shall proceed in the order set by	motion resolved by the Chairman's	voting on the
the agenda (Including extraordinary	consulting the attending shareholders	case-by-case
motions and amendments to original	without dissent is deemed as passed and	basis. The content
proposals) and the calculation of	with the same effect as voting.	is content
shareholders' voting rights shall be	Shareholder has one vote per share	amended.
determined in accordance with relevant	Shareholders may attend the	
laws and regulations.	shareholder's meeting by proxy in	
Shareholders may attend the	accordance with the "Regulations	
shareholder's meeting by proxy in	Governing the Use of Proxies for	
accordance with the "Regulations	Attendance at Shareholder Meeting of	
Governing the Use of Proxies for	Public Companies" and the related law	
Attendance at Shareholder Meeting of	and regulations.	
Public Companies" and the related law		
and regulations.		
Article 15:	Article 15:	The content is
If the shareholder's meeting is convened	If the shareholder's meeting is convened	amended based on
by the Board of Directors, the Chairman	by the Board of Directors, the Chairman	the regulations of
of the Board is to chair the meeting. If	of the Board is to chair the meeting. If	the Articles of
the Chairman is on leave or is unable to	the Chairman is on leave or is unable to	Association of the
perform powers for reasons, the Vice	perform powers for reasons, the Vice	Company.
Chairman is to chair the meeting. If a	Chairman is to chair the meeting. If a	
Vice Chairman is not appointed or the	Vice Chairman is not appointed or the	
Vice Chairman is also on leave or is	Vice Chairman is also on leave or is	

After the Revision	Before the Revision	Remark
unable to perform duties for reasons, the	unable to perform duties for reasons, the	
Chairman is to appoint one of the	Chairman is to appoint one of the general	
directors to chair the meeting. If a	directors to chair the meeting. If a	
representative is not appointed by the	representative is not appointed by the	
Chairman, one of the <u>directors</u> should be	Chairman, one of the general directors	
elected to chair the meeting. If the	should be elected to chair the meeting. If	
shareholder's meeting is convened by the	the shareholder's meeting is convened by	
other convener other than the Board of	the other convener other than the Board	
Directors, the convener is to chair the	of Directors, the convener is to chair the	
meeting. If there are two or more	meeting. If there are two or more	
conveners, one of them should be elected	conveners, one of them should be elected	
to chair the meeting.	to chair the meeting.	
Article 20:	Article 20:	Added revision
The Rules of <u>Incorporation was</u>	The Rules_of <u>Procedure for Shareholder's</u>	date
established on June 30, 1975, amended	Meetings is implemented after the	
for the 1st time on June 10, 1989,	resolution reached in the shareholder's	
amended for the 2nd time on May 9,	meeting, so is the amendment.	
1998, amended for the 3rd time on May		
18, 2001, amended for the 4th time on		
June 14, 2002, and for the 5th time on		
June 12, 2012, and for the 6th time on		
<u>June 18, 2020.</u>		

Yulon Motor Co., Ltd. Shareholding of Directors

Record date: April 20, 2020

Unit: Share

Title	Name	Shareholding	Shareholding ratio (%)	Remark
Chairman	Yen Chen Li-Lien	284,901,045 18.11%	- 284,901,045	Representative of Tai Yuen
Vice Chairman	Kuo-Rong Chen			Textile Co., Ltd.
Director	Shin-I Lin	- 262,228,166 16	16.67%	Representative of China
Director	Liang Zhang		16.67%	Motor Corporation
Director	Jack J.T. Huang	17,287,844	344 1.09%	Representative of Yen Tjing- Ling Industrial Development
Director	Zhen-Xiang Yao			Foundation
Independent director	Yi-Hong Hsieh	1	1	
Independent director	Zhong-Qi Zhou	1	1	
Independent director	Yen-Chin Tsai	-		
	cholding of ctors	564,417,055	35.87%	

According to Article 26 of the Securities and Exchange Act and the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total shareholding of the Company's directors shall not be less than 2.4%, that is, 37,750,077 shares. The shareholdings of the Company's directors were 564,417,055 shares (35.87%) as of April 20, 2020, in compliance with the regulations. Please refer to the above table for the shareholding of the directors in details.

Yulon Motor Co., Ltd. Rules of Procedure for Shareholders' Meeting

Article 1

The shareholders' meeting of the Company is processed in accordance with the Rules of Procedure for Shareholders' Meeting.

Article 2

The attending shareholders should submit the signature card instead of signing on the register of shareholders; also, the shareholding of the attending shareholders is calculated by counting the signature cards collected.

The shareholding of attendance is based on the signature card submitted, plus the votes exercised by electronic means.

Attendance of the shareholder's meeting and votes should be calculated in accordance with the shareholding.

Article 3

The Chairman shall call the meeting to order when the shareholding of the attending shareholders represents the majority outstanding shares. If the shareholding of the attending shareholders does not meet the mandatory shareholding at the meeting time, the Chairman may announce to have the meeting postponed, which is limited to two postpones and for less than one-hour in total. If the shareholding of the attending shareholders does not meet the mandatory shareholding after two postpones but more than one thirds of the total number of shares issued, a pseudo-resolution can be resolved in accordance with Article 175 Paragraph 1 of the Company Law. If the shareholding of the attending shareholders is more than one half of the total number of shares issued before the end of the meeting, the Chairman may have the pseudo-resolution presented again in the shareholder's meeting for resolution in accordance with Article 174 of the Company Law.

Article 4

If the shareholder's meeting is convened by the Board of Directors, the agenda is scheduled by the Board. The meeting should be conducted in accordance with the agenda scheduled and it may not be amended without the resolution reached in the shareholder's meeting.

If the shareholder's meeting is convened by the authorized person other than the Board of Directors, the preceding provision is applicable.

The Chairman may not have the meeting adjourned discretionally before the proposals (including motions) resolved in the preceding agenda. If the Chairman has the meeting adjourned in violation of the Rules of Procedure for Shareholder's Meetings, the attending shareholders may have one shareholder elected as the Chairman to chair the meeting continuously with the majority votes of the attending shareholders.

After the adjournment of the meeting by the Chairman lawfully, shareholders shall not elect another chairman to resume the meeting at the same meeting site or any other location.

Article 5

Attending shareholders before speaking on the subject must fill out the speech slip, including shareholder account number, account name, and the subject in details for the Chairman to

determine the order of speakers.

Attending shareholders who have speech slips submitted but not speak shall be deemed as silent shareholders. If there is discrepancy found between the text of the speech and the speech slip submitted, the content of the speech shall prevail.

The Chairman may reply to the speaking shareholders personally or by the designated personnel.

Article 6

Each shareholder (or the representative) may not speak more than twice on the same motion for 5 minutes each time without the consent of the Chairman.

Article 7

The juristic person that has attended the shareholder's meeting by proxy can authorize only one representative to attend the meeting.

If the juristic person shareholder has two or more representatives assigned to attend the shareholder's meeting, only one of the representatives may speak on the same proposal in accordance with the provision in the preceding paragraph.

Article 8

The Chairman may have the speaking shareholders who violated the rules of time limit, spoke beyond the scope of the underlying issues, or were impolite silenced.

Attending shareholders may not interfere with the speaking shareholders without the consent of the Chairman and the speaking shareholders. The Chairman will have the violating shareholders stopped.

Article 9

The Chairman may announce discretionally to have the proposal discussion ended for voting. When necessary, the Chairman may announce to have the proposal discussion terminated.

Article 10

For the resolution of proposals, unless otherwise provided in the Company Law, the consent of a majority vote of the attending shareholders shall prevail. The motion resolved by the Chairman's consulting the attending shareholders without dissent is deemed as passed and with the same effect as voting. Shareholder has one vote per share

Shareholders may attend the shareholder's meeting by proxy in accordance with the "Regulations Governing the Use of Proxies for Attendance at Shareholder Meeting of Public Companies" and the related law and regulations.

Article 11

The Chairman may announce the meeting in recess. If the meeting discussion cannot be completed in one assembly, the shareholder's meeting may resolve to have the meeting resumed in five days without the need of issuing announcements and notices.

Article 12

When there is an amendment or alternative for the same motion, the Chairman shall have the order of vote, including the original proposal, determined accordingly. If one of the motions has been passed, the other motions shall be deemed as rejected without the need of further resolution.

The Chairman may direct disciplinary personnel (or security personnel) to help keep the meeting place in order.

The disciplinary personnel (or security personnel) that help keep the meeting place in order should wear an armband with "Marshal" affixed.

Article 14

The Chairman is allowed to appoint the scrutineers and ballot counting officers, and the scrutineers must be shareholders. Ballot counting result should be announced immediately and with records kept.

Article 15

If the shareholder's meeting is convened by the Board of Directors, the Chairman of the Board is to chair the meeting. If the Chairman is on leave or is unable to perform powers for reasons, the Vice Chairman is to chair the meeting. If a Vice Chairman is not appointed or the Vice Chairman is also on leave or is unable to perform duties for reasons, the Chairman is to appoint one of the general directors to chair the meeting. If a representative is not appointed by the Chairman, one of the general directors should be elected to chair the meeting. If the shareholder's meeting is convened by the other convener other than the Board of Directors, the convener is to chair the meeting. If there are two or more conveners, one of them should be elected to chair the meeting.

Article 16

The shareholder's meeting place should be at the Company's or the suitable locations for the meeting held or for shareholders to attend the meeting conveniently; also, the shareholder's meeting shall not be started before 9:00 or after 15:00.

Article 17

The Company may assign the appointed attorney, CPA, or responsible personnel to attend the shareholder's meeting.

The staff responsible for organizing the shareholder's meeting shall wear identification badges or armbands.

Article 18

The entire shareholder's meeting should be taped in audio or video recording and stored for at least one year.

Article 19

The matters that are not addressed in the Rules of Procedure for Shareholder's Meetings should be processed in accordance with the provisions of the Company Law and related law and regulations.

Article 20

The Rules of Procedure for Shareholder's Meetings is implemented after the resolution reached in the shareholder's meeting, so is the amendment.

Yulon Motor Co., Ltd. Articles of Incorporation

Chapter 1 General rules

Article 1

The Company was organized and incorporated in accordance with the Company Law and known as "YULON Motor Co., Ltd."

Article 2

The Company's business operation is as follows:

- 1. Various automobile and related raw materials, components, molds, jigs, tools, and other parts production, sales, design, testing and inspection, processing, and repairing, Class A auto repair shop, auto components (accessories) sale, auto body facelift and sales, vehicle inspection agency business, and vehicle sales business;
- 2. Various automobile raw materials and components supplied to Nissan Motor Co., Ltd. and overseas automotive affiliated companies;
- 3. Vehicle low-power radio-frequency equipment installation, sales, and import/export business;
- 4. F113070 Telecommunications equipment wholesale business;
- 5. F213060 Telecommunications equipment retail business;
- 6. General import/export business (excluding licensing business);
- 7. Technical consulting and advisory business of the foregoing businesses;
- 8. General business management consulting. (Excluding CPA service); (Excluding securities investment and consulting business)
- 9. H701010 Residential and building development and rental business;
- 10. H703010 Plant rental business;
- 11. H703020 Warehouse rental business:
- 12. H703030 Office building rental business;
- 13. ZZ99999 Except for licensing business, all businesses no-prohibited by law;

Article 2-1

The Company for business needs may have mutual guarantee arranged with the affiliated enterprises.

Article 2-2

The Company shall not be a shareholder with unlimited liability or a business partner of another company. If the Company is a shareholder with limited liability of another company, the total investment amount of the Company is not subject to the 40% investment threshold restriction of the Company Law.

The Company locates in Miaoli County with branches, offices, and factories setup domestically and internationally for business operation. The establishment, change, or repeal of the preceding branches, offices, and factories is per the resolution of the Board.

Article 4

The Company's announcement is to be posted on the Company's local daily newspaper, unless otherwise provided by the securities regulatory authorities.

Chapter 2 Stock shares

Article 5

The Company's authorized capital amounted to NTD20 billion with 2 billion stock shares issued at NTD10 par, in which, the Board is authorized to have the unissued shares issued by installments.

One hundred million shares of the total number of shares issued are reserved for the subscription of stock options, preferred stock with warrants, and corporate bonds with warrants.

Article 6

The Company's shares are ordered, numbered, and detailed with mandatory information, and with the signature of three directors or affixed, the stamp of the Company, and then certified for lawful issuance. The Company may have dematerialized stock shares issued; however, must contact the securities centralized depository institutions for registration

Article 7

The Company has the register of shareholders prepared with the mandatory information included. Shareholders should have the name or title, domicile or residence, and seal template filled in the seal card for the Company's record. The collection of dividends or exercise of all rights in the future shall base on the seal card on file.

The changes made to the register of shareholders are prohibited within 60 days prior to the annual shareholder's meeting, 30 days prior to the extraordinary shareholder's meeting, or 5 days prior to the record date of the Company's distributing dividends or other benefits.

Article 8

The Company's stock is processed in accordance with the "Regulations Governing the Administration of Shareholder Services of Public Companies," unless otherwise provided by law and regulations.

Chapter 3 Shareholder's Meeting

Article 9

The Company has two types of shareholder's meeting held.

- 1. Annual shareholder's meeting: It is to be held within 6 months after the fiscal year.
- 2. Extraordinary shareholder's meeting: It is to be convened in accordance with the Company Law.

Shareholders should be informed of the shareholder's meeting date, time, place, and subject 30 days in advance for the annual shareholder's meeting and 15 days in advance for the extraordinary shareholder's meeting.

Article 11

The resolutions reached in the shareholder's meeting, unless otherwise provided in the Company Law, must be with the majority votes of the attending shareholders and the shareholding of the attending shareholders is over one half of the total number of shares issued. Shareholders are entitled to per share per vote, unless otherwise provided in the Company Law.

Article 12

Shareholders who are unable to attend the shareholder's meeting for reasons may issue the Company's proxy with the scope of authorization detailed to commission the representative to attend the meeting. The restrictions and precautions of commission and representation are subject to the provisions of the Company Law. Shareholders may not have a proxy issued in exchange for equivalent consideration. The commission in violation of the requirements is invalid.

Article 13

The minutes of the shareholder's meeting shall include the meeting date, place, the name of the Chairman, the number of attending shareholders and the votes, the method of resolutions, the essentials of procedure and results, and the signature or seal of the Chairman. The minutes of the shareholder's meeting together with the register of shareholders (signature cards) and proxy should be stored within the Company. The distribution of the minutes of the shareholder's meeting can be processed by notices.

Chapter 4 Directors and the Board of Directors

Article 14

The Company's Board is with 6~15 directors elected by a nomination system from the director candidate list in the shareholder's meeting for 3-year tenure and eligible for reelection. The total shareholding ratio of all directors is processed in accordance with the securities regulatory authorities.

The number of the Company's independent directors at least 3 seats and the nomination system is adopted to have independent directors elected from the director candidate list.

The professional qualifications, shareholding, part-time job restrictions, nomination and election method, and other compliance matters of the independent directors shall be handled in accordance with the securities regulatory authorities.

Article 15

For the organization of the Board of Directors, the Directors shall elect from among themselves a Chairman of the Board of Directors, may elect a Vice Chairman of the Board of Directors, by a majority in a meeting attended by over two-thirds of the Directors.

Chairman chairs the shareholder's meeting and the Board meeting, internally, and represents the Company externally. The Chairman is responsible for the business operation of the Company. The Vice Chairman is to act on the Chairman's behalf when the Chairman is on leave or unable to exercise powers for reasons. When there is no Vice Chairman appointed or the Vice Chairman is on leave or is unable to exercise powers for reasons, the Chairman is to appoint one Director to act on his/her behalf. If a representative is not appointed by the Chairman, one of the Directors is elected to chair the meeting.

Article 17

The powers of the Board are as follows:

- 1. Business policies and decisions;
- 2. Review and approval of bylaws;
- 3. Review and approval of budget;
- 4. The proposed earnings distribution;
- 5. The proposed capital increase or decrease;
- 6. Discussion and approval of stock shares issuance;
- 7. The appointment and dismissal of the key employees;
- 8. The acquisition and disposal of the Company's material property and real estate;
- 9. The other powers entrusted in accordance with the law and regulations and resolved in the shareholder's meeting;

Article 18

The Board is to convene a meeting every three-month with the directors notified within the prescribed time period. An extraordinary meeting can be convened for urgent matters or upon the request of a majority of the directors that is to be convened by the Chairman. The convention notice may be informed to the directors by paper, e-mail or fax.

The directors who is unable to attend the meeting for reasons may appoint another director to attend the meeting by proxy that is limited to one representative only.

Article 19

The resolutions of the Board, unless otherwise provided in the Company Law, must be with the attendance of the majority of the Directors and the consent of the majority of the attending Directors. The minutes of meeting should be signed or sealed by the Chairman and stored within the Company.

Article 20:

(Deletion)

Chapter 5 Various Functional Committees

Article 21

The Company established the Audit Committee pursuant to the laws and regulations. The Audit Committee or Audit Committee members shall be responsible for the execution of Company Act, Securities Exchange Act, and other supervisory functions regulated by law.

The supervisor system was deleted on the day of the establishment of Audit Committee by law.

The Audit Committee should be constituted by all independent directors.

The number of members, terms, functions, meeting rules, resources while the Audit Committee exercises and other matters shall be regulated in the Articles of Audit Committee Incorporation.

Article 21-1

The Board of Directors of the Company may establish various functional committees. The regulations governing the exercise of functional committees shall be developed and adopted by the Board of Directors before implementation.

Article 22

(Deletion)

Article 23

(Deletion)

Chapter 6 The management and staff

Article 24

The Company has one President, Senior Vice President, Vice President, and several managers to be appointed and dismissed by the Board of Directors. The President is to have employees hired or dismissed.

Article 25

The President leads the managers and department heads to manage the overall business per the instruction of the Chairman and with the assistance of the Senior Vice President and Vice President.

Chapter 7 Accounting

Article 26

The Company's fiscal year is from January 1 to December 31. At the end of each fiscal year, the Board shall have the following books and statements prepared in accordance with Article 228 of the Company Law and forward to the Audit Committee to audit and propose the report, before acknowledged in the shareholder's meeting.

Article 27

If the Company makes profits for the fiscal year, the profits shall be appropriated for remuneration in the follows:

- 1. The remuneration for directors may not exceed 0.5% while independent directors may not participate in the distribution of the preceding remuneration.
- 2. The remuneration for employees may not fall below 0.1%. The preceding remuneration for employees is resolved by the Board of Directors and distributed in the form of stocks or cash. The distribution of remuneration for employees and directors shall be reported to the Shareholder's Meeting.

- 3. If the Company still has cumulative loss, the amount to make up the loss shall be withheld beforehand, and then the remuneration is distributed in accordance with the previous proportions. The 14th supervisors could still acquire remuneration upon the expiration of term, dismissal or resignation in accordance with the 51st revision on June 11, 2013. The remuneration proportion, remuneration distribution procedure and distribution conditions shall comply with the regulations related to the remuneration for directors.
- 4. If the Company makes surplus for the fiscal year, apart from making up for the cumulative loss in the past and taxation according to the law, 10% of the legal reserve and special reserve according to the regulations of competent authority shall be appropriated. The balance together with the remaining amount as of the beginning unappropriated earnings shall be the available reserve for distribution.
- 5. The Company engages in an industry with stable maturity. In consideration of the profit status, funding requirement for future operational plan and changes in industry environment of the Company in addition to taking account of long-term shareholders' equity and long-term financial planning of the Company, the dividend distribution of the Company should not fall below 10% of the available reserve. Dividends are distributed in cash or stock. In particular, the proportion of cash dividend distribution may not fall below 20% of total dividend amount. Finally the Board of Directors proposes the distribution statement to reach resolution at the Shareholder Meeting.

The remuneration of the Company's directors is authorized Board of Directors to proposed base on the individual contribution to the Company and the standard of the same trade concerned.

The Company's profit, if any, are applied for the distribution of remuneration to directors in accordance with Article 27 of the Articles of Incorporation..

Chapter 8 Appendix

Article 29

The Company's organizational rules and other by-laws are regulated and authorized separately by the Board of Directors.

Article 30

The matters that are not regulated in the Articles of Incorporation should be processed in accordance with the Company Law and the related laws and regulations.

Article 31

The Articles of Incorporation was established on July 23, 1953.

The 1st amendment was implemented on October 23, 1954.

The 2nd amendment was implemented on June 23, 1956.

The 3rd amendment was implemented on July 20, 1958.

The 4th amendment was implemented on June 29, 1960.

The 5th amendment was implemented on September 28, 1964.

The 6th amendment was implemented on July 5, 1965.

The 7th amendment was implemented on November 14, 1966.

The 8th amendment was implemented on November 14, 1967.

The 9th amendment was implemented on November 27, 1968.

The 10th amendment was implemented on November 28, 1969.

The 11th amendment was implemented on September 29, 1970.

The 12th amendment was implemented on November 29, 1971.

The 13th amendment was implemented on May 31, 1972.

The 14th amendment was implemented on November 30, 1973.

The 15th amendment was implemented on December 12, 1974.

The 16th amendment was implemented on June 30, 1975.

The 17th amendment was implemented on March 18, 1976.

The 18th amendment was implemented on June 16, 1977.

The 19th amendment was implemented on April 19, 1979.

The 20th amendment was implemented on May 2, 1980.

The 21st amendment was implemented on May 2, 1981.

The 22nd amendment was implemented on May 7, 1983.

The 23rd amendment was implemented on June 9, 1984.

The 24th amendment was implemented on June 1, 1985.

The 25th amendment was implemented on August 31, 1985.

The 26th amendment was implemented on June 21, 1986.

The 27th amendment was implemented on June 6, 1987.

The 28th amendment was implemented on June 11, 1988.

The 29th amendment was implemented on June 10, 1989.

The 30th amendment was implemented on December 16, 1989.

The 31st amendment was implemented on May 12, 1990.

The 32nd amendment was implemented on May 25, 1991.

The 33rd amendment was implemented on May 23, 1992

The 34th amendment was implemented on May 15, 1993.

The 35th amendment was implemented on May 7, 1994.

The 36th amendment was implemented on June 8, 1996.

The 37th amendment was implemented on May 17, 1997.

The 38th amendment was implemented on May 9, 1998.

The 39th amendment was implemented on May 6, 1999.

The 40th amendment was implemented on May 15, 2000.

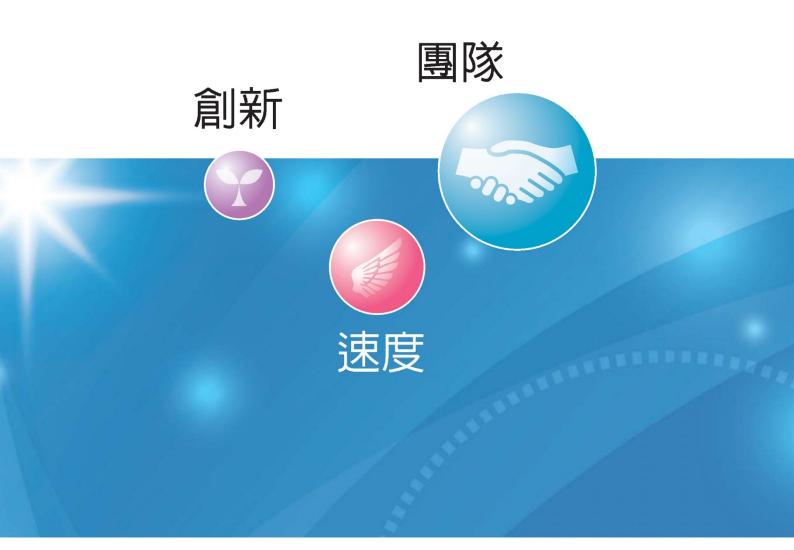
The 41st amendment was implemented on December 8, 2000.

The 42nd amendment was implemented on May 18, 2001
The 43rd amendment was implemented on June 14, 2002.
The 44th amendment was implemented on June 16, 2004.
The 45th amendment was implemented on June 13, 2005.
The 46th amendment was implemented on June 12, 2006.
The 47th amendment was implemented on June 21, 2007.
The 48th amendment was implemented on June 19, 2009.
The 49th amendment was implemented on June 17, 2011.
The 50th amendment was implemented on June 12, 2012.
The 51st amendment was implemented on June 11, 2013.
The 52nd amendment was implemented on June 21, 2016.

The 53nd amendment was implemented on June 21, 2019.

The impact of stock dividend on the Company's business performance, earnings per share, and shareholder's return on investment ratio:

It is not applicable since there is no stock dividends distributed this year.





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