

2022
Annual General Shareholders' Meeting
Meeting Handbook
(Translation)

May 26, 2022



Stock Code: 9933

Notice to readers :

This English version handbook is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

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CTCI CORPORATION

Procedure of 2022 Annual General Shareholders' Meeting

1. Call Meeting to Order
(Report of Number of Shares Represented by Attendees)
2. Chairman's Address
3. Report Items
4. Ratification Items
5. Discussion Items
6. Special Motions
7. Meeting Adjourned

Agenda of 2022 Annual General Shareholders' Meeting CTCI Corporation (Translation)

Time and Date of Meeting: 9:00 a.m., Thursday, May 26, 2022

**Place of Meeting: No. 127, Sec.7, Zhongshan N. Rd., Taipei,
International Conference Hall , Mellow Fields Hotel**

Meeting Type: Physical meeting

1.Report Items

- (1) Business Report of 2021. (Please refer to page 11 to 26)**
- (2) Audit Committee's Review Report of 2021. (Please refer to page 51)**
- (3) The Directors' and Employees' Remuneration of 2021.
(Please refer to page 52)**
- (4) As at 31/12/2021, the aggregate amount of guarantees provided by the Company was TWD 72,661.007 million and the highest amount for a single enterprise was TWD 22,672.962 million which are all under its respective ceiling. (Please refer to page 53)**

2. Ratification Items

(1) To ratify 2021 Business Report and Financial Statements.

(Proposed by the Board of Directors)

Explanatory Notes:

The Company's 2021 Financial Statements (including 2021 consolidated financial statements and 2021 parent company only financial statements) were audited and certified by Mr. Weng, Shih-Jung and Mr. Lin, Yi-Fan, the CPA of PricewaterhouseCoopers.

The above-mentioned documents subsequently examined by Audit Committee pursuant to Article 228 of the Company Act. The Business Report and Financial Statements are hereby submitted for ratification. (Please refer to page 11 to 49)

Resolved:

(2) To ratify the Company's distribution of 2021 earnings.

(Proposed by the Board of Directors)

Explanatory Notes:

- 1) The Table for 2021 Earnings Distribution is compiled as follows in accordance with the Company Act and Articles of Incorporation (Please refer to page 50) and has been approved by the Audit Committee and Board of Directors of the Company.
- 2) It is proposed to allocate shareholders' cash dividends of TWD 1,776,077,870 (TWD 2.30 per share based on common shares outstanding 771,011,807 shares at the end of January, 2022). Upon the approval of the Annual General Meeting of shareholders, it is proposed that the Chairman of the Company will be authorized to determine the record date to distribute the cash dividend and other relevant issues.
- 3) In case that the total common shares outstanding may change and the ultimate cash to be distributed to each common share may need to be adjusted, it is proposed that the Chairman of the Company will be authorized to do adjustment.
- 4) The distribution of cash dividends will be calculated to new Taiwan dollar and round it to the nearest dollar. It is proposed that any difference will be booked as the other income or expense of the Company.

Resolved:

3. Discussion Items

- (1) To approve the amendment of the Company's "Articles of Incorporation".
(Proposed by the Board of Directors)**

Explanatory Notes:

Please refer to page 54 to 55 for the comparison table between the existing provisions and amendments of the "Articles of Incorporation".

Resolved:

- (2) To approve the amendment of the Company's "Regulations Governing the Acquisition and Disposal of Assets".
(Proposed by the Board of Directors)**

Explanatory Notes:

Please refer to page 56 to 64 for the comparison table between the existing provisions and amendments of the "Regulations Governing the Acquisition and Disposal of Assets".

Resolved:

- (3) To approve the amendment of the Company's "Regulations Governing Making of Endorsements/ Guarantees".
(Proposed by the Board of Directors)**

Explanatory Notes:

Please refer to page 65 to 66 for the comparison table between the existing provisions and amendments of the "Regulations Governing Making of Endorsements/ Guarantees".

Resolved:

(4) To approve the issuance of Restricted Stock Awards for 2022.

(Proposed by the Board of Directors)

Explanatory Notes:

- 1) In order to attract and retain key talent for the goal to spare no efforts in reaching its operating targets, it is proposed that the Company issue restricted stock awards ("RSA") to its employees in accordance with Paragraph 9, Article 267 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Financial Supervisory Commission (the "Offering and Issuance Regulations").
- 2) Terms of the restricted stock awards are as follows:
 - A. Expected total shares of issuance:

4,150,000 common shares will be issued, accounting for approximately 0.54% of the outstanding common shares of the Company. The par value per share is TWD 10, and the total issued amount is TWD 41.5 million. The Company may issue the shares in batches within one year after receiving the competent authority's approval. The actual number of shares issued and expenses will be calculated based on the share price at the time of the grant. The actual number of shares issued will be announced pursuant to a resolution of the Board of Directors.
 - B. Conditions for issuance
 - (A) Expected issue price: The shares are issued gratuitously with an issuance price of TWD 0 per share.
 - (B) Vesting Conditions
 - a. Two categories
 - (a) Category A: Senior management executives
 - (b) Category B: General employees
 - b. Company performance goals

On each vested date, calculate the growth rate of the following three indicators of the Company in the most recent year compared with the average of the previous three years, accounting for 1/3 of each, with a total of more than 3%:

- (a) Operating revenue: The operating revenue disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.
- (b) Return on Shareholders' Equity (ROE): The profit for the year attributable to owners of the parent company disclosed in the consolidated statements of comprehensive income / the average of the equity attributable to owners of the parent company disclosed in the consolidated balance sheets. The above financial statements must be audited and certified by a certificated public accountant.
- (c) Earnings per share (EPS): Basic earnings per share disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.

The “most recent year” mentioned above is based on each vested date.

c. Individual performance goals

- (a) Category A: Achieve the most recent annual performance goals of the business units.
- (b) Category B: The average individual's recent annual performance A and B scores are not less than 73 points.

The “most recent year” mentioned above is based on each vested date.

- d. On the premise that the Company performance goal are reached, employee's continuous employment with the Company on each vesting date is required and employees must meet the requirements of point e below and the individual performance goals. The proportions of the vesting shares to be granted for such employees on the vesting date each year are as follows:

(rounded to the nearest share)

- (a) Continuous employment with the Company 3 years after the granted date: 30%.
- (b) Continuous employment with the Company 4 years after the granted date: 30%.

- (c) Continuous employment with the Company 5 years after the granted date: 40%.
 - e. During the period from the issuance of RSA to each vested date (i.e. each vested period), the Company has determined that the employee has no violation of the Company's labor contract, employee manual, work rules, trust custody contract, confidentiality and intellectual property commitment, "Regulations Governing issuance of Restricted Stock Awards for Employees", "Employee Restricted Stock Award Agreement", or other written agreements with the Company.
 - (C) Measures to be taken when employees fail to meet the vesting conditions: Where an employee has failed to fulfill the vesting conditions, the shares granted to him/her will be recovered and canceled by the Company without compensation. Any other matters will be subject to the regulations established by the Company to govern the issuance of the shares.
 - (D) Type(s) of shares issued: New Common shares of the Company.
- C. Employee eligibility and number of grantable shares
- (A) To protect the rights and interest of shareholders, the Company will carefully manage the awards program. The program shall apply to any full-time employee of the Company and domestic subsidiary companies who has already been on the job on the date of the granting of restricted stock award shares. Such employee shall reach certain level of performance and fulfill the following conditions:
 - a. The employee is strongly related to the future strategic development of the Company.
 - b. The employee is significant influence on the Company operations.
 - c. The employee is a core technical talent.
 - (B) The number of grantable restricted stock award shares will be based on overall contribution and work performance. The number of shares granted shall be approved by the Chairman and submitted to the Board of Directors for approval. Any employee who holds a managerial position and board director shall be subject to the approval from the Remuneration Committee.

- (C) Any member of the Remuneration Committee or any member of the Board of Directors who is not an employee is not eligible for a grant.
 - (D) The upper limit of the number of restricted stock award shares granted to any employee shall be subject to Offering and Issuance Regulations.
- D. The reason why it is necessary to issue restricted stocks for employees
- The Company, in order to attract and retain key talent for the achievement of its medium- and long-term objectives, intends to encourage employees to spare no efforts in reaching its operational goals. The aim is to create more benefits for the Company and its shareholders and ensure the alignment of the interest of its employees with that of its shareholders.
- E. Calculated expense amounts, dilution of earnings per share (EPS), and other matters affecting the interest of shareholders
- (A) Calculated expense amount:

The Company shall measure the fair value of the shares on the grant date and recognize the related expenses by year during the vesting period. Under the circumstance where all the vesting conditions have been fulfilled, the total estimated calculated expense amount at TWD41.5, the closing price of the Company's common stock on February 21, 2022, is TWD 172.225 million. The estimated calculated expense amounts for 2023 to 2027 respectively are TWD43.917 million, TWD 43.917 million, TWD 43.917 million, TWD26.695 million, and TWD13.779 million, assuming that the restricted stock award will be issued at Jan, 2023.
 - (B) Dilution of EPS and other matters affecting the shareholders' equity:

Calculated on the basis of 767,252,295 shares, the number of the Company's outstanding common shares on February 21, 2022, the dilution of Company's EPS is estimated in the amount of TWD0.06, TWD0.06, TWD0.06, TWD0.03 and TWD0.02 for 2023 to 2027 respectively. The dilution of the Company's EPS is limited, so there is no material impact on shareholders' equity.
 - (C) Restricted rights before employees meet the vesting conditions:

Before any employee who has been granted restricted stock award shares fulfills the vesting conditions, except for inheritance, the

restricted stock award shares may not be sold, pledged, transferred, gifted to others, used to create any encumbrance or otherwise disposed of.

F. Other important stipulations (including the custodial trust of shares): The restricted stock award shares issued by the Company shall be placed under custodial trust.

- 3) Please refer to page 67 to 75 for “2022 Regulations Governing Issuance of Restricted Stock Awards for Employees”.
- 4) Where the conditions set for this issue of restricted stock award shares require revision or amendment due to instructions from the competent authority, amendment of the applicable laws and regulations or conditions in the financial market, it is proposed that a Shareholders' Meeting will authorize the Board of Directors or any person authorized by the Board to deal with the matter at full discretion.
- 5) The issuance of restricted stock award shares, its related limitations and the important matters agreed to, or any matter not provided for, shall be subject to the applicable laws and regulations and the regulations established by the Company to govern the issuance.

Resolved:

4.Special Motion(s)

5.Meeting Adjourned

CTCI CORPORATION

Business Report of 2021

1. 2021 Business Review

The consolidated sales revenue for 2021 amounted to TWD 70.54 billion, increased by TWD 14.98 billion, or a 26.97% growth compared to that of 2020. The sales revenue for 2021 amounted to TWD 30.78 billion, increased by TWD 4.91 billion, or a 18.97% growth compared to that of 2020. The consolidated operating expenses were TWD 1.83 billion, while the consolidated non-operating income and expenses was TWD 858.28 million. The consolidated net income was reported at TWD 1.64 billion, and the earnings per share (EPS) was at TWD 2.15.

The total contract value (including those with Letter of Intent) in 2021 awarded to CTCI group amounted to TWD 125.9 billion. Among them, hydrocarbon business accounted for 28%, infrastructure, environment, and power business 38%, and advanced tech facility business 34%. Classified by services, construction accounted for 62%, procurement 20%, and others (including engineering design and project management) 18%.

Major new contracts in 2021 include CPC Talin Tank Farm 41 Tanks (PKG- VII) Project, CPC Talin Tank Farm 17 Tanks (PKG- II) U&O Project, QGPC PDH/PP EPC Project, SASA PTA EPs Project, CCPG Project Discovery, Phase 1A, DDE Project, LCY Electronic Grade IPA DDE Project, Sun Ba Power Combined Cycle Power Plant Project (Phase II), PTFI MS Project, DORTS, Taipei Circular Line North and South Section E&M System, Design/Engineering Services for Memory Provider's New Plant, AZ Semiconductor Plant Project, A&E Phase-II Project, Taoyuan Metro Green Line GC03 MEP Project, TCC DAKA Renewable Resources Center Construction Project, Kaohsiung Molie Quantum Energy Hi-Tech Battery Plant MEP Project, Changhua Xizhou EfW Plant Revamping and O&M Project, Kaohsiung Gangshan EfW Plant ROT Project, South Taiwan Science Park Kaohsiung Park Administrative Building Rooftop and Ground-Mounted Type Solar Project.

In 2021, based on the major development goals of achieving digital transformation of EPC turnkey project, CTCI's Research and Innovation Center continuously develops the exclusive intelligent EPC (iEPC) digital engineering platform of CTCI, and adheres to the principles of "Automated Engineering," "Transparent Procurement," "Mobility in Construction," and "Agile Management." Through deepening applications of iEPC, we have optimized project management to be more transparent, safer, better optimized, more efficient, and with higher

quality. Availed by the digital transformation iEPC brings, not only have we able to enhance the quality and efficient of work, but also to provide value-added digital service to customer, allowing CTCL to differentiate our services from competitors with this unique tool in EPC turnkey project executions.

iEPC as a useful invention brings benefits to every stage of the EPC life cycle. In the engineering stage, iEPC can help optimizing and improving the automated engineering and AI-assisted tools, to gradually digitize design data in developing ITB reading system that aids engineers in examining extensive professional ITB documentation to clarify plant demands from customers. Through the highlights and considerations noted by AI, not only would it improves the quality of work but it would also serve as training materials for future deep learning by AI. Besides, with design data handover platform, data delivery workflow would speed up, ensuring quality of engineering design and get ready for follow-up data handover during project execution. When applied to procurement tasks, we utilize robotic process automation (RPA) in batch input of bulk material, automatically send reminders and expedite material delivery, and periodically reviews the list of debarred suppliers in government e-procurement system. Through RPA, the operational risks would be reduced while complex and repetitive tasks would be performed by robots, allowing our engineers to concentrate on high-value works instead. As for the construction phase, we make good use of 3D visualization and information integration to establish a construction sequence simulation system that optimizes the construction schedule while building in a construction workface management system. Besides, we have developed a pipe cleaning robot that allows the construction work schedule to be more flexible and enhances automation and efficiency of field works. At the handover phase, our cloud-based digital twin platform would provide our clients with digital project handover services.

With respect to professional expertise enhancement, we continue to refine our engineering capabilities through lessons learned, capability inventory, industry-academia collaborations and self-research in line with the Company's strategy to expand into the high-tech market. By now, we have established seawater desalination systems, high-tech factory engineering guidelines, package system designs, cooling storage tank designs, hazardous area classification and explosion-proof class selection technology to improve our engineering designs and qualities of engineering reviews, and update design guidelines and specifications accordingly. Also, we have conducted workshops and training courses to strengthen EPC project execution capabilities for our engineers, with the end goal of making project executions faster, better, more precise and competitive to meet the demands in the fast changing markets.

2. Our Business Goals and Prospects

■ Hydrocarbon Business

In response to the global trend of moving towards net zero carbon emissions and achieving carbon neutrality in 2050, some of the largest international petrochemical companies, including Shell, BP, Total, have adjusted their operation strategies with commitment on achieving such goals. On the other hand, the Intergovernmental Panel on Climate Change (IPCC) also estimated that the ratio of renewable energy will be increased to 44% in 2040, while the total investment amount will exceed 1 trillion USD.

Future investment plans of international petrochemical companies can be categorized under five main heading as below, which will be our major future directions.

1. Integration of the oil and gas value chain and improvement of energy efficiency;
2. Considering the demand and supply of renewable energy, as well as technological and economical factors, liquefied natural gas (LNG) will remain an important energy source for achieving carbon neutrality;
3. In response to the rising demand for electric vehicles, international petrochemical companies have also stepped into the high-quality products market, such as that for energy storage battery material;
4. Carbon capture, utilization, and storage (CCUS) technologies, such as “E-Furnace,” will be another focus for international petrochemical companies;
5. In addition to the aforementioned aspects, international petrochemical companies will increase investments in other clean energy sources, such as solar power and wind power.

To strive for the abovementioned opportunities, we have devised short-, med- and long-term goals and strategies as follows.

Our short-term goal is to strengthen the existing core line of business in hydrocarbon business, such as residue fluid catalytic cracking (RFCC) plant, steam cracker, and LNG receiving terminal, to maintain stable annual business performance. On the other hand, high-value chemicals remain important for the development of future critical industries. As an experienced EPC service provider, CTCI plans to step into the field of high-value chemicals with rich EPC expertise in petrochemical industry, and strive for bidding opportunities for products including high-tech 5G/6G supply chain, defense aerospace and biomedical

materials. Energy storage battery material projects will be another focus for us. Meanwhile, CTCI will seek cooperation opportunities for new products such as hydrogen battery material supply chain in the model of investor + EPC contractor. Additionally, we will continue learning from CPC and other domestic clients' investment plans (such as the Kaohsiung high-value material economic settlement) for high-value chemicals and to accumulate related experience through various bidding opportunities using differentiation strategy.

Our mid-term goal is to seek cooperation opportunities in the electronic-grade chemical industrial chain, such as TSMC's investment plan in the US, Europe and Japan, as well as Taiwan's electronic-grade chemical supply chain investment projects in the US and Europe. For the U.S. market, we will take the advantage of the localization advantages of CTCIA, and actively contend for investment projects from global electronic-grade chemicals suppliers leveraging group synergy and differentiated service. On the other hand, for Taiwanese market, we will mainly target European and American customers' investments in Taiwan. After accumulating the experiences from foreign investors in domestic electronic-grade products, we will expand services to overseas markets following up with the investment plans of our clients.

Our long-term goal will be to develop low-carbon businesses such as hydrogen energy, biomass energy, and carbon cycling business. In terms of low-carbon business development, we will take liquid hydrogen energy as long-term development goal, and will regularly check with CPC and Industrial Technology Research Institute (ITRI) for cooperation opportunities/models in accordance with government policies. As for the value chain of circular economy and carbon capture, utilization, and storage (CCUS), we will focus on specialty chemicals and CO₂ reuse business, and regularly visit CPC, ITRI and other academic institutes to have a good knowledge of the latest process technology, and then seek cooperation opportunities. To strengthen capabilities for project execution, we will continue working with CTCIA to learn the process of renewable refinery and build up related engineering capabilities. In terms of market development, we will continue collecting low-carbon businesses information s and use differentiated quotations to win projects. Starting with Taiwanese clients, we will first obtain relevant track records locally, and then strive for low-carbon business opportunities overseas.

■ Infrastructure, Environment, and Power Business

1. Infrastructure

A. Transportation

According to the city development plan, a series of domestic public transportation systems are being built. Aside from Taipei, other cities, including Taoyuan, Taichung, Tainan, and Kaohsiung are planning to develop new metro routes or expand the existing metro system network. In 2022, feasibility study or general planning report of several MRT routes will be completed and submitted for the Executive Yuan's ratification, and the basic design work and system E&M tendering procedure will be proceeded once they have been ratified. CTCI will closely monitor the system E&M tendering schedules to draw up strategies to pursue potential business opportunities.

In term of business strategies, we observe that tendering documents have become ever more stringent with more comprehensive specifications as constructions of mass rapid transit systems in Taiwan get fully functional. Subsequently, the government will strategically promote system E&M localization for the mass rapid transit and light rail projects. In this regards, CTCI and some local suppliers will form strategic alliances in advance to respond to the government's policy. Meanwhile, we are also cultivating talents and develop capabilities in signaling control system and system E&M integration to gain advantages and accumulate track records in system E&M integration. Accordingly, CTCI will be able to penetrate into core areas of railway business to expand business scope. Additionally, CTCI may even organize strategical partners in Taiwan to enter the Southeast Asia rail market, such as MRT or light rail projects in Thailand and Malaysia.

B. General Industry

Given the fact that the Indonesian government is attempting to move up the value chain of mineral industry, exports of unprocessed local minerals have been halted: since 2020, unprocessed nickel ores has been restricted from exports, while exports of other unprocessed minerals are scheduled to be halted in 2022. Such restrictions on export boost the demand of smelting plant, encouraging mining companies, both locally and abroad, to invest in smelters of nickel and copper ores. In this regard, non-ferrous smelter plant will also drive the development of auxiliary industries, such as cogeneration, air separation unit (ASU) and desalination plant, CTCI shall continuously follow up with related opportunities.

In term of business strategies, in the short-term, we will collaborate with International companies for proper cooperation scheme and jointly execute projects. For the mid-term, with the acquired experience of project executions and track records, we will be able to incorporate local engineering resources with enhanced risk management, therefore expanding scope of project co-operations with other international companies; or we would also build up direct business relationship with developers/clients, providing more competitive services. At the same time, we will keep focusing on various industrial markets, such as air separation units (ASU) and material handling plant. For the long term, with the accumulated project execution experience, we expect to gain a good knowledge of the market and enhance competencies in smelting plant projects, which will enable us to continue providing the most competitive and value-added services.

2. Renewable Energy

Under the Taiwanese government's plan of offshore wind power development, the 3rd stage offshore wind farm with a total of 15GW wind power will be launched according to business operation schedule. We will team up with experienced foreign engineering, procurement, construction, and installation (EPCI) contractor to pursue offshore wind farm EPCI works. Last year, the Ministry of Economic Affairs had issued the 3rd stage wind farm instructions and the bidding will start this year. We will focus on Miaoli and Changhua offshore wind farm Balance of Plant (BOP) EPCI works with our business partners.

In term of business strategies under the government's policy of non-nuclear homes and in line with the world trend of net zero carbon emissions, there will be hardly any coal-fired power plants business opportunities in the future, which will be replaced by renewable energy. Judging from the current situation, the offshore wind power business is promising around the world. In particular, Taiwanese government will vigorously promote development plans for renewable energy over the next ten to fifteen years, we will grasp this situation in support of the government policy by integrating the Group's resources and actively incorporate BOP EPCI contracting works into the scope of localization project. At the initial stage, we shall gradually develop BOP EPCI capabilities through a joint venture with foreign companies and acquire proven track records and experience. Currently, we have been in close contact with several

developers and technology suppliers; meanwhile, we have formed a strategically alliance with a European pile piles and submarine cable engineering company to proactively deploy the offshore wind power business.

After accumulating sufficient domestic experiences, we will expand business scope to the Southeast Asian countries by working in partnership with domestic or foreign developers and may have the opportunity to penetrate into the oil and gas marine projects.

3. Gas-fired Power Plant

Under the government's precise clean energy policies, coal-fired power plants will be replaced by natural-gas-fired power plants to significantly reduce carbon emissions. CTCI will proactively pursue Taiwan Power Company's plans and other new privately invested independent power producers' (IPP) natural-gas-fired power plants projects. Similarly, in the global market, we notice that Malaysia, Thailand, and Vietnam will successively launch several gas-fired power plant projects, and we will keep track and pursue business opportunities in this sector.

In term of business strategies, we shall continuously expanding and accumulating track records in natural-gas-fired power plants to strengthen competitiveness on the strengths of our know-hows with global gas turbine OEM suppliers and past successful cooperation experiences in Taiwan and overseas. For the long-term, our target is to reach net zero carbon emissions target by year 2050. Presently, we observe that several gas turbine OEM suppliers are developing innovative burning technology by mixing hydrogen with natural gas. In the foreseeable future, gas turbines burning 100% hydrogen will be made available. CTCI will collaborate with OEM turbine suppliers to establish a pilot unit burned by hydrogen mixed with natural gas. Ultimately, turbine units 100% burned by hydrogen will be our goal to achieve zero carbon emission by 2050.

4. Environmental Improvement

Thanks to the pursuance of zero carbon emissions goals, circular economy, and sustainable operations, environmental protection and resources-related business will remain active globally. In 2022, there will still be several waste-to-energy plant and wastewater reclamation contracts put out on tender. We have been keeping close eyes on the project status. We will also evaluate competitiveness levels and risk levels to come up with the best strategy to win these bids, so that CTCI can maintain its leading position in the Taiwan market.

In terms of business prospect, the Biomass Center project at Taoyuan Environmental Science & Technology Park is indeed a good start for us to push for business opportunities related to the replacement and reconstruction of existing plants through various channels. It includes adopting new generations of thermal treatment technologies that are more environmentally friendly and efficient, helping to meet more advanced pollution emission standards and more efficient energy conversions. This shows our support of the government's circular economy policies, and gives impetus to the transformation of traditional incineration plants into renewable energy power plants. If successfully promoted, it will be widely welcomed by the public. It will solve the problem of waste disposal inefficiency that has long plagued local governments. It will also stimulate a new wave of development opportunities for the energy-from-waste plant business in the three to five years to come.

Taiwan is among the world's top regions that face severe water shortages due to extreme climates. Many countries are keen to deploy national development strategies associated with rare resources and energy. Water resources is no exception, which is a strategic resource for the economy and livelihood in all countries that need to safeguarded. Since the public in Taiwan strongly opposes tap water price adjustment, the strategy of suppressing consumption with higher price has been a dead end. As a result, the government has been seeking more sources to provide water resources, such as flat area reservoirs and reclaimed water, which led to the recent upsurge of seawater desalination. Over the past decade, we have been aggressively developing reclaimed water technologies, and now we have become the only domestic water resource enterprise with municipal and industrial wastewater reclamation capability. In the next

few years, in addition to focusing on the government's ongoing plan to boost the municipal wastewater reclamation, we will also keep pushing forward industrial wastewater reclamation that has higher technological threshold. At the same time, we will continue to develop seawater desalination technology that require low energy consumption and produce low pollution. Hopefully, we will be able to fully respond to the seawater desalination business opportunities in the near future.

We expect limited business opportunities for air pollution control in the future because the current wave of air pollution improvement in response to regulatory requirements has ended. In the coming years, we will keep abreast of the business development in carbon capture, storage, and reuse. According to Taiwan government's carbon reduction policy, the government expects to launch plans for commercial-scale carbon capture plant in 2025 as soon as pilot projects have been carried out and tested over the next few years, particularly those conducted at Taipower, Sinosteel, and CPC. Besides from state-run businesses, there may also be an urgent need for private companies to cut carbon emissions to avoid the impact from EU carbon tax regulations in the coming future. We will speed up technological collaboration and forming strategical partners with other private companies. Corporations will be involved, playing a part in the global village and contributing to the mitigation of global warming. In the next few years, we will catch up with this train, strategically participate in the early preparation, pilot plant verification, and get ready with the relevant technologies and resources, so that it can cope with possible market changes and developments.

■ Advanced Tech Facility Business

1. Taiwan

The rise of global demand for semiconductor chips has brought Taiwan's high-tech manufacturing capability, industrial supply chain, and human resource talents to international attention. Taiwan government has also accelerated industrial innovation and planned to develop six core strategic industries. In view of the fact that Taiwan's construction loading is tightened due to the foreign labor limitation policy, we will seize this opportunity to enter the high-tech plant business. We will not confine ourselves to semiconductor fabs, but also other booming industries such as data centers, AI, 5G, and electric vehicles.

2. North America

The United States' semiconductor technology policy is a combination of homeland security and supply chain security considerations. We have actively participated in the expansion plans of Taiwanese semiconductor companies in the US. We seek to protect the intellectual property rights of Taiwanese semiconductor industry and integrate our local resources, so that we can provide competitive services and strongest support for Taiwan's semiconductor supply chain in the US.

3. China

As the world's largest electric vehicle (EV) market, China has enormous market potential. It is expected that well-known companies will begin manufacturing EVs on a large scale in 2023. More business opportunities will arise thanks to the construction demand of new factories for EV parts and chips.

4. Southeast Asia

Thanks to the influence of e-commerce and New Southbound Policy, many e-commerce companies have gradually expanded into Southeast Asia. Cloud service providers have also increased their investment, bringing a sudden increase in demand for cloud data centers and more opportunities related to factory development projects. Reduction and exemption policies on income tax, import tariffs, and sales tax have further boosted the willingness of international manufacturers to invest in Southeast Asia. There are also considerable expansion opportunities for server manufacturing, EV batteries, and notebooks.

In view of the rapid growth in global demand for electronic and semiconductor products, the following are our mid- and long-term strategic directions:

1. North America

We will increase our involvement in Taiwanese semiconductor owners' new plant constructions in the US. Given that companies in the upstream and downstream supply chains will inevitably roll out their plans to build plants in the US, we will keep track of them, provide our full technical services, and compete for project opportunities at all stages as early as possible. The long-term strategy will be increasing our track record in building plants for upstream and downstream companies related to Taiwan's semiconductor companies in the US. We will also be seeking opportunities that arise from the world's major semiconductor manufacturers who wish to build plants in the US.

2. India

The Indian market has gradually attracted the attention of major international electronics manufacturers. Thanks to the goal of local manufacturing and local sales, there have been plans for plant construction one after another. Coupled with India's geopolitical and economic strategic relationship, Taiwanese engineering companies may have more opportunities to carry out plant constructions in the future. Based on our achievements in the Indian market, we will act in tandem with upstream and downstream electronic companies that plan to build plants in India. We will keep track of them, provide our full technical services, and strive for project opportunities at all stages as early as possible. The long-term strategy will be increasing our track record in building plants for upstream and downstream Taiwanese electronic companies in India. We will also be seeking opportunities that arise from the world's major electronics manufacturers who wish to build plants in India.

3. Southeast Asia

We will look for upstream and downstream electronics companies in Taiwan that have plans to build factories in the Southeast Asian market. Based on our achievements in the Southeast Asian market, we will gather Group resources and act in tandem with upstream and downstream electronic companies that plan to build plants in Southeast Asia. We will keep track of them, provide our full technical services, and strive for project opportunities at all stages as early as possible. The long-term strategy will be increasing our track record in building plants for upstream and downstream companies related to Taiwan's electronics companies in Southeast Asia. We will also be seeking opportunities that arise from the world's major electronics manufacturers who wish to build plants in Southeast Asia.

4. Taiwan

As US-China trade war escalates, tensions cannot be resolved in a short time, let alone the pandemic COVID-19 has created bottlenecks in the supply chain. The US government has therefore begun to think carefully and change its practices, especially imposing certain export and import restrictions on high-tech goods to and from China to protect the interests of the United States. Compared to China, Taiwan has complete industrial chain facilities and sufficient experience. Many well-known high tech companies in various countries have therefore increased their investments in Taiwan market. We will take advantage of this force and target the domestic market.

■ Intelligent Solutions Business

In the post-pandemic era, our Group Intelligent Solutions Business (GISB)—composed of CTCI Advanced Systems Inc. (CTCI ASI), CTCI Resources Engineering Inc. (CTCI REI), and CTCI Smart Engineering Corporation (CTCI SEC) - will develop their existing businesses steadily in the short term. They will not only increase cooperation with CTCI Group to approach instrument and control businesses of power plants, incineration plants, large petrochemical plants, and reclaimed water plants in Taiwan and abroad, but will also focus on the domestic market. The major business services include process instrumentation and control, system integration, smart application, high-end cleanroom E&M project, and construction development for manufacturing, transportation, and construction industries in Taiwan.

1. Process Instrumentation and Control

GISB will deepen its ties with the Group and leverage Group synergy to pursue instrumentation and control work in the domestic and foreign petrochemical and power plant sectors.

2. System Integration

A. ICT (Information and Communication Technology) Business

● Tracks

Taiwan government's forward-looking infrastructure plan to establish R-Team to advocate localization of the track industry provides opportunities for various CTCI Group companies. CTCI ASI, a professional contractor in communication systems and signal system installation with track record across MRTs, high-speed rail, and light rail in Taiwan, has been coordinating with the Group to strive for their communication and signal installation work. CTCI SEC is pursuing MEP and environmental control business opportunities related to MRT projects. Apart from the new projects, CTCI ASI will work with strategic partners to strive for high-speed track-related system integration works and the MRT communication revamping works.

● Airport

Though suffering from a severe contraction in business due to the COVID-19 pandemic, digital transformation of airport and automation works are expected to move on normally. CTCI ASI and CTCI SEC will keep paying close attention to software and hardware integration and revamping business opportunities, including the replacement of electromechanical and information communication systems in each terminal.

B. Automated Integration

CTCI ASI has accumulated numerous project experiences in instrumentation & control, electromechanical, and small-scale cleanroom construction for petrochemical plants, biotechnology plants, and specific high-tech plants. CTCI ASI has attained good reputation among existing customers. In addition to maintaining existing customers with optimized services, CTCI ASI will try to expand its business scope and make every effort to participate in new customers' turnkey automation projects.

3. Smart Applications

A. Factory Digital Overhaul and Process Optimization Business

CTCI ASI will apply years of experience in engineering design and smart solutions for the manufacturing industry to assist enterprises in digital transformation, optimizing processes with big data analytics, and enhancing production efficiency and raw material utilization rate of old plants. This can help customers achieve energy conservation and emission reduction goals.

B. Intelligent AI Business

The aforementioned overhaul and process optimization services usually adopt CTCI ASI's artificial intelligence (AI) technologies. CTCI ASI expects increasing AI applications by clients this year, including image and sound recognition technologies that can help owners detect abnormalities in equipment or products, or AI that can help predict and control processes to deal with process bottlenecks. Apart from the applications in factories, CTCI ASI will attempt to draw from its experiences in information and communication technology integration in rail and airports to develop peripheral AI applications for transportation facilities.

4. Construction Development/Smart Building Business

CTCI REI specializes in geotechnical projects (geological survey, soil test analysis, and soil improvement), civil engineering projects, as well as in planning, engineering, and supervision for transportation projects. CTCI REI also collaborates with CTCI SEC in smart building and smart park projects. Since Taiwan government is increasingly encouraging urban renewal and reconstruction of dangerous and old buildings, as well as encouraging constructions and development of national housing and parks, CTCI REI will combine its strengths with that of CTCI ASI and CTCI SEC to secure more domestic construction and development businesses.

5. Cleanroom MEP Projects

In addition to competing for public projects and high-tech plant MEP projects, CTCI SEC will work with CTCI Group and CTCI ASI to aim for water, gas, and chemicals system integration projects related to high-tech plant cleanrooms.

There are four key business drivers in the medium and long run: post-pandemic business opportunities, climate change, urban renewal and aging population. The three core companies of CTCI's Group Intelligent Solutions Business, namely CTCI ASI, CTCI REI, and CTCI SEC, will adhere to the Group's corporate culture— "professionalism, integrity, teamwork, and innovation"— in future endeavors.

CTCI ASI's business focus will include instrumentation and control associated with process stabilization; enhancement of the technical level and competitiveness of system integration; expansion of smart application business, such as IIoT, big data analysis, and AI; and establishing a new high-tech business.

CTCI REI's businesses focus will include improving project management consulting services; expansion of construction and development business; and exploiting new business for the elderly.

CTCI SEC will continue to optimize the competitiveness of its MEP projects. It will also focus on the development of an integrated water, gas and chemicals system for high-tech cleanrooms.

Together, these three major companies leverage synergy across Group Intelligent Solutions Business and inside CTCI Group. The three companies will remain committed to providing total EPC solutions for high-tech and biotechnology plants, offering diversified professional services, tapping into new business fields, and expanding customer outreach. In terms of management, we will adhere to the organizational structure that calls for balanced powers and responsibilities, centralize and effectively utilize the common human resource pool in order to enhance work quality and efficiency.

■ Resource Cycling Business

1. EfW and Mechatronics Maintenance

In the short term, in addition to consolidating the existing energy-from-waste (EfW) plant business, we have also begun the commissioning support for later stage of Taoyuan Biomass Center construction work, as well as the O&M works that follows. In terms of mechatronics and electrical maintenance, we will not only continue to develop services related to existing rail stations and airports, but will also expand into high-tech plant utilities services, such as developing HVAC, firefighting, water, air, electricity, and chemical systems.

In the medium and long-term, we will continue to support government plans on EfW plant revamp and life extension, as well as on diversified waste treatment. We will provide comprehensive solutions for the government by introducing CTCI's mature technologies. ASEAN countries, India, and China are our top priority in terms of overseas EfW business development. As for mechatronics and electrical maintenance, we will seek business opportunities that arise with the increase in domestic rail transit constructions and high-tech factory expansions.

2. Recycling and Reuse

In the short term, we will continue to expand the scale of operations in the field of waste solvent recycling and reuse. In terms of water resources, we will apply our O&M experience in water treatment plant to the upcoming high-tech water reclamation project that is currently under construction by CTCI Group.

In the medium and long term, we will extend our successful experience in the investment and development of waste solvent recycling to more high-tech plant recycling projects and take advantage of the synergy from CTCI Group's high-tech facility operations. In terms of water resources, we will pursue new projects, such as water reclamation and seawater desalination, by leveraging the Group's comprehensive capabilities and an edge in investment, construction, and operations.

3. Renewable Energy

In the short term, apart from maintaining stable operations of the existing solar power plants domestically and abroad, we will also strive to ensure that new projects can begin commercial operations as scheduled.

In the medium and long term, we will continue to pursue new projects and expand the scale of investment in solar power plants by leveraging our solid operational performance and CTCI brand. The projects will not be limited to rooftop type, but will also include ground type, aquatic type, fish farm type, or agriculture land type. In terms of solar power plant development abroad, we will give priority to countries or regions that have clearer green energy policies and regulations, and will cooperate with other firms to reduce risks.



INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Stockholders of CTCI Corporation

Opinion

We have audited the accompanying consolidated balance sheets of CTCI Corporation and subsidiaries (the "Group") as at December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, 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 the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards 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. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2021 consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Group's 2021 consolidated financial statements are stated as follows:



Valuation of work completed

Description

Refer to Note 4(34) for accounting policy on revenue recognition, Note 5(2) for significant accounting estimates and assumptions, and Note 6(25) for details of construction revenue.

The Group recognized revenue and profit by using the percentage of completion method, which is the same method used to calculate the cost during the construction period. The percentage of completion will be calculated based on the actual cost as of the financial period-end in proportion to the estimated total contract cost. As a result of possible inaccuracy arising from estimated total cost which involves accounting estimates, and since the estimated total contract cost will affect the recognition of work completed and construction revenue, we included this as one of the key areas of focus for this fiscal year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the internal working procedures of evaluating estimated total cost and selected samples of estimated total cost on material construction to assess the consistency of valuation working flow and internal working procedures.
2. Selected samples of estimated total cost which is approved by the project management department, including supplementary works as well as construction changes, and the related supporting documents of significant constructions.
3. Obtained the details of current costs and expenses, performed related statistical procedures, including selecting current costs incurred and tracing them to related vouchers and confirming whether the current input costs have been accounted for appropriately.



Other matter – Reference to the audits of other auditors

The financial statements of certain subsidiaries and investments accounted for under the equity method were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these subsidiaries and investments accounted for under the equity method, is based solely on the reports of the other auditors. Total assets of these subsidiaries and the balances of these investments accounted for under the equity method included in the Group's consolidated financial statements amounted to NT\$6,829,940 thousand and NT\$8,020,455 thousand, constituting 7.81% and 11.33% of the consolidated total assets as at December 31, 2021 and 2020, respectively, and the comprehensive loss recognized from these subsidiaries and investments accounted for under the equity method amounted to (NT\$1,312,534) thousand and (NT\$566,953) thousand, constituting (45.46%) and (38.28%) of the consolidated total comprehensive loss for the years then ended, respectively.

Other matter – Parent company only financial reports

We have audited and expressed an unqualified opinion with other matter paragraph on the parent company only financial statements of CTCI Corporation as at and for the years ended December 31, 2021 and 2020.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, 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 generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

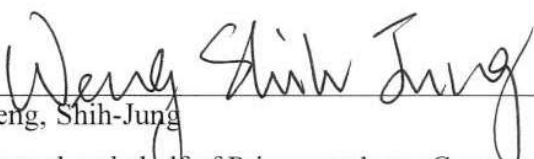
1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of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



5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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


Weng, Shih-Jung
For and on behalf of PricewaterhouseCoopers, Taiwan


Lin, Yi-Fan

March 8, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Assets		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 21,399,753	25	\$ 13,422,837	19
1110	Financial assets at fair value through profit or loss - current	6(2)	4,209,688	5	4,305,180	6
1120	Financial assets at fair value through other comprehensive income - current	6(3)	423,044	-	392,624	1
1136	Financial assets at amortized cost - current	6(4)	3,023,582	3	806,622	1
1140	Contract assets - current	6(25)	18,280,978	21	18,095,968	26
1150	Notes receivable, net	6(5)	39,546	-	19,244	-
1170	Accounts receivable, net	6(5)	8,440,398	10	5,969,136	8
1180	Accounts receivable - related parties	7	895,847	1	89,145	-
1200	Other receivables		184,519	-	121,027	-
1210	Other receivables - related parties	7	30,271	-	33,660	-
1220	Current income tax assets		235,544	-	218,937	-
130X	Inventories		162,718	-	152,700	-
1410	Prepayments	6(6)	3,523,013	4	2,568,637	4
1460	Non-current assets or disposal groups classified as held for sale, net	6(7)	475,759	1	383,076	1
1470	Other current assets	6(16)	-	-	939,579	1
11XX	Total current assets		61,324,660	70	47,518,372	67
Non-current assets						
1517	Financial assets at fair value through other comprehensive income - non-current	6(3)	1,665,826	2	1,329,059	2
1535	Financial assets at amortized cost - non-current	6(4) and 8	51,600	-	209,210	-
1550	Investments accounted for using equity method	6(8)	2,207,214	3	2,357,685	4
1600	Property, plant and equipment, net	6(9) and 8	16,127,549	18	14,123,460	20
1755	Right-of-use assets	6(10)	440,752	1	474,387	1
1760	Investment property, net	6(11) and 8	876,169	1	799,724	1
1780	Intangible assets		1,078,217	1	180,948	-
1840	Deferred income tax assets	6(32)	942,905	1	888,652	1
1900	Other non-current assets	6(12) and 8	2,709,813	3	2,906,466	4
15XX	Total non-current assets		26,100,045	30	23,269,591	33
1XXX	Total assets		\$ 87,424,705	100	\$ 70,787,963	100

(Continued)

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Liabilities and Equity		Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(13)	\$ 4,374,260	5	\$ 5,409,564	8
2110	Short-term notes and bills payable		39,969	-	147,925	-
2120	Financial liabilities at fair value through profit or loss - current	6(2)	34,253	-	160,222	-
2130	Contract liabilities - current	6(25)	23,832,631	27	14,495,734	21
2150	Notes payable		5,783	-	7,572	-
2170	Accounts payable	6(14)	15,737,842	18	11,241,994	16
2180	Accounts payable - related parties	7	8,877	-	166,897	-
2200	Other payables	6(15)	3,139,099	4	2,425,378	3
2220	Other payables - related parties	7	1,855	-	-	-
2230	Current income tax liabilities		508,294	-	329,320	1
2280	Current lease liabilities	7	170,259	-	136,346	-
2320	Long-term liabilities, current portion	6(18)	109,676	-	247,409	-
2399	Other current liabilities	6(16)	616,868	1	80,742	-
21XX	Total current liabilities		48,579,666	55	34,849,103	49
Non-current liabilities						
2527	Non-current contract liabilities	6(25)	888,190	1	-	-
2530	Bonds payable	6(17)	10,878,316	13	8,986,139	13
2540	Long-term borrowings	6(18)	4,146,193	5	5,315,655	8
2570	Deferred income tax liabilities	6(32)	206,423	-	227,769	-
2580	Non-current lease liabilities	7	254,113	-	323,883	-
2600	Other non-current liabilities	6(19)	1,910,939	2	2,051,177	3
25XX	Total non-current liabilities		18,284,174	21	16,904,623	24
2XXX	Total liabilities		66,863,840	76	51,753,726	73
Equity attributable to owners of parent						
	Share capital	6(22)				
3110	Common stock		7,638,637	9	7,633,599	11
	Capital surplus	6(23)				
3200	Capital surplus		4,225,401	4	4,077,689	5
	Retained earnings	6(24)				
3310	Legal reserve		2,486,099	3	3,278,010	5
3320	Special reserve		1,178,685	1	1,180,439	2
3350	Unappropriated retained earnings		1,505,187	2	733,054	1
	Other equity interest					
3400	Other equity interest		(441,601)	-	(1,063,399)	(2)
3500	Treasury stocks	6(22)	(11,853)	-	(11,835)	-
31XX	Equity attributable to owners of the parent		16,580,555	19	15,827,557	22
36XX	Non-controlling interest	4(3)	3,980,310	5	3,206,680	5
3XXX	Total equity		20,560,865	24	19,034,237	27
	Significant contingent liabilities and unrecognized contract commitments	9				
	Significant events after the balance sheets date	11				
3X2X	Total liabilities and equity		\$ 87,424,705	100	\$ 70,787,963	100

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

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
 YEARS ENDED DECEMBER 31, 2021 AND 2020
 (EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNT)

	Items	Notes	Year ended December 31			
			2021		2020	
			AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(25) and 7	\$ 70,540,414	100	\$ 55,558,409	100
5000	Operating costs	6(30)(31) and 7	(66,538,507)	(94)	(51,914,759)	(93)
5900	Gross Profit		4,001,907	6	3,643,650	7
	Operating expenses	6(30)(31)				
6200	General and administrative expenses		(1,701,661)	(3)	(1,472,665)	(3)
6300	Research and development expenses		(124,999)	-	(113,706)	-
6000	Total operating expenses		(1,826,660)	(3)	(1,586,371)	(3)
6900	Operating income		2,175,247	3	2,057,279	4
	Non-operating income and expenses					
7100	Interest income	6(26)	99,986	-	114,274	-
7010	Other income	6(27)	239,548	-	104,932	-
7020	Other gains and losses	6(28)	573,977	1	(134,200)	-
7050	Finance costs	6(29)	(277,472)	-	(284,469)	-
7060	Share of profit or loss of associates and joint ventures accounted for under equity method	6(8)				
			222,242	-	(93,796)	-
7000	Total non-operating income and expenses		858,281	1	(293,259)	-
7900	Profit before income tax		3,033,528	4	1,764,020	4
7950	Income tax expense	6(32)	(630,517)	(1)	(458,874)	(1)
8200	Profit for the year		\$ 2,403,011	3	\$ 1,305,146	3
	Components of other comprehensive income that will not be reclassified to profit or loss					
8311	Actuarial gains (losses) on defined benefit plans	6(20)	\$ 92,979	-	(\$ 54,574)	-
8316	Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)	333,816	1	(42,603)	-
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss		-	-	51,181	-
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(32)	(18,616)	-	10,830	-
	Components of other comprehensive income that will be reclassified to profit or loss					
8361	Cumulative translation differences of foreign operations		76,314	-	211,187	-
8300	Total other comprehensive income for the year		\$ 484,493	1	\$ 176,021	-
8500	Total comprehensive income for the year		\$ 2,887,504	4	\$ 1,481,167	3
	Profit attributable to:					
8610	Owners of the parent		\$ 1,642,175	2	\$ 766,548	2
8620	Non-controlling interest		760,836	1	538,598	1
	Total		\$ 2,403,011	3	\$ 1,305,146	3
	Comprehensive income attributable to:					
8710	Owners of the parent		\$ 2,126,986	3	\$ 848,668	2
8720	Non-controlling interest		760,518	1	632,499	1
	Total		\$ 2,887,504	4	\$ 1,481,167	3
9750	Basic earnings per share (in NT dollars)	6(33)	\$ 2.15		\$ 1.01	
9850	Diluted earnings per share (in NT dollars)	6(33)	\$ 2.15		\$ 1.00	

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

CTCI 2022 Annual General Shareholders' Meeting

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

Notes	Equity attributable to owners of the parent											
	Retained Earnings					Other equity interest						
	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated earnings	Cumulative translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Treasury stocks	Total	Non-controlling interests	Total equity
<u>Year ended December 31, 2020</u>												
Balance at January 1, 2020	\$ 7,633,182	\$ 3,730,448	\$ 3,741,648	\$ 762,377	\$ 1,481,062	(\$ 383,344)	(\$ 797,095)	\$ -	(\$ 11,835)	\$ 16,156,443	\$ 3,190,554	\$ 19,346,997
Profit for the year	-	-	-	-	766,548	-	-	-	-	766,548	538,598	1,305,146
Other comprehensive income (loss)	-	-	-	-	(41,902)	111,436	(38,595)	51,181	-	82,120	93,901	176,021
Total comprehensive income	-	-	-	-	724,646	111,436	(38,595)	51,181	-	848,668	632,499	1,481,167
Appropriations of 2019 earnings	6(24)											
Legal reserve	-	-	116,599	-	(116,599)	-	-	-	-	-	-	-
Special reserve	-	-	-	418,062	(418,062)	-	-	-	-	-	-	-
Cash dividends	-	-	(580,237)	-	(946,402)	-	-	-	-	(1,526,639)	(515,285)	(2,041,924)
Employee stock options exercised	6(22)(23)	417	1,237	-	-	-	-	-	-	1,654	-	1,654
Difference between consideration and carrying amount of subsidiaries	6(23)	-	12,286	-	-	-	-	-	-	12,286	140,029	152,315
Share-based payment transactions	6(23)	-	160,155	-	-	-	-	-	-	160,155	23,682	183,837
Disposal of investments in equity instruments designated at fair value	6(3)	-	-	-	8,409	-	(8,409)	-	-	-	-	-
Reorganisation	-	187,351	-	-	-	591	836	-	-	188,778	(188,778)	-
Non-controlling interests	-	(13,788)	-	-	-	-	-	-	-	(13,788)	(76,021)	(89,809)
Balance at December 31, 2020	\$ 7,633,599	\$ 4,077,689	\$ 3,278,010	\$ 1,180,439	\$ 733,054	(\$ 271,317)	(\$ 843,263)	\$ 51,181	(\$ 11,835)	\$ 15,827,557	\$ 3,206,680	\$ 19,034,237
<u>Year ended December 31, 2021</u>												
Balance at January 1, 2021	\$ 7,633,599	\$ 4,077,689	\$ 3,278,010	\$ 1,180,439	\$ 733,054	(\$ 271,317)	(\$ 843,263)	\$ 51,181	(\$ 11,835)	\$ 15,827,557	\$ 3,206,680	\$ 19,034,237
Profit for the year	-	-	-	-	1,642,175	-	-	-	-	1,642,175	760,836	2,403,011
Other comprehensive income (loss)	-	-	-	-	68,189	91,702	324,920	-	-	484,811	(318)	484,493
Total comprehensive income	-	-	-	-	1,710,364	91,702	324,920	-	-	2,126,986	760,518	2,887,504
Appropriations of 2020 earnings	6(24)											
Legal reserve	-	-	73,305	-	(73,305)	-	-	-	-	-	-	-
Special reserve	-	-	-	(1,754)	1,754	-	-	-	-	-	-	-
Cash dividends	-	-	(865,216)	-	(661,504)	-	-	-	-	(1,526,720)	(540,128)	(2,066,848)
Employee stock options exercised	6(22)(23)	5,038	14,495	-	-	-	-	-	-	19,533	-	19,533
Employee stock options exercised by subsidiary	6(23)	-	28,621	-	-	-	-	-	(18)	28,603	47,733	76,336
Share-based payment transactions	6(23)	-	104,596	-	-	-	-	-	-	104,596	15,507	120,103
Disposal of investments in equity instruments designated at fair value	6(3)	-	-	-	(205,176)	-	205,176	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	490,000	490,000
Balance at December 31, 2021	\$ 7,638,637	\$ 4,225,401	\$ 2,486,099	\$ 1,178,685	\$ 1,505,187	(\$ 179,615)	(\$ 313,167)	\$ 51,181	(\$ 11,853)	\$ 16,580,555	\$ 3,980,310	\$ 20,560,865

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

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Year ended December 31	
	Notes	2021	2020
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 3,033,528	\$ 1,764,020
Adjustments			
Adjustments to reconcile profit (loss)			
Gain on valuation of financial assets	6(28)	(427,553)	(33,221)
Gain on disposal of property, plant and equipment	6(28)	(84,183)	(21,036)
Gain on disposal of non-current assets held for sale	6(28)	(357,531)	-
Loss (gain) on lease modification	6(28)	960	(1,044)
Share of profit or loss of associates and joint ventures accounted for under equity method	6(8)	(222,242)	93,796
Depreciation	6(30)	994,177	873,699
Amortization	6(30)	155,000	155,119
Expected credit loss	12(2)	37,484	24,326
Interest income	6(26)	(99,986)	(114,472)
Dividends income	6(27)	(42,584)	(37,961)
Interest expense	6(29)	277,472	284,469
Compensation costs for employee stock options	6(31)	120,103	183,837
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss		572,250	(3,697,553)
Contract assets - current	(	185,010)	900,237
Notes receivable	(	20,302)	44,117
Accounts receivable	(	2,508,746)	(1,822,878)
Accounts receivable - related parties	(	806,702)	671,733
Other receivables		9,082	141,877
Inventories	(	10,018)	(8,293)
Prepayments	(	954,376)	190,033
Other current assets		939,579	(932,762)
Other non-current assets	(	1,486)	74,051
Changes in operating liabilities			
Contract liabilities - current		9,336,897	2,338,462
Notes payable	(	1,789)	(40,797)
Accounts payable		4,495,848	(466,296)
Accounts payable - related parties	(	158,020)	(482,060)
Other payables		759,661	(713,430)
Other payables - related parties		1,855	-
Other current liabilities		536,126	(1,663,790)
Other non-current liabilities	(	191,152)	(252,168)
Cash inflow (outflow) generated from operations		15,198,342	(2,547,985)
Interest received		69,856	109,585
Dividends received		163,451	106,867
Income tax refund		144,931	95,445
Interest paid	(	255,816)	(277,462)
Income tax paid	(	756,277)	(296,092)
Net cash flows from (used in) operating activities		14,564,487	(2,809,642)

(Continued)

CTCI CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Year ended December 31			
		Notes		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>					
Prepayments for long-term investment		\$	-	(\$	190,905)
Proceeds from disposal of financial assets at fair value through other comprehensive income - current			10,161		44,754
Proceeds from disposal of financial assets at amortized cost		(	2,059,350 )	(	561,643)
Decrease (increase) in other receivables - related parties			3,389	(	33,660)
Disposal (acquisition) of financial assets at fair value through other comprehensive income - non-current			147,314	(	500,112)
Increase in investments accounted for under the equity method	6(8)	(	112,500 )	(	315,000)
Proceeds from disposal of non-current assets held for sale			624,839		-
Acquisition of property, plant and equipment	6(34)	(	2,514,384 )	(	2,293,725)
Proceeds from disposal of property, plant and equipment	6(34)		55,844		26,500
Prepayments for engineering equipment		(	447,044 )	(	674,724)
Increase in intangible assets		(	54,970 )	(	19,988)
Decrease (increase) in refundable deposits			8,908	(	194,396)
Increase in other non-current assets		(	67,241 )	(	94,178)
Net cash flows from acquisitionn of subsidiaries			-	(	30,019)
Proceeds from capital reduction of subsidiaries			-	(	37,500)
Net cash flows used in investing activities		(	4,405,034 )	(	4,874,596)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>					
Decrease in short-term borrowings		(	1,035,304 )	(	753,742)
Short-term notes and bills payable		(	107,956 )	(	51,996)
Decrease in lease liabilities		(	217,167 )	(	186,152)
Increase in deposits received (recognized in other non-current liabilities)			50,914		163,731
Increase in long-term borrowings			107,747		38,242
Decrease in long-term borrowings		(	1,414,942)		-
Issuance of bonds payable			1,887,324		2,993,839
Proceeds from employee stock options exercised			123,695		43,978
Cash dividends paid		(	2,066,848 )	(	2,041,924)
Proceeds from issuing shares			-		96,003
Increase in non-controlling interests			490,000		37,515
Net cash flows (used in) from financing activities		(	2,182,537)		339,494
Net increase (decrease) in cash and cash equivalents			7,976,916	(	7,344,744)
Cash and cash equivalents at beginning of year			13,422,837		20,767,581
Cash and cash equivalents at end of year		\$	21,399,753	\$	13,422,837

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



INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of CTCI Corporation

Opinion

We have audited the accompanying parent company only balance sheets of CTCI Corporation (the “Company”) as at December 31, 2021 and 2020, and the related parent company only statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits and the reports of other auditors (refer to the Other matter section), the accompanying parent company only financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, 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 audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the parent company only financial statements section of our report. We are independent of the Company in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Based on our audits and the reports of other auditors, we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Company's 2021 parent company only financial statements. These matters were addressed in the context of our audit of the parent company only financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters.

Key audit matters for the Company's 2021 parent company only financial statements are stated as follows:

Valuation of work completed

Description

Refer to Note 4(28) for accounting policy on revenue recognition, Note 5(2) for significant accounting estimates and assumptions, and Note 6(23) for details of construction revenue.

The Company recognized revenue and profit by using the percentage of completion method, which is the same method used to calculate the cost during the construction period. The percentage of completion is calculated based on the actual cost as of the financial period-end in proportion to the estimated total contract cost. As a result of possible inaccuracy arising from the estimation of total cost which involves accounting estimates, and since the estimated total contract cost affects the recognition of work completed and construction revenue, we considered this as one of the key areas of focus for this fiscal year's audit.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding of the internal working procedures in evaluating estimated total cost and selected samples of estimated total cost on material construction to assess the consistency of valuation working flow and internal working procedures.
2. Selected samples of estimated total cost which was approved by the project management department, including the related supporting documents of supplementary works as well as construction changes, and material valuation constructions, for material constructions added and material constructions whose estimated total cost were modified during the year.
3. Obtained the details of current costs and expenses, performed related statistical procedures, including selecting current costs incurred and tracing them to related vouchers, and confirmed whether the current input costs have been accounted for appropriately.



Other matter – Reference to the audits of other auditors

We did not audit the financial statements of certain investments accounted for under the equity method which were audited by other auditors. Therefore, our opinion expressed herein, insofar as it relates to the amounts included in respect of these associates, is based solely on the reports of the other auditors. The balance of these investments accounted for under the equity method amounted to (\$699,888) thousand and (\$273,050) thousand, constituting (1.26%) and (0.57%) of the consolidated total assets as at December 31, 2021 and 2020, respectively, and the comprehensive loss recognized from associates and joint ventures accounted for under the equity method amounted to (\$1,368,686) thousand and (\$880,268) thousand, constituting (64.35%) and (103.72%) of the consolidated total comprehensive income for the years then ended, respectively.

Responsibilities of management and those charged with governance for the parent company only financial statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with 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 parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, 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 parent company only financial statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 generally accepted auditing standards in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

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

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the parent company only 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 parent company only financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.


Weng, Shih-Jung
Lin, Yi-Fan

For and on behalf of PricewaterhouseCoopers, Taiwan

March 8, 2022

The accompanying parent company only financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying parent company only financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

CTCI CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

			December 31, 2021		December 31, 2020			
Assets			AMOUNT		AMOUNT			
Notes			%		%			
Current assets								
1100	Cash and cash equivalents	6(1)	\$	9,243,520	17	\$	6,098,040	13
1110	Financial assets at fair value through profit or loss - current	6(2)		2,982,710	5		2,124,417	4
1120	Current financial assets at fair value through other comprehensive income	6(3)		228,942	1		219,283	1
1136	Current financial assets at amortised cost	6(4)		1,264,000	2		669,600	1
1140	Current contract assets	6(23) and 7		12,136,265	22		11,724,313	25
1170	Accounts receivable, net	6(5)		1,648,239	3		2,345,660	5
1180	Accounts receivable - related parties	7		888,089	2		122,424	-
1200	Other receivables			43,593	-		29,628	-
1210	Other receivables - related parties	7		1,756,259	3		3,945,977	8
1220	Current income tax assets			63,484	-		74,212	-
1410	Prepayments	6(6)		1,774,458	3		1,280,611	3
1460	Non-current assets or disposal groups classified as held for sale, net	6(12)		-	-		163,742	-
1470	Other current assets	6(15)		-	-		912,357	2
11XX	Total current assets			32,029,559	58		29,710,264	62
Non-current assets								
1517	Non-current financial assets at fair value through other comprehensive income	6(3)		1,665,283	3		1,328,178	3
1535	Non-current financial assets at amortised cost	6(4)		100,000	-		-	-
1550	Investments accounted for under equity method	6(7)		14,803,750	27		12,398,860	26
1600	Property, plant and equipment	6(8)		2,318,802	4		1,192,313	2
1755	Right-of-use assets	6(10)		2,660,550	5		2,300,521	5
1780	Intangible assets			47,247	-		32,046	-
1840	Deferred income tax assets	6(26)		260,769	-		283,893	1
1900	Other non-current assets	6(11) and 8		1,650,723	3		543,309	1
15XX	Total non-current assets			23,507,124	42		18,079,120	38
1XXX	Total assets		\$	55,536,683	100	\$	47,789,384	100

(Continued)

CTCI CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Liabilities and Equity	Notes	December 31, 2021		December 31, 2020	
			AMOUNT	%	AMOUNT	%
	Current liabilities					
2120	Financial liabilities at fair value through profit or loss - current	6(2)	\$ 23,120	-	\$ 107,405	-
2130	Current contract liabilities	6(23) and 7	11,875,433	21	9,250,901	19
2150	Notes payable		54	-	392	-
2170	Accounts payable	6(13)	7,675,296	14	5,168,408	11
2180	Accounts payable - related parties	7	486,221	1	410,930	1
2200	Other payables	6(14)	1,314,994	2	1,170,306	2
2220	Other payables - related parties	7	4,208	-	3,094	-
2230	Current income tax liabilities		90,951	-	-	-
2280	Current lease liabilities	7	388,847	1	308,785	1
2300	Other current liabilities	6(15)	587,493	1	13,174	-
21XX	Total current liabilities		<u>22,446,617</u>	<u>40</u>	<u>16,433,395</u>	<u>34</u>
	Non-current liabilities					
2530	Bonds payable	6(16)	8,989,470	16	8,986,139	19
2570	Deferred income tax liabilities	6(26)	14,409	-	7,884	-
2580	Non-current lease liabilities	7	2,288,914	4	2,009,006	4
2600	Other non-current liabilities	6(7)(17)	5,216,718	10	4,525,403	10
25XX	Total non-current liabilities		<u>16,509,511</u>	<u>30</u>	<u>15,528,432</u>	<u>33</u>
2XXX	Total liabilities		<u>38,956,128</u>	<u>70</u>	<u>31,961,827</u>	<u>67</u>
	Equity					
	Share capital	6(20)				
3110	Common stock		7,638,637	14	7,633,599	16
	Capital surplus	6(21)				
3200	Capital surplus		4,225,401	8	4,077,689	9
	Retained earnings	6(22)				
3310	Legal reserve		2,486,099	4	3,278,010	7
3320	Special reserve		1,178,685	2	1,180,439	2
3350	Unappropriated retained earnings		1,505,187	3	733,054	2
	Other equity interest					
3400	Other equity interest		(441,601)	(1)	(1,063,399)	(3)
3500	Treasury stocks	6(20)	(11,853)	-	(11,835)	-
3XXX	Total equity		<u>16,580,555</u>	<u>30</u>	<u>15,827,557</u>	<u>33</u>
	Significant Contingent Liabilities and Unrecognised Contract Commitments	9				
	Significant Events After the Balance Sheet Date	11				
3X2X	Total liabilities and equity		<u>\$ 55,536,683</u>	<u>100</u>	<u>\$ 47,789,384</u>	<u>100</u>

The accompanying notes are an integral part of these parent company only financial statements.

CTCI CORPORATION
PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS, EXCEPT FOR EARNINGS PER SHARE AMOUNT)

			Year ended December 31			
			2021		2020	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Operating revenue	6(23) and 7		\$ 30,782,149	100	\$ 25,873,770	100
5000 Operating costs	6(24)(25) and 7		(29,135,545)	(95)	(24,339,781)	(94)
5900 Net operating margin			1,646,604	5	1,533,989	6
5910 Unrealized loss (profit) from sales			2,789	-	(1,973)	-
5920 Realized profit on sales			1,991	-	1,980	-
5950 Gross profit			1,651,384	5	1,533,996	6
Operating expenses	6(24)(25) and 7					
6200 General and administrative expenses			(754,114)	(3)	(776,554)	(3)
6300 Research and development expenses			(111,392)	-	(100,437)	-
6000 Total operating expenses			(865,506)	(3)	(876,991)	(3)
6900 Operating profit			785,878	2	657,005	3
Non-operating income and expenses						
7100 Interest income			53,062	-	83,916	-
7010 Other income	7		80,845	-	72,481	-
7020 Other gains and losses			382,667	1	(150,359)	-
7050 Finance costs			(96,940)	-	(90,159)	-
7070 Share of profit of associates and joint ventures accounted for under equity method	6(7)		640,341	2	337,592	1
7000 Total non-operating income and expenses			1,059,975	3	253,471	1
7900 Profit before income tax			1,845,853	5	910,476	4
7950 Income tax expense	6(26)		(203,678)	(1)	(143,928)	(1)
8200 Profit for the year			\$ 1,642,175	4	\$ 766,548	3
Other comprehensive income						
Components of other comprehensive income that will not be reclassified to profit or loss						
8311 Actuarial gains (losses) on defined benefit plan	6(18)		\$ 79,601	-	(\$ 49,082)	-
8316 Unrealized gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6(3)		312,159	1	(54,480)	-
8330 Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss			17,269	-	64,430	-
8349 Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(26)		(15,920)	-	9,816	-
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Cumulative translation differences of foreign operations			91,702	1	111,436	-
8300 Other comprehensive income for the year			\$ 484,811	2	\$ 82,120	-
8500 Total comprehensive income for the year			\$ 2,126,986	6	\$ 848,668	3
Earnings per share (in dollars)	6(27)					
9750 Basic earnings per share			\$ 2.15		\$ 1.01	
9850 Diluted earnings per share			\$ 2.15		\$ 1.00	

The accompanying notes are an integral part of these parent company only financial statements.

CTCI CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Retained Earnings					Other Equity Interest					
	Notes	Common stock	Capital surplus	Legal reserve	Special reserve	Unappropriated retained earnings	Financial statements translation differences of foreign operations	Unrealized gains (losses) from financial assets measured at fair value through other comprehensive income	Revaluation surplus	Treasury stocks	Total equity	
<u>Year ended December 31, 2020</u>												
Balance at January 1, 2020		\$ 7,633,182	\$ 3,730,448	\$ 3,741,648	\$ 762,377	\$ 1,481,062	(\$ 383,344)	(\$ 797,095)	\$ -	(\$ 11,835)	\$ 16,156,443	
Profit for the year		-	-	-	-	766,548	-	-	-	-	766,548	
Other comprehensive income (loss)		-	-	-	-	(41,902)	111,436	(38,595)	51,181	-	82,120	
Total comprehensive income (loss)		-	-	-	-	724,646	111,436	(38,595)	51,181	-	848,668	
Appropriations of 2019 earnings	6(22)											
Legal service		-	-	116,599	-	(116,599)	-	-	-	-	-	
Special reserve		-	-	-	418,062	(418,062)	-	-	-	-	-	
Cash dividends		-	-	(580,237)	-	(946,402)	-	-	-	-	(1,526,639)	
Employee stock options exercised	6(20)	417	1,237	-	-	-	-	-	-	-	1,654	
Difference between consideration and carrying amount of subsidiaries acquired or disposed	6(21)	-	12,286	-	-	-	-	-	-	-	12,286	
Share-based payment transactions	6(21)	-	160,155	-	-	-	-	-	-	-	160,155	
Disposal of investment equity instruments designated at fair value through other comprehensive income		-	-	-	-	8,409	-	(8,409)	-	-	-	
Reorganization	6(21)	-	187,351	-	-	-	591	836	-	-	188,778	
Non-controlling interests	6(21)	-	(13,788)	-	-	-	-	-	-	-	(13,788)	
Balance at December 31, 2020		\$ 7,633,599	\$ 4,077,689	\$ 3,278,010	\$ 1,180,439	\$ 733,054	(\$ 271,317)	(\$ 843,263)	\$ 51,181	(\$ 11,835)	\$ 15,827,557	
<u>Year ended December 31, 2021</u>												
Balance at January 1, 2021		\$ 7,633,599	\$ 4,077,689	\$ 3,278,010	\$ 1,180,439	\$ 733,054	(\$ 271,317)	(\$ 843,263)	\$ 51,181	(\$ 11,835)	\$ 15,827,557	
Profit for the year		-	-	-	-	1,642,175	-	-	-	-	1,642,175	
Other comprehensive income		-	-	-	-	68,189	91,702	324,920	-	-	484,811	
Total comprehensive income		-	-	-	-	1,710,364	91,702	324,920	-	-	2,126,986	
Appropriations of 2020 earnings	6(22)											
Legal service		-	-	73,305	-	(73,305)	-	-	-	-	-	
Special reserve		-	-	-	(1,754)	1,754	-	-	-	-	-	
Cash dividends		-	-	(865,216)	-	(661,504)	-	-	-	-	(1,526,720)	
Employee stock options exercised	6(20)(21)	5,038	14,495	-	-	-	-	-	-	-	19,533	
Employee stock options exercised by subsidiary	6(21)	-	28,621	-	-	-	-	-	-	(18)	28,603	
Share-based payment transactions		-	104,596	-	-	-	-	-	-	-	104,596	
Disposal of investments in equity instruments designated at fair value through other comprehensive income		-	-	-	-	(205,176)	-	205,176	-	-	-	
Balance at December 31, 2021		\$ 7,638,637	\$ 4,225,401	\$ 2,486,099	\$ 1,178,685	\$ 1,505,187	(\$ 179,615)	(\$ 313,167)	\$ 51,181	(\$ 11,853)	\$ 16,580,555	

The accompanying notes are an integral part of these parent company only financial statements.

CTCI CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

		Year ended December 31	
	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		\$ 1,845,853	\$ 910,476
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(24)	389,943	377,733
Amortization	6(24)	116,875	125,839
Expected credit loss		1,477	234
Gain on valuation of financial assets	6(2)	(376,861)	(76,539)
Gain on disposal of property, plant and equipment		(1,102)	(642)
Gain on disposal of non-current assets classified as held for slae	6(12)	(160,626)	-
Compensation costs for employee stock options	6(25)	72,658	117,523
Investment income accounted for under the equity method	6(7)	(640,341)	(337,592)
Realized gain from intercompany transactions		(1,991)	(1,980)
Unrealized (loss) profit from sales		(2,789)	1,973
Interest income		(53,062)	(83,916)
Dividend income		(21,560)	(24,881)
Loss (gain) on lease modification		21	(115)
Interest expense		96,940	90,159
Changes in operating assets and liabilities			
Changes in operating assets			
Financial assets at fair value through profit or loss - current		(591,696)	(2,015,764)
Current contract assets		(411,952)	47,430
Accounts receivable (including related parties)		(69,721)	(1,140,298)
Other receivables		(13,332)	8,072
Other receivables - related parties		(1,434)	7,523
Prepayments		(493,847)	(495,402)
Other current assets		912,357	(912,357)
Other non-current assets		322	8,744
Changes in operating liabilities			
Current contract liabilities		2,624,532	2,152,521
Notes payable		(338)	(9,427)
Accounts payable		2,464,492	78,249
Accounts payable - related parties		75,291	(49,299)
Other payables		144,688	(173,239)
Other payables - related parties		1,114	1,343
Accrued pension liabilities		(178,169)	(248,292)
Other current liabilities		574,319	(1,694,457)
Cash inflow (outflow) generated from operations		6,302,061	(3,336,381)
Interest received		13,606	45,701
Interest paid		(77,100)	(79,080)
Dividends received		631,834	591,139
Income tax paid		(204,836)	(89,150)
Income tax refund		137,590	-
Net cash flows from (used in) operating activities		6,803,155	(2,867,771)

(Continued)

CTCI CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(EXPRESSED IN THOUSANDS OF NEW TAIWAN DOLLARS)

	Notes	For the years ended December 31	
		2021	2020
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease (increase) in other receivables - related parties		\$ 2,190,616	(\$ 2,081,573)
Interest received - related parties		39,360	42,482
Decrease (increase) in financial assets at fair value through other comprehensive income - non-current		146,140	(504,206)
Decrease in financial assets at fair value through other comprehensive income - current		10,161	55,870
Acquisition of financial assets at amortized cost		(694,400)	(669,600)
Acquisition of property, plant and equipment	6(29)	(1,118,200)	(729,088)
Proceeds from disposal of property, plant and equipment		1,123	1,314
Proceeds from disposal of non-current assets classified as held for sale		324,368	-
Increase in investments accounted for using the equity method (including prepayments for long-term investments)	6(7)(11)	(2,645,468)	(1,361,950)
Proceeds from disposal of investments accounted for using the equity method		2,783	740,639
Increase in computer software cost		(44,403)	(16,178)
Increase in other non-current assets		(49,600)	(86,403)
Decrease (increase) in refundable deposits (shown in other non-current assets)		2,496	(19,351)
Net cash flows used in investing activities		(1,835,024)	(4,628,044)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Decrease in short-term borrowings		-	(115,000)
Decrease in lease liabilities		(372,446)	(347,582)
Issuance of bonds payable		-	2,993,839
Increase in deposits received		56,982	59,285
Cash dividends paid	6(22)	(1,526,720)	(1,526,639)
Proceeds from employee stock options exercised		19,533	1,654
Net cash flows (used in) from financing activities		(1,822,651)	1,065,557
Net increase (decrease) in cash and cash equivalents		3,145,480	(6,430,258)
Cash and cash equivalents at beginning of year		6,098,040	12,528,298
Cash and cash equivalents at end of year		\$ 9,243,520	\$ 6,098,040

The accompanying notes are an integral part of these parent company only financial statements.

CTCI CORPORATION
Earnings Distribution Table
For the Year Ended December 31, 2021

Currency : TWD

Items	Amount
Unappropriated retained earnings of previous years	0
Add: Actuarial gains on defined benefit plans in 2021	68,189,498
Less: Disposal of investments in equity instruments designated at fair value through other comprehensive income in 2021	-205,176,617
Add: Profit after income tax for 2021	1,642,174,841
Add: Reversal of special reserve (shall be set aside as legal reserve)	1,670,608
total	1,506,858,330
Less: set aside as legal reserve	-150,685,833
Add: Reversal of special reserve (shall not be set aside as legal reserve)	419,905,373
Retained earnings available for distribution as of December 31, 2021	1,776,077,870
Cash dividends (TWD 2.30 per share based on estimated 771,011,807 shares outstanding at 2022/01/31)	-1,776,077,870
Unappropriated retained earnings	0

Note: The estimated number of shares outstanding on record date is based on the number of shares outstanding as of January 31, 2022. Shareholders who are entitled to receive a cash dividends or not is based on the actual shares outstanding on record date.

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Financial Statements (included consolidated and individual), and proposal for allocation of profits. The CPA firm of PriceWaterhouseCoopers was retained to audit CTCI's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and profit allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of CTCI Corporation. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

The Audit Committee of CTCI Corporation

Independent Director : Jack Huang



Independent Director : Yen-Shiang Shih



Independent Director : Frank Fan



Independent Director : Evon Yi-Fang Chen



Dated March 8th, 2022

The Directors' and Employees' Remuneration of 2021

1. It is processed in accordance with the Article 37 of "Articles of Incorporation" of the Company.
2. Profit before income tax for year ended December 31, 2021 was TWD 1,910,229,190 before deducting directors' and employees' remuneration of the Company. The Board of Directors of the Company resolved that TWD 15,111,000 of directors' remuneration (contribution rate: 0.79%) and TWD 49,265,245 of employees' remuneration (contribution rate: 2.58%) will be distributed by cash. There is no difference between the amount of employees' and directors' remuneration recognized in the 2021 financial statements.

CTCI Corporation
The Balance of the Company's Guarantees and Endorsements
December 31, 2021

Unit: TWD thousands

Item	Guarantees and Endorsements	
	As of 2021/12/31	As of 2020/12/31
CB&I-CTCI B.V.	1,972,904	2,399,252
CCJV P1 E&C Sdn. Bhd.	-	196,679
CINDA Engineering & Construction Pvt. Ltd.	4,297,294	3,765,314
CIPEC Construction Inc.	468,694	542,895
CTCI (Thailand) Co., Ltd.	2,453,316	2,790,672
CTCI Americas, Inc.	22,672,962	1,563,121
CTCI Arabia Ltd.	1,688,114	2,486,585
CTCI Engineering & Construction Sdn. Bhd.	1,369,863	1,348,656
CTCI Malaysia Sdn. Bhd.	691,850	547,892
CTCI Singapore Pte. Ltd.	3,375,783	3,231,206
Universal Engineering(BVI) Corporation	27,674	28,097
CTCI Shanghai Co., Ltd.	669,570	638,880
CTCI Chemicals Corporation	132,835	17,912
CTCI Overseas Corporation Limited	4,000,428	4,440,312
CTCI Beijing Co., Ltd.	1,829,864	1,381,417
CTCI Machinery Corporation	15,830,219	15,797,041
CTCI Smart Engineering Corporation	7,180,670	1,956,341
CTCI & HEC Water Business Corporation	357,000	102,000
Blue Whale Water Technology Corporation	867,300	769,300
HDEC-CTCI (Linhai) Corporation	1,215,000	1,215,000
EVER ECOVE Corporation	1,024,400	1,102,500
CTCI Resources Engineering Inc.	535,267	-
Total	72,661,007	46,321,072

Note: (2021/12/31 Net worth : 16,580.555 million)

1. The ceiling on the total amount of endorsements or guarantees made by the Company is TWD 99,483.330 million.
2. The ceiling on the total amount of endorsements or guarantees for any single entity is TWD 49,741.665 million.

CTCI Corporation
Table of Amendments to “Articles of Incorporation”

Article	Existing Provisions	Amendments
Article 17	(Deleted)	<p><u>The shareholders' meeting may be held by means of visual communication network or other methods promulgated by the central competent authority.</u></p> <p><u>In case a shareholders' meeting is proceeded via visual communication network, the shareholders taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.</u></p>
Article 38	<p>The Company shall, after all taxes and dues have been paid and its losses have been covered and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. Furthermore, in accordance with the provisions of laws and regulations and the rules prescribed by the central competent authority, a special reserve shall be set aside. If there is recovery of the balance of special reserve, the recovered amount shall be included in the distribution of the profit for the current year.</p> <p>The allocable profit for the current year, which is the balance after the profit distribution and covering losses aforementioned as the preceding Paragraph, together with the undistributed retained earnings accrued from prior years shall be referred to as cumulative distributable earnings, which shall be distributed as dividends to shareholders according to shareholders' resolutions.</p>	<p>The Company shall, after all taxes and dues have been paid and its losses have been covered and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. Furthermore, in accordance with the provisions of laws and regulations and the rules prescribed by the central competent authority, a special reserve shall be set aside. If there is recovery of the balance of special reserve, the recovered amount shall be included in the distribution of the profit for the current year.</p> <p>The allocable profit for the current year, which is the balance after the profit distribution and covering losses aforementioned as the preceding Paragraph, together with the undistributed retained earnings accrued from prior years shall be referred to as cumulative distributable earnings, which shall be distributed as dividends to shareholders according to shareholders' resolutions.</p>

Article	Existing Provisions	Amendments
	<p>(New)</p> <p>In order to meet the requirements in business expansion and industry growth, fulfilling future operating needs and stabilizing financial structure is the priority of the Company's dividend policy. Thus, the distribution of the cumulative distributable earnings accords to the shareholders' resolutions. And, the amount of shareholders' bonus shall not be less than 50% of cumulative distributable earnings of the Company, and in particular cash dividend shall not be less than 20%.</p>	<p><u>The Company authorizes the Board of Director to distribute all or part of the distributable dividends and bonuses, capital surplus or legal reserve in cash to shareholders after a resolution has been adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the shareholders' meeting.</u></p> <p>In order to meet the requirements in business expansion and industry growth, fulfilling future operating needs and stabilizing financial structure is the priority of the Company's dividend policy. Thus, the distribution of the cumulative distributable earnings accords to the shareholders' resolutions. And, the amount of shareholders' bonus shall not be less than 50% of cumulative distributable earnings of the Company, and in particular cash dividend shall not be less than 20%.</p>
Article 41	<p>These Articles of Incorporation were enacted on March 23, 1979.</p> <p>(Omitted)</p> <p>The forty-second amendment on July 30, 2021.</p>	<p>These Articles of Incorporation were enacted on March 23, 1979.</p> <p>(Omitted)</p> <p>The forty-second amendment on July 30, 2021.</p> <p><u>The forty-third amendment on May 26, 2022.</u></p>

CTCI Corporation
Table of Amendments to
“Regulations Governing the Acquisition and Disposal of Assets”

Article	Existing Provisions	Amendments
Article 4	<p>Appraisal procedures (Shall include the means of price determination and supporting reference materials.)</p> <p>1. In acquiring or disposing of assets, the Company shall obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or TWD300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser (the particulars to be inscribed in the appraisal report are displayed in Attachment I) and shall further comply with the following provisions:</p> <p>A. (Omitted)</p> <p>B. (Omitted)</p> <p>C. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal</p>	<p>Appraisal procedures (Shall include the means of price determination and supporting reference materials.)</p> <p>1. In acquiring or disposing of assets, the Company shall obtain an appraisal report from a professional appraiser and shall further comply with the following provisions:</p> <p>(1) In acquiring or disposing of real property, equipment, or right-of-use assets thereof where the transaction amount reaches 20 percent of the Company's paid-in capital or TWD300 million or more, the Company, unless transacting with a domestic government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment or right-of-use assets thereof held for business use, shall obtain an appraisal report prior to the date of occurrence of the event from a professional appraiser (the particulars to be inscribed in the appraisal report are displayed in Attachment I) and shall further comply with the following provisions:</p> <p>A. (Omitted)</p> <p>B. (Omitted)</p> <p>C. Where any one of the following circumstances applies with respect to the professional appraiser's appraisal</p>

Article	Existing Provisions	Amendments
	<p>results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal <u>in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ROC Accounting Research and Development Foundation (ARDF)</u> and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>a. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>b. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(2) In acquiring or disposing of securities, the Company shall prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the transaction amount reaches 20 percent of the Company's</p>	<p>results, unless all the appraisal results for the assets to be acquired are higher than the transaction amount, or all the appraisal results for the assets to be disposed of are lower than the transaction amount, a certified public accountant shall be engaged to perform the appraisal and render a specific opinion regarding the reason for the discrepancy and the appropriateness of the transaction price:</p> <p>a. The discrepancy between the appraisal result and the transaction amount is 20 percent or more of the transaction amount.</p> <p>b. The discrepancy between the appraisal results of two or more professional appraisers is 10 percent or more of the transaction amount.</p> <p>(2) In acquiring or disposing of securities, the Company shall prior to the date of occurrence of the event, obtain financial statements of the issuing company for the most recent period, certified or reviewed by a certified public accountant, for reference in appraising the transaction price, and if the transaction amount reaches 20 percent of the Company's</p>

Article	Existing Provisions	Amendments
	<p>paid-in capital or TWD300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. <u>If the CPA needs to use the report of an expert as evidence, the CPA shall do so in accordance with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u> This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(3) In acquiring or disposing of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent of the Company's paid-in capital or TWD300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; <u>the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</u></p> <p>2. (Omitted)</p> <p>3. (Omitted)</p>	<p>paid-in capital or TWD300 million or more, the Company shall additionally engage a certified public accountant prior to the date of occurrence of the event to provide an opinion regarding the reasonableness of the transaction price. This requirement does not apply, however, to publicly quoted prices of securities that have an active market, or where otherwise provided by regulations of the Financial Supervisory Commission (FSC).</p> <p>(3) In acquiring or disposing of intangible assets or right-of-use assets thereof or memberships and the transaction amount reaches 20 percent of the Company's paid-in capital or TWD300 million or more, except in transactions with a domestic government agency, the Company shall engage a certified public accountant prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price.</p> <p>2. (Omitted)</p> <p>3. (Omitted)</p>

Article	Existing Provisions	Amendments
	<p>4. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide <u>the</u> Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to the preceding paragraph shall comply with the following:</p> <p>(1) (Omitted)</p> <p>(2) When <u>examining</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>comprehensiveness, accuracy</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p>	<p>4. Professional appraisers and their officers, certified public accounts, attorneys, and securities underwriters that provide <u>public</u> Company with appraisal reports, certified public accountant's opinions, attorney's opinions, or underwriter's opinions shall meet the following requirements:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with <u>the industry code of the related organization and</u> the following:</p> <p>(1) (Omitted)</p> <p>(2) When <u>implementing</u> a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers.</p> <p>(3) They shall undertake an item-by-item evaluation of the <u>appropriateness</u>, and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion.</p>

Article	Existing Provisions	Amendments
	<p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is reasonable <u>and accurate</u>, and that they have complied with applicable laws and regulations.</p>	<p>(4) They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is <u>appropriate and</u> reasonable, and that they have complied with applicable laws and regulations.</p>
<p>Article 6</p>	<p>Declaration Procedure</p> <p>1. In acquiring or disposing of assets under any of the following circumstances, the Company shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(1) (Omitted) (2) (Omitted) (3) (Omitted) (4) (Omitted) (5) (Omitted) (6) (Omitted)</p> <p>(7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent of paid-in capital or TWD300 million or more; provided, this shall not apply to the following circumstances:</p>	<p>Declaration Procedure</p> <p>1. In acquiring or disposing of assets under any of the following circumstances, the Company shall publicly announce and report the relevant information on the FSC's designated website in the appropriate format as prescribed by regulations within 2 days counting inclusively from the date of occurrence of the event:</p> <p>(1) (Omitted) (2) (Omitted) (3) (Omitted) (4) (Omitted) (5) (Omitted) (6) (Omitted)</p> <p>(7) Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution, or an investment in the mainland China area reaches 20 percent of paid-in capital or TWD300 million or more; provided, this shall not apply to the following circumstances:</p>

Article	Existing Provisions	Amendments
	<p>A. Trading of domestic government bonds.</p> <p>B. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p>	<p>A. Trading of domestic government bonds <u>or foreign bonds with credit rating not lower than domestic credit rating</u>.</p> <p>B. Where done by professional investors-securities trading on securities exchanges or OTC markets, or subscription of <u>foreign bonds and</u> ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds, <u>or exchange traded notes</u>, or subscription by a securities firm of securities as necessitated by its undertaking business or as an advisory recommending securities firm for an emerging stock company, in accordance with the rules of the Taipei Exchange.</p> <p>C. Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.</p>
Article 8	<p>Procedure for transactions with related parties</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or</p>	<p>Procedure for transactions with related parties</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) When the Company intends to acquire or dispose of real property or right-of-use assets thereof from or to a related party, or</p>

Article	Existing Provisions	Amendments
	<p>when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets, or TWD300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by one-half or more of all audit committee members and the board of directors:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>The calculation of the transaction amounts referred to <u>in the</u> preceding paragraph shall be made in accordance with Article 6, paragraph 1, <u>subparagraph 4</u>, herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by the audit committee and board of directors need not be counted toward the transaction</p>	<p>when it intends to acquire or dispose of assets other than real property or right-of-use assets thereof from or to a related party and the transaction amount reaches 20 percent of the Company's paid-in capital, 10 percent of the Company's total assets, or TWD300 million or more, except in trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises, the Company may not proceed to enter into a transaction contract or make a payment until the following matters have been approved by one-half or more of all audit committee members and the board of directors:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>(3) (Omitted)</p> <p>(4) (Omitted)</p> <p>(5) (Omitted)</p> <p>(6) (Omitted)</p> <p>(7) (Omitted)</p> <p>(Item adjustment)</p>

Article	Existing Provisions	Amendments
	<p>amount.</p> <p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Act, the matters for which preceding paragraph requires recognition by the audit committee members shall first be approved by one-half or more of all audit committee members and then</p>	<p>With respect to the types of transactions listed below, when to be conducted between the Company and its parent or subsidiaries, or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital, the Company's board of directors may delegate the board chairman to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the next board of directors meeting:</p> <p>(1) (Omitted)</p> <p>(2) (Omitted)</p> <p>Where the position of independent director has been created in accordance with the provisions of the Act, when a matter is submitted for discussion by the board of directors pursuant to preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting.</p> <p>Where an audit committee has been established in accordance with the provisions of the Act, the matters for which preceding paragraph requires recognition by the audit committee members shall first be approved by one-half or more of all audit committee members and then</p>

Article	Existing Provisions	Amendments
	<p>submitted to the board of directors for a resolution. If the audit committee members shall not approved by one-half or more of the audit committee members, it shall be recorded in the minutes of the board of directors meeting.</p> <p>(New paragraph)</p>	<p>submitted to the board of directors for a resolution. If the audit committee members shall not approved by one-half or more of the audit committee members, it shall be recorded in the minutes of the board of directors meeting.</p> <p><u>The Company or its subsidiaries have transaction referred to paragraph 3 and the transaction amount reaches 10 percent of the Company's total assets, the Company may not proceed to enter into a transaction contract or make a payment until the documents listed in paragraph 3 have been submitted to the shareholders meeting for approval. This requirement does not apply, however, to the transactions between the Company and its parent or subsidiaries, or the transactions between the Company's subsidiaries.</u></p>
	<p>(Item adjustment)</p>	<p>The calculation of the transaction amounts referred to <u>paragraph 3 and preceding paragraph</u> shall be made in accordance with Article 6, paragraph 1, herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items that have been approved by <u>the shareholders' meeting</u>, the audit committee and board of directors need not be counted toward the transaction amount.</p>

Attachment 10

CTCI Corporation
Table of Amendments to
“Regulations Governing Making of Endorsements/ Guarantees”

Article	Existing Provisions	Amendments
Article 6	<p>Credit Line for the Endorsements or Guarantees</p> <p>The total amount of endorsements or guarantees made by the Company shall not exceed <u>6</u> times of the then-current net worth of the Company. In particular, the total amount of endorsements or guarantees made for a single enterprise shall not exceed <u>3</u> times of the then-current net worth of the Company.</p> <p>The total amount of endorsements or guarantees made by the Company and its subsidiaries shall not exceed <u>6</u> times of the then-current net worth of the Company. In particular, the total amount of endorsements or guarantees made for a single enterprise shall not exceed <u>3</u> times of the then-current net worth of the Company.</p>	<p>Credit Line for the Endorsements or Guarantees</p> <p>The total amount of endorsements or guarantees made by the Company shall not exceed <u>10</u> times of the then-current net worth of the Company. In particular, the total amount of endorsements or guarantees made for a single enterprise shall not exceed <u>6</u> times of the then-current net worth of the Company.</p> <p>The total amount of endorsements or guarantees made by the Company and its subsidiaries shall not exceed <u>10</u> times of the then-current net worth of the Company. In particular, the total amount of endorsements or guarantees made for a single enterprise shall not exceed <u>6</u> times of the then-current net worth of the Company.</p>
Article 8	<p>Preservation of the Seals and Procedure for the Use thereof</p> <p>1. The procedure for the preservation and use of the seals shall comply with the Rules Governing the Procedure for Seal Management for Company <u>Finances</u>. The seal for endorsements or guarantees is not only the seal to be affixed on the negotiable instrument but also the Company seal registered with the Ministry of Economic Affairs, which is the special seal for endorsements or guarantees.</p>	<p>Preservation of the Seals and Procedure for the Use thereof</p> <p>1. The procedure for the preservation and use of the seals shall comply with the Rules Governing the Procedure for Seal Management for Company <u>Management Regulations</u>. The seal for endorsements or guarantees is not only the seal to be affixed on the negotiable instrument but also the Company seal registered with the Ministry of Economic Affairs, which is the special seal for endorsements or guarantees. <u>The seal shall be kept in the custody of a designated person approved by the Board of Directors and may</u></p>

Article	Existing Provisions	Amendments
	2. (omitted) 3. (omitted)	<u>be used to seal or issue negotiable instruments only in prescribed procedures.</u> 2. (omitted) 3. (omitted)
Article 9	Policies and Level of Authority Except for other endorsement or guarantee that needs to be adopted by the board of directors before it is made, all endorsements or guarantees within the credit limit established in Article 6 of the Rules may be made by the chairman and subsequently reported to and ratified by the board of directors. The process of making such endorsements or guarantees and related matters shall further be reported to the shareholders' meeting.	Policies and Level of Authority Except for other endorsement or guarantee that needs to be adopted by the board of directors before it is made, all endorsements or guarantees within the credit limit established in Article 6 of the Rules may be made by the chairman and subsequently reported to and ratified by the <u>most coming</u> board of directors. The process of making such endorsements or guarantees and related matters shall further be reported to the shareholders' meeting.

CTCI Corporation

2022 Regulations Governing Issuance of Restricted Stock Awards for Employees

Article 1 Purpose of Issuance

CTCI Corporation (the "Company"), in order to attract and retain key talent for the goal to spare no efforts in reaching its operating targets. Therefore, it is proposed that the Company issue restricted stock awards (the "RSA") to its employees in accordance with Article 267, Paragraph 9 of the Company Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Financial Supervisory Commission (the "Offering and Issuance Regulations". To regulate, the Regulations for the Issuance of 2022 Restricted Stock Awards (the "Regulations") is formulated.

Article 2 Duration of Issuance

Within one year from the date the effective notification is received from the Financial Supervisory Commission (the "Competent Authority"), it will be issued in batches. The actual date of issuance shall be determined by the Chairman authorized by the board of directors.

Article 3 Conditions for Issuance

1. Expected issue price: The shares are issued gratuitously with an issuance price of TWD 0 per share.
2. The types of shares issued and given to employees are new common shares, and their rights and obligations are the same as other common shares that are tradable except for the rights and obligations that are restricted before the vested conditions are met in accordance with Article 6.

3. Vesting Conditions

(1) Divided into two categories, A and B

- a. Category A: Senior management executives
- b. Category B: General employees

(2) Company performance goals

On each vested date specified in paragraph 4 of this article, calculate the growth rate of the following three indicators of the Company in the most recent year compared with the average of the previous three years, accounting for 1/3 of each, with a total of more than 3%:

- a. Operating revenue: The operating revenue disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.
- b. Return on Shareholders' Equity (ROE): The profit for the year attributable to owners of the parent company disclosed in the consolidated statements of comprehensive income / the average of the equity attributable to owners of the parent company disclosed in the consolidated balance sheets. The above financial statements must be audited and certified by a certificated public accountant.
- c. Earnings per share (EPS): Basic earnings per share disclosed in the consolidated statements of comprehensive income audited and certified by a certificated public accountant.

The "most recent year" mentioned above is based on each vested date.

(3) Individual performance goals

- a. Category A: Achieve the most recent annual performance goals of the business units.
- b. Category B: The average individual's recent annual performance A and B scores are not less than 73 points.

The "most recent year" mentioned above is based on each vested date.

- (4) On the premise that the Company performance goal are reached, employee's continuous employment with the Company on each vesting date is required and employees must meet the requirements of point (5) below and the individual performance goals. The proportions of the vesting shares to be granted for such employees on the vesting date each year are as follows:
(rounded to the nearest share):
 - a. Continuous employment with the Company 3 years after the granted date: 30%.
 - b. Continuous employment with the Company 4 years after the granted date: 30%.
 - c. Continuous employment with the Company 5 years after the granted date: 40%
 - (5) During the period from the issuance of RSA to each vested date (i.e. each vested period), the Company has determined that the employee has no violation of the Company's labor contract, employee manual, work rules, trust custody contract, confidentiality and intellectual property commitment, this Regulations, "Employee Restricted Stock Award Agreement", or other written agreements with the Company.
4. Measures to be taken when employees fail to meet the vesting conditions
- (1) Where an employee has failed to meet the vested conditions, including but not limited to non-employment on the vested day, violation of the circumstances listed in subparagraph 5, paragraph 3 of this article, and failure to achieve paragraph 3 of this article, etc., the granted shares to the employee will be recovered and canceled by the Company without compensation.
 - (2) During the vested period, if an employee voluntarily resigns, retires, or is dismissed, the granted shares are deemed to have not met the vested conditions, and the shares will be recovered and canceled by the Company without compensation.

5. The handling of RSA due to the following reasons or in the event of inheritance

- (1) Transfer: Due to the needs of the Company's operation, the employee is transferred to other company, the rights to the new shares of RSA that have been granted to the employee shall remain unchanged at the time of transfer. However, it is still subject to the limitations of Article 3.3 of this document and the employee shall continue to serve in the assigned affiliated company on the vested day, and the individual performance evaluation shall be provided to the Chairman of the Company to determine whether the vesting conditions are met by the employee.
- (2) Retirement at age, death, disability due to occupational hazards, and inability to continue serving: New shares are calculated based on the actual number of days of employment of the employee. In case of leading to the death of employees, after completing the necessary legal procedures and providing relevant supporting documents, the heir may apply for receiving the shares or the rights and interests that have been disposed of. For the part of the vested period that has not expired at the time of the event, the Company will confirm whether the employee met the Company's performance indicators after the expiration of each vested period, and then calculate the number of shares of the individual employees meeting the vested conditions according to the provisions of subparagraph 2, paragraph 3 of this article.
- (3) Leave without pay: For those who have been approved to apply for leave without pay, the calculation of the time schedule for the unvested new shares will be suspended from the effective date of the leave, except for the number of vested shares for all employees according to the issuance method. The calculation of the time schedule will continue from the date of reinstatement, the vested date of subparagraph 4, paragraph 3 of this article will be deferred accordingly. However, if the employee fails to resume his post at the expiration of the period of retention without pay, it shall be handled in accordance with subparagraph 2, paragraph 4 of this article.

- (4) If the Company makes organizational adjustments in accordance with the Mergers and Acquisitions Act, the new shares shall be deemed to have fulfilled the acquired conditions or the ratio of the acquired conditions and the available vested shares shall be approved by the board of directors.
- (5) If there are special circumstances such as an employee's outstanding contribution to the Company, when the employment relationship is terminated, the new shares that have not met the vested condition shall be deemed to have fulfilled the vested conditions or not and the available vested ratio, are subject to the Chairman to approve according to the actual situation. Any employee who holds a managerial position shall be subject to the approval of the Remuneration Committee.
- 6. The shares recovered and canceled without compensation will be annulled by the Company.
- 7. Other issuance conditions: Employees who have been granted RSA shall abide by the confidentiality regulations, and shall not disclose the number of shares and all related content except as required by the laws or the competent authority. If an employee has a violation and the Company considers the circumstance to be serious, it will be regarded as a violation of subparagraph 5, paragraph 3 of this article and shall be handled in accordance with subparagraph 1, paragraph 4 of this article.

Article 4 Total issuance

A total issuance of 4.15 million common shares, with par value per share TWD 10, total amounts to TWD 41.5 million.

Article 5 Employee eligibility

- 1. To protect the rights and interest of shareholders, the Company will carefully manage the awards program. The program shall apply to any full-time employee of the Company and domestic subsidiary companies who has already been on the job on the date of the granting of restricted stock award shares. Such employee shall reach certain level of performance and fulfill the following conditions:

- (1) The employee is strongly related to the future strategic development of the Company.
 - (2) The employee is significant influence on the Company operations.
 - (3) The employee is a core technical talent.
2. The number of grantable restricted stock award shares will be based on overall contribution, job performance, etc., as the basis for management. The number of shares granted shall be approved by the Chairman and submitted to the board of directors for resolution. Any employee who holds a managerial position and board director shall be subject to the approval of the Remuneration Committee.
 3. Any member of the Remuneration Committee or any member of the board of directors who is not an employee is not eligible for a grant.
 4. Where the Company issues employee stock warrants under Article 56-1, paragraph 1, the cumulative number of shares subscribable by a single employee of the employee stock warrants, in combination with the cumulative number of new restricted employee shares obtained by the single employee, may not exceed 0.3 percent of the Company's total issued shares. And the above in combination with the cumulative number of shares subscribable by a single employee of employee stock warrants issued by the Company under Article 56, paragraph 1, may not exceed 1 percent of the Company's total issued shares. However, with special approval from the central competent authority of the relevant industry, the total number of employee stock warrants and new restricted employee shares obtained by a single employee may be exempted from the above-mentioned restriction

Article 6 Restricted rights before employees meet the vesting conditions

1. Before any employee who has been granted RSA fulfills the vesting conditions except for inheritance, the RSA may not be sold, pledged, transferred, gifted to others, used to create any encumbrance or otherwise disposed of.

2. Before any employee who has been granted RSA fulfills the vesting conditions, the rights of attendance, proposal, speaking, voting and election in the shareholders meeting shall be the same as common shares, and shall be exercised in accordance with the trust agreement.
3. Other rights include but are not limited to: the rights to receive dividends, statutory surplus reserve, capital reserve and the right to subscribe the new shares are the same as the rights of the common shares of the Company. Relevant operation methods shall be implemented in accordance with the trust agreement.
4. The Company's book closure date for bonus share, cash dividend, subscribable cash capital increase, the book closure period in Article 165 paragraph 3 of the Company's Act, or any other actual incident of the period of statutory suspension of transfer to the date of distribution of rights, during which the vesting conditions are met, the procedures for removing the restricted time and procedures for the granted shares shall be implemented in accordance with the trust agreement or relevant regulations.
5. During the vesting period, if the Company conducts cash reduction and other capital reductions that are not due to statutory capital reductions, the new shares of the restrict stock award shall be cancelled according to the proportion of capital reduction. In the case of a cash capital reduction, the returned cash must be delivered to the trust, and the cash can only be delivered to the employees after the vesting conditions are met. However, if the vesting conditions are not met, the Company will recover the cash.

Article 7 Other agreements

1. The RSA shall be deposited in the trust account before meeting the vesting conditions, and the employees shall not request the trustee to return the new shares under any circumstances.

2. During the period when the new shares are in the trust, the Company or a person designated by the Company shall act on behalf of the employees and the trustee (including but not limited to) the negotiation, signing, amending, extension, cancellation, termination of the trust agreement, as well as the delivery and use of the trust property and disciplinary instruction.

Article 8 Execution of Restricted Stock Award Agreement and Confidentiality

1. The employee who has been granted restricted new shares will sign the "Employee Restricted Stock Award Agreement" and implement related procedure for trust management according to the Company's notification before earning the granted shares. Failing to complete the signing of relevant documents or the opening of an account and other procedures necessary for the custody of stock trusts in accordance with the regulations will be deemed to forfeit the granted shares.
2. Employees and all owners of new shares and derivative rights that have obtained restricted employee rights through this Regulations shall abide by the provisions of the Regulations and the "Employee Restricted Stock Award Agreement". Violators shall be deemed to have failed to meet the vesting conditions; in addition, the employee shall comply with the Company's salary confidentiality regulations, and shall not inquire about others or disclose the content and quantity of new shares granted, or inform others of the content and personal rights. In the event of a violation, the Company has the right to withdraw and cancel the new shares that have not yet met the vesting conditions without compensation.

Article 9 Tax

Any taxes the employee incurs as a result of receiving the restricted stock shares under the Regulation shall be handled in accordance with the relevant laws or regulations of R.O.C.

Article 10 Miscellaneous

1. This regulations shall take effect after being approved by the majority votes in a meeting of Board of Directors at which two-thirds or more directors are present, and approved by the competent authority. In the event that the competent authority requests amendment to the Regulations during the review process, the Chairman is authorized to make amendment to the Regulations and the amended Regulations shall be submitted to the Board of Directors of the Company for rectification before the issuance of the any restricted shares.
2. The new shares issued by the Company shall be handled in the form of stock trust custody, and the Company or a person designated by the Company shall act as an agent on behalf of all granted employees to sign and amend trust-related contracts with the trust institution and handle related trust affairs.
3. The details of the issuance of restricted stock shares that meet the acquired conditions will be handled by the Company's undertaking department.
4. Any matters not set forth in the Regulations, except for applicable laws and regulations, the Board of Directors or authorized personnel is fully authorized to execute or amend according to applicable laws and regulations.

CTCI Corporation

Articles of Incorporation

(Before Amendment)

Chapter I General

Article 1 This company is incorporated under the Company Act of the Republic of China, in the name of “CTCI Corporation” (hereinafter the “Company”).

Article 2 Scope of the Company's business activities include the following:

- 1 B101010 Coal Mining
- 2 B102010 Crude Petroleum and Natural Gas
- 3 B201010 Metal Ore Mining
- 4 B202010 Nonmetallic Mining
- 5 B601010 On land Clay and Stone Quarrying
- 6 C801010 Basic Industrial Chemical Manufacturing
- 7 C801020 Petrochemical Manufacturing
- 8 C801030 Precision Chemical Materials Manufacturing
- 9 C801060 Synthetic Rubber Manufacturing
- 10 C801100 Synthetic Resin & Plastic Manufacturing
- 11 C801110 Fertilizer Manufacturing
- 12 C801120 Manmade Fiber Manufacturing
- 13 C801990 Other Chemical Materials Manufacturing
- 14 C802120 Industrial Catalyst Manufacturing
- 15 C802200 Paints, Varnishes, Lacquers, Dyeing Mills and Dyestuff Manufacturing
- 16 C802990 Other Chemical Products Manufacturing
- 17 C901040 Concrete Mixing Manufacturing
- 18 C901050 Cement and Concrete mixing manufacturing
- 19 CA01010 Iron and Steel Refining
- 20 CA01020 Iron and Steel Rolls over Extends and Crowding
- 21 CA01030 Iron and Steel Casting
- 22 CA01050 Iron and Steel Rolling, Drawing, and Extruding
- 23 CA01990 Other Non-ferrous Metal Basic Industries
- 24 CA02010 Metal Architectural Components Manufacturing
- 25 CA02050 Metal Valves Manufacturing

26	CA02060	Metal Containers Manufacturing
27	CA02080	Metal Forging industry
28	CA03010	Metal Heat Treating
29	CA04010	Metal Surface Treating
30	CB01010	Machinery and Equipment Manufacturing
31	CB01030	Pollution Controlling Equipment Manufacturing
32	CB01990	Other Machinery Manufacturing Not Elsewhere Classified
33	CC01010	Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
34	CC01040	Electric Wires and Cables Manufacturing
35	CC01080	Electronic Parts and Components Manufacturing
36	CC01090	Batteries Manufacturing
37	CC01110	Computers and Computing Peripheral Equipments Manufacturing
38	CC01120	Data Storage Media Manufacturing and Duplicating
39	CC01990	Electrical Machinery, Supplies Manufacturing
40	CD01020	Tramway Cars Manufacturing
41	CE01010	Precision Instruments Manufacturing
42	D101040	Non-Public Electric Power Generation
43	D101050	Steam and Electricity Paragenesis
44	D301010	Water Supply
45	D401010	Heat Energy Supplying
46	E103101	Environmental Protection Construction
47	E401010	Dredge Engineering
48	E402010	Ballast and Mud Construction on Sea
49	E501011	Water Pipe Construction
50	E502010	Fuel Pipe Construction
51	E599010	Pipe Lines Construction
52	E601010	Electric Appliance Construction
53	E601020	Electric Appliance Installation
54	E603010	Cables Construction
55	E603020	Elevator Construction
56	E603040	Fire Fighting Equipments Construction
57	E603050	Cybernation Equipments Construction
58	E603080	Traffic Signals Construction
59	E603090	Illumination Equipments Construction
60	E603100	Electric Welding Construction
61	E603110	Quench Construction
62	E603120	Sand Spurting Construction

63	E603130	Gas Water Heater Construction
64	E604010	Machinery Installation Construction
65	E605010	Computing Equipments Installation Construction
66	E701020	Channel KU and C of Satellite TV Equipments and Materials Construction
67	E701030	Restrained Telecom Radio Frequency Equipments and Materials Construction
68	E801010	Building Maintenance and Upholstery
69	E801020	Doors and Windows Construction
70	E801030	Interior Light Rigid Frame Construction
71	E801040	Glass Construction
72	E801070	Kitchen and Bath Facilities Construction
73	E901010	Painting Construction
74	E903010	Eroding and Rusting Construction
75	EZ02010	Derrick Construction
76	EZ03010	Furnace Installation Construction
77	EZ05010	Apparatus Installation Construction
78	EZ06010	Traffic Labels Construction
79	EZ07010	Drilling Construction
80	EZ09010	Static Electricity Protecting and Clearing Construction
81	EZ13010	Nucleus Construction
82	EZ14010	Sports Ground Equipments Construction
83	EZ15010	Warming and Cooling Maintenance Construction
84	EZ99990	Other Construction
85	F106010	Wholesale of Ironware
86	F107170	Wholesale of Industrial Catalyst
87	F107200	Wholesale of Chemistry Raw Material
88	F107990	Wholesale of Other Chemical Products
89	F113010	Wholesale of Machinery
90	F113020	Wholesale of Household Appliance
91	F113030	Wholesale of Precision Instruments
92	F113050	Wholesale of Computing and Business Machinery Equipment
93	F113060	Wholesale of Metrological Instruments
94	F113070	Wholesale of Telecom Instruments
95	F113090	Wholesale of Traffic Signal Equipments and Materials
96	F113100	Wholesale of Pollution Controlling Equipments
97	F114080	Wholesale of Tramway Cars and Parts
98	F117010	Wholesale of Fire Fighting Equipments

99	F118010	Wholesale of Computer Software
100	F119010	Wholesale of Electronic Materials
101	F120010	Wholesale of Refractory Materials
102	F199010	Wholesale of Recycling Materials
103	F199990	Other Wholesale Trade
104	F206010	Retail Sale of Ironware
105	F207170	Retail Sale of Industrial Catalyst
106	F207200	Retail sale of Chemistry Raw Material
107	F207990	Retail Sale of Other Chemical Products
108	F211010	Retail Sale of Building Materials
109	F213010	Retail Sale of Household Appliance
110	F213030	Retail sale of Computing and Business Machinery Equipment
111	F213040	Retail Sale of Precision Instruments
112	F213050	Retail Sale of Metrological Instruments
113	F213060	Retail Sale of Telecom Instruments
114	F213080	Retail Sale of Other Machinery and Equipment
115	F213090	Retail Sale of Traffic Signal Equipments and Materials
116	F213100	Retail Sale of Pollution Controlling Equipments
117	F214080	Retail Sale of Tramway Cars and Parts
118	F217010	Retail Sale of Fire Fighting Equipments
119	F218010	Retail Sale of Computer Software
120	F219010	Retail Sale of Electronic Materials
121	F220010	Retail Sale of Refractory Materials
122	F299990	Retail Sale of Other Retail Trade Not Elsewhere Classified
123	F401010	International Trade
124	H701010	Residence and Buildings Lease Construction and Development
125	H701020	Industrial Factory Buildings Lease Construction and Development
126	H701030	Funeral Places Lease Construction and Development
127	H701040	Specialized Field Construction and Development
128	H701050	Public Works Construction and Investment
129	H701060	New County and Community Construction and Investment
130	H701070	Land Levy and Delimit
131	H701080	Reconstruction within the renewal area
132	H701090	Renovation, or maintenance within the renewal area
133	H702010	Construction Management

134	H703090	Real Estate Commerce
135	H703100	Real Estate Rental and Leasing
136	H703110	Senior Citizen's Development
137	I101061	Engineering Consultancy
138	I101070	Agriculture, Forestry, Fishing and Animal Husbandry Consultancy
139	I102010	Investment Consultancy
140	I103060	Manages Consultant Business
141	I199990	Other Consultancy
142	I301010	Software Design Services
143	I301020	Data Processing Services
144	I301030	Digital Information Supply Services
145	I501010	Product Designing
146	I503010	Landscape and Interior Designing
147	I599990	Other Designing
148	IF01010	Fire Fighting Equipments Overhauling
149	IF02010	Electricity Equipments Checking and Maintenance
150	IF04010	Harmless Checking Services
151	IG01010	Biotechnology Services
152	IG02010	Research Development Service
153	IG03010	Energy Technical Services
154	IZ09010	Management System Verification
155	IZ13010	Internet Identify Services
156	IZ15010	Marketing Research and Opinion Poll
157	IZ99990	Other Industry and Commerce Services Not Elsewhere Classified
158	J101010	Buildings Cleaning Service
159	J101030	Waste Disposing
160	J101040	Waste Disposing
161	J101050	Sanitary and Pollution Controlling Services
162	J101060	Wastewater (Sewage) Treatment
163	J101070	Radwaste Disposing Service
164	J101080	Waste Recycling
165	J101090	Waste Collecting and Disposing
166	J101990	Other Environmental Protection Construction
167	J399990	Other Publishers Not Elsewhere Classified
168	JD01010	Industry and Commerce Credit Bureau Services
169	JE01010	Rental and Leasing Business

170 ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval

Article 3 The Company has established its headquarter in Taipei, R.O.C., and may establish branches within or outside of the territory of R.O.C.

Article 4 Public announcement of the Company shall be made in accordance with the Company Act and other relevant rules and regulations.

Article 4-1 To the extent of the necessary practice, the Company may make endorsement and guarantee according to the Rules governing procedure for making of endorsements or guarantees.

Chapter II Capitals

Article 5 Article 5 The Company has an authorized capital of TWD12 billion dollars, divided into 1.2 billion shares at TWD10 dollars par value per share. For shares that are not issued, the Company hereby authorizes the board of directors to issue such shares in installments as necessary by board resolution.
The Company may issue employee stock options in installments as per board resolution. A total of TWD 800 million, divided into 80 million shares at TWD 10 par value per share, amount the above capital should be reserved for issuing employee stock options.

Article 5-1 The total amount of the Company's reinvestment is not be subject to the restriction of not more than forty percent of the Company's paid-up capital as provided in Article 13 of the Company Act. Any matters regarding the reinvestment shall be resolved in accordance with the resolutions of the board of directors.

Article 5-2 The employees entitled to receive shares, which bought back by the Company, or share subscription warrants, or restricted stock for employees, or reserved for subscription by employees when the Company issues new shares, may including the employees of subsidiaries of the Company meeting certain specific requirements which will be determined by the Board of Directors.

- Article 6 The Company had issued shares. The share issued is exempted from printing any share certificate and shall be registered the issued shares with a centralized securities depositary enterprise and follow the regulations of that enterprise. However, the stock of the Company shall be registered with the securities centralized depositary institution.
- Article 7 The shares of the Company shall be name-bearing shares, clearly identify the real name of each shareholder. Each shareholder shall register its address with the Company. In the event where a shareholder is a juristic person, such shareholder shall register the real name and address of its representative with the Company.
- Article 8 With respect to the assignment of a shareholder's shares, unless such assignment is recorded with the Company and the name of the assignee is indicated on the share certificates and the name and address of the assignee recorded on the shareholder roster of the Company, the rights with respect to such shares shall deem to belong to the original shareholder.
- Article 9 In the event where the share certificates are lost or destroyed, the provisions of Criteria Governing Handling of Stock Affairs by Public Companies shall govern.
- Article 10 Where new shares are re-issued because of assignment of ownership, loss or damages of shares, the Company may charge a fee sufficient to cover the printing cost.
- Article 11 Shareholders shall register their seals with the Company, so as to allow the Company to verify the authenticity of the seals at the time when the shareholders receive dividends or exercise their shareholders' rights.
- Article 12 If a shareholder has lost the seal registered with the Company, the shareholder shall proceed in accordance with the provisions of Criteria Governing Handling of Stock Affairs by Public Companies shall govern.
- Article 13 No amendment shall be made to the shareholders' roster within sixty days immediately before the general shareholders' meeting, or thirty days immediately before the special shareholders' meeting, or five days before the date on which dividends and bonuses or other benefits are scheduled to be paid by the Company.

Chapter III Shareholders' Meeting

Article 14 There are two types of shareholders' meeting:

- (1) General shareholders' meeting
- (2) Special shareholders' meeting

General shareholders meeting shall be convened within six months after the end of each fiscal year by the board of directors. Special shareholders' meeting shall be convened in accordance with the laws when necessary.

Article 15 A written notice setting forth the reason for convening the shareholders' meeting shall be sent to each shareholder to its last-known address registered with the Company at least thirty days before the scheduled meeting for general shareholders' meeting or fifteen days before the scheduled meeting for special shareholders' meeting.

Article 16 Except as provided in the Company Act and other relevant rules and regulations, the shareholders' meeting shall only be held if it is attended by shareholders representing more than half of the total number of issued shares. The resolutions shall be adopted at the meeting with the concurrence of a majority of the votes held by shareholders present at the meeting.

Article 17 (Deleted)

Article 18 Except as provided in the Company Act and other relevant rules and regulations, the shareholder shall have one voting right for each share owned in the Company.

Article 19 Where a shareholder cannot attend the shareholders' meeting, he or she may appoint a representative to attend the meeting and exercise his or her rights on his or her behalf pursuant to Article 177 of the Company Act. The representative does not need to be a shareholder of the Company.

Article 20 The shareholders' meeting shall be chaired by the chairman. In the event where the chairman is absent or cannot exercise its duties for any reasons, Article 208 of the Company Act shall govern.

Article 21 Resolutions adopted at the shareholders' meeting shall be recorded in the meeting minutes, signed or sealed by the chairman of the shareholders' meeting. The meeting minutes, together with the attendance sheet and proxies, shall be filed and kept at the Company pursuant to the laws.

Chapter IV Directors and Audit Committee

Article 22 The Company shall have nine to thirteen directors, who shall be elected from people with legal capacity at the shareholders' meeting. However, the total number of the name-bearing shares held by all directors shall not be less than a certain percentage of the total shares issued by the Company. The percentage shall be determined by the regulations of the competent authority.

In compliance with the Securities and Exchange Act, the Company shall have, among the aforementioned directors, at least two independent directors, and the number of independent directors shall be no less than one-fifth of the total number of the directors. The directors (including independent directors) shall be elected from among the nominees listed in the roster of director candidates pursuant to the candidates nomination system as specified in Article 192-1 of the Company Act. Compliance matters with respect to independent directors shall comply with the Company Act and the regulations of the competent securities authority.

Article 22-1 The election of directors shall be made in cumulative vote by open ballots. Each share shall enjoy as many votes as the number of directors' positions up for election. Shareholders may concentrate their full share of votes on one or several candidates.

Article 22-2 In compliance with Article 14-4 of the Securities and Exchange Act, the Company shall establish an Audit Committee, which shall consist of the entire number of independent directors. The Audit Committee or the members of Audit Committee shall be delegated the power as set forth in the provisions regarding supervisors in the Company Act, the Securities and Exchange Act, and other laws and regulations.

Article 23 The term of office of directors shall be three years and all directors shall be eligible for re-election.

- Article 24 The board of directors shall have the authority to perform the followings:
- (1) Set out business guidelines
 - (2) Approve important bylaws and contracts
 - (3) Appoint or remove executing officers
 - (4) Establish or dissolve branches
 - (5) Approve budget and financial reports
 - (6) Recommend proposals for the amendment the articles of incorporation, change capital and dissolution or merger of the Company at the shareholders' meeting
 - (7) Recommend proposals regarding the allocation of profit or covering losses at the shareholders' meeting
 - (8) Decide on other important matters
- Article 25 The directors shall elect amongst themselves a chairman and may elect a vice chairman pursuant to Article 208 of the Company Act.
- Article 26 The Chairman shall externally represent the Company and, when representing the Company externally, the chairman shall act in accordance with the articles of incorporation, the shareholders' resolutions and the board of directors' resolutions.
- Article 27 The board meeting shall be chaired by the chairman. In the event where the chairman is absent or cannot exercise its duties for any reasons, Article 208 of the Company Act shall govern.
- Article 28 Meetings of the board of directors shall be convened by the chairman of the board of directors, except for the first meeting of each term of the board of directors, which shall be convened by the director who has received the largest number of ballots for exercising voting rights. In calling a meeting of the board of directors, a notice setting forth therein the subject(s) to be discussed at the meeting shall be given to each director, by means of written document, email or facsimile, no later than 7 days prior to the scheduled meeting date. However, in case of emergency, a meeting may be convened at any time.
- Article 29 A director may, by a written proxy, appoint another director to attend the board meeting on its behalf and may authorize such director to vote on his or her behalf regarding all matters submitted at the meeting; provided that a director may only act as proxy on behalf of one other director.

Article 30 Directors shall carry out its authority pursuant to the resolution adopted at the board meeting. Unless otherwise provided by the Company Act, the board meeting shall be held only if it is attended by more than half of the directors. Resolutions shall be adopted with the concurrence of the majority of the directors present at the meeting.

Article 30-1 The Company may set up various functional committees under the Board of Directors. Each functional committee shall stipulate the operating rules for its functioning and such operating rules shall only take effect after the approval of the Board of Directors.

Article 31 (Deleted)

Article 32 (Deleted)

Chapter V Human Resources

Article 33 The appointment, removal and remuneration of corporate officer of the Company shall be made in accordance to Article 29 of the Company Act.

Article 34 The Company may purchase liability insurance for directors for statutory liabilities that may incur during their terms of office for the execution of business activities.

Article 35 The remuneration of directors, chairman and vice chairman shall be determined by the Board of Directors in reference to the industry standard and their respective contribution.

Chapter VI Financial Reports

Article 36 The fiscal year of the Company shall commence on January 1 of each year until December 31 of the same year. At the end of each fiscal year, the Board of Directors shall prepare the following documents to be audited by the Audit Committee and submitted them for the shareholders' approval at the general meeting of the shareholders:

- (1) Business report
- (2) Financial statements
- (3) Proposal for profit distribution or covering of losses

Article 37 When net profit occurs in the annual accounts, the Company may, after reserving a sufficient amount of the income before tax to cover the accumulated losses, with the resolution of the board of directors, distribute 1.5%~5% of the income before tax to pay to the employees as remuneration, and distribute no more than 1.5% of the income before tax to pay to the board of directors as remuneration. The remuneration could be stock or cash, and the employee remuneration could be distributed to the employees of subsidiaries of the Company under certain conditions.
A report of the distribution of employee remuneration or the board of directors remuneration shall be submitted to the shareholders' meeting.

Chapter VII Profit Allocation

Article 38 The Company shall, after all taxes and dues have been paid and its losses have been covered and at the time of allocating surplus profits, first set aside ten percent of such profits as a legal reserve. However, when the legal reserve amounts to the authorized capital, this shall not apply. Furthermore, in accordance with the provisions of laws and regulations and the rules prescribed by the central competent authority, a special reserve shall be set aside. If there is recovery of the balance of special reserve, the recovered amount shall be included in the distribution of the profit for the current year. The allocable profit for the current year, which is the balance after the profit distribution and covering losses aforementioned as the preceding Paragraph, together with the undistributed retained earnings accrued from prior years shall be referred to as cumulative distributable earnings, which shall be distributed as dividends to shareholders according to shareholders' resolutions.

In order to meet the requirements in business expansion and industry growth, fulfilling future operating needs and stabilizing financial structure is the priority of the Company's dividend policy. Thus, the distribution of the cumulative distributable earnings accords to the shareholders' resolutions. And, the amount of shareholders' bonus shall not be less than 50% of cumulative distributable earnings of the Company, and in particular cash dividend shall not be less than 20%.

Chapter VIII Miscellaneous

Article 39 The internal organizational bylaws and procedural rules shall be set out by the Board of Directors.

Article 40 All matters that are not provided for herein shall be subject to the Company Act.

Article 41 These Articles of Incorporation were enacted on March 23, 1979.

The first amendment was approved on April 23, 1981,

the second amendment on December 28, 1982,

the third amendment on July 12, 1983,

the fourth amendment on February 25, 1984,

the fifth amendment on July 7, 1984,

the sixth amendment on March 1, 1985,

the seventh amendment on April 3, 1985,

the eighth amendment on March 20, 1986,

the ninth amendment on April 28, 1986,

the tenth amendment on July 4, 1986,

the eleventh amendment on June 17, 1987,

the twelfth amendment on December 1, 1987,

the thirteenth amendment on May 27, 1988,

the fourteenth amendment on May 30, 1989,

the fifteenth amendment on April 4, 1990,

the sixteenth amendment on June 29, 1990,

the seventeenth amendment on March 25, 1991,

the eighteenth amendment on May 20, 1991,

the nineteenth amendment on May 15, 1992,

the twentieth amendment on January 29, 1993,

the twenty-first amendment on May 24, 1994,

the twenty-second amendment on June 12, 1995,

the twenty-third amendment on June 10, 1996,

the twenty-fourth amendment on June 19, 1997,

the twenty-fifth amendment on June 19, 1998,

the twenty-sixth amendment on February 8, 1999,

the twenty-seventh amendment on May 22, 2000,

the twenty-eighth amendment on May 28, 2001,

the twenty-ninth amendment on February 8, 2002,

the thirtieth amendment on June 20, 2002,

the thirty-first amendment on June 15, 2004,
the thirty-second amendment on June 14, 2005,
the thirty-third amendment on June 23, 2006,
the thirty-fourth amendment on June 15, 2007,
the thirty-fifth amendment on June 19, 2009,
the thirty-sixth amendment on June 18, 2010,
the thirty-seventh amendment on June 22, 2011,
the thirty-eighth amendment on June 28, 2013,
the thirty-ninth amendment on June 26, 2014,
the fortieth amendment on June 22, 2016,
the forty-first amendment on May 28, 2020,
the forty-second amendment on July 30, 2021.

CTCI Corporation

Chairman Michael Yang

CTCI Corporation

Rules Governing Procedure for Shareholders' Meetings

Amended on June 05, 1999

Amended on June 22, 2011

- Article 1 Unless otherwise provided by laws or regulations, the shareholders' meeting shall be governed by the Rules.
- Article 2 The Company shall prepare an attendance sheet for the attending shareholders to sign or the attending shareholders shall hand in an attending card to indicate their presence. The number of the shares present at the shareholders' meeting shall be calculated based on the attendance sheet or the attending cards handed in.
- Article 3 The attendance of and voting at the shareholders' meeting shall be calculated based on shares.
- Article 4 The shareholders' meeting shall be held at the location of the Company or at the location that is convenient for the shareholders to attend and appropriate for convening shareholders' meeting thereat. The time of the meeting shall not be earlier than 9am or later than 3pm.
- Article 5 If the shareholders' meeting is convened by the board of directors, the shareholders' meeting shall be chaired by the chairman. If the chairman is absent or cannot exercise its duties for any reasons, Article 208 of the Company Act shall govern.
- Article 6 The Company may appoint its attorneys, accountants or other related persons to attend the shareholders' meeting as non-voting observers.
- Article 7 The entire proceedings of the shareholders' meeting shall be recorded on audio or video tape. Such audio or video tape shall be kept for at least 1 year.

Article 8 The chair of the shareholders' meeting shall immediately announce the commencement of the shareholders' meeting when it is time to commence, provided that where shareholders representing more than half of the total issued shares are absent from the shareholders' meeting, the chair may announce the postponement of the shareholders' meeting. However, the shareholders' meeting can only be postponed twice and the total period of postponement cannot exceed one hour. If, after two postponements, the quorum is still not satisfied, but the attending shareholders represent more than one third of the total issued shares, a provisional resolution may be made pursuant to Paragraph 1 of Article 175 of the Company Act. Before the closing of that shareholders' meeting, if the attending shareholders represent more than half of the total issued shares, the chair may submit the provisional resolution to the shareholders' meeting for voting in accordance with Article 174 of the Company Act.

Article 9 If the shareholders' meeting is convened by the board of directors, the agenda of the meeting shall be determined by the board of directors. The shareholders' meeting shall proceed in the order of proposed agenda. Such order shall not be changed without the approval of the shareholders' meeting.

Before the proposed agenda (including extempore motions) is decided, without the approval of the shareholders' meeting, the chair shall not announce the adjournment of the shareholders' meeting.

After the adjournment of the shareholders' meeting, the shareholders shall not elect another chair to continue the shareholders' meeting at the same location or at another location.

Article 10 Before an attending shareholder makes a statement, he or she shall first fill out a statement slip indicating the subject of his or her statement, the shareholder's account number (or the attendance identification number) and the shareholder's name. The chair shall determine the order in which the shareholders shall make the statement.

Where an attending shareholder only submits a statement slip but did not make any statement, he or she shall be deemed to have not spoken. Where the content of the oral statement is different from that indicated on the statement slip, the content of the oral statement shall prevail.

When an attending shareholder is making a statement, the other shareholders shall not interrupt unless otherwise agreed to by the chair and the speaking shareholder. In case of violation, the chair shall stop the disturbance.

Article 11 For every proposal discussed, unless otherwise agreed to by the chair of the shareholders' meeting, each shareholder shall not speak for more than twice and each time shall not exceed 5 minutes. Any shareholder violating the abovementioned rule or whose statement exceeds the scope of the proposal, the chair may interrupt and stop such shareholder from speaking.

Article 12 Where a juristic person is delegated to attend the shareholders' meeting, such juristic person can only appoint one person to attend the shareholders' meeting.

Where a juristic person appoints more than 2 representatives to attend the shareholders' meeting, only one of such representatives may speak for each proposal.

Article 13 When an attending shareholder speaks, the chair may answer such shareholder directly or appoint a related person to answer.

Article 14 With respect to the discussion of a proposal, where the chair is of the opinion that a matter has been sufficiently discussed to the extent that a vote may proceed, he or she may conclude the discussion and bring the matter to vote.

Article 15 People supervise and count the votes for the voting of a proposal shall be appointed by the chair, provided that the person supervising the vote shall be a shareholder of the Company. The result of the vote shall be announced on site and shall be recorded in the meeting minutes.

Article 16 During the course of the shareholders' meeting, the chair may announce a break at the times that he or she deems appropriate.

- Article 17 Unless otherwise provided by the Company Act or by the Articles of Incorporation, a proposal shall be adopted by a majority vote of the shareholders present. When voting, if no objection is expressed when the chair puts the matter before the shareholders present at the shareholders' meeting, the proposal shall be deemed to have been adopted. The effect of such adoption shall be the same as adoption by votes.
- Article 18 Where there is an amendment proposal or alternative proposal for the same issue, the chair shall determine the order of voting of such proposals together with the original proposal for the same issue. However, if a proposal has been approved, the other proposals shall be deemed to have been vetoed and need not be voted again.
- Article 19 The chair may direct the rectifiers (or security personnel) to assist in maintaining order at the shareholders' meeting. When the rectifiers (or security personnel) provide assistance to maintain the order at the shareholders' meeting, they shall wear the badge indicating that they are the rectifiers.
- Article 20 The Rules shall come into force upon the adoption by the shareholders' meeting. The same shall apply to the amendment hereof.

CTCI CORPORATION

Shareholdings of All Directors

Record Date: March 28, 2022

Title	Name	Shares	%	Representative
Chairman	CTCI Development Corporation	912,170	0.12%	Michael Yang
Director				John T. Yu
Director	Quintin Wu	0	0.00%	
Director	Johnny Shih	0	0.00%	
Director	Yancey Hai	0	0.00%	
Director	Taiwan Cement Corporation	9,054,350	1.16%	An-Ping Chang
Director	CTCI Foundation	60,862,051	7.78%	Paul Chen
Director	Wenent Pan	30,000	0.00%	
Independent Director	Yen-Shiang Shih	0	0.00%	
Independent Director	Frank Fan	0	0.00%	
Independent Director	Evon Chen	0	0.00%	
Independent Director	Jack Huang	0	0.00%	
Total number of shares held by all Directors		70,858,571	9.05%	

(1) Total shares issued as of March 28, 2022: 782,630,026 Common Shares.

(2) The minimum required combined shareholding of all Directors by law: 25,044,160 shares.

Others

1. The process of proposals raised by shareholders during this annual general meeting:
 - (1) According to Article 172-1 of the Company Act, shareholders with more than 1% ownership interest are entitled to raise a maximum of one proposal less than 300 words to the Company in writing, which will be addressed during the annual general meeting.
 - (2) This year's annual general meeting was open to shareholders' proposals from March 14 to March 24, 2022, and these dates have been published on the Market Observation Post System in compliance with the relevant regulations.
 - (3) The Company did not receive any proposals from shareholders.



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