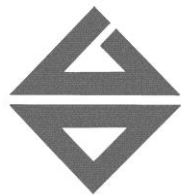


Stock Code: 1802



台灣玻璃工業公司
TAIWAN GLASS IND. CORP.

Handbook for 2020 Annual Meeting of Stockholders

June 5, 2020

玻 璃 工 業 貢 獻 社 會



(This English translation is prepared in accordance with the Chinese version and is for reference purposes only. If there is any inconsistency between the Chinese original and this translation, the Chinese version shall prevail.)

TAIWAN GLASS IND. CORP.
2020 Annual Meeting of Stockholders

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TAIWAN GLASS IND. CORP.

Procedure for 2020 Annual Meeting of Stockholders

1. Call the Meeting to Order
2. Chairman's Address
3. Report Items
4. Ratification Item
5. Approval Items
6. Motions
7. Adjournment

TAIWAN GLASS IND. CORP.

Agenda for 2020 Annual Meeting of Stockholders

Time: 09:00 a.m. on Friday, June 5, 2020

Location: 1F., No.207, Sec. 2, Tiding Blvd., Neihu Dist., Taipei City 114, Taiwan (R.O.C.)

Call the Meeting to Order

Chairman's Address

Report Items

1. 2019 Business Report
2. 2019 Audit Committee's Review Report and Independent Auditors' Report
3. 2019 Directors' and Employees' Remuneration Distribution Report

Ratification Item

1. 2019 Business Report and Financial Statements Report

Approval Items

1. 2019 Earnings Distribution
2. Amendment to the Articles of Incorporation

Motions

Adjournment

Rules of Procedure for Stockholders' Meeting

TGI Stockholder Meeting June 5, 2020

1. Attendance: Attending stockholders shall present attendance cards with represented shares clearly marked. Stockholders should be issued an official attendance card by the Company, and present original documents to attend the stockholders' meeting.
2. Call the meeting to order: The chairperson shall call the meeting to order at the time scheduled for the meeting. In the event that the meeting is attended by stockholders representing less than half of the total issued shares, the chairperson may announce a postponement of the meeting, however, there may not be more than two postponements in total and the total time accumulated in the postponement(s) shall not exceed one hour.
3. Agenda : In the event that the stockholder meeting is convened by the Board of Directors, the agenda shall be worked out by the Board of Directors. The stockholder meeting shall be duly convened based on the arranged agenda, which shall not be changed unless duly resolved by the stockholder meeting. In the event that the stockholder meeting is convened by a convener beyond the Board of Directors, the provision set forth under the preceding paragraph may apply, mutatis mutandis. The chairperson shall not announce adjournment of the meeting until the agenda in the two preceding paragraphs is completed (including occasional (extemporaneous) motions) unless duly resolved in the meeting.
4. Speaking: An attending stockholder shall issue and submit a floor note before speaking at the stockholder meeting. The floor note shall expressly describe the subject of his or her opinions, his or her stockholder account number (or the code of the participation certificate), and his or her name so that the chairperson may fix the order of speaking. On the same issue, each stockholder shall not take the floor more than twice and a stockholder shall not speak more than five minutes for each round unless agreed upon by the chairperson. In the event that a juristic (corporate) person is entrusted to participate in a stockholder meeting, that juristic (corporate) person may appoint only one representative to participate in the meeting. In the event that a juristic (corporate) person stockholder appoints two or more representatives to participate in a stockholder meeting, only one representative may speak for the same issue. A stockholder who has submitted a floor note but does not speak is deemed to have not taken the floor. In the event that the actual contents of the stockholder's statement are found inconsistent with the entries of the floor note, the stockholder's spoken statement shall prevail. While an attending stockholder is taking the floor, other stockholder(s) shall not interrupt or interfere with the current floor unless agreed upon by the chairperson and the speaking stockholder. The chairperson shall stop an offender. After a stockholder speaks on the floor, the chairperson may answer either by himself or herself or through a designee.
5. Discussion: Any issue not for the motion shall not be discussed or vote. Chairperson may declare for stopping discussion in appropriate time. Chairperson may declare for stopping discussion to vote when necessary. In order to keep the order of the meeting place and smooth procedure, chairperson may stop discussion of the issue which is discussed enough after consulting other stockholders.
6. Vote: Unless otherwise provided for in law and company's articles of incorporation, decisions at the stockholder meeting shall be resolved by a majority vote of the stockholders attending the meeting. An issue is deemed to have been duly resolved after the chairperson enquires from all participants but no objection is heard. The validity of the decision so resolved is equally valid as a decision duly resolved through the balloting process. One vote right for one share. The recording procedure of issues of stockholder meetings shall be processing publicly in stockholder meetings. In the event that an amendment or a substitute comes out of the same issue, the chairperson shall fix the order of balloting in consolidation with the original issue. When one among them is duly resolved, other issue(s) is (are) deemed to have been vetoed and no voting process is required. The ballot inspector(s) and ballot recorder(s) of issues in stockholder meeting shall be appointed by the chairperson, and the ballot inspector(s) shall be selected from the stockholders.
7. Order of Meeting Place: The rectification (or security) personnel shall wear the "rectification officer" arm-band. The chairperson may instruct the rectification (or security) personnel to help maintain order of the meeting. All present stockholders are obliged to comply with the instruction of chairperson and the rectification (or security) personnel. In the event that a stockholder violates the order of meeting place, chairperson or the rectification (or security) personnel has to take action to stop him or her and ask him or her to leave.
8. Implement: Any matters insufficiently provided for herein shall be subject to the Company Law, Securities Exchange Act, and other laws and regulations concerned. These Rules and any amendments hereof shall be put into enforcement after being resolved at the stockholder meeting.

Report Item 1.

2019 Business Report

TGI Stockholder Meeting June 5, 2020

Production Report:

Type	Territory	Contents	Yearly Output Thousand MT
Flat Glass	Taiwan	<ul style="list-style-type: none"> 1 production line of flat glass in Taichung Factory 1 production line of flat glass in Lukang Factory 1 production line of ultra-thin glass in Taichung Factory Subtotal 3 production lines of flat glass 	275 (-1.5%)
	China	<ul style="list-style-type: none"> 11 production lines of flat glass in Kunshan, Chengdu, Tianjin, Dongguan, Qingdao, Donghai, Xianyang and Anhui Factories 	2,570 (-11.9%)
Fiberglass Fabric & Fiberglass Reinforced	Taiwan	<ul style="list-style-type: none"> 2 production lines of fiber glass in Taoyuan Factory 2 production lines of fabric glass in Lukang Factory Subtotal 4 production lines 	58 (-27.9%)
	China	<ul style="list-style-type: none"> 4 production lines of fabric glass in Kunshan Factory 1 production line of fabric glass in Chengdu Factory 1 production line of fabric glass in Bengbu Factory Subtotal 6 production lines 	59 (+9.1%)
Container, Tableware Kitchenware	Taiwan	<ul style="list-style-type: none"> 7 production lines of container, tableware and kitchenware glass in Hsinchu Factory 	148 (+4.3%)
Autoglass	Taiwan	<ul style="list-style-type: none"> Production line of automotive glass in Taichung Factory 	6 (-25.6%)
	China	<ul style="list-style-type: none"> Production line of automotive glass in Yancheng Factory 	9 (-18.0%)
Total		-	3,125 (-10.5%)

Sales Report:

Type	Territory	Sales Volume		Sales Amount	
		Thousand MT	Compared with 2018	NT\$ Million	Compared with 2018
Flat Glass	Taiwan	259	(-5.1%)	3,884	(-3.8%)
	China	2,881	(-7.3%)	26,128	(-10.1%)
	Subtotal	3,140	(-7.2%)	30,012	(-9.4%)
				= US\$ 971mil	Percentage of group's turnover 67.7%
Fiberglass Fabric & Fiberglass Reinforced	Taiwan	59	(-14.3%)	4,214	(-13.8%)
	China	102	(+46.6%)	5,840	(-7.1%)
	Subtotal	161	(+16.2%)	10,054	(-10.0%)
				= US\$ 325mil	Percentage of group's turnover 22.7%
Container, Tableware and Kitchenware	Taiwan	145	(+0.0%)	3,453	(-0.4%)
				= US\$ 112mil	Percentage of group's turnover 7.8%
Autoglass	Taiwan	6	(-27.8%)	488	(-14.1%)
	China	9	(-18.4%)	332	(-31.7%)
	Subtotal	15	(-22.3%)	820	(-22.2%)
				= US\$ 26mil	Percentage of group's turnover 1.8%

Total	3,461	(-6.1%)	44,339 = US\$ 1,434mil	(-9.2%) Domestic 83% Export 17%
Merge Reversal	-	-	(2,563)	
Total after offset	-	-	41,776 = US\$ 1,351mil	(-9.4%)

Financial Report:

- The increased supply of glass production lines in the first half of 2019 led to a decline in unit selling price. Production capacity adjustments and increase in production costs such as raw materials, fuels, etc. brought about a decline in gross profit margin of 2019, resulting in the Group's loss.

2.	Unit: NT\$ thousand		
Title	2019	2018	Comparison% 2019/2018
Operating Revenue	41,775,507	46,091,494	(9.4)%
Operating Income	(1,169,121)	2,323,574	(150.3)%
Net Income before Tax	(1,300,423)	1,554,665	(183.6)%
Net Income after Tax	(1,606,778)	1,031,980	(255.7)%
Net Income after Tax Attributable to Stockholders of the Parent	(1,448,450)	1,066,286	(235.8)%

Status of Budget implement: Unit: NT\$ thousand

Title	2019 Budget (*)	2019 Amount	Proportion
Operating Revenue	41,847,000	41,775,507	99.8%
Net Income before Tax	(1,225,000)	(1,300,423)	-
Net Income after Tax Attributable to Stockholders of the Parent	(1,204,000)	(1,448,450)	-

*Note: it refers to inner budget with unpublished financial projections

Analysis of Profitability:

Title	2019	2018
Return on Total Assets (ROA)	-1.12 %	1.90 %
Return on Stockholder's Equity (ROE)	-3.53 %	2.12 %
Ratio of Operating Income to Paid-in Capital	-4.02 %	7.99 %
Ratio of Income before Tax to Paid-in Capital	-4.47 %	5.35 %
Profit margin	-3.85 %	2.24 %
EPS (adjusted retroactive)	NTD -0.50	NTD 0.37

2020 Annual Business Plan Outline:

Business Operation Strategy:

Looking ahead, the global economy is faced with a major recession as the COVID-19 pandemic develops and the trade war continues. In response to changes in the future, Taiwan Glass develops new products such as high-performance FRP S2 glass and low-dielectric Low DK fiberglass fabric to add value to products. For flat glass, we will re-examine product structure and reduce cost to improve operating performance while pursuing our primary goal of achieving profitable growth.

In terms of corporate governance, we are dedicated to implementing corporate social responsibility, cultivating outstanding talents, providing safe & healthy workplaces and innovative & optimized services, etc. We also intend to make adjustments to partial assets in China to improve overall profitability. Taiwan Glass will strive to create value for stockholders and employees and become a role model for sustainability.

Brief of Technology and R&D:

In 2019, Taiwan Glass has successfully developed ultra-thin glass with increased alumina content (from 2.3% to 3%), which has improved mechanical properties (such as better performance in ball drop tests) when compared with soda-lime glass, and it has increased ion exchange rate and depth during the chemical strengthening process to meet demand for thinness and robustness for display devices in the future. Glass processed by Taiwan Glass' own AR Coating technology allows lower rate of reflectance down to 0.5%~1%, which makes visual image clearer and reduces glare as well as ghost images. This kind of glass has been used in special medical equipment and also for display purposes such as art galleries, window display in department stores, etc.

In the production of raw flat glass, TGI is committed to improving quality, reducing color-change time to reduce costs. In the second half of 2019, we began to prepare for the temporary shutdown and repair of the 600-ton float glass furnace of the Lukang plant, where suspension-type top roller will be introduced and exhaust gas treatment system will be upgraded. The plant is expected to restart its production line in the second half of 2020. In addition, we have researched and adjusted the composition of glass to make glass more transparent and colorless, which can be applied to protective covers of display devices to reduce image/color distortion.

As the age of 5G is approaching, the demand for high-speed and high-frequency substrate has increased steadily. TGI continues to expand production lines of low dielectric constant fiberglass fabric and develop products with lower dielectric constant and low dielectric loss to meet customers' needs for high-frequency products in the future. To meet downstream need for thin FRP products, TGI developed flat CS fiberglass for high-fiberglass products, which helps to decrease warps substantially. TGI also adopts Roving products certified by DNV GL on the application of wind power generation in response to global environmental protection and energy saving & carbon reduction.

Operating Prospects:

In 2019, the global political and economic situation is turbulent; U.S.-China Trade War and Japan-South Korea trade dispute have slowed down economic growth significantly. In early 2020, Coronavirus (COVID-19) pandemic spread across the world, causing serious impacts on people's health, economic activities and national security. The pandemic also results in stagnation of investment, weak consumer market demand as well as increased uncertainty about global economy and trade, which leads to adjustment and transfer of supply chain in industries. The World Bank pointed out that key economic indicators, such as trade, investment, and consumption, are at their lowest since the Financial Crisis. Overall, 2020 will be a year full of economic challenges, and thus we must stay prudent.

In 2019, Taiwan Glass in 2019 fell short of expected profit due to the shrinking demand in the downstream market, which led to supply-demand imbalance and a fall in price.

In terms of flat glass, glass companies in China have established factories in Southeast Asian countries, where low costs of local labor and fuel are available. Products made there can be exported into Taiwan at relatively low prices, causing market prices to fall. Taiwan Glass, in response to this situation, has continued to strengthen management, quality assurance and after-sales service, while focusing on resource integration in the glass industry to maintain an orderly market.

The flat glass market in China has been slowed down due to U.S.-China Trade War. The economic growth rate has been revised downwards, and the oversupply would remain the same in the short term. Taiwan Glass' subsidiaries in China will continue to implement management, industrial safety and close control on COVID-19 pandemic while optimizing and upgrading production lines to maintain profitability.

As for fiber business, the technology and quality of Taiwan Glass's fiberglass products have always been the Company's core competency. For FRP, the new kiln, in cooperation with Owens Corning of the United States, started production this year, along with the most advanced fiberglass formulation and production technology. We are committed to reducing production costs and supplying customers with high performance and environmentally-friendly products.

In 2019, increased overall sales by 16% compared with 2018 can be attributed to the slightly increased demand for electronic-grade fiberglass fabric and the production of fiberglass fabric in Anhui Bengbu factory. In response to the market trends in the future, other than the ultra-thin fiberglass fabric #1017 which we have successfully developed and supplied, we have put continuous efforts into developing thinner fiberglass fabric. At the same time, with the vigorous development of 5G applications, we have also successfully developed low-dielectric (Low DK) fiberglass fabric, which has been certified and continuously adopted by international terminal manufacturers. The global target market share of 2020 is expected to be 20%.

As for container, tableware and kitchenware glass, the production capacity increased by 4.6%, and α33 high-quality heat-resistant feeding bottles have started production. Tableware and kitchenware glass continue to increase sales channels and diversify its products while working hard to establish our private brand, TG, to beat low price competition.

Shihlien Chemical Industrial Jiangsu Co., Ltd., reinvested by Taiwan Glass, has been profitable for three consecutive years as of 2019. The company has continued to optimize manufacturing process, improve production capacity, implement safety & hygiene management to maintain stable and continuous production as well as shipping. Shihlien Chemical Industrial Jiangsu Co., Ltd. is expected to generate profit in 2020.

Important Sales Policy:

- | | | |
|--------------------------|------------------------|---------------------------|
| 1. Innovative Technology | 2. Excellent Quality | 3. Cost Efficiency |
| 4. Reasonable Price | 5. Product Development | 6. Comprehensive Services |

Report Item 2.

2019 Audit Committee's Review Report and Independent Auditors' Report

2019 annual business report and financial statements have been reviewed by Audit Committee. The audit committee's review report and independent auditors' report are as follows.

Audit Committee's Review Report

The 2019 financial statements, compiled by the board of directors, had been examined by CPA with issuing auditor's reports. Furthermore, the operation report and profit distribution report had been examined by our Audit Committee without any irregularities. According to Company Law, Article 219, this report is hereby submitted to 2019 Annual Meeting of Stockholders for perusal.

Convener of Audit Committee: Lin, Fong-Cheng
March 16, 2020

Independent Auditors' Report Translated from Chinese

To Taiwan Glass Industrial Corporation

Opinion

We have audited the accompanying balance sheets of Taiwan Glass Industrial Corporation (the “Company”) as of December 31, 2019 and 2018, and the related statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, and notes to the financial statements, including the summary of significant accounting policies (collectively “the financial statements”).

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and their financial performance and cash flows for the years ended December 31, 2019 and 2018, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

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

Key Audit Matters

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

Impairment Valuation of Non-financial assets

As of December 31, 2019, the Company's property, plant and equipment amounted to NT\$15,619,637 thousand, which accounted for 25% of its total assets, which is relatively material for the financial statements. Due to the market and economic outlook fluctuations in recent years, some operating units operated in losses which indicated that assets may be impaired. Therefore, the management performed impairment test on related cash-generating units and value in use was adopted for the recoverable amounts of different cash generating units. As the estimation of the recoverable amount of the related cash-generating unit requires significant management judgment, we determined this a key audit matter.

Our audit procedures included, but not limited to, analyzing the rationality of recoverable amounts used by management, obtaining underlying data of the recoverable amount provided by management (including cash flow forecast and growth rate) and related assumptions and discussing with management; using the work of internal expert to assist us in considering the discount rate used by management and to account for the recoverable amounts for impairment assessment used by management.

We also assessed the adequacy of disclosures of property, plant and equipment. Please refer to Notes 4, 5 and 6 to the Company's financial statements.

Valuation of Inventories

As of December 31, 2019, the Company's net inventories amounted to NT\$3,633,098 thousand, which is relatively material for the financial statements. The Company is engaged in the manufacturing, processing and sale of various glasses which have a wide range of applications in various sectors such as construction, electronics and consumer products industries. Considering the fact that identification of slow-moving inventories and the assessment of the amount of inventory write-downs require significant management judgement based on market demands, we determined this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policies of evaluating slow-moving and obsolete inventories; understanding and testing the internal controls established by management with respect to the valuation of inventories, including the calculation of net realizable value; sample testing the accuracy of net realizable value used by management; vouching samples to verify accuracy of inventory aging.

We also assessed the adequacy of disclosures of inventories. Please refer to Notes 4, 5 and 6 to the Company's financial statements.



Revenue Recognition

Operating revenues recognized by the Company amounted to NT\$11,702,108 thousand for the year ended December 31, 2019. Reflecting different market demands, trade terms of different contracts varied, along with the fact that some of the sales orders included delivery services, management needed to review the sales orders or contracts to determine the performance obligations and the time of their satisfaction, there is a significant risk in revenue recognition. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy of revenue recognition; evaluating and testing the operating effectiveness of internal controls with respect to revenue recognition; selecting samples to perform tests of details and reviewing significant terms and conditions of contracts to verify reasonableness of the timing of revenue recognition; confirming significant account receivable balance by sending confirmation letters; selecting samples of transactions from either side of balance sheet date, vouching them to supporting evidences and reviewing significant subsequent sales return or discounts transactions to ensure the reasonableness of the timing of revenue recognition.

We also assessed the adequacy of disclosures of operating revenues. Please refer to Notes 4 and 6 to the Company's financial statements.

Emphasis of Matter – Applying for New Accounting Standards

As stated in Note 3 of the Company's financial statements, the Company adopted the International Financial Reporting Standard 16, "Leases" on January 1, 2019, and elected not to restate the Company's financial statements for prior periods.

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

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

In preparing the financial statements, management is responsible for assessing the ability to continue as a going concern of the Company, 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 audit committee, are responsible for overseeing the financial reporting process of the Company.



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Company.
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 ability to continue as a going concern of the Company. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the accompanying notes, and whether the 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 financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Hsiao, Tsui-Hui
Fuh, Wen-Fang

Ernst & Young, Taiwan
March 16, 2020

Notice to Readers

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

Accordingly, the accompanying parent company only financial statements and report of independent accountants 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, Ernst & Young 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.

Independent Auditor's Report Translated from Chinese

To Taiwan Glass Industrial Corporation

Opinion

We have audited the accompanying consolidated balance sheets of Taiwan Glass Industrial Corporation (the "Company") and its subsidiaries as of December 31, 2019 and 2018, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2019 and 2018, and notes to the consolidated financial statements, including the summary of significant accounting policies (collectively "the consolidated financial statements").

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company and its subsidiaries as of December 31, 2019 and 2018, and their consolidated financial performance and cash flows for the years ended December 31, 2019 and 2018, in conformity with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China.

Basis for Opinion

We conducted our audits of 2019 consolidated financial statements in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants, Order No. Financial-Supervisory-Securities-Auditing-1090360805 issued by the Financial Supervisory Commission on 25 February 2020, and the auditing standards generally accepted in the Republic of China; we conducted our audit of 2018 consolidated financial statements in accordance with the Regulations Governing Auditing and Certification of Financial Statements by Certified Public Accountants, and the auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company and its subsidiaries in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China (the "Norm"), and we have fulfilled our other ethical responsibilities in accordance with the Norm. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of 2019 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, and we do not provide a separate opinion on these matters.

Impairment Valuation of Non-financial assets

As of December 31, 2019, the Company and its subsidiaries' property, plant and equipment amounted to NT\$47,732,878 thousand, which accounted for 55% of its total assets, which is relatively material for the consolidated financial statements. Due to the market and economic outlook fluctuations in recent years, some operating units operated in losses which indicated that assets may be impaired. Therefore, the management performed impairment test on related cash-generating units and value in use or net fair value were adopted for the recoverable amounts of different cash generating units. As the estimation of the recoverable amount of the related cash-generating unit requires significant management judgment, we determined this a key audit matter.

Our audit procedures included, but not limited to, analyzing the rationality of recoverable amounts used by management, obtaining underlying data of the recoverable amount provided by management (including cash flow forecast, growth rate, real estate and equipment valuation report) and related assumptions and discussing with management; assessing the appraiser's professional competency, experience and reputation in the related field; using the work of internal expert to assist us in considering the discount rate used by management and reviewing the appraiser's valuation and its estimation process to assess whether the reasonable value in the current real estate market were evaluated based on reasonable and supported assumptions; verifying that the source of the assessment report is relevant and reliable to account for the recoverable amounts for impairment assessment used by management.

We also assessed the adequacy of disclosures of property, plant and equipment. Please refer to Notes 4, 5 and 6 to the Company's consolidated financial statements.

Valuation of Inventories

As of December 31, 2019, the Company and its subsidiaries net inventories amounted to NT\$9,045,112 thousand, which is relatively material for the consolidated financial statements. The Company and its subsidiaries are engaged in the manufacturing, processing and sale of various glasses which have a wide range of applications in various sectors such as construction, electronics and consumer products industries. Considering the fact that identification of slow-moving inventories and the assessment of the amount of inventory write-downs require significant management judgement based on market demands, we determined this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policies of evaluating slow-moving and obsolete inventories, understanding and testing the internal controls established by management with respect to the valuation of inventories, including the calculation of net realizable value; sample testing the accuracy of the net realizable values used by management; vouching samples to verify accuracy of inventory aging.

We also assessed the adequacy of disclosures of inventories. Please refer to Notes 4, 5 and 6 to the Company's consolidated financial statements.



Revenue Recognition

Operating revenues recognized by the Company and its subsidiaries amounted to NT\$41,775,507 thousand for the year ended December 31, 2019. Reflecting different market demands, trade terms of different contracts varied, along with the fact that some of the sales orders included delivery services, management needed to review the sales orders or contracts to determine the performance obligations and the time of their satisfaction, there is a significant risk in revenue recognition. Therefore, we considered this a key audit matter.

Our audit procedures included, but not limited to, assessing the appropriateness of the accounting policy of revenue recognition; evaluating and testing the operating effectiveness of internal controls with respect to revenue recognition; selecting samples to perform tests of details and reviewing significant terms and conditions of contracts to verify reasonableness of the timing of revenue recognition; confirming significant account receivable balance by sending confirmation letters; selecting samples of transactions from either side of balance sheet date, vouching them to supporting evidences and reviewing significant subsequent sales return or discounts transactions to ensure the reasonableness of the timing of revenue recognition.

We also assessed the adequacy of disclosures of operating revenues. Please refer to Notes 4 and 6 to the Company's consolidated financial statements.

Emphasis of Matter – Applying for New Accounting Standards

As stated in Note 3 of the Company's consolidated financial statements, the Company and its subsidiaries adopted the International Financial Reporting Standard 16, "Leases" on January 1, 2019, and elected not to restate the Company's consolidated financial statements for prior periods.

Other Matter

We have audited and expressed an unqualified opinion with emphasis of matter on the parent company only financial statements of the Company as of and for the years ended December 31, 2019 and 2018.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the requirements of the Regulations Governing the Preparation of Financial Reports by Securities Issuers and International Financial Reporting Standards, International Accounting Standards, interpretations developed by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee as endorsed by Financial Supervisory Commission of the Republic of China and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, including audit committee, are responsible for overseeing the financial reporting process of the Company and its subsidiaries.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the accompanying notes, 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 Company and its subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Hsiao, Tsui-Hui
Fuh, Wen-Fang

Ernst & Young, Taiwan
March 16, 2020

Notice to Readers

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

Accordingly, the accompanying consolidated financial statements and report of independent accountants 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, Ernst & Young 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.

Report Item 3.

2019 Directors' and Employees' Remuneration Distribution Report

According to Articles of Incorporation, Article 26, TGI's net loss before tax of 2019 is NT\$1,468,007,090. The remuneration of directors and employees is not to be distributed.

Ratification Item

(Motion from TGI Board of Directors)

2019 Business Report and Financial Statements Report

For Business Report, please refer to Report Item 1.

For the Consolidated and Parent Company Only Balance Sheet, Income Statements, Statement of Changes in Equity and Cash Flow Statement, please refer to 2020 Stockholders Meeting Handbook.

Resolution:

English Translation of Financial Statements Originally Issued in Chinese
TAIWAN GLASS INDUSTRIAL CORPORATION
PARENT COMPANY ONLY BALANCE SHEETS
December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	As of December 31,		As of December 31,	
	2019	2018	2019	2018
ASSETS	LIABILITIES AND EQUITY			
Current assets	Current liabilities			
Cash and cash equivalents	\$507,190	\$584,331	Short-term loans	\$2,000,000
Notes receivable, net	138,109	167,377	Short-term bills payable	3,741,006
Accounts receivable, net	1,369,794	1,145,522	Contract liabilities - current	415,347
Other receivables, net	150,155	204,986	Accounts payable	1,159,372
Current income tax assets	142	8,371	Other payables	2,441,800
Inventories, net	3,633,098	3,143,647	Current income tax liabilities	-
Prepayments	485,581	631,172	Current lease liabilities	37,051
Other current assets	4,864	4,559	Advance receipts	1,090
Total current assets	6,288,933	5,889,965	Current portion of long-term loans	4,014,242
			Other current liabilities, others	17,493
			Total current liabilities	13,827,401
				12,762,688
Non-current assets	Non-current liabilities			
Financial assets at fair value through other comprehensive income - non-current	257,667	263,332	Long-term loans	8,119,091
Investments accounted for using the equity method	40,221,358	42,340,992	Deferred tax liabilities	288,170
Property, plant and equipment	15,619,637	15,072,246	Non-current lease liabilities	65,302
Right-of-use assets	105,383	-	Accrued pension liabilities	459,072
Deferred tax assets	382,396	344,928	Deposits-in	759
Other non-current assets	48,502	38,241	Total non-current liabilities	8,932,394
Total non-current assets	56,634,943	58,059,739	Total liabilities	22,759,795
				19,704,224
			Capital	
			Common stock	29,080,608
			Additional paid-in capital	1,925,218
			Retained earnings	
			Legal reserve	5,935,764
			Special reserve	5,102,550
			Unappropriated retained earnings	2,496,601
			Total retained earnings	13,534,915
			Other components of equity	15,905,632
			Exchange differences on translation of foreign operations	(4,256,371)
			Unrealized gains and losses on financial assets at fair value through other comprehensive income	(120,289)
			Total other components of equity	(4,376,660)
			Total equity	40,164,081
			Total liabilities and equity	\$62,923,876
Total assets	\$62,923,876	\$63,949,704		\$63,949,704

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

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars Except Earnings Per Share Information)

	For the years ended December 31,	
	2019	2018
Operating revenues	\$11,702,108	\$12,561,584
Operating costs	(10,695,337)	(10,811,575)
Gross profit	1,006,771	1,750,009
Unrealized intercompany profit	11,382	24,547
Realized intercompany profit	(24,547)	7,913
Net gross profit	993,606	1,782,469
Operating expenses		
Selling and marketing expenses	(1,615,838)	(1,684,256)
General and administrative expenses	(251,336)	(273,636)
Research and development expenses	(51,691)	(92,818)
Expected credit gains	85	292
Subtotal	(1,918,780)	(2,050,418)
Net amount of other revenues and gains and expenses and losses	2,957	25,417
Operating loss	(922,217)	(242,532)
Non-operating income and expenses		
Other income	224,373	226,266
Other gains and losses	(98,908)	(14,110)
Financial costs	(270,275)	(241,207)
Share of (loss) income of subsidiaries, associates and joint ventures for under equity method	(400,980)	1,383,482
Subtotal	(545,790)	1,354,431
(Loss) Income from continuing operations before income tax	(1,468,007)	1,111,899
Income tax benefit (expense)	19,557	(45,613)
Net (loss) income from continuing operations	(1,448,450)	1,066,286
Other comprehensive income		
Other comprehensive income that will not be reclassified subsequently:		
Remeasurement of defined benefit obligation	(63,970)	(390,304)
Unrealized losses on equity instruments investments at fair value through other comprehensive income	(5,665)	(900)
Share of other comprehensive loss of subsidiaries, associates and joint ventures for under equity method	(701)	(3,358)
Income tax related to components of other comprehensive income that will not be reclassified subsequently	12,794	101,650
Other comprehensive income that will be reclassified subsequently:		
Share of other comprehensive loss of subsidiaries, associates and joint ventures for under equity method	(1,705,017)	(932,623)
Income tax related to components of other comprehensive income that will be reclassified subsequently	-	-
Total other comprehensive income, net of tax	(1,762,559)	(1,225,535)
Total comprehensive income	<u><u>\$(3,211,009)</u></u>	<u><u>\$(159,249)</u></u>
Earnings per share (NT\$)		
Earnings per share-basic	<u><u>\$(0.50)</u></u>	<u><u>\$0.37</u></u>
Diluted earnings per share		<u><u>\$0.37</u></u>

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

English Translation of Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	Capital	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Gains and Losses on Financial Assets at Fair Value through Other Comprehensive Income	Total Equity
Adjusted balance as of January 1, 2018	\$29,080,608	\$1,921,575	\$5,616,758	\$5,102,550	\$6,046,802	\$ (1,615,309)	\$ (113,724)	\$46,039,260
Appropriations and distributions of 2017 earnings:								
Legal reserve			212,377		(212,377)			-
Cash dividends					(1,454,030)			(1,454,030)
Net income in 2018					1,066,286			1,066,286
Other comprehensive income, net of tax in 2018					(292,012)	(932,623)	(900)	(1,225,535)
Total comprehensive income	-	-	-	-	774,274	(932,623)	(900)	(159,249)
Increase (decrease) through changes in ownership interests in subsidiaries		3,643				(3,422)		221
Decrease through changes in associates accounted for using equity method					(180,722)			(180,722)
Balance as of December 31, 2018	29,080,608	1,925,218	5,829,135	5,102,550	4,973,947	(2,551,354)	(114,624)	44,245,480
Effects of retrospective application and retrospective restatement					2,028			2,028
Adjusted balance as of January 1, 2019	29,080,608	1,925,218	5,829,135	5,102,550	4,975,975	(2,551,354)	(114,624)	44,247,508
Appropriations and distributions of 2018 earnings:								
Legal reserve			106,629		(106,629)			-
Cash dividends					(872,418)			(872,418)
Net loss in 2019					(1,448,450)			(1,448,450)
Other comprehensive income, net of tax in 2019					(51,877)	(1,705,017)	(5,665)	(1,762,559)
Total comprehensive income	-	-	-	-	(1,500,327)	(1,705,017)	(5,665)	(3,211,009)
Balance as of December 31, 2019	\$29,080,608	\$1,925,218	\$5,935,764	\$5,102,550	\$2,496,601	\$ (4,256,371)	\$ (120,289)	\$40,164,081

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

English Translation of Financial Statements Originally Issued in Chinese
TAIWAN GLASS INDUSTRIAL CORPORATION
PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2019	2018
Cash flows from operating activities:		
(Loss) Income before income tax	\$(1,468,007)	\$1,111,899
Adjustments:		
Depreciation (including investment property)	1,210,620	1,188,429
Amortization	4,258	3,391
Expected credit losses and gains	(85)	(292)
Interest expenses	270,275	241,207
Interest income	(1,624)	(2,594)
Dividend income	(7,493)	(13,998)
Share of loss (income) of subsidiaries, associates and joint ventures	400,980	(1,383,482)
Gains on disposal of property, plant and equipment	(2,957)	(25,417)
Loss on disposal of investment	-	86
Unrealized intercompany profit	(11,382)	(24,547)
Realized intercompany profit	24,547	(7,913)
Changes in assets and liabilities:		
Notes receivable	29,268	38,351
Accounts receivable	(224,187)	218,503
Other receivables	54,831	116,570
Inventories	(489,451)	(750,122)
Prepayments	145,591	56,391
Other current assets	(305)	(3,763)
Contract liabilities	(307,433)	(188,352)
Accounts payable	356,105	(726)
Other payable	(39,357)	(54,110)
Advanced receipts	(363)	(1,343)
Other current liabilities, others	(344)	2,697
Net defined benefit liability	(18,163)	(17,616)
Cash inflow generated from operations	(74,676)	503,249
Interests received	1,624	2,594
Dividends received	7,493	21,998
Interests paid	(268,712)	(241,258)
Income tax paid	(67,908)	(5,485)
Net cash flows (used in) provided by operating activities	(402,179)	281,098
Cash flows from investing activities:		
Acquisition of investments accounted for using the equity method	-	(1,434,796)
Disposal of subsidiaries	-	18,172
Acquisition of property, plant and equipment, excluding capitalized borrowing costs	(1,528,626)	(1,136,432)
Capitalized borrowing costs from self-constructed assets	(18,966)	(12,388)
Proceeds from disposal of property, plant and equipment	5,662	13,569
Increase in refundable deposits	4,324	(2,274)
Acquisition of intangible assets	(799)	(3,276)
Net cash flows used in investing activities	(1,538,405)	(2,557,425)
Cash flows from financing activities:		
Increase in short-term loans	1,000,000	1,600,000
Decrease in short-term loans	(900,000)	-
Increase in short-term bills payable	16,400,000	11,250,000
Decrease in short-term bills payable	(15,950,000)	(10,150,000)
Proceeds from long-term loans	1,740,000	3,810,000
Repayments of long-term loans	(1,091,607)	(3,283,360)
Decrease in deposits-in	(32)	(12)
Increase in other payables to related parties	1,580,000	-
Payments of lease liabilities	(55,892)	-
Cash dividends paid	(859,026)	(1,453,967)
Net cash flows provided by financing activities	1,863,443	1,772,661
Net decrease in cash and cash equivalents	(77,141)	(503,666)
Cash and cash equivalents at the beginning of the year	584,331	1,087,997
Cash and cash equivalents at the end of the year	\$507,190	\$584,331

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN GLASS INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	ASSETS		LIABILITIES AND EQUITY	
	2019	2018	2019	2018
Current assets			Current liabilities	
Cash and cash equivalents	\$6,245,123	\$4,707,247	Short-term loans	\$7,963,287
Financial assets at fair value through profit or loss - current	608,823	478,859	Short-term bills payable	\$7,040,660
Financial assets at amortized cost - current			Contract liabilities - current	3,295,570
Contract assets - current	105,230	30,714	Notes payable	812,294
Notes receivable, net	299,131	395,754	Accounts payable	164,628
Accounts receivable, net	8,621,448	4,955,530	Other payables	69,429
Other receivables, net	4,339,300	4,521,147	Current income tax liabilities	3,024,749
Current income tax assets	181,219	214,602	Current lease liabilities	4,102,834
Inventories, net	25,500	28,840	Current portion of long-term loans	199,180
Prepayments	9,045,112	8,851,263	Other current liabilities, others	38,138
Other current financial assets	1,676,474	1,869,832	Total current liabilities	-
Other current assets	167,934	165,766		
Total current assets	31,320,135	26,225,853	Non-current liabilities	
			Long-term loans	11,418,334
Non-current assets			Deferred tax liabilities	584,203
Financial assets at fair value through other comprehensive income - non-current			Non-current lease liabilities	72,881
Investments accounted for using the equity method	257,667	263,332	Long-term deferred revenue	-
Property, plant and equipment	4,231,551	4,136,312	Accrued pension liabilities	1,243,581
Right-of-use assets	47,732,878	50,832,520	Deposits-in	490,331
Intangible assets	3,041,000	-	Total non-current liabilities	208,775
Deferred tax assets	54,909	69,657	Total liabilities	14,018,105
Refundable deposits	462,453	412,224		43,963,236
Long-term prepaid rent	159,228	197,392	Capital	
Other non-current assets	-	2,887,765	Common stock	29,080,608
Total non-current assets	64,626	43,340	Additional paid-in capital	1,925,218
	56,004,312	58,842,542	Retained earnings	
			Legal reserve	5,935,764
			Special reserve	5,102,550
			Unappropriated retained earnings	2,496,601
			Total retained earnings	13,534,915
			Other components of equity	15,905,632
			Exchange differences on translation of foreign operations	(4,256,371)
			Unrealized gains and losses on financial assets at fair value through other comprehensive income	(120,289)
			Total other components of equity	(4,376,660)
			Total equity attributable to stockholders of the parent	(4,376,660)
			Total equity	40,164,081
			Non-controlling interests	3,197,130
			Total liabilities and equity	43,361,211
Total assets	\$87,324,447	\$85,068,395		\$87,324,447
				\$85,068,395

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN GLASS INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars Except Earnings Per Share Information)

	For the years ended December 31,	
	2019	2018
Operating revenues	\$41,775,507	\$46,091,494
Operating costs	(38,350,518)	(38,755,048)
Gross profit	3,424,989	7,336,446
Operating expenses		
Selling and marketing expenses	(2,718,984)	(3,113,459)
General and administrative expenses	(1,426,237)	(1,515,355)
Research and development expenses	(376,258)	(425,245)
Expected credit losses and gains	(49,282)	41,113
Subtotal	(4,570,761)	(5,012,946)
Net amount of other revenues and gains and expenses and losses	(23,349)	74
Operating (loss) income	(1,169,121)	2,323,574
Non-operating income and expenses		
Other income	706,853	673,663
Other gains and losses	(391,952)	(921,323)
Financial costs	(797,768)	(716,330)
Share of income of associates and joint ventures	351,565	195,081
Subtotal	(131,302)	(768,909)
(Loss) Income from continuing operations before income tax	(1,300,423)	1,554,665
Income tax expense	(306,355)	(522,685)
Net (loss) income from continuing operations	(1,606,778)	1,031,980
Other comprehensive income		
Other comprehensive income that will not be reclassified subsequently:		
Remeasurement of defined benefit obligation	(65,265)	(395,128)
Unrealized losses on equity instruments investment at fair value through other comprehensive income	(5,665)	(900)
Income tax related to components of other comprehensive income that will not be reclassified subsequently	13,283	102,614
Other comprehensive income that will be reclassified subsequently:		
Exchange differences on translation of foreign operations	(1,580,000)	(688,092)
Share of other comprehensive income of associates and joint ventures	(256,326)	(317,817)
Income tax related to components of other comprehensive income that will be reclassified subsequently	-	-
Total other comprehensive income, net of tax	(1,893,973)	(1,299,323)
Total comprehensive income	<u><u>\$(3,500,751)</u></u>	<u><u>\$ (267,343)</u></u>
Net income attributable to:		
Stockholders of the parent	\$ (1,448,450)	\$1,066,286
Non-controlling interests	(158,328)	(34,306)
	<u><u>\$ (1,606,778)</u></u>	<u><u>\$1,031,980</u></u>
Comprehensive income attributable to:		
Stockholders of the parent	\$ (3,211,009)	\$ (159,249)
Non-controlling interests	(289,742)	(108,094)
	<u><u>\$ (3,500,751)</u></u>	<u><u>\$ (267,343)</u></u>
Earnings per share (NT\$)		
Earnings per share-basic	<u><u>\$ (0.50)</u></u>	<u><u>\$0.37</u></u>
Diluted earning per share		<u><u>\$0.37</u></u>

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese

TAIWAN GLASS INDUSTRIAL CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

For the years ended December 31, 2019 and 2018

(Expressed in Thousands of New Taiwan Dollars)

	EQUITY ATTRIBUTABLE TO THE PARENT COMPANY									
	Capital	Additional Paid-in Capital	Legal Reserve	Special Reserve	Unappropriated Retained Earnings	Exchange Differences on Translation of Foreign Operations	Unrealized Losses on Financial Assets at Fair Value through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
Adjusted balance as of January 1, 2018	\$29,080,608	\$1,921,575	\$5,616,758	\$5,102,550	\$6,046,802	\$(1,615,309)	\$(113,724)	\$46,039,260	\$3,574,702	\$49,613,962
Appropriations and distributions of 2017 earnings:										
Legal reserve			212,377		(212,377)			-		-
Cash dividends					(1,454,030)			(1,454,030)		(1,454,030)
Net income in 2018					1,066,286			1,066,286	(34,306)	1,031,980
Other comprehensive income, net of tax in 2018					(292,012)	(932,623)	(900)	(1,225,535)	(73,788)	(1,299,323)
Total comprehensive income	-	-	-	-	774,274	(932,623)	(900)	(159,249)	(108,094)	(267,343)
Increase (decrease) through changes in ownership interests in subsidiaries		3,643				(3,422)		221	(221)	-
Changes in non-controlling interests									32,074	32,074
Decrease through changes in associates accounted for using equity method					(180,722)			(180,722)	(11,576)	(192,298)
Balance as of December 31, 2018	29,080,608	1,925,218	5,829,135	5,102,550	4,973,947	(2,551,354)	(114,624)	44,245,480	3,486,885	47,732,365
Effects of retroactive application and retrospective restatement					2,028		-	2,028	(13)	2,015
Adjusted balance as of January 1, 2019	29,080,608	1,925,218	5,829,135	5,102,550	4,975,975	(2,551,354)	(114,624)	44,247,508	3,486,872	47,734,380
Appropriations and distributions of 2018 earnings:										
Legal reserve			106,629		(106,629)			-		-
Cash dividends					(872,418)			(872,418)		(872,418)
Net loss in 2019					(1,448,450)			(1,448,450)	(158,328)	(1,606,778)
Other comprehensive income, net of tax in 2019					(51,877)	(1,705,017)	(5,665)	(1,762,559)	(131,414)	(1,893,973)
Total comprehensive income	-	-	-	-	(1,500,327)	(1,705,017)	(5,665)	(3,211,009)	(289,742)	(3,500,751)
Balance as of December 31, 2019	\$29,080,608	\$1,925,218	\$5,935,764	\$5,102,550	\$2,496,601	\$(4,256,371)	\$(120,289)	\$40,164,081	\$3,197,130	\$43,361,211

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

English Translation of Consolidated Financial Statements Originally Issued in Chinese
TAIWAN GLASS INDUSTRIAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2019 and 2018
(Expressed in Thousands of New Taiwan Dollars)

	For the years ended December 31,	
	2019	2018
Cash flows from operating activities:		
(Loss) Income before income tax	\$(1,300,423)	\$1,554,665
Adjustments:		
Depreciation (including investment property)	5,343,041	5,142,696
Amortization	14,916	29,307
Expected credit losses and gains	49,282	(41,113)
Interest expenses	797,768	716,330
Interest income	(94,408)	(50,625)
Dividend income	(7,493)	(13,998)
Share of income of associates and joint ventures	(351,565)	(195,081)
Loss (Gain) on disposal of property, plant and equipment	23,349	(74)
Loss on disposal of investment	-	86
Loss on impairment of non-financial assets	-	376,672
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss, mandatorily measured at fair value	(129,964)	205,077
Contract assets	96,109	251,091
Notes receivable	(3,706,529)	(1,292,202)
Accounts receivable	184,184	933,157
Other receivables	34,637	(69,390)
Inventories	(193,849)	(1,465,073)
Prepayments	(33,988)	120,434
Other current assets	1,458	(5,076)
Other financial assets - current	(2,168)	54,518
Other operating assets	(3,243)	(357)
Contract liabilities	(148,232)	(239,064)
Notes payable	95,199	(173,246)
Accounts payable	3,892,992	(260,232)
Other payable	(131,007)	(180,497)
Advance receipts	-	55
Other current liabilities, others	4,775	5,634
Net accrued pension liability	(42,196)	(26,948)
Long-term deferred revenue	45,526	(61,229)
Cash inflow generated from operations	4,438,171	5,315,517
Interests received	94,408	50,625
Dividends received	7,493	13,998
Interests paid	(839,129)	(667,956)
Income tax paid	(358,489)	(467,415)
Net cash flows provided by operating activities	3,342,454	4,244,769
Cash flows from investing activities:		
Acquisition of financial assets at amortized cost	(74,516)	28,494
Acquisition of investments accounted for using the equity method	-	(1,434,797)
Disposal of subsidiaries	-	(15,426)
Capital reduction of investments accounted for using equity method	-	14,788
Acquisition of property, plant and equipment, excluding capitalized borrowing costs	(3,755,492)	(4,902,999)
Capitalized borrowing costs of self-constructed assets	(27,170)	(21,040)
Proceeds from disposal of property, plant and equipment	64,379	182,498
Decrease in refundable deposits	38,164	33,757
Acquisition of intangible assets	(2,188)	(3,418)
Acquisition of right-of-use assets	(163,708)	-
Net cash flows used in investing activities	(3,920,531)	(6,118,143)
Cash flows from financing activities:		
Increase in short-term loans	4,963,555	5,321,683
Decrease in short-term loans	(3,858,802)	(4,421,779)
Increase in short-term bills payable	16,400,000	11,250,000
Decrease in short-term bills payable	(15,950,000)	(10,150,000)
Proceeds from long-term loans	2,313,044	8,310,521
Repayments of long-term loans	(1,931,154)	(5,935,167)
Increase in deposits-in	20,776	-
Decrease in deposits-in	-	(10,635)
Increase in other payables to related parties	1,624,821	14,592
Decrease in other payable to related parties	(44,821)	(1,622,016)
Decrease in lease obligations payable - non-current	-	(9,357)
Payments of lease liabilities	(43,941)	-
Cash dividends paid	(859,027)	(1,461,966)
Changes in non-controlling interests	-	58,332
Net cash flows provided by financing activities	2,634,451	1,344,208
Effects of exchange rate changes on cash and cash equivalents	(518,498)	120,576
Net increase (decrease) in cash and cash equivalents	1,537,876	(408,590)
Cash and cash equivalents at the beginning of the year	4,707,247	5,115,837
Cash and cash equivalents at the end of the year	\$6,245,123	\$4,707,247

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

Approval Item 1.

(Motion from TGI Board of Directors)

2019 Earnings Distribution

Explanation: The Earnings Distribution List is as follows.

Resolution:

TGI Stockholder Meeting June 5, 2020

TGI 2019 Earnings Distribution List

Unit: NT\$

Item	Amount	
	Subtotal	Total
Un-appropriated retained earnings at beginning		3,994,899,058
Add: The effects of retrospective application and retrospective restatement	2,028,549	
Consolidated Income and Loss (the actuarial income and loss after determining welfare plan (2019))	(51,877,235)	
2019 Net Loss after Tax	(1,448,449,965)	(1,498,298,651)
Allowance Items:		
Legal Reserve 10%	0	0
Subtotal of Distributable Net Profit		2,496,600,407
Dividends Distribution 2,908,060,800 shares NT\$ 0/@ share		
Bonus of Stockholders – Stock NT\$ 0/@ share	0	
–Cash NT\$ 0/@ share	0	0
Un-appropriated retained earnings		2,496,600,407

Approval Item 2.

(Motion from TGI Board of Directors)

Amendment to the Articles of Incorporation

2.1. The Company expands its scope of business by amending portions of the scope of business listed in the Articles of Incorporation in response to the business transformation in the Brand Department.

2.2. The comparison table before and after amendment is as follows.

Resolution:

Comparison table of Amendment to the Articles of Incorporation

TGI Stockholder Meeting June 5, 2020

Before	After	Remarks
<p>Article 2: The business scope of the Company is as follows:</p> <ol style="list-style-type: none"> 1. Mining, processing, and sale of glass materials. 2. Manufacturing and sale of flat glass. 3. Manufacturing and sale of rolled glass. 4. Manufacturing and sale of wire glass. 5. Processing and sale of reflective glass. 6. Processing and sale of tempered and laminated glass. 7. Processing and sale of mirror glass. 8. Processing and sale of laminated glass. 9. Processing and sale of insulating glass. 10. Processing and sale of table and edge grinding glass. 11. Manufacturing and sale of glass containers. 12. Manufacturing, processing and sale of tableware glass. 13. Manufacturing, processing and sale of heat strengthened glass. 14. Manufacturing, processing and sale of fiberglass yarn and fabric. 15. Output of machinery and technology of glass manufacturing. 16. Import and export business related to glass raw materials and machinery. 17. Contracting business related to glass installation engineering. 18. ZZ99999 -- besides permitted business, the Company is allowed to operate business that is not prohibited by any laws. 	<p>Article 2: The business scope of the Company is as follows:</p> <ol style="list-style-type: none"> 1. <u>C901020 Glass and glass made products manufacturing.</u> 2. <u>F106050 Wholesale of pottery, porcelain and glassware.</u> 3. <u>F107990 Wholesale of other chemical products.</u> 4. <u>F207990 Retail sale of other chemical products.</u> 5. <u>CB01010 Machinery and equipment manufacturing.</u> 6. <u>F401010 International trade.</u> 7. <u>E801040 Glass construction.</u> 8. <u>F105050 Wholesale of furniture, bedclothes, kitchen equipment and fixtures.</u> 9. <u>F205040 Retail sale of furniture, bedclothes, kitchen equipment and fixtures.</u> 10. <u>F106020 Wholesale of articles for daily use.</u> 11. <u>F206020 Retail sale of articles for daily use.</u> 12. <u>I501010 Product designing.</u> 13. <u>F213050 Retail sale of metrological instruments.</u> 14. <u>F213010 Retail sale of household appliance.</u> 15. <u>F501060 Restaurants.</u> 16. <u>ZZ99999 -- besides permitted business, the Company is allowed to operate business that is not prohibited by any laws.</u> 	<p>Expansion of business scope and adoption of codes for each scope</p>
<p>Article 30: The present Articles of Incorporation was adopted on August 25, 1964. (The rest omitted) The fifty-fifth amendment on June 17, 2016.</p>	<p>Article 30: The present Articles of Incorporation was adopted on August 25, 1964. (The rest omitted) <u>The fifty-sixth amendment on June 5, 2020.</u></p>	<p>The fifty-sixth amendment</p>

Motions:

Appendix I:
Number of Shares for All Directors:

TGI Stockholder Meeting June 5, 2020

Title	Corporate Representative	Appointment Date	Term	Shares of Appointment Date		Shares of the date of Book Closure	
				Shares	Rate %	Shares	Rate %
Chairman	Lin, P. F.	Jun. 13, 2018 to Jun. 12, 2021	3 years	20,603,512	0.71%	20,603,512	0.71%
Directors	Lin, P. S.			14,897,934	0.51%	14,897,934	0.51%
	Lin, P. C.			6,181,002	0.21%	6,191,002	0.21%
	Lim, H. T.			10,337,628	0.36%	10,337,628	0.36%
	Lim Ken Seng Kah Kih Corp. Hsu, L. L.			136,904,500	4.70%	136,904,500	4.70%
	Peng, C. H.			10,000	0.00034%	10,000	0.00034%
	Tai Hong Investment Corp. Lin, C. H.			420,137,922	14.45%	420,137,922	14.45%
	Tai Hong Investment Corp. Su, Y. T.						
	Tai Hong Investment Corp. Lin, C. Y.						
	Tai Chien Investment Corp. Lin, C. M.			249,002,246	8.56%	249,002,246	8.56%
	Ho Ho Investment Corp. Chen, C. C.			402,748,231	13.85%	402,748,231	13.85%
	Ho Ho Investment Corp. Tsai, T. M.						
Independent Directors	Lin, F. C.			0	0%	0	0%
	Chen, C. C.			0	0%	0	0%
	Hwang, T. Y.			0	0%	0	0%
Total Shares Number of 15 Directors				1,260,822,975	43.36%	1,260,832,975	43.36%

Note: 1. Total Issued Shares:

2,908,060,800 shares (100.0%)

2. Legal Shares of Directors:

87,241,824 shares (3.0%)

Appendix II:
Earning Distribution Approved by the Board of Directors

It is resolved that there will be no earning distribution of 2019.

Appendix III:

The Impact of Stock Dividend Issuance on Business Performance and EPS

TGI 2019 Financial Forecast is still not necessary to be disclosed up to the date of Stockholder Meeting.

Appendix IV: Articles of Incorporation

Amended on June 17, 2016

Chapter I. General Provisions

- Article 1 The Company is named Taiwan Glass Industry Corporation and is incorporated under the provisions on joint stock company limited set forth in the Republic of China (ROC) Company Law.
- Article 2 The business scope of the Company is as follows:
1. Mining, processing, and sale of glass materials.
 2. Manufacturing and sale of flat glass.
 3. Manufacturing and sale of rolled glass.
 4. Manufacturing and sale of wire glass.
 5. Processing and sale of reflective glass.
 6. Processing and sale of tempered and laminated glass.
 7. Processing and sale of mirror glass.
 8. Processing and sale of laminated glass.
 9. Processing and sale of insulating glass.
 10. Processing and sale of table and edge grinding glass.
 11. Manufacturing and sale of glass containers.
 12. Manufacturing, processing and sale of tableware glass.
 13. Manufacturing, processing and sale of heat strengthened glass.
 14. Manufacturing, processing and sale of fiberglass yarn and fabric.
 15. Output of machinery and technology of glass manufacturing.
 16. Import and export business related to glass raw materials and machinery.
 17. Contracting business related to glass installation engineering.
 18. ZZ99999 -- besides permitted business, the Company is allowed to operate business that is not prohibited by any laws.
- Article 2-1 The Company may provide endorsement and guarantee and act as a guarantor.
- Article 3 The Company's overseas investment is not subject to the limitation stipulated in Article 13 of R.O.C Company Law.
- Article 4 The Company is located in Taipei City and sets its factory in Hsinchu City, Taichung City, Taoyuan City and Changhua County, and sets its sand quarry and sand washing factory in Miaoli County, and may form either domestic or foreign branches if necessary.
- Article 5 (Delete)

Chapter II. Shares

- Article 6 The total capital of the Company amounts to NT\$30 billion, which is represented by 3 billion shares of NT\$10 par value per share. The shares are to be issued in several times authorized by the Board of Directors.
- Article 7 For the share certificates of the Company to be issued, they must each bear the name of the owner, must be signed by not less than three directors, and must be duly certified in accordance with relevant regulations. The registered shares of the Company under previous way may be without printing certificates, but shall register in centralized securities depository enterprise agency.

- Article 8 The stockholders shall inform the Company about their true names and addresses, and submit their signature cards to the Company for recordation. All claims for dividends and bonuses, exercising of stockholders rights or contacts in writing with the Company shall be authenticated by the said seals.
- Article 9 All transfer of stocks, pledge of rights, loss, succession, gift, loss of seal, amendment of seal, and similar stock transaction conducted by stockholders of the Company shall follow the “Guidelines for Stock Operations for Public Companies” unless specified otherwise by law and securities regulations.
- Article 10 (Delete)
- Article 11 Stock transfer registrations shall be suspended sixty days preceding each regular stockholders’ meeting, thirty days preceding a temporary stockholders’ meeting, or five days preceding the base day for distribution to stockholders of dividends, bonuses, or other privileges as determined by the Company.

Chapter III. Stockholders’ Meetings

- Article 12 The regular meeting is to be called once every year and summoned by the Board of Directors in the Company within six months of the close of each fiscal year. If necessary, a temporary meeting may be summoned in accordance with the laws.
- Article 13 The chairman of the Board of Directors in the Company shall be the chairperson of a stockholders' meeting. In case that the chairman of the Board asks for leave or fails to perform his duty due to certain reason, the chairperson may designate one of the directors to represent him; in the event he has not designated any representative, the directors shall elect one from among themselves to represent him.
- Article 14 Stockholders shall have one vote for each share they hold. The Company owns shares held by law, but no voting rights. When a stockholder is unable to attend a stockholders’ meeting, he/she may delegate a proxy to attend it on behalf of him by completing a power-of-attorney, specifying the scope of authorization.
- Article 15 The meeting of the stockholders may be held if attended by more than one-half of total stockholders. Unless otherwise provided by law, resolutions of stockholders’ meeting require the presence of stockholders who represent more than one-half of the totals issued shares of the Company and shall be adopted by a majority vote of the stockholders present.

Chapter IV. Directors

- Article 16 The Company shall have fifteen directors, including three independent directors to be elected by the stockholders' meeting from among stockholders with disposing capacity.
However, the total ratio of the name-bearing shares held by all directors shall not be less than five percentage of paid-in capital of the Company.
Directors shall be elected by adopting candidates' nomination system, the nomination of directors and related announcement shall comply with the relevant regulations of the law
The stockholders who held more than one percent of the total number of issued shares could submit the nomination of the candidates and necessary documents comply with relevant regulations in writing during the public announcement of the Company, and the number of the director nomination shall not exceed the number of directors to be elected; likewise, the number of candidates nominated by the Board of Directors shall not exceed the number of directors to be elected.
- Article 17 The term of office for directors shall be three years, and all directors shall be eligible for re-election.
- Article 18 The chairman shall be elected among the directors and on behalf of the Company presided over all the business.
- Article 19 The Board of Directors shall be established at least quarterly and convened by the chairman of the Board of Directors. The convened notice of the Board of Directors shall be in the written notice, fax, or e-mail. When a director is unable to attend the meeting of the Board of Directors, he may appoint another director to attend on his behalf of the meeting of the Board of Directors. The chairman shall have the right to execute documents in accordance with the resolutions of the Board of Directors when the Board is not in session. Except as provided in Article 185 of the Company Law, other matters related to the sale, setting, creation of mortgage, and cancellation of real estates shall be decided by the Board of Directors.
- Article 20 In compliance with laws and regulations, the Company shall establish an Audit Committee, which shall consist of all independent directors.
- Article 21 (Delete)
- Article 22 (Delete)
- Article 23 The Board of Directors is authorized to prescribe remuneration to chairman and directors according to the extent of their contribution and participation to the Company.

Chapter V. Managers

- Article24 The Company shall have one president and several vice presidents according to the organization and the need of business of the Company. The appointment, dismissal and remuneration of president and vice presidents shall be authorized by the Board of Directors.

Chapter VI. Final accounts of revenue and earnings distribution

- Article 25 At the end of a fiscal year, the Board of Directors shall prepare and deliver the following statements and reports to Audit Committee for auditing purposes and submit to the general stockholder meeting for recognition.
1. The business report.
 2. The financial statements.
 3. Motions relating to the earnings distribution or appropriation to cover loss.
- Article 26 If there is any profit of annual revenue, the Company shall allocate one point five percent (1.5%) of net profit to the employees as remuneration, and less than one point five percent (1.5%) of net profit to the directors as remuneration. If there is any accumulated deficit, the amount of restitution shall be remained first.
- Article 26-1 If there is any profit after annual accounting, it shall be allocated with the following order.
1. To restitute deficits.
 2. To allocate ten percent (10%) of net profits to a legal reserve. if the legal reserve has reached the amount of Capital, it is no limitation.
 3. To allocate special reserve.
 4. After allocation of Item 1~3 above mentioned, If there is any net profit remaining, the Board of Directors shall prepare a distribution proposal and submit to the stockholders' meeting for resolution.
- For sound financial planning, appropriate dividend strategies shall be made according to the annual actual operating situation, Capital budget of next annual, and the necessary of supporting capital by profits for sustainable operation and development. After deducted Item 1 to 3 above from Income, the dividends and bonuses above mentioned shall not be lower than 50% of the earnings. Only when the dividends and bonuses is lower than 1% of capital, it can be resolved to transfer all of them to retained earnings and not to be distributed. The rate of distributing cash dividends shall not be lower than 20% of total dividends.
- Article 27 Until the accumulated legal capital reserve has equaled the total share of capital, may stop appropriating by the resolution in the stockholders' meeting.

Chapter VII. Appendix

- Article 28 The internal organization of the Company and the detailed procedures of business operation were adopted separately.
- Article 28-1 The rules of stockholders' meeting in the Company comply with regulations of Financial Supervisory Commission, Executive Yuan, R.O.C.
- Article 29 In regard to all matters not provided for in these Articles of Incorporation, the Company Law of the Republic of China shall govern.
- Article 30 The present Articles of Incorporation was adopted on August 25, 1964.
The first Amendment was on August 25, 1966.
The second Amendment was on October 29, 1966.
The third Amendment was on September 16, 1967.
The fourth Amendment was on February 29, 1968.
The fifth Amendment was on July 5, 1968.
The sixth Amendment was on April 5, 1969.
The seventh Amendment was on April 14, 1970.
The eighth Amendment was on May 8, 1971.
The ninth Amendment was on March 31, 1973.
The tenth Amendment was on April 27, 1974.
The eleventh Amendment was on February 1, 1975.

The twelfth Amendment was on April 30, 1975.
The thirteenth Amendment was on April 21, 1976.
The fourteenth Amendment was on March 31, 1977.
The fifth Amendment was on March 18, 1978.
The sixteenth Amendment was on March 28, 1979.
The seventeenth Amendment was on March 1, 1980.
The eighteenth Amendment was on August 15, 1980.
The nineteenth Amendment was on March 28, 1981.
The twentieth Amendment was on March 27, 1982.
The twenty-first Amendment was on March 19, 1983.
The twenty-second Amendment was on March 17, 1984.
The twenty-third Amendment was on March 28, 1985.
The twenty-fourth Amendment was on September 7, 1985.
The twenty-fifth Amendment was on March 21, 1986.
The twenty-sixth Amendment was on March 14, 1987.
The twenty-seventh Amendment was on July 6, 1987.
The twenty-eighth Amendment was on March 19, 1988.
The twenty-ninth Amendment was on March 18, 1989.
The thirtieth Amendment was on March 17, 1990.
The thirty-first Amendment was on March 12, 1991.
The thirty-second Amendment was on March 25, 1992.
The thirty-third Amendment was on March 26, 1993.
The thirty-fourth Amendment was on April 1, 1994.
The thirty-fifth Amendment was on March 31, 1995.
The thirty-sixth Amendment was on March 28, 1996.
The thirty-seventh Amendment was on March 28, 1997.
The thirty-eighth Amendment was on May 8, 1998.
The thirty-ninth Amendment was on April 28, 2000.
The fortieth Amendment was on March 30, 2001.
The forty-first Amendment was on May 31, 2002.
The forty-second Amendment was on May 28, 2003.
The forty-third Amendment was on May 13, 2004.
The forty-fourth Amendment was on April 29, 2005.
The forty-fifth Amendment was on June 9, 2006.
The forty-sixth Amendment was on June 8, 2007.
The forty-seventh Amendment was on June 11, 2008.
The forty-eighth Amendment was on June 10, 2009.
The forty-ninth Amendment was on May 26, 2010.
The fiftieth Amendment was on May 25, 2011.
The fifty-first Amendment was on June 5, 2012.
The fifty-second Amendment was on June 10, 2013.
The fifty-third Amendment was on June 9, 2014.
The fifty-fourth Amendment was on June 9, 2015.
The fifty-fifth Amendment was on June 17, 2016.