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INTERNATIONAL CSRC INVESTMENT HOLDINGS
CO., LTD.

Website: <http://www.csrcgroup.com>



INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD.
(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

2019

Annual General Meeting Handbook

Time: 9:00 a.m., Wednesday, June 19, 2019

Location: 3F., No.113, Sec. 2, Zhongshan N. Rd., Zhongshan Dist.,
Taipei City (Shimin Hall, Taiwan Cement Building)

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Rules of Procedure for INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. Shareholders Meeting

(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

Amended by regular shareholders meeting on June 24, 2014

1. The shareholders meeting of the company shall, except those stipulated in the ordinance otherwise, follow these rules.
2. The shareholders meeting should provide an attendee register for the shareholders to sign in or the attending shareholders shall hand in the sign-in cards in place of sign-in. The number of shares in attendance is calculated based on the attendee register or sign-in cards handed in and the number of shares in the voting rights submitted in writing or electronically.
3. The attendance and vote of the shareholders meeting shall be calculated on the basis of shares.
4. The place of the shareholders meeting shall be the place where the company is located or where is convenient for the shareholders to be present and suitable for the meeting of the shareholders. The meeting shall start no earlier than 9 am or later than 3 pm.
5. The shareholders meeting convened by the board of directors shall be chaired by the chairman. When the chairman is absent, the chairman designates one director as agent. If the chairman does not appoint an agent, an agent will be chosen by the directors. If the shareholders meeting is convened by a convener with calling rights other than the board of directors, the chairman is assumed by the convener of calling right. If there are two or more conveners of calling right, one person should be elected to assume the post.
6. The lawyers, accountants or related personnel appointed by the company may attend the shareholders meeting.
The meeting affair personnel handling the shareholders meeting should wear identification cards or armbands.
7. The process of the shareholders meeting should be recorded or videotaped throughout the process and kept for at least one year.
8. When the time of the meeting arrives, the chairman announces to start the meeting. However, when no shareholders representing more than half of the total number of issued shares are present, the chairman may announce a delay in the meeting. The number of delays shall be limited to twice, and the total delay time shall not exceed one hour. If the second time is still insufficient and the shareholders representing more than one-third of the total number of issued shares are not present, it may be deemed to be false resolution in accordance with the subparagraph 1 of Article 175 of the Company Act.
Before the end of the current meeting, if the number of shares represented by the shareholders attending the meeting exceeds half of the total number of issued shares, the chairman may re-submit the created false resolution to the meeting to be voted on according to Article 174 of the Company Act.
9. The agenda of shareholders meeting convened by the board of directors is set by the board of directors. The meeting shall be conducted in accordance with the scheduled agenda and may not be changed without resolution.
If the shareholders meeting is convened by a convener of calling right other than the board of directors, the provisions of the preceding subparagraph may apply.
Before the agenda of the first two subparagraphs is finalized (including the provisional motion), the chairman would not be allowed to announce the adjournment without resolution.
After the meeting is adjourned, the shareholders must not elect another chairman to continue the meeting at the original site or another site.

10. Before an attending shareholder speaks, the speech notes should be filled out with the speech gist, the shareholder number (or attendance card number) and the account name, and the chairman should set the order of his speech.
Attending shareholders who present the speech notes alone but do not speak are considered as not speaking.
If the content of the speech is inconsistent with the record of the speech notes, the content of the speech shall prevail.
When the attending shareholders speak, other shareholders may not interfere with the speech except with the consent of the chairman and the speaking shareholders, and the chairman shall stop the violators.
11. In the same motion, each shareholder's speech may not exceed two times without the consent of the chairman and shall not exceed five minutes at a time.
If the shareholder makes a speech that violates the provisions of the preceding subparagraph or exceeds the scope of the topic, the chairman may stop his speech.
12. When a legal person is entrusted to attend a shareholders meeting, the legal person may only appoint one person to attend as agent.
When a legal person shareholder appoints more than two representatives to attend the shareholders meeting, only one person may speak for the same motion.
13. After the attending shareholder's speech, the chairman may reply in person or by designating the relevant person.
14. In the discussion of the motion, when the chairman thinks that the degree of voting has been reached, he may announce that he will stop the discussion and put it to the vote.
15. The scrutineer and the vote counting personnel for the vote on the motion shall be designated by the chairman. The scrutineers should have the status of shareholders.
The results of the vote shall be reported on site and recorded.
16. In the course of the meeting, the chairman may declare a rest at a time of his discretion.
17. When the company convenes a shareholders' meeting, it is likely to exercise the voting rights in writing or electronically. The relevant exercise methods are governed by the Company Act and the regulations of the competent authority.
The voting of the motion shall be passed with the consent of more than half of the voting rights of the shareholders present unless otherwise provided in the Company Act and the Articles of Association of the Company.
In case of a vote, if no objection is raised via the chairman's query, it is deemed as passing. The effect is the same as that of a vote.
18. When there are amendments or alternatives to the same motion, the chairman sets the voting order in conjunction with the original case. If one of the cases has been passed, other motions will be considered vetoed and no further voting will be required.
19. The chairman may command pickets (or security personnel) to help maintain order at the venue. When pickets (or security personnel) are present to help maintain order at the scene, they should wear the "picket" armbands.
20. These rules will be implemented after approval by the shareholders meeting, which applies to any amendments thereto.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD.
(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)
Agenda of Year 2019 Annual General Meeting of Shareholders

Time & Date: 9 a.m., Wednesday, June 19, 2019

Venue: 3F, No. 113 Chung-Shan North Road Sec. 2, Taipei, Taiwan (TCC's Cement Hall)

1. Chairman's Statement

2. Matters to Report

- (1) Employees' and directors' compensation from 2018 profits.
- (2) Business report and financial statements of 2018.
- (3) Audit Committee's Review Report.
- (4) Amendments on part of Ethical Corporate Management Best Practice

Principles.

3. Matters for Ratification

- (1) Business report and financial statements of 2018.
- (2) Proposal of profit distribution of 2018.

4. Matters for Discussion

- (1) Issuance of common shares for capitalization.
- (2) Amendments on part of Articles of Incorporation.
- (3) Amendments on part of Procedures for Acquisition or Disposal of Fixed Assets.
- (4) Amendments on part of Procedures for Loaning of Funds.
- (5) Amendments on part of Procedures for Endorsement/Guarantee.

5. Extemporaneous Motions

6. Meeting Adjourned

Matters to Report

I. Employees' and directors' compensation from 2018 profits.

Notes:

1. According to Article 28 of the Company's Article of Incorporation, if the Company has surplus, it shall (i) set aside 0.01-3% for employees' compensation; and (ii) set aside no more than 1% as directors' compensation.
2. The proposal has been approved by the 6th meeting of the 17th term Board of Directors. For 2018, the Company distributes cash dividend of NT\$3,324,450 as employees' compensation and NT\$37,000,000 as directors' compensation.

II. Business report and financial statements of 2018

Business Report

In 2018, global economic growth faced uncertainties derived from factors such as the trade war between the US and China and turbulences in the global financial market. The US economy has been showing strong performance while developed economies such as Europe and Japan have been showing weaker than expected growth. China's economy has also been negatively impacted by the trade war as growth showed signs of slowing down. In 2019, due to factors such as the trade war between the US and China, weakening domestic demand in China, waning effects from the US tax cuts and financial contractions, global economic growth is expected to decelerate.

The Company completed the spinoff and was renamed International CSRC Investment Holdings for the purpose of achieving financial transparency of each business unit, industry-specific adjustment and development strategies for parent and subsidiaries and be more flexible in forming possible strategic alliances and acquisitions to enhance growth and competitiveness.

Carbon black BU: continue to innovate and breakthrough as a leading company in the arena of carbon black

Battery BU: maintain long-term customers and enhance market presence through continuous innovation of application diversification

Biotech BU: maintain stable growth and cooperate with medical institutions to develop new medicines

Even though the oversupply condition of the global carbon black market remains unchanged, INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. continues to stand by our core beliefs: commitment, synergy, rebirth and creativity, and operate to create a circular economy that allows civilization and the environment to co-exist in harmony. By increasing productivity and efficiency, the Company saw 2018 performance surpassing 2017 performance. Additionally, the Company continues to develop high-value products and storage battery applications. Working with our tier-one clients, International CSRC Investment Holdings aims to explore new markets and enhance overall competitiveness by upgrading the production facilities to conserve energy and meet environmental standards.

1. Production: 490 thousands metric tons of carbon black (core business)
2. Sales:
 - Individual: operating income NT\$3,467.44 million
 - Consolidated: operating income NT\$24,431.72 million
3. Performance
 - Individual: net profits of NT\$2,994.20 million, an on-year growth of 32% and budget achieving rate of 167%
 - Consolidated: net profits of NT\$3,252.46 million, an on-year growth of 41% and budget achieving rate of 180%

Chairman: Koo, Gong-Yi

CEO: Huang, Po-Sung

Accounting Supervisor: Lee, Chia-Wen

Deloitte.

勤業眾信

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會計師查核報告

國際中橡投資控股股份有限公司（原名中國合成橡膠
股份有限公司） 公鑒：

查核意見

國際中橡投資控股股份有限公司民國 107 年及 106 年 12 月 31 日之個體資產負債表，暨民國 107 年及 106 年 1 月 1 日至 12 月 31 日之個體綜合損益表、個體權益變動表、個體現金流量表，以及個體財務報表附註（包括重大會計政策彙總），業經本會計師查核竣事。

依本會計師之意見，基於本會計師之查核結果及其他會計師之查核報告（請參閱其他事項段），上開個體財務報表在所有重大方面係依照證券發行人財務報告編製準則編製，足以允當表達國際中橡投資控股股份有限公司民國 107 年及 106 年 12 月 31 日之個體財務狀況，暨民國 107 年及 106 年 1 月 1 日至 12 月 31 日之個體財務績效及個體現金流量。

查核意見之基礎

本會計師係依照會計師查核簽證財務報表規則及一般公認審計準則執行查核工作。本會計師於該等準則下之責任將於會計師查核個體財務報表之責任段進一步說明。本會計師所隸屬事務所受獨立性規範之人員已依會計師職業道德規範，與國際中橡投資控股股份有限公司保持超然獨立，並履行該規範之其他責任。本會計師相信已取得足夠及適切之查核證據，以作為表示查核意見之基礎。

關鍵查核事項

關鍵查核事項係指依本會計師之專業判斷，對國際中橡投資控股股份有限公司民國 107 年度個體財務報表之查核最為重要之事項。該等事項已於查

核個體財務報表整體及形成查核意見之過程中予以因應。本會計師並不對該等事項單獨表示意見。

茲對國際中標投資控股股份有限公司民國 107 年度個體財務報表之關鍵查核事項敘明如下：

國際中標投資控股股份有限公司及採權益法之子公司破煙營業收入認列之真實性

國際中標投資控股股份有限公司及採權益法之子公司民國 107 年度合計破煙營業收入金額為新台幣 16,944,116 仟元，較民國 106 年合計金額新台幣 14,081,809 仟元增加 2,862,307 仟元，年增比率 20%。民國 107 年破煙營業收入增加主要是破煙平均售價受原料價格、市場供需及經濟景氣影響而波動所致。

與破煙部門營業收入認列相關會計政策、會計估計及假設之不確定性估計暨攸關揭露資訊，請參閱個體財務報表附註四、五及十三及合併財務報表附註三十七。

本會計師因應上述關鍵查核事項所執行之查核程序包括瞭解及測試破煙部門營業收入認列真實性相關內部控制之設計及執行有效性；比較、分析並詢問公司評估本年度破煙部門營業收入成長之合理性；選擇核對破煙部門營業收入之訂單、出貨單及收款資料；另執行破煙部門主要原料價格與破煙營業收入銷售單價攸關性之分析。

其他事項

列入上開個體財務報表之採用權益法之投資子公司中，民國 107 年及 106 年 12 月 31 日之 CCC USA Corp. 及其子公司係由其他會計師查核，因此本會計師對上開財務報表所表示之查核結果中，該等公司財務報表所顯示之金額係依據其他會計師之查核報告認列。民國 107 年及 106 年 12 月 31 日該等採用權益法之投資合計金額分別為新台幣 3,157,087 仟元及 1,294,443 仟元，占各該年底資產總額分別為 10% 及 6%；民國 107 及 106 年度認列之投資利益分別為新台幣 206,745 仟元及 55,267 仟元，分別占各該年度稅前淨利之 6% 及 2%。

管理階層與治理單位對個體財務報表之責任

管理階層之責任係依照證券發行人財務報告編製準則編製允當表達之個體財務報表，且維持與個體財務報表編製有關之必要內部控制，以確保個體財務報表未存有導因於舞弊或錯誤之重大不實表達。

於編製個體財務報表時，管理階層之責任亦包括評估國際中橡投資控股股份有限公司繼續經營之能力，相關事項之揭露，以及繼續經營會計基礎之採用，除非管理階層意圖清算國際中橡投資控股股份有限公司或停止營業，或除清算或停業外別無實際可行之其他方案。

國際中橡投資控股股份有限公司之治理單位（含審計委員會）負有監督財務報導流程之責任。

會計師查核個體財務報表之責任

本會計師查核個體財務報表之目的，係對個體財務報表整體是否存在導因於舞弊或錯誤之重大不實表達取得合理確信，並出具查核報告。合理確信係高度確信，惟依照一般公認審計準則執行之查核工作無法保證必能偵出個體財務報表存有之重大不實表達。不實表達可能導因於舞弊或錯誤。如不實表達之個別金額或彙總數可合理預期將影響個體財務報表使用者所作之經濟決策，則被認為具有重大性。

本會計師依照一般公認審計準則查核時，運用專業判斷並保持專業上之懷疑。本會計師亦執行下列工作：

1. 辨認並評估個體財務報表導因於舞弊或錯誤之重大不實表達風險；對所評估之風險設計及執行適當之因應對策；並取得足夠及適切之查核證據以作為查核意見之基礎。因舞弊可能涉及共謀、偽造、故意遺漏、不實聲明或踰越內部控制，故未偵出導因於舞弊之重大不實表達之風險高於導因於錯誤者。
2. 對與查核攸關之內部控制取得必要之瞭解，以設計當時情況下適當之查核程序，惟其目的非對國際中橡投資控股股份有限公司內部控制之有效性表示意見。
3. 評估管理階層所採用會計政策之適當性，及其所作會計估計與相關揭露之合理性。
4. 依據所取得之查核證據，對管理階層採用繼續經營會計基礎之適當性，以及使國際中橡投資控股股份有限公司繼續經營之能力可能產生重大疑慮之事件或情況是否存在重大不確定性，作出結論。本會計師若認為該等事件或情況存在重大不確定性，則須於查核報告中提醒個體財務報表使用者注意個體財務報表之相關揭露，或於該等揭露係屬不適當時修正查核意見。本會計師之結論係以截至查核報告日所取得之查核證據為基

礎。惟未來事件或情況可能導致國際中橡投資控股股份有限公司不再具有繼續經營之能力。

5. 評估個體財務報表（包括相關附註）之整體表達、結構及內容，以及個體財務報表是否允當表達相關交易及事件。
6. 對於國際中橡投資控股股份有限公司內組成個體之財務資訊取得足夠及適切之查核證據，以對個體財務報表表示意見。本會計師負責查核案件之指導、監督及執行，並負責形成國際中橡投資控股股份有限公司查核意見。

本會計師與治理單位溝通之事項，包括所規劃之查核範圍及時間，以及重大查核發現（包括於查核過程中所辨認之內部控制顯著缺失）。

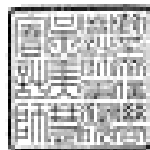
本會計師亦向治理單位提供本會計師所隸屬事務所受獨立性規範之人員已遵循會計師職業道德規範中有關獨立性之聲明，並與治理單位溝通所有可能被認為會影響會計師獨立性之關係及其他事項（包括相關防護措施）。

本會計師從與治理單位溝通之事項中，決定對國際中橡投資控股股份有限公司民國 107 年度個體財務報表查核之關鍵查核事項。本會計師於查核報告中敘明該等事項，除非法令不允許公開揭露特定事項，或在極罕見情況下，本會計師決定不於查核報告中溝通特定事項，因可合理預期此溝通所產生之負面影響大於所增進之公眾利益。

勤業眾信聯合會計師事務所

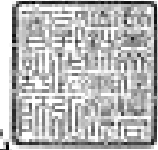
會計師 吳美慧

吳美慧



會計師 郭政弘

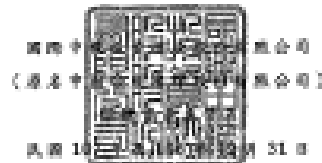
郭政弘



證券暨期貨管理委員會核准文號
台財證六字第 0920123784 號

證券暨期貨管理委員會核准文號
台財證六字第 0920123784 號

中 華 民 國 108 年 3 月 22 日



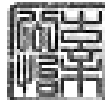
單位：新台幣仟元

代 碼	資 產	107年12月31日		106年12月31日	
		金 額	%	金 額	%
	流動資產				
1100	現金及約當現金(附註四及六)	\$ 6,768,716	22	\$ 5,574,173	16
1110	透過權益法允價衡量之金融資產—流動(附註四及七)	999,798	3	934,776	4
1120	透過其他綜合損益按公允價值衡量之金融資產—流動(附註四及八)	1,630,996	5	-	-
1125	可供出售金融資產—流動(附註四及九)	-	-	1,499,284	7
1150	應收票據淨額(附註四及十一)	5,189	-	-	-
1170	應收帳款—淨額(附註四及十一)	-	-	262,760	1
1180	應收帳款—關係人(附註四、十一及二八)	-	-	367,928	2
1220	本期所得稅資產	22,804	-	-	-
1300	存貨(附註四及十二)	-	-	158,197	1
1470	其他金融資產—流動(附註二八及二九)	190,017	-	50,092	-
1479	其他流動資產	1,268	-	4,341	-
11XX	流動資產總計	13,983,738	30	6,684,784	21
	非流動資產				
1510	透過權益法公允價值衡量之金融資產—非流動(附註四及七)	992	-	-	-
1517	透過其他綜合損益按公允價值衡量之金融資產—非流動(附註四及八)	4,375,660	14	-	-
1520	可供出售金融資產—非流動(附註四及九)	-	-	5,210,996	25
1540	以成本衡量之金融資產—非流動(附註四及十)	-	-	260,748	1
1550	採用權益法之投資(附註四及十三)	17,585,671	56	10,721,045	49
1600	不動產、廠房及設備(附註四及十四)	39,156	-	784,581	4
1840	遞延所得稅資產(附註四及二一)	-	-	15,291	-
1900	其他金融資產—非流動	-	-	2,562	-
1900	其他非流動資產	4,030	-	1,773	-
15XX	非流動資產總計	21,993,459	70	14,999,614	62
1000X	資 產 總 計	\$ 31,977,197	100	\$ 21,684,402	100
	流動負債				
2170	應付帳款(附註十六)	\$ -	-	\$ 122,720	1
2180	應付帳款—關係人(附註二八)	-	-	93,522	-
2210	其他應付款(附註十七及二八)	204,979	1	699,664	3
2220	本期所得稅負債(附註四及二一)	39,452	-	30,534	-
2260	其他流動負債	9,525	-	4,271	-
21XX	流動負債總計	294,956	1	950,611	4
	非流動負債				
2550	負債準備—非流動(附註四及十八)	268	-	10,213	-
2570	遞延所得稅負債(附註四及二一)	1,464,385	5	1,899,135	5
2640	淨確定福利負債(附註四及十八)	85	-	8,476	-
2670	其他非流動負債	68,561	-	80,518	1
25XX	非流動負債總計	1,533,799	5	1,998,342	6
2000X	負債總計	1,798,755	6	2,948,953	12
	權益				
3110	普通股	8,714,457	28	4,285,471	20
3200	資本公積	8,894,689	28	3,713,728	17
	保留盈餘				
3310	法定盈餘公積	2,291,740	7	2,664,398	9
3320	特別盈餘公積	645,316	2	645,316	3
3330	未分配盈餘	5,275,420	17	4,259,884	20
3300	保留盈餘總計	8,212,476	26	4,580,798	22
3400	其他權益	4,859,637	13	2,587,208	13
3500	庫藏股票	(290,088)	(1)	(290,888)	(1)
3000X	權益總計	29,988,442	94	18,685,449	90
	負 債 與 權 益 總 計	\$ 31,977,197	100	\$ 21,684,402	100

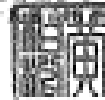
後列之附註係本個體財務報告之一部分。

(請參閱勤業眾信聯合會計師事務所 108 年 12 月 22 日查核報告)

董事長：卓金華



總經理：黃錫榮



會計主管：李仕敏



國際中樑建設股份有限公司
(原名中國中樑建設股份有限公司)

營業活動現金表

民國 107 年及 106 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元，惟
每股盈餘為元

代 碼		107年度		106年度	
		金 額	%	金 額	%
4000	營業收入淨額(附註四及二八)	\$ 3,467,441	100	\$ 4,123,195	100
5000	營業成本(附註四、十二、十八、二十及二八)	<u>1,960,568</u>	<u>57</u>	<u>2,519,053</u>	<u>61</u>
5900	營業毛利	1,506,873	43	1,604,142	39
5910	與子公司之未實現利益	-	-	(219)	-
5920	與子公司之已實現損失(利益)	<u>219</u>	<u>-</u>	<u>(192)</u>	<u>-</u>
5950	已實現營業毛利	<u>1,507,092</u>	<u>43</u>	<u>1,603,731</u>	<u>39</u>
	營業費用(附註十八、二十及二八)				
6100	推銷費用	55,918	1	76,050	2
6200	管理費用	241,652	7	184,119	5
6300	研究發展費用	<u>126,427</u>	<u>4</u>	<u>304,497</u>	<u>7</u>
6000	營業費用合計	<u>423,997</u>	<u>12</u>	<u>564,666</u>	<u>14</u>
6900	營業淨利	<u>1,083,095</u>	<u>31</u>	<u>1,039,065</u>	<u>25</u>
	營業外收入及支出(附註四、二十及二八)				
7010	其他收入	315,658	9	273,232	7
7020	其他利益及損失	28,805	1	(98,072)	(2)
7050	財務成本	(730)	-	(1,263)	-
7070	採用權益法認列之子公司利益份額	<u>2,235,662</u>	<u>64</u>	<u>1,539,150</u>	<u>37</u>
7000	營業外收入及支出合計	<u>2,579,395</u>	<u>74</u>	<u>1,713,047</u>	<u>42</u>
7900	本年度稅前淨利	3,662,490	105	2,752,112	67
7950	所得稅費用(附註四及二一)	<u>(668,294)</u>	<u>(19)</u>	<u>(478,684)</u>	<u>(12)</u>

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代 碼		107年度		106年度	
		金 額	%	金 額	%
8200	本年度淨利	\$ 2,994,196	86	\$ 2,273,428	55
	其他綜合損益 (附註四及十八)				
8310	不重分類至損益之項目				
8316	透過其他綜合損益按 公允價值衡量之權 益工具投資未實現 評價損益	282,198	9	-	-
8311	確定福利計畫之再衡 量數	(269)	-	(4,527)	-
8320	採用權益法之子公司 之其他綜合損益份 額	38,622	1	(1,034)	-
8360	後續可能重分類至損益之 項目				
8361	國外營運機構財務報 表換算之兌換差額	180,091	5	(505,408)	(12)
8362	備供出售金融資產未 實現評價損益	-	-	218,397	5
8380	採用權益法之子公司 之其他綜合損益份 額	-	-	16,867	-
8300	其他綜合損益	500,642	15	(275,705)	(7)
8500	本年度綜合損益總額	\$ 3,494,838	101	\$ 1,997,723	48
	每股盈餘 (附註二二)				
	來自繼續營業單位				
9750	基 本	\$ 4.18		\$ 3.35	
9850	稀 釋	\$ 4.18		\$ 3.35	

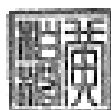
後附之附註係本個體財務報告之一部分。

(請參閱勤業眾信聯合會計師事務所民國 108 年 3 月 22 日查核報告)

董事長：辜公怡



經理人：黃柏松



會計主管：李仕敏



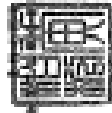


單位：新台幣千元

年 度	106 年 12 月 31 日 結 算	資 本 公 積 金		盈 餘 公 積 金		未 分 派 盈 餘		未 派 發 股 利		未 派 發 股 利		未 派 發 股 利		未 派 發 股 利		
		資本	公積金	資本	公積金	資本	公積金	資本	公積金	資本	公積金	資本	公積金	資本	公積金	資本
84	100 年 12 月 31 日 結 算	3,980,545	1,694,797	1,970,295	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797	1,694,797
85	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
86	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
87	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
88	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
89	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
90	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
91	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
92	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
93	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
94	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
95	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
96	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
97	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
98	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
99	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
101	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
102	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
103	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
104	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
105	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
106	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
107	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
108	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
109	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
111	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
112	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
113	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
114	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
116	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
117	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
118	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
119	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
120	100 年 12 月 31 日 結 算	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



董事長：黃仲勳
總經理：李維祺



董事長：黃仲勳
總經理：李維祺



董事長：黃仲勳
總經理：李維祺

國際中橡投資管理股份有限公司
(原名中國台灣橡膠股份有限公司)

個 體 財 務 報 表

民國 107 年及 106 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元

代 碼		107年度	106年度
	營業活動之現金流量		
A10000	本年度稅前淨利	\$ 3,662,490	\$ 2,752,112
A20010	收益費損項目		
A20100	折舊費用	56,813	80,316
A20200	攤銷費用	507	675
A20400	透過損益按公允價值衡量之金融		
	資產利益	(3,042)	(2,460)
A20900	利息費用	251	812
A21200	利息收入	(27,534)	(10,231)
A21300	股利收入	(209,503)	(201,408)
A21900	股份基礎給付酬勞成本	8,708	-
A22400	採用權益法認列之子公司利益份		
	額	(2,235,662)	(1,539,150)
A22500	不動產、廠房及設備報廢損失	-	7
A22700	處分投資性不動產利益	-	(270,125)
A23100	處分投資利益	(595)	(772)
A23500	金融資產減損損失	-	112,299
A23700	非金融資產(四升利益)減損損		
	失	(43,492)	-
A23900	與子公司之未實現利益	-	219
A24000	與子公司之已實現(損失)利益	(219)	192
A24100	未實現外幣兌換(利益)損失	(6,281)	15,260
A29900	處分子公司利益	-	(7,637)
A30000	與營業活動相關之資產/負債變動數		
A31110	持有供交易之金融資產	30,595	300,772
A31130	應收票據	(5,189)	-
A31150	應收帳款	(155,317)	(67,152)
A31160	應收帳款－關係人	84,739	(48,114)
A31200	存 貨	(219,371)	91,878
A31240	其他流動資產	788	(2,350)
A31250	其他金融資產－流動	(43,411)	68,662
A32150	應付帳款	21,642	30,239
A32160	應付帳款－關係人	61,705	9,890
A32180	其他應付款	(48,654)	304,716

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代 碼		107年度	106年度
A32200	負債準備	\$ 1,303	\$ 1,097
A32230	其他流動負債	8,264	3,301
A32240	淨確定福利負債	(889)	(22,054)
A33000	營運產生之現金流入	938,646	1,600,994
A33100	收取之利息	22,007	9,786
A33500	支付之所得稅	(164,406)	(333,330)
AAAA	營業活動之淨現金流入	<u>796,247</u>	<u>1,277,450</u>
	投資活動之現金流量		
B00010	取得透過其他綜合損益按公允價值衡 量之金融資產	(117,559)	-
B02200	取得子公司之淨現金流出	(2,607,860)	(195,143)
B01900	處分子公司之淨現金流入	46,617	180,233
B02700	取得不動產、廠房及設備	(62,531)	(38,828)
B05500	處分投資性不動產	-	437,006
B06600	其他金融資產－非流動減少(增加)	210	(56)
B06700	其他非流動資產增加	(4,000)	-
B07100	預付設備款(增加)減少	(4,708)	10,981
B07600	收取之股利	240,326	710,198
B09900	營業分割設立	(15,000)	-
BBBB	投資活動之淨現金流(出)入	<u>(2,524,505)</u>	<u>1,104,391</u>
	籌資活動之現金流量		
C00100	短期借款減少	-	(43,477)
C04400	其他非流動負債增加	15,202	2,058
C04500	發放現金股利	(1,131,457)	(897,981)
C04600	現金增資	6,832,000	-
C05600	支付之利息	(1)	(499)
C09900	營業分割讓與	(612,943)	-
CCCC	籌資活動之淨現金流入(出)	<u>5,102,801</u>	<u>(939,899)</u>
E000	本年度現金及約當現金增加數	3,374,543	1,441,942
E00100	年初現金及約當現金餘額	<u>3,374,173</u>	<u>1,932,231</u>
E00200	年底現金及約當現金餘額	<u>\$ 6,748,716</u>	<u>\$ 3,374,173</u>

後附之附註係本個體財務報告之一部分。

(請參閱勤業眾信聯合會計師事務所民國 108 年 3 月 22 日查核報告)

董事長：辜公怡



經理人：黃柏松



會計主管：李仕敏



會計師查核報告

國際中橡投資控股股份有限公司（原名中國合成橡膠股份有限公司） 公鑒：

查核意見

國際中橡投資控股股份有限公司及子公司民國 107 年及 106 年 12 月 31 日之合併資產負債表，暨民國 107 年及 106 年 1 月 1 日至 12 月 31 日之合併綜合損益表、合併權益變動表、合併現金流量表，以及合併財務報表附註（包括重大會計政策彙總），業經本會計師查核竣事。

依本會計師之意見，基於本會計師之查核結果及其他會計師之查核報告（請參閱其他事項段），上開合併財務報表在所有重大方面係依照證券發行人財務報告編製準則及經金融監督管理委員會認可並發布生效之國際財務報導準則、國際會計準則、解釋及解釋公告編製，足以允當表達國際中橡投資控股股份有限公司及子公司民國 107 年及 106 年 12 月 31 日之合併財務狀況，暨民國 107 年及 106 年 1 月 1 日至 12 月 31 日之合併財務績效及合併現金流量。

查核意見之基礎

本會計師係依照會計師查核簽證財務報表規則及一般公認審計準則執行查核工作。本會計師於該等準則下之責任將於會計師查核合併財務報表之責任段進一步說明。本會計師所隸屬事務所受獨立性規範之人員已依會計師職業道德規範，與國際中橡投資控股股份有限公司及子公司保持超然獨立，並履行該規範之其他責任。本會計師相信已取得足夠及適切之查核證據，以作為表示查核意見之基礎。

關鍵查核事項

關鍵查核事項係指依本會計師之專業判斷，對國際中橡投資控股股份有限公司及子公司民國 107 年度合併財務報表之查核最為重要之事項。該等事

項已於查核合併財務報表整體及形成查核意見之過程中予以因應，本會計師並不對該等事項單獨表示意見。

茲對國際中橡投資控股股份有限公司及子公司民國 107 年度合併財務報表之關鍵查核事項敘明如下：

破煙部門營業收入認列之真實性

國際中橡投資控股股份有限公司及子公司民國 107 年度營業收入新台幣 24,431,724 仟元，較民國 106 年度營業收入新台幣 20,113,757 仟元增加 4,317,967 仟元，年增比率 21%。前述增加金額中來自破煙部門營業收入為 2,862,307 仟元，佔增加金額 66%。民國 107 年度破煙部門營業收入增加主要是破煙平均售價受原料價格、市場供需及經濟景氣影響而波動所致。

與破煙部門營業收入認列相關會計政策、會計估計及假設之不確定性估計暨攸關揭露資訊，請參閱合併財務報表附註四、五及三七。

本會計師因應上述關鍵查核事項所執行之查核程序包括瞭解及測試破煙部門營業收入認列真實性相關內部控制之設計及執行有效性；比較、分析並詢問公司評估本年度破煙部門營業收入成長之合理性；選擇核對破煙部門營業收入之訂單、出貨單及收款資料；另執行破煙部門主要原料價格與破煙營業收入銷售單價攸關性之分析。

其他事項

列入上開合併財務報表之子公司中，民國 107 年及 106 年 12 月 31 日之 CCC USA Corp. 及其子公司之合併財務報表係由其他會計師查核，因此本會計師對上開合併財務報表所表示之意見中，該等公司財務報表所列示之金額係依據其他會計師之查核報告認列。該等公司民國 107 年及 106 年 12 月 31 日之資產總額分別為新台幣 11,430,104 仟元及 8,671,677 仟元，佔合併資產總額分別為 23% 及 24%；民國 107 及 106 年度之營業收入淨額分別為新台幣 7,374,592 仟元及 5,357,310 仟元，佔合併營業收入淨額分別為 30% 及 27%。

國際中橡投資控股股份有限公司業已編製民國 107 及 106 年度之個體財務報表，並經本會計師曾出具無保留意見之查核報告在案，備供參考。

管理階層與治理單位對合併財務報表之責任

管理階層之責任係依照證券發行人財務報告編製準則及經金融監督管理委員會認可並發布生效之國際財務報導準則、國際會計準則、解釋及解釋公

告編製允當表達之合併財務報表，且維持與合併財務報表編製有關之必要內部控制，以確保合併財務報表未存有導因於舞弊或錯誤之重大不實表達。

於編製合併財務報表時，管理階層之責任亦包括評估國際中橡投資控股股份有限公司及子公司繼續經營之能力、相關事項之揭露，以及繼續經營會計基礎之採用，除非管理階層意圖清算國際中橡投資控股股份有限公司及子公司或停止營業，或除清算或停業外別無實際可行之其他方案。

國際中橡投資控股股份有限公司及子公司之治理單位（含審計委員會）負有監督財務報導流程之責任。

會計師查核合併財務報表之責任

本會計師查核合併財務報表之目的，係對合併財務報表整體是否存有導因於舞弊或錯誤之重大不實表達取得合理確信，並出具查核報告。合理確信係高度確信，惟依照一般公認審計準則執行之查核工作無法保證必能偵出合併財務報表存有之重大不實表達。不實表達可能導因於舞弊或錯誤，如不實表達之個別金額或彙總數可合理預期將影響合併財務報表使用者所作之經濟決策，則被認為具有重大性。

本會計師依照一般公認審計準則查核時，運用專業判斷並保持專業上之懷疑。本會計師亦執行下列工作：

1. 辨認並評估合併財務報表導因於舞弊或錯誤之重大不實表達風險；對所評估之風險設計及執行適當之因應對策；並取得足夠及適切之查核證據以作為查核意見之基礎。因舞弊可能涉及共謀、偽造、故意遺漏、不實聲明或踰越內部控制，故未偵出導因於舞弊之重大不實表達之風險高於導因於錯誤者。
2. 對與查核攸關之內部控制取得必要之瞭解，以設計當時情況下適當之查核程序，惟其目的非對國際中橡投資控股股份有限公司及子公司內部控制之有效性表示意見。
3. 評估管理階層所採用會計政策之適當性，及其所作會計估計與相關揭露之合理性。
4. 依據所取得之查核證據，對管理階層採用繼續經營會計基礎之適當性，以及使國際中橡投資控股股份有限公司及子公司繼續經營之能力可能產生重大疑慮之事件或情況是否存在重大不確定性，作出結論。本會計師

若認為該等事件或情況存在重大不確定性，則須於查核報告中提醒合併財務報表使用者注意合併財務報表之相關揭露，或於該等揭露係屬不適當時修正查核意見。本會計師之結論係以截至查核報告日所取得之查核證據為基礎。惟未來事件或情況可能導致國際中橡投資控股股份有限公司及子公司不再具有繼續經營之能力。

5. 評估合併財務報表（包括相關附註）之整體表達、結構及內容，以及合併財務報表是否允當表達相關交易及事件。
6. 對於集團內組成個體之財務資訊取得足夠及適切之查核證據，以對合併財務報表表示意見。本會計師負責集團查核案件之指導、監督及執行，並負責形成集團查核意見。

本會計師與治理單位溝通之事項，包括所規劃之查核範圍及時間，以及重大查核發現（包括於查核過程中所辨認之內部控制顯著缺失）。

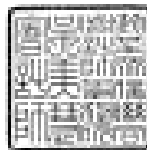
本會計師亦向治理單位提供本會計師所隸屬事務所受獨立性規範之人員已遵循會計師職業道德規範中有關獨立性之聲明，並與治理單位溝通所有可能被認為會影響會計師獨立性之關係及其他事項（包括相關防護措施）。

本會計師從與治理單位溝通之事項中，決定對國際中橡投資控股股份有限公司及子公司民國 107 年度合併財務報表查核之關鍵查核事項。本會計師於查核報告中敘明該等事項，除非法令不允許公開揭露特定事項，或在極罕見情況下，本會計師決定不於查核報告中溝通特定事項，因可合理預期此溝通所產生之負面影響大於所增進之公眾利益。

勤業眾信聯合會計師事務所

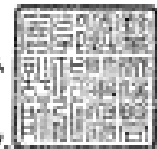
會計師 吳美慧

吳美慧



會計師 郭政弘

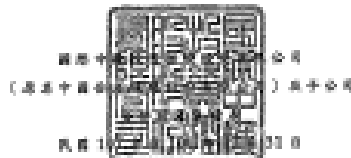
郭政弘



證券暨期貨管理委員會核准文號
台財證六字第 0920123784 號

證券暨期貨管理委員會核准文號
台財證六字第 0920123784 號

中 華 民 國 108 年 3 月 22 日



單位：新台幣千元

代 碼	名 稱	107年12月31日		106年12月31日	
		金 額	%	金 額	%
流動資產					
1100	現金及約當現金(附註四六)	\$ 14,646,249	30	\$ 8,458,280	23
1110	短期定期存款(附註四七)	937,883	2	944,828	3
1120	短期其他類金融資產(附註四八)	2,438,985	5	-	-
1129	短期其他類金融資產-其他(附註四八)	-	-	2,326,682	6
1130	應收票據(附註四、十一及五五)	729,666	2	482,049	1
1170	應收帳款(附註四、十一及五五)	8,124,037	18	4,148,680	12
1180	應收帳款-關係人(附註四五)	14,689	-	4,165	-
1220	本期所得稅資產(附註四五)	23,384	-	13,736	-
1300	存貨(附註四、十二及五五)	3,486,030	7	2,757,035	8
1410	銀行融資款(附註四)	4,678	-	4,983	-
1470	其他金融資產-其他(附註五)	184,773	-	150,725	-
1479	其他金融資產(附註八)	524,222	1	578,081	2
11XX	流動資產總計	<u>28,484,882</u>	<u>62</u>	<u>19,433,561</u>	<u>53</u>
非流動資產					
1010	短期定期存款(附註四七)	982	-	-	-
1017	短期其他類金融資產(附註四八)	4,083,879	9	-	-
1020	長期其他類金融資產-非流動(附註四九)	-	-	3,368,872	9
1040	以成本衡量之金融資產-非流動(附註四九)	-	-	315,743	1
1050	不動產、廠房及設備(附註四、五、十二及五五)	13,675,543	28	11,790,860	32
1700	投資性不動產(附註四五)	391,660	1	488,998	1
1800	商譽(附註四五)	244,248	-	253,222	1
1820	其他無形資產(附註四五)	220,684	1	297,553	1
1860	遞延所得稅資產(附註四五)	427,822	1	294,854	1
1910	銀行放款	1,185,980	3	4,309	-
1980	其他金融資產-非流動	212,741	-	21,516	-
1989	其他非流動資產(附註七)	265,899	1	228,882	1
1990	其他非流動資產(附註四、十八及二二)	81,828	-	63,632	-
10XX	非流動資產總計	<u>21,479,981</u>	<u>47</u>	<u>16,923,369</u>	<u>47</u>
10XX	資 產 總 計	<u>\$ 49,964,863</u>	<u>100</u>	<u>\$ 36,356,930</u>	<u>100</u>
負 債 與 權 益					
流動負債					
2100	短期存款(附註十九及五三)	\$ 6,795,753	14	\$ 5,207,830	15
2110	應付短期票據(附註十九)	613,807	1	249,890	1
2120	應付票據	1,349	-	-	-
2170	應付帳款(附註二)	1,332,343	3	1,094,027	3
2180	應付帳款-關係人(附註五)	140,237	-	93,661	-
2219	其他應付款(附註二一及五二)	1,623,241	3	1,245,030	4
2280	本期所得稅負債(附註四五)	118,449	-	24,244	-
2300	一年內到期之長期負債(附註十九及五三)	445,713	1	789,317	2
2399	其他流動負債	37,368	-	78,252	-
21XX	流動負債總計	<u>11,208,453</u>	<u>23</u>	<u>8,868,848</u>	<u>25</u>
非流動負債					
2340	長期存款(附註十九及五三)	4,208,788	9	2,258,245	6
2350	負債準備-非流動(附註四五)	13,218	-	18,213	-
2370	遞延所得稅負債(附註四五)	2,798,880	6	1,477,032	4
2440	確定福利負債(附註四五)	111,633	-	128,878	-
2470	其他非流動負債	38,178	-	42,132	-
23XX	非流動負債總計	<u>7,168,707</u>	<u>15</u>	<u>4,816,500</u>	<u>13</u>
20XX	負債總計	<u>17,377,160</u>	<u>35</u>	<u>13,685,348</u>	<u>38</u>
權益					
國泰中央銀行資本及公積金					
3110	實收資本	8,714,457	18	6,203,679	18
3120	資本公積	8,694,688	18	3,713,723	10
保留盈餘					
3210	法定盈餘公積	3,291,798	7	3,644,388	10
3220	盈餘準備公積	488,204	1	448,204	1
3230	未分配盈餘	3,279,423	7	4,758,084	13
3240	保留盈餘總計	8,059,425	16	9,850,676	27
3400	其他權益	4,025,637	8	2,927,288	8
3500	庫藏股票	(280,881)	(1)	(280,881)	(1)
31XX	本公司資本及公積金總計	<u>24,981,841</u>	<u>50</u>	<u>19,982,547</u>	<u>55</u>
40XX	非控制權益	3,604,202	7	884,245	2
50XX	權益總計	<u>28,484,863</u>	<u>60</u>	<u>19,433,561</u>	<u>54</u>
10XX	負債與權益總計	<u>\$ 49,964,863</u>	<u>100</u>	<u>\$ 36,356,930</u>	<u>100</u>

臺灣中央銀行現金及存款類資產報告之一部分
(請參閱報告內附會計師事務所 107 年 12 月 31 日查核報告)

董事長：張公仲



總經理：黃南鈞



會計主管：李維斌



國際中橡投資股份有限公司
(原名中國合成橡膠股份有限公司)及子公司

合併損益表

民國 107 年及 106 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元，惟
每股盈餘為元

代 碼		107年度		106年度	
		金 額	%	金 額	%
4000	營業收入淨額 (附註四及三二)	\$ 24,431,724	100	\$ 20,113,757	100
5000	營業成本 (附註十二、二二、二四及三二)	<u>17,854,852</u>	<u>73</u>	<u>14,544,257</u>	<u>72</u>
5900	營業毛利	<u>6,576,872</u>	<u>27</u>	<u>5,569,500</u>	<u>28</u>
	營業費用 (附註十一、二二、二四及三二)				
6100	推銷費用	401,392	2	388,929	2
6200	管理費用	1,128,978	4	907,224	5
6300	研究發展費用	<u>416,367</u>	<u>2</u>	<u>632,509</u>	<u>3</u>
6000	營業費用合計	<u>1,946,737</u>	<u>8</u>	<u>1,928,662</u>	<u>10</u>
6900	營業淨利	<u>4,630,135</u>	<u>19</u>	<u>3,640,838</u>	<u>18</u>
	營業外收入及支出 (附註四及二四)				
7010	其他收入	404,727	2	337,734	2
7020	其他利益及損失	(111,313)	(1)	(118,527)	(1)
7050	財務成本	(354,668)	(1)	(294,832)	(1)
7000	營業外收入及支出合計	<u>(61,254)</u>	<u>-</u>	<u>(75,625)</u>	<u>-</u>
7900	本年度稅前淨利	4,568,881	19	3,565,213	18
7950	所得稅費用 (附註四及二五)	<u>(1,316,422)</u>	<u>(6)</u>	<u>(1,264,827)</u>	<u>(6)</u>
8200	本年度淨利	<u>3,252,459</u>	<u>13</u>	<u>2,300,386</u>	<u>12</u>

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代 碼		107年度		106年度	
		金 額	%	金 額	%
	其他綜合損益				
8310	不重分類至損益之項目				
8311	確定福利計畫之再 衡量數	\$ 7,584	-	(\$ 5,545)	-
8316	透過其他綜合損益 按公允價值衡量 之權益工具投資 未實現評價損益	313,755	1	-	-
8360	後續可能重分類至損益 之項目				
8361	國外營運機構財務 報表換算之兌換 差額	201,113	1	(572,061)	(3)
8362	備供出售金融資產 未實現損益	-	-	232,177	1
8300	其他綜合損益	<u>522,452</u>	<u>2</u>	<u>(345,429)</u>	<u>(2)</u>
8600	半年度綜合損益總額	<u>\$ 3,774,911</u>	<u>15</u>	<u>\$ 1,954,957</u>	<u>10</u>
	淨利歸屬於：				
8610	母公司業主	\$ 2,994,196	12	\$ 2,273,428	11
8620	非控制權益	<u>258,263</u>	<u>1</u>	<u>26,958</u>	-
8600		<u>\$ 3,252,459</u>	<u>13</u>	<u>\$ 2,300,386</u>	<u>11</u>
	綜合損益總額歸屬於：				
8710	母公司業主	\$ 3,494,838	14	\$ 1,997,723	10
8720	非控制權益	<u>280,073</u>	<u>1</u>	<u>(42,766)</u>	-
8700		<u>\$ 3,774,911</u>	<u>15</u>	<u>\$ 1,954,957</u>	<u>10</u>
	每股盈餘(附註二六)				
	來自繼續營業單位				
9750	基 本	<u>\$ 4.18</u>		<u>\$ 3.35</u>	
9850	稀 釋	<u>\$ 4.18</u>		<u>\$ 3.35</u>	

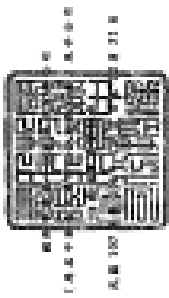
後附之附註係本合併財務報告之一部分。

(請參閱勤業眾信聯合會計師事務所民國108年3月22日查核報告)

董事長：卓公怡 

經理人：黃柏松 

會計主管：李佳敏 



序號	科目名稱	109年12月31日	108年12月31日	107年12月31日	106年12月31日	105年12月31日	104年12月31日	103年12月31日	102年12月31日	101年12月31日	100年12月31日
01	現金	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
02	應收帳款	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
03	其他應收帳款	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
04	存貨	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
05	不動產、廠房及設備	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
06	遞延所得稅資產	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
07	其他資產	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
08	應付帳款	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
09	其他應付帳款	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
10	負債總計	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
11	資本公積金	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
12	未分配盈餘	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
13	資產總計	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000	14,000,000



會計師事務所



會計師事務所



會計師事務所

國際中線投資(中國)有限公司
(原名中國合成藥業股份有限公司)及子公司

合併資產負債表

民國 107 年及 106 年 1 月 1 日至 12 月 31 日

單位：新台幣仟元

代 碼		107 年度	106 年度
	營業活動之現金流量		
A10000	本年度稅前淨利	\$ 4,568,881	\$ 3,565,213
A20010	收益費損項目		
A20100	折舊費用	858,773	773,296
A20200	攤銷費用	65,668	69,374
A20400	透過損益按公允價值衡量之金融資產淨利益	(3,077)	(2,490)
A20900	利息費用	352,573	292,916
A21200	利息收入	(37,979)	(18,238)
A21300	股利收入	(209,503)	(204,059)
A21900	股份基礎給付酬勞成本	35,302	9,926
A22500	不動產、廠房及設備處分及報廢損失	73,713	44,580
A22700	處分投資性不動產利益	-	(270,125)
A23100	處分投資利益	(595)	(772)
A23200	處分子公司利益—淨額	-	(2,271)
A23500	金融資產減損損失	42,935	16,992
A23700	非金融資產(迴轉利益)減損損失淨額	(44,571)	138,676
A24100	未實現外幣兌換損失(利益)	28,898	(44,128)
A29900	其他項目	31,752	-
A30000	營業資產及負債之淨變動數		
A31110	持有供交易之金融資產	30,595	300,772
A31130	應收票據	(253,488)	(261,456)
A31150	應收帳款	(983,066)	(1,032,422)
A31160	應收帳款—關係人	(10,440)	504
A31200	存 貨	(1,102,875)	(482,133)
A31240	其他流動資產	(12,984)	(77,365)
A31250	其他金融資產	(37,115)	171,675
A32130	應付票據	1,349	-
A32150	應付帳款	131,487	290,398
A32160	應付帳款—關係人	45,096	10,781
A32180	其他應付款	367,784	340,586
A32200	負債準備	1,755	1,097
A32230	其他流動負債	29,770	59,702
A32240	淨確定福利負債	2,797	(23,786)

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代 碼		107 年度	106 年度
A33000	營運產生之現金流入	\$ 3,973,455	\$ 3,667,243
A33100	收取之利息	32,228	17,658
A33500	支付之所得稅	(689,009)	(1,076,783)
AAAA	營業活動之淨現金流入	<u>3,316,674</u>	<u>2,608,118</u>
	投資活動之現金流量		
B00010	取得透過其他綜合損益按公允價值衡量之金融資產	(277,457)	-
B00030	透過其他綜合損益按公允價值衡量之金融資產減資退回股款	680	-
B00300	取得備供出售金融資產	-	(170,210)
B01400	以成本衡量之金融資產減資退回股款	-	2,916
B02300	清算／處分子公司淨現金流(出)入	(37,508)	93,977
B02700	取得不動產、廠房及設備	(2,965,200)	(3,417,722)
B02800	處分不動產、廠房及設備	9,710	43
B05500	處分投資性不動產	-	437,006
B06500	其他金融資產增加	(192,885)	(10,365)
B06700	其他非流動資產增加	(64,483)	(2,538)
B07100	預付設備款(增加)減少	(1,102,893)	15,912
B07600	收取之股利	<u>209,503</u>	<u>204,059</u>
BBBB	投資活動之淨現金流出	<u>(4,420,533)</u>	<u>(2,846,922)</u>
	籌資活動之現金流量		
C00100	短期借款增加	1,523,870	1,613,864
C00500	應付短期票券增加	369,315	165,053
C01600	舉借長期借款	904,470	2,921,040
C01700	償還長期借款	(2,447,838)	(697,718)
C04400	其他非流動負債增加	25,892	4,240
C04500	發放現金股利	(1,110,119)	(881,047)
C04600	現金增資	6,832,000	-
C05600	支付之利息	(353,597)	(278,452)
C08800	非控制權益變動	<u>1,653,635</u>	<u>(47)</u>
CCCC	籌資活動之淨現金流入	<u>7,397,628</u>	<u>2,846,933</u>
DDDD	匯率變動對現金及約當現金之影響	<u>60,420</u>	<u>(348,033)</u>
EEEE	本年度現金及約當現金增加數	6,354,189	2,260,096
E00100	年初現金及約當現金餘額	<u>8,486,360</u>	<u>6,226,264</u>
E00200	年底現金及約當現金餘額	<u>\$ 14,840,549</u>	<u>\$ 8,486,360</u>

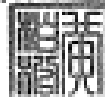
後附之附註係本合併財務報告之一部分。

(請參閱勤業眾信聯合會計師事務所民國 108 年 3 月 22 日查核報告)

董事長：辜公怡



經理人：黃柏松



會計主管：李佳敏



III. Audit Committee's Review Report

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2018 Business Report, Financial Statements, and proposal for distribution of earnings. The CPA firm of Deloitte & Touch was retained to audit International CSRC Investment Holdings' Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and proposal for distribution of earnings have been reviewed and determined to be correct and accurate by the Audit Committee members of INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD. According to Article 14-4 of Security Exchange Act and Article 219 of Company Act, we hereby submit this report.

To

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD.

2019 Annual General Meeting

INTERNATIONAL CSRC INVESTMENT
HOLDINGS CO., LTD.

Audit Committee convener: Chih, Ching-Kang

March 22, 2019

IV. Amendments on part of Ethical Corporate Management Best Practice Principles

Notes:

1. In accordance with company development, amendments need to be made on part of Ethical Corporate Management Best Practice Principles.
2. The proposal has been approved by the 6th meeting of the 17th term of Board of Directors. Amendments can be viewed in Annex 1 (page 36-41).

Matters for Approval

1. To approve 2018 Annual Business Report and Financial Statements. (Proposed by the Board of Directors)

Notes:

- (1) It was conducted according to Article 228 of the Company Act.
- (2) The 2018 Annual Business Report, Individual Financial Statements and Consolidated Financial Statement have been approved by the 6th meeting of the 17th term Board of Directors. The Individual Financial Statements and Consolidated Financial Statement were audited by independent auditors, Wu, Mei-Hui and Kuo, Cheng-Hung, of Deloitte & Touch.
- (3) The above Annual Business Report and Financial Statements were audited by the Auditor Committee. Please refer to Page 5-27.
- (4) Please review and ratify.

Resolution:

2. The proposal for distribution of 2018 profits (Proposed by the Board of Directors)

Notes:

- (1) The proposal of distribution of 2018 profits is conducted in accordance with Article 228 of the Company Act and Article 29 of the amended Articles of Incorporation.
- (2) The 2018 unappropriated retained earnings were NT\$2,268,697,172, adding NT\$6,790,410 affected by the adoption of IFRS 9 and the remeasurement of defined benefit obligation of NT\$5,736,600, the adjusted unappropriated retained earnings of 2018 were NT\$2,281,224,182. By adding 2018 net profit of NT\$2,994,195,837, and setting aside legal reserve of NT\$299,419,584, the total earnings available for distribution amounts to NT\$ 4,976,000,435. It is proposed to distribute cash dividends at NT\$1.5 per share and stock dividends at NT\$1.3 per share for common stock which amounts to NT\$2,440,047,921. After distribution of the dividends, the 2018 unappropriated retained earnings are NT\$2,535,952,514. The distribution of cash dividends shall be accounted by dollars and rounded off to the integer. Fractional dividend amounts that are less than NT\$1 shall be combined into other income.
- (3) Upon the approval of the Annual Shareholders' Meeting, the Company will determine the ex-dividend date and distribute the dividend to each share based on the number of actual outstanding on the record date for distribution. The cash dividend to each and every shareholder shall be paid in a whole number of New Taiwan Dollars.
- (4) Please see the Annex 2 for 2018 Earnings Distribution Proposal (page 42).
- (5) The proposal has been approved by the 6th meeting of the 17th term Board of Directors and sent to the Audit Committee for approval.
- (6) Please review and ratify.

Resolution:

Matters for Discussion

1.Proposal for a new share issue through capitalization of earnings. (Proposed by the Board of Directors)

Notes:

- (1) The total capital of the Company is set at NT\$10 billion, divided into 1 billion shares and NT\$10 per share. At the end of 2018, the total outstanding shares were 871,445,686 with actual capital of NT\$8,714,456,860. There are still 128,554,314 shares not issued equals to the amount of NT\$1,285, 543,140.
- (2) For replenishing capital and further development of company business, the management plans to issue new shares through capitalization of earnings. The plan is to withdraw dividends of NT\$1,132,879,390 from 2018 distributable earnings to issue dividends stocks of 113,287,939 shares. (share par value NT\$10). Based on the total number of outstanding shares of 871,445,686 at the end of 2018, 130 shares to be distributed without consideration for each 1,000 shares held.
- (3) Upon the approval of 2018 Annual Shareholders' Meeting and the Competent Authority, the Board Meeting is authorized to determine the distribution record date. Any amount less than one share following distribution will be distributed in cash with minimum calculation unit of one NT dollar. The Chairman is authorized to procure specific persons of the purchase of these shares based on face value. Actual amounts of distributed shares shall be determined by the amounts of shares held in the register of shareholders on the record date of dividend.
- (4) The rights and duties of the new shares are identical to those of the existing shares.
- (5) The Proposal has been approved by the 6th meeting of the 17th term Board of Directors.
- (6) Please discuss and resolve.

Resolution:

**2. To approve the amendments on part of Article of Incorporation.
(Proposed by the Board of Directors)**

Notes:

- (1) In accordance with amendments of The Company Act and company development, amendments need to be made on part of Article of Incorporation.
- (2) The proposal has been approved by the 6th meeting of the 17th term of Board of Directors. Amendments can be viewed on Annex 3 (page 43-45).
- (3) Please discuss and resolve.

Resolution:

3. To approve the amendments on part of Procedures for Acquisition or Disposal of Fixed Assets. (Proposed by the Board of Directors)

Notes:

- (1) In accordance with the Competent Authority and company development, amendments need to be made on part of Procedures for Acquisition or Disposal of Fixed Assets.
- (2) The proposal has been approved by the 6th meeting of the 17th term of Board of Directors. Amendments can be viewed on Annex 4 (page 46-73).
- (3) Please discuss and resolve.

Resolution:

4. To approve the amendments on part of Procedures for Loaning of Funds. (Proposed by the Board of Directors)

Notes:

- (1) In accordance with the Competent Authority and company development, amendments need to be made on part of Procedures for Loaning of Funds.
- (2) The proposal has been approved by the 6th meeting of the 17th term of Board of Directors. Amendments can be viewed on Annex 5 (page 74-79).
- (3) Please discuss and resolve.

Resolution:

**5.To approve the amendments on part of Procedures for
Endorsement/Guarantee. (Proposed by the Board of Directors)**

Notes:

- (1) In accordance with the Competent Authority and company development, amendments need to be made on part of Procedures for Handling Endorsement/Guarantee.
- (2) The proposal has been approved in the 6th meeting of the 17th term of Board of Directors. Amendments can be viewed on Annex 6 (page 80-84).
- (3) Please discuss and resolve.

Resolution:

Extemporaneous Matters

Meeting Adjourned

Annex 1: The Comparison Table of the Amended Provisions of the Ethical Corporate Management Best Practice Principles

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD
(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

The Comparison Table of Amended Provisions of Ethical Corporate Management Best Practice Principles

Article after Amendment	Article before Amendment	Reason for Amendment
<p><u>Article 18 (Prohibition of Discriminatory Behaviors) the Company's directors, managers, employees, mandataries, and substantial controllers shall not discriminate in recruitment or in the workplace on grounds of race, color, age, gender, sexual orientation, race, disability, pregnancy, beliefs, political affiliation, community members or marital status.</u></p>		<ol style="list-style-type: none"> 1. Add this Article. 2. Adopt prohibition of discriminatory behaviors.
<p><u>Article 19 (Prohibition of Engaging in Unfair Competition) The Company shall engage in business activities in accordance with applicable competition laws and regulations, and may not make concerted price increase, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.</u></p>		<ol style="list-style-type: none"> 1. Add this Article. 2. Adopt prohibition of engaging in unfair competition.
<p><u>Article 20 (Prohibition of Insider Trading) the Company's directors, managers, employees, mandataries, and substantial controllers shall observe Securities and Exchange Act, and shall neither use non-public information he/she knows to conduct insider trading, nor disclose such information to</u></p>		<ol style="list-style-type: none"> 1. Add this Article. 2. Adopt prohibition of insider trading

<p><u>other parties in order to prevent such other parties to use non-public information to conduct insider trading.</u></p>		
<p><u>Article 21</u> (Accounting Systems and Internal Control Systems) The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit unit of the Company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</p>	<p>Article 18 (Accounting Systems and Internal Control Systems) The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results. The internal audit unit of the Company shall periodically examine the company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.</p>	<p>Change the numbering of Articles.</p>
<p><u>Article 22</u> (Operational Procedures and Guidelines) The Company shall establish operational procedures and guidelines for the plan of prevention from an unethical conduct to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines contains the following matters: 1. Standards for determining whether improper benefits have been offered or accepted. 2. Procedures for offering legitimate political donations. 3. Procedures and the standard rates for offering charitable donations or sponsorship. 4. Rules for avoiding work-</p>	<p>Article 19 (Operational Procedures and Guidelines) The Company shall establish operational procedures and guidelines for the plan of prevention from an unethical conduct to guide directors, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines contains the following matters: 1. Standards for determining whether improper benefits have been offered or accepted. 2. Procedures for offering legitimate political donations. 3. Procedures and the standard rates for offering charitable donations or sponsorship. 4. Rules for avoiding work-</p>	<ol style="list-style-type: none"> 1. Change the numbering of Articles. 2. Add the content contained in the operational procedures and guidelines.

<p>related conflicts of interests and how they should be reported and handled.</p> <p>5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.</p> <p>6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.</p> <p>7. Handling procedures for violations of these Principles.</p> <p>8. Disciplinary measures on offenders.</p> <p>9. <u>Procedures for handling prohibition of employment discrimination.</u></p> <p>10. <u>Procedures for investigating and handling prohibition of engaging in unfair competition.</u></p> <p>11. <u>Procedures for investigating and handling prohibition of insider trading.</u></p>	<p>related conflicts of interests and how they should be reported and handled.</p> <p>5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.</p> <p>6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.</p> <p>7. Handling procedures for violations of these Principles.</p> <p>8. Disciplinary measures on offenders.</p>	
<p><u>Article 23</u> (Training Program and Appraisal) The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis. The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p>	<p>Article 20 (Training Program and Appraisal) The chairperson, general manager, or senior management of the Company shall communicate the importance of corporate ethics to its directors, employees, and mandataries on a regular basis. The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers and invite the companies' commercial transaction counterparties so they understand the companies' resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.</p>	<p>Change the numbering of Articles.</p>

<p>The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.</p>	<p>The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.</p>	
<p>Article 24 (Whistle-blowing System) The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports. 2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 4. Confidentiality of the identity of whistle-blowers and the content of reported cases. 5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 	<p>Article 21 (Whistle-blowing System) The Company shall adopt a concrete whistle-blowing system and scrupulously operate the system. The whistle-blowing system shall include at least the following:</p> <ol style="list-style-type: none"> 1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow company insiders and outsiders to submit reports. 2. Dedicated personnel or unit appointed to handle whistle-blowing system. Any tip involving a director or senior manager shall be reported to the independent directors. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted. 3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents. 4. Confidentiality of the identity of whistle-blowers and the content of reported cases. 5. Measures for protecting whistle-blowers from inappropriate disciplinary actions due to their whistle-blowing. 	<p>Change the numbering of Articles.</p>

<p>6. Whistle-blowing incentive measures. When material misconduct or likelihood of material impairment to the Company comes to its awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	<p>6. Whistle-blowing incentive measures. When material misconduct or likelihood of material impairment to the Company comes to its awareness upon investigation, the dedicated personnel or unit handling the whistle-blowing system shall immediately prepare a report and notify the independent directors in written form.</p>	
<p>Article 25 (Disciplinary and Appeal System) The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.</p>	<p>Article 22 (Disciplinary and Appeal System) The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the company's internal website of the title and name of the violator, the date and details of the violation, and the actions taken in response.</p>	<p>Change the numbering of Articles.</p>
<p>Article 26 (Disclosure of Information) The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. They shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on their company websites, annual reports, and prospectuses, and shall disclose their ethical corporate management best practice principles on the Market Observation Post System.</p>	<p>Article 23 (Disclosure of Information) The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. They shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on their company websites, annual reports, and prospectuses, and shall disclose their ethical corporate management best practice principles on the Market Observation Post System.</p>	<p>Change the numbering of Articles.</p>
<p>Article 27 (Review of Ethical</p>	<p>Article 24 (Review of Ethical</p>	<p>Change the</p>

<p>Corporate Management Policies and Measures) The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.</p>	<p>Corporate Management Policies and Measures) The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage their directors, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of ethical management.</p>	<p>numbering of Articles.</p>
<p><u>Article 28</u> (Implementation) The Principles shall be implemented after the board of directors grants the approval, and shall be sent to each member of the audit committee and reported at a shareholders' meeting. The same procedure shall be followed when the Principles have been amended. When the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the 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. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p>	<p>Article 25 (Implementation) The Principles shall be implemented after the board of directors grants the approval, and shall be sent to each member of the audit committee and reported at a shareholders' meeting. The same procedure shall be followed when the Principles have been amended. When the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the 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. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.</p>	<p>Change the numbering of Articles.</p>

Annex 2: Earnings Distribution Proposal

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD
(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

Earnings Distribution Proposal

2018

Unit: NTD

Item	Amount
Unappropriated retained earnings as of December 31, 2017	2,268,697,172
Add: Effect of retrospective application	6,790,410
Add: Remeasurement of defined benefit obligation	5,736,600
Unappropriated retained earnings- adjusted	2,281,224,182
Add: Net income of 2018	2,994,195,837
Less: Legal Reserve appropriation(10%)	(299,419,584)
Retained earnings available for distribution	4,976,000,435
Less: distribution items	
Cash dividend (NT\$1.5/share)	(1,307,168,531)
Stock dividend (NT\$1.3/share)	(1,132,879,390)
Balance of unappropriated retained earnings	2,535,952,514

Note: 1. Cash dividend shall be allocated to each shareholder up to the dollar (fractional amount shall be rounded down to the dollar). The fractional amount total shall be listed in the Company's other income.

2. According to the Ministry of Finance's Letter No. 871941343 dated April 30, 1998, when distributing profit, an individual recognition method shall be utilized. The distribution of current profit shall give priority to that of the most current year.

Annex 3 : Comparison of the Articles of incorporation before and after the amendments.

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD
(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

Contrast Table of Amended Articles of the “Articles of Incorporation”

After Amendment	Current Article	Notes
<p>Article 1 The Company shall be incorporated under the provisions for company limited by shares of The Company Act and the relevant regulations, and its names shall be International CSRC Investment Holdings Co., Ltd. <u>and its English name shall be International CSRC Investment Holdings Co., Ltd.</u></p>	<p>Article 1 The Company shall be incorporated under the provisions for company limited by shares of The Company Act and the relevant regulations, and its names shall be International CSRC Investment Holdings Co., Ltd.</p>	<p>To meet the operation and development needs of the Corporation and add formal corporation name in English.</p>
<p><u>Article 6-2</u> <u>Treasury stock purchased by the Company can be transferred to the employees of parents or subsidiaries of the Company or controlled by the Company.</u> <u>Stock warrants of the Company can be issued to the employees of parents or subsidiaries of the Company or controlled by the Company.</u> <u>Issuance of new shares by the Company can be subscribed by the employees of parents or subsidiaries of the Company or controlled by the Company.</u> <u>Issuance of new restricted employee shares by the Company can be subscribed by the employees of parents or subsidiaries of the Company or controlled by the Company.</u></p>	<p>(Newly added)</p>	<p>To meet the operation and development needs of the Corporation, and to stipulate the rules regarding employee remuneration.</p>
<p>Article 18 The Board of Directors assembled by the directors have the following authorities: 1. Draft business plan 2. Draft earnings distribution 3. Draft capital increase or decrease details</p>	<p>Article 18 The Board of Directors assembled by the directors have the following authorities: 1. Draft business plan 2. Draft earnings distribution 3. Draft capital increase or decrease details</p>	<p>To meet the operation and development needs of the Corporation and to stipulate the CEO position.</p>

<ol style="list-style-type: none"> 4. Ratify important articles and contracts 5. Appoint CEO and General Manager 6. Set up and dismantle of subsidiaries 7. Ratify budgets 8. Ratify purchase and sell of properties and investments in business units 9. Ratify any other major matters 	<ol style="list-style-type: none"> 4. Ratify important articles and contracts 5. Appoint General Manager 6. Set up and dismantle of subsidiaries 7. Ratify budgets 8. Ratify purchase and sell of properties and investments in business units 9. Ratify any other major matters 	
<p>Article 25 The Company is in compliance with the resolution by the Board of Directors on the appointment of CEO, general manager, vice president or any other managers for the Company’s operational needs and the aforementioned positions may be one or more persons.</p>	<p>Article 25 The Company is in compliance with the resolution by the Board of Directors on the appointment of general manager, vice president or any other managers for the Company’s operational needs and the aforementioned positions may be one or more persons.</p>	<p>To meet the operation and development needs of the Corporation and to stipulate the CEO position.</p>
<p>Article 28 If the Company is profitable for the year, it shall set aside:</p> <ol style="list-style-type: none"> 1. As the Employees’ remuneration: 0.01% to 3% of the profit: 2. As the Directors’ remuneration: no more than 1% of the profit. <p>However, if the Company has accumulated losses, the Company shall first reserve an amount to make up the losses, and then set aside the Employees’ and the Directors’ remuneration as specified in items (1) & (2) above.</p> <p>The Employees’ remuneration may be distributed in shares or in cash. Employees of the Company’s subsidiaries or subsidiaries controlled by the Company who meet certain requirements may also receive such remuneration.</p> <p>The distribution of the Employees’ and the Directors’ remuneration shall be approved by a majority vote at a Board meeting attended by over two-thirds of the Directors. In addition, a report of such distribution shall be</p>	<p>Article 28 If the Company is profitable for the year, it shall set aside:</p> <ol style="list-style-type: none"> 3. As the Employees’ remuneration: 0.01% to 3% of the profit: 4. As the Directors’ remuneration: no more than 1% of the profit. <p>However, if the Company has accumulated losses, the Company shall first reserve an amount to make up the losses, and then set aside the Employees’ and the Directors’ remuneration as specified in items (1) & (2) above.</p> <p>The Employees’ remuneration may be distributed in shares or in cash. Employees of the Company’s subsidiaries who meet certain requirements may also receive such remuneration.</p> <p>The distribution of the Employees’ and the Directors’ remuneration shall be approved by a majority vote at a Board meeting attended by over two-</p>	<p>To meet the operation and development needs of the Corporation to add eligible roles for employees’ remuneration program.</p>

<p>submitted to the shareholders' meeting.</p>	<p>thirds of the Directors. In addition, a report of such distribution shall be submitted to the shareholders' meeting.</p>	
<p>Article 33 These Articles of Incorporation were established on May 16, 1973. The 1st amendment was made on December 5, 1973, (omitting the dates in the middle), 29th amendment was made on June 26, 2018., <u>and the 30th amendment was made on June 13, 2019</u></p>	<p>Article 33 These Articles of Incorporation were established on May 16, 1973. The 1st amendment was made on December 5, 1973, (omitting the dates in the middle), and the 29th amendment was made on June 26, 2018.</p>	<p>Add the date for the 30th amendment.</p>

Annex 4: The Comparison Table of the Amended Provisions of the Procedures for the Acquisition and Disposal of Assets

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD (Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION) The Comparison Table of Amended Provisions of the Procedures for the Acquisition and Disposal of Assets

Article after Amendment	Article before Amendment	Reason for Amendment
Amend the numbers of major provisions in the Procedures; for example, 1 is changed into Article 1. This also applies to other items.		Reasons for amendment and order change.
<u>Article 1</u> (Omitted)	<u>1.</u>	
<p><u>Article 2</u> The term "assets" as used in these Procedures includes the following:</p> <p><u>1.</u> (Omitted)</p> <p><u>2.</u> Real property (including land, houses and buildings, investment property, and construction enterprise inventory) and equipment.</p> <p><u>3.</u> ~4 (Omitted)</p> <p><u>5. Right-of-use assets.</u></p> <p><u>6.</u> (Omitted)</p> <p><u>7.</u> (Omitted)</p> <p><u>8.</u> (Omitted)</p>	<p><u>2.</u> The term "assets" as used in these Procedures includes the following:</p> <p><u>2.1.</u>(Omitted)</p> <p><u>2.2.</u>Real property (including land, houses and buildings, investment property, land use rights and construction enterprise inventory) and equipment.</p> <p><u>2.3.</u>~2.4 (Omitted)</p> <p><u>2.5.</u>Move the provision in ascending order. (Omitted)</p> <p><u>2.6.</u>Move the provision in ascending order. (Omitted)</p> <p><u>2.7.</u>Move the provision in ascending order. (Omitted)</p>	<p>1. Pursuant to the FSC letter (Jin-Guan-Zheng-Fa-Zi 1070341072), amend the words.</p> <p>2. To comply with the provisions provided by IFRS 16, add Paragraph 5, expand the scope of right-of-use assets, and move land use rights of current provision 2.2 to Paragraph 5.</p> <p>3. Move provisions 2.5 to 2.7 in ascending order.</p>
<u>Article 3</u> Terms used in these Procedures are defined as	<u>3.</u> Terms used in these Procedures are defined as	1. To comply with the definition of

<p>follows:</p> <p>1. Derivatives: Refers to forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from a <u>specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable;</u> or <u>hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u> The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) <u>contracts.</u></p> <p>2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial</p>	<p>follows:</p> <p>3.1. Derivatives: Refers to forward contracts, options contracts, futures contracts, leverage contracts, or swap contracts, whose value is derived from <u>an asset, interest, foreign exchange rate, index or other interest products; and hybrid contracts combining the above products.</u> The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) <u>agreement.</u></p> <p>3.2. Assets acquired or disposed of through mergers, demergers, acquisitions, or transfer of shares in accordance with law: Refers to assets acquired or disposed of through mergers, demergers, or acquisitions conducted under the Business Mergers and Acquisitions Act, Financial Holding Company Act, Financial Institution Merger Act and other acts, or to transfer of shares from another company through</p>	<p>financial instruments provided by IFRS 9, amend the words.</p> <p>2. To comply with the amended provisions of the Company Act promulgated on August 1, 2018, amend the number of the article.</p> <p>3. Add Paragraph 7 to specify the definition of investment professional.</p>
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<p>Institution Merger Act and other acts, or to transfer of shares from another company through issuance of new shares of its own as the consideration therefor (the "transfer of shares") under Article 156-<u>3</u> of the Company Act.</p> <p>3~6 (Omitted)</p> <p>7. <u>Investment professional:</u> <u>Refers to financial holding companies, banks, insurance companies, bill finance companies, trust enterprises, securities firms operating proprietary trading or underwriting business, futures commission merchants operating proprietary trading business, securities investment trust enterprises, securities investment consulting enterprises, and fund management companies, that are lawfully incorporated and are regulated by the competent financial authorities of the jurisdiction where they are located.</u></p>	<p>issuance of new shares of its own as the consideration therefor (the "transfer of shares") under <u>paragraph 8</u> of Article 156 of the Company Act.</p> <p>3.3~3.6 (Omitted)</p>	
<p><u>Article 4</u> Assessment and Operation Procedures for the Acquisition and Disposal of Assets</p>	<p><u>4.</u> Assessment and Operation Procedures for the Acquisition and Disposal of Assets <u>4.1.</u>(Omitted)</p>	<p>1. To comply with the provisions provided by IFRS 16, add right-of-use</p>

<p><u>1.</u> (Omitted)</p> <p><u>2.</u> Acquisition or disposal of real estate, equipment or right-of-use assets:</p> <p><u>A.</u> (Omitted)</p> <p><u>B.</u> In acquiring or disposing of real property, equipment, <u>or right-of-use assets thereof</u> where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a <u>domestic</u> government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment <u>or right-of-use assets thereof</u> held for business use, shall obtain an appraisal report, where the mandatory matters are subject to the provisions provided by the FSC, prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>a. Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be</p>	<p><u>4.2.</u>(Omitted)</p> <p><u>4.2.1.</u> (Omitted)</p> <p><u>4.2.2.</u> In acquiring or disposing of real property <u>or</u> equipment, where the transaction amount reaches 20 percent of the Company's paid-in capital or NT\$300 million or more, the Company, unless transacting with a government agency, engaging others to build on its own land, engaging others to build on rented land, or acquiring or disposing of equipment held for business use, shall obtain an appraisal report, where the mandatory matters are subject to the provisions provided by the FSC, prior to the date of occurrence of the event from a professional appraiser and shall further comply with the following provisions:</p> <p>1) Where due to special circumstances it is necessary to give a limited price, specified price, or special price as a reference basis for the transaction price, the transaction shall be submitted for approval in advance by the</p>	<p>assets.</p> <p>2. Pursuant to the FSC letter (Jin-Guan-Zheng-Fa-Zi 1070341072), amend the words.</p>
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<p>submitted for approval in advance by the Board of Directors; <u>the same</u> procedure shall also be followed whenever there is <u>any subsequent</u> change to the terms and conditions of the transaction.</p> <p>b.~c. (Omitted)</p> <p>d. No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p><u>3.</u> Acquisition and Disposal of intangible assets <u>or the right-of-use thereof or membership</u> and other material assets: The general manager is authorized to approve any acquisition or disposal of intangible assets <u>or the right-of-use thereof or membership</u> and other material assets reaching the value of NT\$50 million or</p>	<p>Board of Directors; <u>the same procedure shall also be followed</u> whenever there is <u>future</u> change to the terms and conditions of the transaction.</p> <p>2)~3) (Omitted)</p> <p>4) No more than 3 months may elapse between the date of the appraisal report issued by a professional appraiser and the contract execution date; provided, where the publicly announced current value for the same period is used and not more than 6 months have elapsed, an opinion may still be issued by the original professional appraiser.</p> <p><u>4.3.</u>Acquisition and Disposal of <u>membership</u>, intangible assets and other material assets: The general manager is authorized to approve any acquisition or disposal of <u>membership</u>, intangible assets and other material assets reaching the value of NT\$50 million or less; the chairperson of the board of directors is authorized to approve such</p>	
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<p>less; the chairperson of the board of directors is authorized to approve such acquisition or disposal reaching the value of NT\$100 million or less; any acquisition or disposal exceeding the above-mentioned thresholds shall be submitted to the board of directors for approval. Such acquisition or disposal where the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a <u>domestic</u> government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p> <p><u>4.</u> The calculation of the transaction amounts referred to in the <u>preceding three paragraphs</u> shall be done in accordance with Paragraph 2 <u>of Article 5</u> herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current</p>	<p>acquisition or disposal reaching the value of NT\$100 million or less; any acquisition or disposal exceeding the above-mentioned thresholds shall be submitted to the board of directors for approval. Such acquisition or disposal where the transaction amount reaches 20 percent or more of paid-in capital or NT\$300 million or more, except in transactions with a government agency, the Company shall engage a CPA prior to the date of occurrence of the event to render an opinion on the reasonableness of the transaction price; the CPA shall comply with the provisions of Statement of Auditing Standards No. 20 published by the ARDF.</p> <p><u>4.3.1.</u> The calculation of the transaction amounts referred to in <u>4.1, 4.2 and 4.3</u> shall be done in accordance with Paragraph 2 <u>of 5.1</u> herein, and "within the preceding year" as used herein refers to the year preceding the date of occurrence of the current transaction. Items for which an appraisal report</p>	
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<p>transaction. Items for which an appraisal report from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p>5. Where the Company acquires or disposes of assets through court auction procedures: The supporting documents issued by the court may be substituted for an appraisal report or a CPA's opinion.</p>	<p>from a professional appraiser or a CPA's opinion has been obtained need not be counted toward the transaction amount.</p> <p><u>4.4.</u>Where the Company acquires or disposes of assets through court auction procedures: The supporting documents issued by the court may be substituted for an appraisal report or a CPA's opinion.</p>	
<p>6. Related Party Transactions:</p> <p>A. When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in accordance with <u>Paragraphs 1 to 3 and this Paragraph</u>, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with Article 4. The calculation of the transaction amount referred to in the preceding paragraph shall be made in accordance</p>	<p><u>4.5.</u>Related Party Transactions: When the Company engages in any acquisition or disposal of assets from or to a related party, in addition to ensuring that the necessary resolutions are adopted and the reasonableness of the transaction terms is appraised in accordance with <u>4.1 to 4.3 and 4.5</u>, if the transaction amount reaches 10 percent or more of the Company's total assets, the Company shall also obtain an appraisal report from a professional appraiser or a CPA's opinion in compliance with 4. The calculation of the transaction amount</p>	

<p>with Paragraph 4 herein.</p> <p>a. (Omitted)</p> <p>b. When the Company intends to acquire or dispose of real property <u>or right-of-use assets thereof</u> from or to a related party, or when it intends to acquire or dispose of assets other than real property <u>or right-of-use assets thereof</u> from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of <u>domestic</u> 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 the audit committee and recognized by the Board</p>	<p>referred to in the preceding paragraph shall be made in accordance with <u>4.3.1</u> herein.</p> <p>4.5.1. (Omitted)</p> <p>4.5.2. When the Company intends to acquire or dispose of real property from or to a related party, or when it intends to acquire or dispose of assets other than real property from or to a related party and the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more, except in trading of 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 the audit committee</p>	
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<p>of Directors: i.~ii. (Omitted) iii. With respect to the acquisition of real property <u>or right-of-use assets thereof</u> from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with <u>Subparagraphs D to F.</u> iv.~vii. (Omitted)</p> <p>B. The calculation of the transaction amounts referred to in the preceding <u>subparagraph</u> shall be made in accordance with Paragraph 2 of Article 5 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 the board of directors pursuant to the Procedures need not be counted toward the transaction amount. With respect to the types of transactions listed below,</p>	<p>and recognized by the Board of Directors: 1)~2) (Omitted) 3) With respect to the acquisition of real property from a related party, information regarding appraisal of the reasonableness of the preliminary transaction terms in accordance with 4.5.4 to 4.5.6. iv.~vii. (Omitted)</p> <p>A. The calculation of the transaction amounts referred to in the preceding <u>paragraph</u> shall be made in accordance with Paragraph 2 of <u>5.1</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 the board of directors pursuant to the Procedures need not be counted toward the transaction amount. With respect to <u>acquisition or disposal of equipment held for business use,</u> when to be conducted</p>	
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<p>when to be conducted between the Company and its subsidiaries, <u>or between its subsidiaries in which it directly or indirectly holds 100 percent of the issued shares or authorized capital</u>, the Company's board of directors may, <u>pursuant to Subparagraph A, Paragraph 1 of Article 4</u>, authorize the chairperson of the board to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the board of directors in the upcoming meeting:</p> <p><u>a. Acquisition or disposal of equipment or right-of-use assets thereof held for business use.</u></p> <p><u>b. Acquisition or disposal of real property right-of-use assets held for business use.</u></p>	<p>between the Company and its subsidiaries, the Company's board of directors may, <u>pursuant 4.1.1</u>, authorize the chairperson of the board to decide such matters when the transaction is within a certain amount and have the decisions subsequently submitted to and ratified by the board of directors in the upcoming meeting.</p>	
<p><u>D.</u> The Company shall evaluate the reasonableness of the transaction costs by the following means and shall also engage a CPA to check the appraisal and render a specific opinion:</p> <p>a.~b. (Omitted)</p> <p>c. Where land and</p>	<p><u>4.5.4.</u> The Company shall evaluate the reasonableness of the transaction costs by the following means and shall also engage a CPA to check the appraisal and render a specific opinion:</p> <p>1)~2) (Omitted)</p>	

<p>structures thereupon are combined as a single property purchased <u>or leased</u> in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in <u>Items a and b</u> above.</p>	<p>3) Where land and structures thereupon are combined as a single property purchased in one transaction, the transaction costs for the land and the structures may be separately appraised in accordance with either of the means listed in <u>1)2)</u> above.</p>	
<p><u>E.</u> Where one of the following circumstances exists, the acquisition shall be conducted in accordance with the <u>Subparagraphs A to C</u> above, and the preceding subparagraph do not apply:</p> <p>a. The related party acquired the real property <u>or right-of-use assets thereof</u> through inheritance or as a gift.</p> <p>b. More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property <u>or right-of-use assets thereof</u> to the signing date for the current transaction.</p> <p>c. The real property is acquired through signing of a joint development contract with the related</p>	<p><u>4.5.5.</u> Where one of the following circumstances exists, the acquisition shall be conducted in accordance with the <u>4.5.2 and 4.5.3</u> above, and the preceding subparagraph do not apply:</p> <p>1) The related party acquired the real property through inheritance or as a gift.</p> <p>2) More than 5 years will have elapsed from the time the related party signed the contract to obtain the real property to the signing date for the current transaction.</p> <p>3) The real property is acquired through signing of a joint development contract with the related party, or through engaging a related party to build</p>	

<p>party, or through engaging a related party to build real property, either on the Company's own land or on rented land.</p> <p>d. <u>The real property right-of-use acquisition for business use are acquired between the Company with its subsidiaries, or with its subsidiaries in which the company directly or indirectly holds 100 percent of the issued shares or authorized capital.</u></p>	<p>real property, either on the Company's own land or on rented land.</p>	
<p><u>F.</u> When the results of the appraisal conducted in accordance with <u>Subparagraph D</u> are uniformly lower than the transaction price, the matter shall be handled in compliance with <u>Subparagraph G</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:</p> <p>a. Where the related party</p>	<p><u>4.5.6.</u> When the results of the appraisal conducted in accordance with <u>4.5.4</u> are uniformly lower than the transaction price, the matter shall be handled in compliance with <u>4.5.7</u>. However, where the following circumstances exist, objective evidence has been submitted and specific opinions on reasonableness have been obtained from a professional real property appraiser and a CPA, this restriction shall not apply:</p> <p>1) Where the related party acquired undeveloped</p>	

<p>acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p>i. (Omitted)</p> <p>ii. <u>Transactions</u> by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale <u>or leasing</u> practices.</p> <p>iii. (Deleted)</p> <p>b. Where the Company acquiring real property, <u>or obtaining real property right-of-use assets through leasing,</u> from a related party provides evidence that the terms of the transaction are similar to the terms of <u>transactions</u></p>	<p>land or leased land for development, it may submit proof of compliance with one of the following conditions:</p> <p>(1) (Omitted)</p> <p>(2) <u>Completed Transactions</u> by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale practices.</p> <p>(3) <u>Lease by unrelated parties within the preceding year involving other floors of the same property, where</u></p>	
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<p>involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. <u>Transactions</u> involving neighboring or closely valued parcels of land, in principle, refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving similarly sized parcels in principle refers to <u>transactions made</u> by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property or obtainment <u>of the right-of-use assets</u> thereof.</p>	<p><u>transaction terms are similar after calculation of reasonable price discrepancies in floor prices in accordance with standard property market leasing practices.</u></p> <p>2) Where the Company acquiring real property, from a related party provides evidence that the terms of the transaction are similar to the terms of <u>completed transactions</u> involving neighboring or closely valued parcels of land of a similar size by unrelated parties within the preceding year. <u>Completed transactions</u> involving neighboring or closely valued parcels of land, in principle, refers to parcels on the same or an adjacent block and within a distance of no more than 500 meters or parcels close in publicly announced current value; transactions involving</p>	
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	<p>similarly sized parcels in principle refers to <u>transactions completed</u> by unrelated parties for parcels with a land area of no less than 50 percent of the property in the planned transaction; within the preceding year refers to the year preceding the date of occurrence of the acquisition of the real property thereof.</p>	
<p><u>G.</u> Where the results of appraisals conducted in accordance with the <u>Subparagraphs D to F</u> are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>a. A special reserve shall be set aside in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act against the difference between the transaction price of the real property <u>or the right-or-use asset thereof</u> and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares.</p>	<p><u>4.5.7.</u> Where the results of appraisals conducted in accordance with the <u>4.5.4 to 4.5.6</u> are uniformly lower than the transaction price, the following steps shall be taken:</p> <p>1) A special reserve shall be set aside in accordance with Paragraph 1 of Article 41 of the Securities and Exchange Act against the difference between the transaction price of the real property and the appraised cost, and may not be distributed or used for capital increase or issuance of bonus shares. Where the Company uses the</p>	

<p>Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Paragraph 1 of Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.</p> <p>b. (Omitted)</p> <p>c. Actions taken pursuant to <u>Items a and b</u> shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>d. If the Company has set aside a special reserve under <u>Item a</u>, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased <u>or leased</u> at a premium, or they have been disposed of, <u>or the leasing contract has been terminated</u>, or adequate compensation has been made, or the</p>	<p>equity method to account for its investment in another company, then the special reserve called for under Paragraph 1 of Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of the Company's equity stake in the other company.</p> <p>2) (Omitted)</p> <p>3) Actions taken pursuant to <u>1) and 2) of 4.5.7</u> shall be reported to a shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and any investment prospectus.</p> <p>4) If the Company has set aside a special reserve under <u>1) of 4.5.7</u>, it may not utilize the special reserve until it has recognized a loss on decline in market value of the assets it purchased at a premium, or they have been disposed of or adequate compensation has been made, or the status quo ante has been</p>	
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<p>status quo ante has been restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p><u>H.</u> When the Company obtains real property <u>or right-of-use assets thereof</u> from a related party, it shall also comply with <u>Subparagraph G</u>, if there is other evidence indicating that the acquisition was not an arm's length transaction.</p>	<p>restored, or there is other evidence confirming that there was nothing unreasonable about the transaction, and the FSC has given its consent.</p> <p><u>4.5.8.</u> When the Company obtains real property from a related party, it shall also comply with <u>4.5.7</u>, if there is other evidence indicating that the acquisition was not an arm's length transaction.</p>	
<p><u>7.</u> Engaging in Derivatives Trading:</p> <p><u>A.</u> When engaging in derivatives trading, the Company shall pay strict attention to control of risk management and auditing matters, and the Procedures includes:</p> <p>a. Trading principles and strategies:</p> <p>i. Derivatives referred to in these Procedures shall mean forward contracts, options contracts, futures contracts, <u>leverage contracts</u>, or swap contracts, whose value is derived from <u>a specified</u></p>	<p><u>4.6.</u>Engaging in Derivatives Trading:</p> <p><u>4.6.1.</u> When engaging in derivatives trading, the Company shall pay strict attention to control of risk management and auditing matters, and the Procedures includes:</p> <p>1) Trading principles and strategies:</p> <p>(1) Derivatives referred to in these Procedures shall mean forward contracts, options contracts, futures contracts, or swap contracts, whose value is derived from <u>an asset, interest,</u> foreign</p>	

<p><u>interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable; or hybrid contracts combining the above contracts; or hybrid contracts or structured products containing embedded derivatives.</u></p> <p>However, the term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) <u>contracts</u>.</p> <p>ii. The derivatives that the Company is trading shall be marketable and safe, including forward contracts, options contracts, <u>futures</u> contracts, <u>leverage</u></p>	<p>exchange rate, <u>index or other interest products; and hybrid contracts combining the above products.</u></p> <p>The term "forward contracts" does not include insurance contracts, performance contracts, after-sales service contracts, long-term leasing contracts, or long-term purchase (sales) <u>agreement</u>.</p> <p>(2) The derivatives that the Company is trading shall be marketable and safe, including forward contracts, options contracts, or swap contracts, or <u>hybrid contracts combining the above products</u>.</p> <p>(3)~(7) (Omitted)</p> <p>2)~4) (Omitted)</p> <p>4.6.2~4.6.3 (Omitted)</p>	
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<p><u>contracts</u>, or swap contracts, or <u>hybrid contracts</u> <u>combining</u> the above <u>contracts</u>; <u>or hybrid contracts or structured products containing embedded derivatives.</u></p> <p>iii~vii (Omitted) b.~d. (Omitted) B.~C. (Omitted)</p>		
<p><u>9.</u> Professional appraisers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPA's opinions, attorney's opinions, or underwriter's opinions <u>shall meet the following requirements:</u></p> <p><u>A.</u> <u>May not have previously been quoted a final and unappealable sentence to imprisonment for 1 year or longer due to any violation of the Securities and Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement,</u></p>	<p><u>4.8.</u>Professional appraisers, CPAs, attorneys, and securities underwriters that provide the Company with appraisal reports, CPA's opinions, attorney's opinions, or underwriter's opinions <u>shall not be the related party with the transaction party.</u></p>	

<p><u>forgery of documents, or occupational crime. However, this provision does not apply to anyone should here were 3years since following the dace of the completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.</u></p> <p><u>B. Is not a related party or de facto related party of any party to the transaction.</u></p> <p><u>C. If the Company is required to obtain appraisal reports from two or more professional appraisers, the different professional appraisers or appraisal officers shall not be related parties or de facto related parties of each other.</u></p> <p><u>D. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the following:</u></p> <p><u>a. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence.</u></p> <p><u>b. When examining a case, they shall appropriately</u></p>		
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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.

c. They shall undertake an item-by-item evaluation of the comprehensiveness, accuracy, 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.

d. 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 and accurate, and that they

<p><u>have complied with applicable laws and regulations.</u></p>		
<p><u>Article 5</u> Procedures for Public Announcement and Filing</p> <p>1. Under any of the following circumstances, the Company acquiring or disposing of assets 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>A. Acquisition or disposal of real property <u>or right-of-use assets thereof</u> from or to a related party, or acquisition or disposal of assets other than real property <u>or right-of-use assets thereof</u> from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of <u>domestic</u> government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by</p>	<p><u>5</u> Procedures for Public Announcement and Filing</p> <p><u>5.1.</u> Under any of the following circumstances, the Company acquiring or disposing of assets 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><u>5.1.1.</u> Acquisition or disposal of real property from or to a related party, or acquisition or disposal of assets other than real property from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the Company's total assets, or NT\$300 million or more; provided, this shall not apply to trading of government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money</p>	<p>1. To comply with the provisions provided by IFRS 16, add right-of-use assets.</p> <p>2. Pursuant to the FSC letter (Jin-Guan-Zheng-Fa-Zi 1070341072), amend the words.</p>

<p>domestic securities investment trust enterprises.</p> <p><u>B.</u> (Omitted)</p> <p><u>C.</u> Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p><u>D.</u> Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: a.~b. (Omitted)</p> <p><u>E.</u> Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the Company expects to invest in the transaction reaches NT\$500 million or more.</p> <p><u>F.</u> Where an asset transaction</p>	<p>market funds issued by domestic securities investment trust enterprises.</p> <p><u>5.1.2.</u> (Omitted)</p> <p><u>5.1.3.</u> Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the Company.</p> <p><u>5.1.4.</u> Where the assets, the type of which is equipment for business use, are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: a.~b. (Omitted)</p> <p><u>5.1.5.</u> Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale and the amount the Company expects to invest in the</p>	
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<p>other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area, reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p>a. Trading of <u>domestic</u> 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 <u>(excluding subordinated debt)</u> that are offered and issued in the primary market, <u>or subscription or redemption of securities investment trust funds or futures trust funds,</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</p>	<p>transaction reaches NT\$500 million or more.</p> <p><u>5.1.6.</u> Where an asset transaction other than any of those referred to in the preceding five subparagraphs, or an investment in the mainland China area, reaches 20 percent or more of paid-in capital or NT\$300 million; provided, this shall not apply to the following circumstances:</p> <p><u>1.</u> Trading of government bonds.</p> <p><u>2.</u> Where done by professional investors— securities trading on securities exchanges or OTC markets <u>in or outside Taiwan,</u> or subscription by a securities firm of securities that are offered and issued in the <u>domestic</u> primary market in accordance with the rules of the Taipei Exchange.</p> <p><u>3.</u> Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities</p>	
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<p>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>d. Where equipment <u>or right-of-use assets thereof</u> for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount is less than NT\$500 million.</p> <p>e. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, <u>and furthermore the transaction counterparty is not a related party</u>, and the amount the Company</p>	<p>investment trust enterprises.</p> <p>4. Where equipment <u>or right-of-use assets thereof</u> for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount is less than NT\$500 million.</p> <p>5. Where land is acquired under an arrangement on engaging others to build on the Company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, <u>and furthermore the transaction counterparty is not a related party</u>, and the amount the Company expects to invest in the transaction is less than NT\$500 million.</p> <p>The amount of transactions above shall be calculated as</p>	
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<p>expects to invest in the transaction is less than NT\$500 million.</p> <p><u>2.</u> The amount of transactions above shall be calculated as follows:</p> <p>A.~B. (Omitted)</p> <p><u>1)</u> The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property <u>or right-of-use assets thereof</u> within the same development project within the preceding year.</p> <p><u>2)</u> (Omitted) "Within the preceding year" as used in the preceding subparagraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p><u>3.</u> The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by the Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting</p>	<p>follows:</p> <p>1)~2) (Omitted)</p> <p><u>3)</u> The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property <u>or right-of-use assets thereof</u> within the same development project within the preceding year.</p> <p><u>4)</u> (Omitted) "Within the preceding year" as used in the preceding subparagraph refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Procedures need not be counted toward the transaction amount.</p> <p><u>5.2.</u>The Company shall compile monthly reports on the status of derivatives trading engaged in up to the end of the preceding month by <u>this</u> Company and any subsidiaries that are not domestic public companies and enter the information in the prescribed format into the information reporting website designated by the FSC by the 10th day of</p>	
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<p>website designated by the FSC by the 10th day of each month.</p> <p><u>4.</u> (Omitted)</p> <p><u>5.</u> When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, recordation books, appraisal reports and CPA, attorney, and securities underwriter opinions at the Company, where they shall be retained for 5 years except where another act provides otherwise.</p> <p><u>6.-8.</u> (Omitted)</p>	<p>each month.</p> <p><u>5.3.</u>(Omitted)</p> <p><u>5.4.</u>When acquiring or disposing of assets, the Company shall keep all relevant contracts, meeting minutes, recordation books, appraisal reports and CPA, attorney, and securities underwriter opinions at <u>this</u> Company, where they shall be retained for 5 years except where another act provides otherwise.</p>	
<p><u>Article 6</u> Upper limits on the total amounts of real property and <u>right-of-use assets thereof</u> or securities acquired by the Company and its subsidiaries for non-business use and the limits on individual securities:</p> <p>1. (Omitted)</p> <p>2. The total amounts of real property and <u>right-of-use assets thereof</u> acquired by the Company for non-business use shall not exceed 20 percent of shareholders' equity specified on the Company's most recent financial statements.</p> <p>3. Upper limits on the total amounts of real property and <u>right-of-use assets thereof</u> or securities acquired by a</p>	<p><u>6.</u> Upper limits on the total amounts of real property or securities acquired by the Company and its subsidiaries for non-business use and the limits on individual securities:</p> <p>6.1.(Omitted)</p> <p>6.2.The total amounts of real property acquired by the Company for non-business use shall not exceed 20 percent of shareholders' equity specified on the Company's most recent financial statements.</p> <p>6.3.Upper limits on the total amounts of real property or securities acquired by a subsidiary of the Company for non-business use and the limits on individual</p>	<p>To comply with the provisions provided by IFRS 16, incorporate the real property right-of-use assets for non-business use into the limit calculation in the Procedures formulated by the Company.</p>

<p>subsidiary of the Company for non-business use and the limits on individual securities shall be subject to such subsidiary's "Procedures for the Acquisition and Disposal of Assets"; provided that the aggregate amount of each aforesaid asset acquired by each subsidiary shall not exceed the limits set out below:</p> <p>A. The total amount of investment in securities may not exceed 50 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>B. The amount of investment in individual securities may not exceed 30 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>C. Purchase of real property and <u>right-of-use assets thereof</u> for non-business uses may not exceed 20 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>4. (Omitted)</p>	<p>securities shall be subject to such subsidiary's "Procedures for the Acquisition and Disposal of Assets"; provided that the aggregate amount of each aforesaid asset acquired by each subsidiary shall not exceed the limits set out below:</p> <p>6.3.1. The total amount of investment in securities may not exceed 50 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>6.3.2. The amount of investment in individual securities may not exceed 30 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>6.3.3. Purchase of real property and <u>right-of-use assets thereof</u> for non-business uses may not exceed 20 percent of the shareholders' equity specified on the Company's most recent financial statements.</p> <p>6.4.(Omitted)</p>	
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Annex 5: The Comparison Table of Amended Provisions of the Operation Procedures for Loaning of Funds to Others

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD

(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

The Comparison Table of Amended Provisions of the Operation Procedures for Loaning of Funds to Others

Article after Amendment	Article before Amendment	Reason for Amendment
<p>Article 3 Under Article 15 of the Company Act, funds of the Company shall not be loaned to any of its shareholders or any other person except under the following circumstances:</p> <ol style="list-style-type: none"> 1. Where a company or firm business transaction with the Company calls for a loan arrangement; or 2. Where a short-term financing facility of a subsidiary of the Company is necessary, provided that such financing amount shall not exceed 40% of the lender's net worth. <p>The term "short-term" as used in the preceding paragraph means one year. The term "financing amount" as used in subparagraph 2, paragraph 1 of this Article means the cumulative balance of the public company's short-term financing.</p> <p>The restriction in subparagraph 2, paragraph 1 shall not apply to inter-company loans of funds between overseas companies in which the public company holds, directly or indirectly, 100% of the voting shares, <u>or loans extended by an overseas company in which the Company holds, directly or indirectly, 100% of the</u></p>	<p>Article 3 Under Article 15 of the Company Act, funds of the Company shall not be loaned to any of its shareholders or any other person except under the following circumstances:</p> <ol style="list-style-type: none"> 1. Where a company or firm business transaction with the Company calls for a loan arrangement; or 2. Where a short-term financing facility of a subsidiary of the Company is necessary, provided that such financing amount shall not exceed 40% of the lender's net worth. <p>The term "short-term" as used in the preceding paragraph means one year. The term "financing amount" as used in subparagraph 2, paragraph 1 of this Article means the cumulative balance of the public company's short-term financing.</p> <p>The restriction in subparagraph 2, paragraph 1 shall not apply to inter-company loans of funds between overseas companies in which the public company holds, directly or indirectly, 100% of the voting shares. However, the Company shall formulate the amount limits and the durations of loans in accordance with Paragraph 3</p>	<p>In response to Article 3 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies allowing the company to extend loans to an overseas company in which the company holds, directly or indirectly, 100% of the voting shares in order to increase the flexibility of the use of internal funds in the business groups, amend the relevant words.</p>

<p><u>voting shares to the Company.</u> However, the Company shall formulate the amount limits and the durations of loans in accordance with Paragraph 3 of Article 7.</p>	<p>of Article 7.</p>	
<p>Article 5 The term "announce and report" as used in the Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC). The term "date of occurrence" in the Procedures means <u>the date of contract signing</u>, date of payment, dates of boards of directors resolutions, or other date that can confirm <u>the counterparty and monetary amount of loaning of funds</u>, whichever date is earlier.</p>	<p>Article 5 The term "announce and report" as used in the Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC). The term "date of occurrence" in the Procedures means <u>the date of contract signing of the transaction</u>, date of payment, dates of boards of directors resolutions, or other date that can confirm <u>the counterparty and monetary amount of the transaction</u>, whichever date is earlier.</p>	<p>In response to Article 7 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies taking into account that the nature of loaning of funds is not the transaction, amend the relevant words.</p>
<p>Article 6 The Company has formulated its Operation Procedures for Loaning of Funds to Others in accordance with the regulations promulgated by the competent authority, which is effective and implemented after being submitted to the shareholders' meeting for approval on June 6, 1994. The amendment shall <u>adopted by a majoring of audit committee members</u> and, after <u>a resolution</u> of the board of directors, be submitted to the shareholders' meeting for approval and be effective and implemented thereafter. <u>The preceding paragraph that has not been adopted by a majoring of audit committee members may be undertaken upon the</u></p>	<p>Article 6 The Company has formulated its Operation Procedures for Loaning of Funds to Others in accordance with the regulations promulgated by the competent authority, which is effective and implemented after being submitted to the shareholders' meeting for approval on June 6, 1994. The amendment shall be subject to the consent of audit committee members and, after the passage through the board of directors, be submitted to the shareholders' meeting for approval and be effective and implemented thereafter. Where the Company has established the position of independent director, when it submits its Operational Procedures for Endorsements</p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies amending the words under Paragraph 2 of Article 8 and adding the authority of the audit committee under Paragraph 4 and/to Paragraph 6, amend and add the words under Paragraphs 2 and 3.</p>

<p><u>consent of two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the directors' meeting. The terms "all audit committee members" and "all directors" as used in the preceding two paragraphs shall be calculated as the number of members actually in office.</u></p> <p>Where the Company has established the position of independent director, when it submits its Operational Procedures for Endorsements and Guarantees to the board of directors for discussion under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; <u>when an independent director has a dissenting opinion or reserved opinion, it shall be recorded in the minutes of the directors' meeting.</u></p>	<p>and Guarantees to the board of directors for discussion under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; <u>the independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p>	
<p>Article 7 The Company's Operation Procedures for Loaning of Funds to Others are as follows:</p> <ol style="list-style-type: none"> 1. Entities to which the company may loan funds are companies or firms under Article 3 in Chapter I of these Procedures. 2. Evaluation standards for loaning funds to others: <ol style="list-style-type: none"> A. Where funds are loaned for reasons of business dealings, the Company shall evaluate at any time whether the amount of a loan is commensurate to the total amount of 	<p>Article 7 The Company's Operation Procedures for Loaning of Funds to Others are as follows:</p> <ol style="list-style-type: none"> 1. Entities to which the company may loan funds are companies or firms under Article 3 in Chapter I of these Procedures. 2. Evaluation standards for loaning funds to others: <ol style="list-style-type: none"> A. Where funds are loaned for reasons of business dealings, the Company shall evaluate at any time whether the amount of a loan is commensurate to the total amount of 	<p>In response to Article 3 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies allowing an overseas company in which the company holds, directly or indirectly, 100% of the voting shares to extend loans to the company in order to increase the flexibility of the use of internal funds in the business groups, amend the relevant words.</p>

<p>trading between the two companies.</p> <p>B. Where short-term financing is needed, the reasons for and conditions of extending loans shall be enumerated.</p> <p>The maximum amount permitted to a single company under Subparagraph 1, Paragraph 1 of Article 3 in Chapter I of these Procedures, to which funds are loaned by the Company, shall not exceed the total last annual amount of trading between the two companies and may not exceed 20% of the net worth on the most current financial statements of the Company. The maximum amount permitted to a single company under Subparagraph 2, Paragraph 1 of Article 3 in Chapter I, to which funds are loaned, shall not exceed 20% of the net worth on the most current financial statements of the Company. The aggregate amount of loans under the preceding two paragraphs shall not exceed 40% of the net worth on the most current financial statements of the Company. The maximum loaning amount of inter-company loans of funds, which is on grounds of business transaction with a single entity or necessity for a short-term financing facility, between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares, <u>or of loans extended by an overseas company in which the Company holds, directly or indirectly, 100% of the</u></p>	<p>trading between the two companies.</p> <p>B. Where short-term financing is needed, the reasons for and conditions of extending loans shall be enumerated.</p> <p>The maximum amount permitted to a single company under Subparagraph 1, Paragraph 1 of Article 3 in Chapter I of these Procedures, to which funds are loaned by the Company, shall not exceed the total last annual amount of trading between the two companies and may not exceed 20% of the net worth on the most current financial statements of the Company. The maximum amount permitted to a single company under Subparagraph 2, Paragraph 1 of Article 3 in Chapter I, to which funds are loaned, shall not exceed 20% of the net worth on the most current financial statements of the Company. The aggregate amount of loans under the preceding two paragraphs shall not exceed 40% of the net worth on the most current financial statements of the Company. The maximum loaning amount of inter-company loans of funds, which is on grounds of business transaction with a single entity or necessity for a short-term financing facility, between overseas companies in which the Company holds, directly or indirectly, 100% of the voting shares shall not exceed 40% of the net worth of the Company; the aggregate amount of such loans shall not exceed 60% of</p>	
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<p><u>voting shares to the Company</u>, shall not exceed 40% of the net worth of the Company; the aggregate amount of such loans shall not exceed 60% of the net worth of the Company; otherwise duration of loans and calculation of interest will be decided based on its condition respectively, provided that the maximum duration shall not exceed 10 years. (Omitted)</p>	<p>the net worth of the Company; otherwise duration of loans and calculation of interest will be decided based on its condition respectively, provided that the maximum duration shall not exceed 10 years. (Omitted)</p>	
<p>Article 9 Each relevant unit shall prepare a memorandum book for the Company's fund-lending activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated under the preceding Article. The Company's internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee <u>and independent directors</u> in writing of any material violation found.</p>	<p>Article 9 Each relevant unit shall prepare a memorandum book for the Company's fund-lending activities and truthfully record the following information: borrower, amount, date of approval by the board of directors, lending/borrowing date, and matters to be carefully evaluated under the preceding Article. The Company's internal auditors shall audit the Operational Procedures for Loaning Funds to Others and the implementation thereof no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee in writing of any material violation found.</p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies adding Article 26-2 to improve corporate governance that any material violation of loaning of funds shall be notified to independent directors in writing; the rectification plans as a result of such violation shall also be submitted to independent directors, amend the relevant words.</p>
<p>Article 10 Where as a result of changes of condition the borrowing counterparty no longer meets the requirements of these Procedures, or the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee <u>and independent directors</u>, and shall complete the</p>	<p>Article 10 Where as a result of changes of condition the borrowing counterparty no longer meets the requirements of these Procedures, or the loan balance exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee, and shall complete the rectification according to the timeframe set</p>	<p>Please refer to the above.</p>

rectification according to the timeframe set out in the plan.	out in the plan.	
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Annex 6: The Comparison Table of Amended Provisions for Endorsements/ Guarantees

INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD

(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

The Comparison Table of Amended Provisions Endorsements/Guarantees.

Article after Amendment	Article before Amendment	Reason for Amendment
<p>Article 6 The term "announce and report" as used in the Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).</p> <p>The term "date of occurrence" in the Procedures means the <u>date of contract signing</u>, date of payment, dates of boards of directors resolutions, or other date that can confirm <u>the counterparty and monetary amount of endorsements/guarantees</u>, whichever date is earlier.</p>	<p>Article 6 The term "announce and report" as used in the Procedures means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).</p> <p>The term "date of occurrence" in the Procedures means <u>the date of contract signing of the transaction</u>, date of payment, dates of boards of directors resolutions, or other date that can confirm <u>the counterparty and monetary amount of the transaction</u>, whichever date is earlier.</p>	<p>In response to Article 7 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies taking into account that the nature of endorsements/guarantees is not the transaction, amend the relevant wordings.</p>
<p>Article 7 The Company has formulated its Operational Procedures for Endorsements and Guarantees in accordance with the regulations promulgated by the competent authority, which is effective and implemented after being submitted to the shareholders' meeting for approval on June 6, 1994. The amendment shall be <u>adopted by a majority of audit committee members</u> and, after <u>a resolution</u> of the board of directors, be submitted to the shareholders' meeting for approval and be effective and implemented thereafter.</p> <p><u>The preceding paragraph that has not been adopted by a majority of all audit committee members may be</u></p>	<p>Article 7 The Company has formulated its Operational Procedures for Endorsements and Guarantees in accordance with the regulations promulgated by the competent authority, which is effective and implemented after being submitted to the shareholders' meeting for approval on June 6, 1994. The amendment shall be subject to the consent of audit committee members and, after the passage through the board of directors, be submitted to the shareholders' meeting for approval and be effective and implemented thereafter.</p> <p>Where the Company has established the position of independent director, when it submits its Operational</p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies amending the wordings under Paragraph 2 of Article 8 and adding the authority of the audit committee under Paragraph 4 and/to Paragraph 6, amend the wordings under Paragraphs 2 and 3.</p>

<p><u>undertaken upon the consent of two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the directors' meeting. The terms "all audit committee members" and "all directors" as used in the preceding two paragraphs shall be calculated as the actual numbers of members in office.</u></p> <p>Where the Company has established the position of independent director, when it submits its Operational Procedures for Endorsements and Guarantees to the board of directors for discussion under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; <u>when an independent director has a dissenting opinion or reserved opinion, it shall be recorded in the minutes of the directors' meeting.</u></p>	<p>Procedures for Endorsements and Guarantees to the board of directors for discussion under the preceding paragraph, the board of directors shall take into full consideration each independent director's opinion; <u>the independent directors' opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p>	
<p>Article 10 The Company shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the entity for which the endorsement/guarantee is made, the amount, the date of passage by the board of directors or of authorization by the chairman of the board, the date the endorsement/guarantee is made, and the matters to be carefully evaluated under Paragraph 1 of the preceding Article.</p>	<p>Article 10 The Company shall prepare a memorandum book for its endorsement/guarantee activities and record in detail the following information for the record: the entity for which the endorsement/guarantee is made, the amount, the date of passage by the board of directors or of authorization by the chairman of the board, the date the endorsement/guarantee is made, and the matters to be carefully evaluated under Paragraph 1 of the preceding Article.</p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies adding Article 26-2 to improve corporate governance that any material violation of endorsements/guarantees shall be notified to independent directors in writing; the rectification plans as a result of such violation shall also be submitted to independent directors, amend the relevant wordings.</p>

<p>The Company's internal auditors shall audit the implementation of the Operation Procedures for Endorsements and Guarantees no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee <u>and independent directors</u> in writing of any material violation found.</p>	<p>The Company's internal auditors shall audit the implementation of the Operation Procedures for Endorsements and Guarantees no less frequently than quarterly and prepare written records accordingly. They shall promptly notify the audit committee in writing of any material violation found.</p>	
<p>Article 11 Where the Company needs to exceed the limits set out in the Operation Procedures for Endorsements and Guarantees to satisfy its business requirements, and where the conditions set out in the Operation Procedures for Endorsements and Guarantees are complied with, it shall obtain approval from the board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the company by the excess endorsement/guarantee. It shall also amend the Operation Procedures for Endorsements and Guarantees accordingly and submit the same to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit. Where the Company has established the position of independent director, when it makes endorsements/guarantees for others, it shall take into full consideration the opinions of each independent director; <u>when an independent</u></p>	<p>Article 11 Where the Company needs to exceed the limits set out in the Operation Procedures for Endorsements and Guarantees to satisfy its business requirements, and where the conditions set out in the Operation Procedures for Endorsements and Guarantees are complied with, it shall obtain approval from the board of directors and half or more of the directors shall act as joint guarantors for any loss that may be caused to the company by the excess endorsement/guarantee. It shall also amend the Operation Procedures for Endorsements and Guarantees accordingly and submit the same to the shareholders' meeting for ratification after the fact. If the shareholders' meeting does not give consent, the Company shall adopt a plan to discharge the amount in excess within a given time limit. Where the Company has established the position of independent director, when it makes endorsements/guarantees for others, it shall take into full consideration the opinions of each independent director; <u>the independent directors'</u></p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies amending the wordings under Paragraph 2 of Article 8 and adding the authority of the audit committee under Paragraph 4 and/to Paragraph 6, amend the wordings.</p>

<p><u>director has a dissenting opinion or reserved opinion, it shall be recorded in the minutes of the directors' meeting.</u></p>	<p><u>opinions specifically expressing assent or dissent and the reasons for dissent shall be included in the minutes of the board of directors' meeting.</u></p>	
<p>Article 12 Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of these Procedures, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee <u>and independent directors</u>, and shall complete the rectification according to the timeframe set out in the plan.</p>	<p>Article 12 Where as a result of changes of condition the entity for which an endorsement/guarantee is made no longer meets the requirements of these Procedures, or the amount of endorsement/guarantee exceeds the limit, the Company shall adopt rectification plans and submit the rectification plans to the audit committee, and shall complete the rectification according to the timeframe set out in the plan.</p>	<p>In response to the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies adding Article 26-2 to improve corporate governance that any material violation of endorsements/guarantees shall be notified to independent directors in writing; the rectification plans as a result of such violation shall also be submitted to independent directors, amend the relevant wordings.</p>
<p>Article 14 The Company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <ol style="list-style-type: none"> 1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the Company's net worth as stated in its latest financial statement. 2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single entity reaches 20% or more of the public company's net worth as stated in its latest financial statement. 	<p>Article 14 The Company whose balance of endorsements/guarantees reaches one of the following levels shall announce and report such event within two days commencing immediately from the date of occurrence:</p> <ol style="list-style-type: none"> 1. The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the Company's net worth as stated in its latest financial statement. 2. The balance of endorsements/guarantees by the Company and its subsidiaries for a single entity reaches 20% or more of the public company's net worth as stated in its latest financial statement. 	<p>In response to the amendment to Article 25 of the Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies, in order to specify the definition of investment of a long-term nature, we reference Subparagraph 1, Paragraph 4 of Article 9 of Regulations Governing the Preparation of Financial Reports by Securities Issuers and amend the relevant wordings.</p>

<p>3. The balance of endorsements/guarantees by the Company and its subsidiaries for a single entity reaches NT\$10,000,000 or more and the aggregate amount of all endorsements/guarantees for, <u>carrying amount of investments accounted for using the equity method of</u>, and balance of loans to, such entity reaches 30% or more of the Company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30,000,000 or more, and reaches 5% or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to Subparagraph 4 of the preceding paragraph.</p>	<p>3. The balance of endorsements/guarantees by the Company and its subsidiaries for a single entity reaches NT\$10,000,000 or more and the aggregate amount of all endorsements/guarantees for, <u>investment of a long-term nature in</u>, and balance of loans to, such entity reaches 30% or more of the Company's net worth as stated in its latest financial statement.</p> <p>4. The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT\$30,000,000 or more, and reaches 5% or more of the Company's net worth as stated in its latest financial statement.</p> <p>The Company shall announce and report on behalf of any subsidiary thereof that is not a public company of the Republic of China any matters that such subsidiary is required to announce and report pursuant to Subparagraph 4 of the preceding paragraph.</p>	
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Appendix 1.: Articles of Incorporation for INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD.

Articles of Incorporation for INTERNATIONAL CSRC INVESTMENT HOLDINGS CO., LTD.

(Original Name of the Company: CHINA SYNTHETIC RUBBER CORPORATION)

Chapter 1. General

- Article 1 The Company shall be incorporated under the provisions for company limited by shares of the Company Act and the relevant regulations, and its names shall be International CSRC Investment Holdings Co., Ltd.
- Article 2 The Company's business scope is as follows:
H201010 General Investment Industry.
- Article 3 The Company may provide endorsement and guarantee and act as a guarantor.
- Article 4 The Company's reinvestment is in accordance with the Board of Directors' resolution and the total investment amount may exceed forty (40) percent of the Company's paid-in capital.
- Article 5 The Company is headquartered in Taipei City. When necessary, the Board of Directors may agree to set up branches, subsidiaries and manufacturing facilities both domestically or abroad.

Chapter 2. Shares

- Article 6 The total capital of the Company is set at NT\$20 billion, divided into 2 billion shares and NT\$10 per share and may be paid-up in installments.
The Company may issue employee stock options to employees of the Company and domestic and overseas subsidiaries. Among the total shares aforementioned, 60 million shares are reserved as employee stock option shares, which may be issued in installments in accordance with resolutions of the Board of Directors. When the Company can legally repurchase company stocks, the Board of Directors will act in accordance to regulations.
- Article 6-1 When the Company issues employee stock options with a subscription price lower than the closing price of the Company's common shares on the day of issuance, it shall be approved by at least two-thirds of the voting rights represented at a shareholders' meeting attended by shareholders representing a majority of the total issued shares.
If the Company wishes to transfer an employee stock options to an employee at a price lower than the average price of the shares that were bought back, it shall be approved by at least two-thirds of the voting rights represented at the latest shareholders' meeting attended by shareholders representing a majority of the total issued shares.
- Article 7 The share certificates of the Company shall be signed by or bear seals of three (3) or more Directors, and issued by the Competent Authority or the agency authorized to handle the registration of stock certificate issuance.
The Company may issue shares without printing share certificates; but such shares shall be registered at a centralized securities depository agency.
- Article 8 Any matters regarding the Company's shares are in accordance with the relevant laws and the regulations of the Competent Authority.
- Article 9 Registration for transfer of shares shall be suspended for sixty (60) days immediately before the day of an Annual General Shareholders' Meeting, for

thirty (30) days immediately before the day of any Extraordinary General Shareholders' Meeting, and for five (5) days before the day on which dividends or any other benefit is scheduled to be paid by the Company.

Chapter 3. Shareholders' meeting

- Article 10 There are two kinds of shareholders' meetings which are Annual General Meeting and Extraordinary General Meeting:
1. Annual General Meeting shall be convened by the Board of Directors within six months after the end of each fiscal year.
 2. Extraordinary General Meeting shall be convened when necessary and in accordance with regulations.
- Article 11 Unless otherwise stated in the Company Act, shareholders' meetings are convened by the Board of Directors, chaired by the Chairperson. When the Chairperson is absent, the Chairperson designates a Director as deputy. When not specified, a deputy is chosen by the Directors among the Directors.
- Article 12 The convening of the Annual General Meeting shall be notified to all shareholders thirty (30) days in advance. The convening of the Extraordinary General Meeting shall be notified to all shareholders fifteen (15) days in advance. The notice shall state the date, venue and reason for the convening of the meetings.
- Article 13 Unless otherwise stated in the Company Act, resolution from shareholders' meetings require the majority of the voting rights represented at the latest shareholders' meeting attended by shareholders representing a majority of the total issued shares.
- Article 14 Unless otherwise stated in the Company Act, each share of stock shall be entitled to one (1) vote.
- Article 15 If a shareholder is unable to attend the shareholders' meeting in person, such shareholder may appoint a proxy to attend the shareholders' meeting and exercise such shareholder's right in his/her/its behalf by executing a proxy issued by the Company and specifying therein the scope of power authorized to the proxy. With the exception of trust enterprises or shareholder service agencies approved by the Competent Authority, when a person who acts as the proxy of two (2) or more shareholders, the excessive voting power represented by such person exceeding three percent (3%) of the total outstanding voting shares of the Company shall not be counted.
- A shareholder shall serve the foregoing proxy to the Company no later than five (5) days prior to the day of the shareholders' meeting. If two (2) or more written proxies are received from one (1) shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous proxy. The voting power at a shareholders' meeting may be exercised in writing or by way of electronic transmission in accordance with the Company Act and the relevant regulations of the Competent Authority.
- Article 16 Resolutions of the shareholders' meeting shall be made into minutes, signed or sealed by the Chairperson, distributed to all shareholders within 20 days after the meeting, and shall be stored permanently within the Company for recordkeeping. The attendance registry of shareholders and the power of attorney for representing the attendance shall be retained for at least one (1) year. In the case of a lawsuit, the documents should be saved until the lawsuit ends. The distribution of the minutes of the preceding subparagraph shall be governed by the Company Act and related regulations.

Chapter 4. Directors, Audit Committees and Managers

Article 17 The Board of Directors of the company has seven (7) to eleven (11) Directors, and the term of office is three (3) years. The election of Directors adopts the system of nomination for shareholders to vote from a list of nominated candidates at the shareholders' meeting. Re-elected candidates are reappointed. Of the aforementioned Director quota, there must be no less than three (3) Independent Directors.

Independent Directors shall be elected from the list of candidates for Independent Directors by the shareholders at the shareholders' meeting. The Independent Directors' professional qualifications, shareholding, concurrent position restrictions, independence, the nomination and selection methods, and other compliance matters shall be handled in accordance with the relevant provisions of the Competent Authority. The election of Directors shall be held in accordance with the Company Act. Independent and non-Independent Directors shall be elected at the same time, provided that the number of Independent Directors and non-Independent Directors elected shall be calculated separately.

Article 18 The Board of Directors assembled by the Directors have the following authorities:

1. Draft business plan
2. Draft earnings distribution
3. Draft capital increase or decrease details
4. Ratify important articles and contracts
5. Appoint General Manager
6. Set up and dismantle of subsidiaries
7. Ratify budgets
8. Ratify purchase and sell of properties and investments in business units
9. Ratify any other major matters

Article 19 The Board of Directors meeting shall have the attendance of more than two-thirds of the Directors, and the consent of more than one-half of the Directors attending the meeting, and then elect one (1) of the Directors as the Chairperson, and one (1) as Vice Chairperson. The Chairperson shall represent the Company to preside over all business matters.

Article 20 The Board of Directors meeting shall be convened by the Chairperson. Unless otherwise stated in the Company Act and this Articles of Incorporation, the exercise of resolution shall need the attendance of more than half of the Directors and the consent by more than half of the attending Directors. Directors may entrust other Directors to attend if they cannot attend in person for any reason. If the Director participates the Board of Directors meeting via video conferencing, it is deemed to be present in person.

The Board of Directors meeting notification need to be in written format, e-mail or fax.

Article 21 The Board of Directors shall be chaired by the Chairperson. When the Chairperson takes leave or is unable to exercise his power for any reason, the Vice Chairperson of the Board shall represent the Chairperson. If both the Chairperson and the Vice Chairperson are absent, the Chairperson shall appoint one (1) Director to act as the deputy. If the Chairperson did not designate a deputy, the Directors shall choose one (1) Director as deputy.

Article 22 The Company sets up an Audit Committee and may set up other functional committees.

The Audit Committee is composed of all Independent Directors, and there shall

not be less than three (3) members. One (1) of them shall be the Chair and at least one (1) shall have accounting or financial expertise.

The resolution of the Audit Committee shall be approved by more than one-half of all members and the exercise of their authorities and matters shall be in accordance with the provisions of relevant laws and company regulations.

When Independent Directors of the Audit Committee exercises authorities, signatures or seals are required on the books and statements the members checked or consulted and to report in the shareholders' meetings.

From the date of establishment of the Audit Committee in 2012, the Audit Committee or members of the Audit Committee shall be responsible for the enforcement of the supervisory authority provided in Company Act, Securities Exchange Act and other regulations.

Article 23 The Board of Directors are authorized to set Directors' remuneration based on the Directors' involvement in business operations and value contributed to the Company and shall be comparable to both domestic and overseas peers within the same industry.

Article 24 The Company may, within the term of office of the Directors, purchase liability insurance for their scope of business and the related compensation liability in accordance with the laws and regulations.

Article 25 The Company is in compliance with the resolution by the Board of Directors on the appointment of CEO, General Manager, Vice President or any other managers for the Company's operational needs and the aforementioned positions may be one or more persons.

Chapter 5. Accounting

Article 26 The Company's fiscal year shall be from January 1 of each year to December 31 of the same year.

Article 27 At the end of each fiscal year, the Board of Directors shall prepare statements and records in accordance with Article 228 of the Company Act, and comply with legal procedures to submit the statements and records to the Annual General Shareholders' Meeting for ratification.

Article 28 If the Company is profitable for the year, it shall set aside:

1. As the Employees' remuneration: 0.01% to 3% of the profit;
2. As the Directors' remuneration: no more than 1% of the profit.

However, if the Company has accumulated losses, the Company shall first reserve an amount to make up the losses, and then set aside the Employees' and the Directors' remuneration as specified in items (1) & (2) above.

The Employees' remuneration may be distributed in shares or in cash. Employees of the Company's subsidiaries who meet certain requirements may also receive such remuneration.

The distribution of the Employees' and the Directors' remuneration shall be approved by a majority vote at a Board meeting attended by over two-thirds of the Directors. In addition, a report of such distribution shall be submitted to the shareholders' meeting.

Article 29 When the Company completes final accounting to obtain net income, after deduction of income tax and dues and have covered the losses, the Company shall first set aside 10% of net income as legal reserve; provided that no legal reserve may be set aside when such legal reserve has reached the Company's total paid-in capital. If necessary, it may set aside or reverse a special reserve or retain surplus earnings with discretion in accordance with the relevant laws from

the balance plus undistributed earnings, the Company can then distribute earnings as stock dividends for common shareholders. The distribution is in accordance with Article 28 in the Articles, drafted by the Board of Directors and be ratified in the shareholders' meetings.

To improve financial structure, replenish capital or support important investments, the earnings can be transferred as capital for stock dividend issuance but cash dividends payout ratio must be 20% more than the payout ratio of common share stock dividends.

Article 30 The distribution of dividends to shareholders shall be based on the shareholders' roster on the record date.

Chapter 6. Annexes

Article 31 The Company's Articles of Organization and operation details are set separately.

Article 32 Any incomplete or matters that are not covered by this Article of Incorporation, please refer to the Company Act and related regulations.

Article 33 The Articles of Incorporation were established on May 16, 1973 and

The 1st amendment on December 5, 1973

The 2nd amendment on May 30, 1975

The 3rd amendment on April 26, 1977

The 4th amendment on September 29, 1981

The 5th amendment on June 28, 1983

The 6th amendment on March 19, 1985

The 7th amendment on March 7, 1986

The 8th amendment on May 5, 1987

The 9th amendment on April 14, 1989

The 10th amendment on April 27, 1990

The 11th amendment on April 23, 1991

The 12th amendment on May 5, 1992

The 13th amendment on May 14, 1993

The 14th amendment on April 19, 1994

The 15th amendment on May 21, 1998

The 16th amendment on June 30, 1999

The 17th amendment on June 15, 2000

The 18th amendment on October 17, 2000

The 19th amendment on June 26, 2002

The 20th amendment on June 10, 2003

The 21th amendment on June 15, 2004

The 22th amendment on June 24, 2005

The 23th amendment on June 19, 2008

The 24th amendment on June 25, 2010

The 25th amendment on June 10, 2011

The 26th amendment on June 27, 2012

The 27th amendment on June 24, 2014

The 28th amendment on June 24, 2016

The 29th amendment on June 26, 2018.

Appendix 2: Directors' Shareholding Status

Benchmark date: April 21, 2019

Title	Name	Appointment date	Number of shares held at the time of appointment		Shares currently held	
			Number of shares	Accounting for % of the stocks issued at the time	Number of shares	Accounting for % of the stocks issued at the time
Chairman	Taiwan Cement Corporation Representative: Koo, Kung-Yi	2018.06.26	55,180,171	8.78%	135,820,226	15.59%
Director	Taiwan Cement Corporation Representative: Yeh, Kuo-Hung	2018.06.26	55,180,171	8.78%	135,820,226	15.59%
Director	Fu Pin Investment Co., Ltd. Representative: Koo, Kung-Kai	2018.06.26	11,254,724	1.79%	14,958,487	1.72%
Director	CTBC Venture Capital Company Representative: Chien, Wen	2018.06.26	28,340,800	4.51%	37,667,338	4.32%
Independent directors	Chen, Yao-Sheng	2018.06.26	0	0.00%	0	0.00%
Independent directors	Chih, Ching-Kang	2018.06.26	0	0.00%	0	0.00%
Independent directors	Ding, Yen Wei	2018.06.26	0	0.00%	0	0.00%
Total			94,775,695		188,446,051	

Total shares issued on June 26, 2018: 628,586,987 Share

Total shares issued on April 21, 2019: 871,445,686 Share

- Note: 1. The total number of shares that directors of the Company should legally own is 27,886,261 shares. As of April 21, 2019, the directors hold 188,446,051 shares.
2. The Company has established an Audit Committee; therefore, rules stipulating the number of shares legally owned by the supervisor do not apply.

Appendix 3. Impact of Issuance of Stock Dividends on Business Performance, Earnings per Shares, and Return of Equity

Year		2019(Pro-Forma)
Items		
Beginning paid-in capital		NTD 8,714,456,860
Stock dividend and cash dividend issued this year	Cash dividend per share	NTD 1.5
	Stock dividend per 1000 shares appropriate from a capitalization of retained earnings	130 Shares
	Stock dividend per shares appropriate from a capitalization of capital reserve	Not applicable (Note)
Change in business performance	Operating income	Not applicable
	Ratio of increase (decrease) in operating income as compared to the previous year	
	Net income after tax	
	Ratio of increase (decrease) in net income after tax as compared to the previous year	
	Earnings per share	
	Ratio of increase (decrease) in EPS as compared to the previous year	
	Average annual ROE ratio (Average annual PE/ratio)	
Pro-forma EPS and P/E Ratio	In case that cash dividends would be paid in lieu of stock dividend by a Capitalization of retained earnings	Pro-forma EPS
		Pro-forma average annual ROE ratio
		Pro-forma EPS

	<p>In case that there would be no stock dividend appropriated from a capitalization of capita; reserve</p>	<p>Pro-forma average annual ROE ratio</p>	
	<p>In case that there would be no stock dividend appropriated from a capitalization of capital reserve and cash dividends would be paid in lieu of stock dividends by a capitalization of retained earnings</p>	<p>Pro-forma EPS</p>	
		<p>Pro-forma average annual ROE ratio</p>	

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