

Stock Code:1535



China Ecotek Corporation

2020 Annual General Meeting

Meeting Handbook

June 23, 2020

Kaohsiung Business Convention Center Liuhe Room

4F, No.5, Zhongshan 2nd Rd, Kaohsiung 806, Taiwan,
R.O.C

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China Ecotek Corporation

Annual Meeting of Shareholders Procedure

I. Announce Meeting

II. Chairman Remarks

III. Report Items

IV. Ratification Items

V. Discussion Items

VI. Elections Matters

VII. Other Proposals

VIII. Extraordinary Motions

IX. Adjournment

2020 Annual Meeting of Shareholders Agenda

I.Time: June 23, 2020 (Tuesday) 9:00AM

II.Place: Kaohsiung Business Convention Center Liuhe Room
4F, No.5, Zhongshan 2nd Rd, Kaohsiung 806, Taiwan, R.O.C

III.Attendance: Shareholders and proxies authorized by
shareholders

IV.Chairman: Chung-Te Chen

V. Chairman Remarks

VI. Report Items

- (I) 2019 Business Report of the Company.
- (II) Supervisor's Review Report on the 2019 Financial Statements.
- (III) Report on 2019 remuneration of directors and supervisors as well as employees' remuneration by the Company.
- (IV) Other report matters.

VII. Ratification Items:

Proposal 1: 2019 Business Report, Financial Statements of the Company. Please proceed with the ratification.

Proposal 2: Proposal for 2019 Earnings Distribution of the Company. Please proceed with the ratification.

VIII. Discussion Items:

Proposal 1: Proposal on the draft amendment of the parts of the provisions of the Procedures for Acquisition or Disposal of Assets of the Company. Please proceed

with the resolution.

Proposal 2: Proposal on the draft amendment of the parts of the Regulation of Governing Loaning of Funds Procedure.

Proposal 3: Proposal on the draft amendment of the parts of the Regulation of Endorsements/Guarantees Procedure.

Proposal 4: Proposal on the draft amendment of the parts of the Regulation of Shareholders Meeting.

IX. Elections Matters : Election of the 10th Term of Directors of the Company.

X. Other Proposals: To release the ban on competitive trade of the 10th term Board of Directors.

XI. Extraordinary Motions

XII. Adjournment

I. Report Items

- (I). General Manager, Tzu-An Wu, report on 2019 Business Report of the Company.
- (II). Supervisor's Review Report on the 2019 Financial Statements.
- (III). Report on the 2019 remuneration for directors and supervisors as well as employees' remuneration.
 - 1. In accordance with amended Article 32 of Article of Incorporation "If the Company has profits in the fiscal year, the board of Directors shall decide to distribute no less than 0.1% of the profits as the remuneration to employees and no higher than 1% of the profits as the remuneration to directors and supervisors. The target of remuneration distribution to employees includes employees of subordinate companies who meet certain criteria. However, if accumulated losses still remain, the Company shall retain the subsidization amount in advance before distributing remuneration to employees and directors and supervisors in accordance with the ratio prescribed in previous paragraph."
 - 2. The Company's 2019 income before tax without deducting remuneration distribution to employees and directors and supervisors was NT\$152,548,237. Appropriated employees' remuneration for 2.6696% equivalent to an amount of NT\$4,072,359 and remunerations of directors and supervisors for 0.5339% equivalent to an amount of NT\$ 814,472. All were distributed in cash.

China Ecotek Corporation Supervisor's Review Report

Dear Shareholders,

We hereby ensure that the 2019 Financial Statements (aforementioned statements audited by the independent auditors CPA Yu-Hsiang Liu and CPA Jui-Hsuan Hsu of Deloitte & Touche), Business Report and Earnings Distribution Proposal prepared and submitted by the Board of Directors have been reviewed completely and are considered to be in conformity with the regulatory requirements. Accordingly, our review report is issued in accordance with Article 219 of the Company Act and Article 36 of the Securities and Exchange Act.

Sincerely,

Submitted by

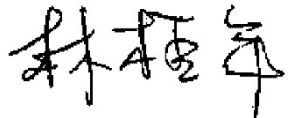
2020 Annual Meeting of Shareholders

China Ecotek Corporation

Supervisor: Hui-Zeng Lin



Supervisor: Po-Nien Lin



Supervisor: Wei-Yan Hong



March 19, 2020

(IX). Other report matters

1. Report on Company's 2019 China region investment summary

According to the regulations of the competent authority, the upper limit for the Company's investment in China region is NT\$1,779,107 thousand, the investment amount approved by the Investment Commission, MOEA, is NT\$ 663,041thousand, and the accumulated actual investment amount in 2019 is NT\$ 546,771 thousand. Relevant information on the invested companies in China in 2019 is summarized as follows:

Unit: In Thousand NTD

Name of Chinese company invested	Main business items	Paid-in capital	Investment method	Ownership of Direct or Indirect Investment (%)	Accumulated investment amount	Profit (loss) recognized for the current year(Note 1)	Investment carrying value at the end of current year
Wuhan Hua De Environmental Protection Engineering Technology Ltd.(Note 3)	Engineering technology and consultation service	119,920	Through investment in an existing company (CDC) in a third region for further investment in the Chinese company	30	-	9,920	-
Wuhan Hua De Environmental Protection Engineering Technology Ltd.(Note 4)	Engineering technology and consultation service	119,920	Through investment in an existing company (CDC) in a third region for further investment in the Chinese company	30	13,491	27	70,170
Ningbo Hua Yang Aluminum Technology Ltd.	Aluminum alloy material manufacturing and sales	1,469,020	Through investment in an existing company (USID) in a third region for further investment in the Chinese company	0.61	8,994	(1,059)	5,033
Xiamen Mao Yu Import and Export Trading Ltd.(Note 4)	Equipment materials import and export	179,880	Through investment in an existing company (CDC) in a third region for further investment in the Chinese company	100	179,880	3,293	171,234
Wuhan Wu Gang Yu Ke Environmental Protection Technology Ltd. (Note 2)	Environmental protection electrical and mechanical engineering works and sales agency	-	Through investment in an existing company (CHC) in a third region for further investment in the Chinese company	-	344,406	-	-

Note 1: The amounts were recognized based on the independent auditors' financial statements of China Ecotek Corporation.

Note 2:Disposition and transfer of equity has been completed in June 2018, and up to the date of December 31, 2019, a receivable amount of NT\$ 20,695 thousand is yet to be collected.

Note 3 : The company is owned by CEC Development Corporation

established in USA.

Note 4: The company is owned by CEC Development Corporation established in Samoa.

2. Report on the endorsement and guarantee status of the Company
Up to the end of December 2019, the balance of endorsement and guarantee provided by the Company to the external is NT\$ 0.
3. Report on status of Company's loaning of funds to others
Up to the end of December 2019, the balance of the Company's loaning of funds to others is NT\$ 0.

II. Ratification Items

Proposal 1: Proposed by the board of directors of the Company

Proposal: 2019 Business Report and Financial Statements of the Company. Please proceed with the ratification.

Explanation: For 2019 Business Report and Financial Statements, please see Attachment 1.

Resolution:

China Ecotek Corporation 2019 Business Report

I. Operational Directives

The sustainable development strategies of "Engineering," "Operation and Maintenance," and "Circular Economy":

1. Engineering: Deeply cultivate the Group's business, expand the existing business and operating scope to increase revenue, and reduce costs through internal process transformation; strengthen project management and improve core technology to improve profitability.
2. Operation and Maintenance: From within the group to outside the group, promote the business model of the integration of mechanical and electrical maintenance engineering and refractory materials to increase revenue and profits.
3. Circular Economy: Promote and construct the new business model of Circular Economy, participate in the fields of Circular Economy, recycled water and green power generation from business connections, and develop innovative business models of engineering and production integration to enhance the company's competitiveness.

II. Operational Directives Implementation Status

1. Project Engineering: Mechanical and electrical engineering mainly focuses on the renewal, regular repair, annual repair and overhaul of various production equipment in the China Steel Group. In addition to the transformation of raw material transportation processes and the wind and dust prevention equipment of raw material storage sites, environmental protection projects have become stricter in recent years, and regulations on air pollution prevention and control

have been tightened to promote the construction of dust collection, desulfurization, and denitrification projects. In addition, there are still projects under construction such as refractory materials for steel mills and biotechnology construction.

2. Operation and Maintenance: Includes China Steel's solid mixed materials pre-treatment plant, resource recovery plant, industrial wastewater purification plant, Dragon Steel central water plant, Clear Lake advanced water purification plant, Jinmen Taihu water purification plant, and Kaohsiung Qiaotou wastewater treatment plant; it constitutes a stable business and source of profits.
3. Circular Economy: This encompasses strategic cooperation with China Steel Solar Energy Corporation to develop the Group's solar photovoltaic construction project, which completed a total of 83.21MWp units by the end of 2019. Since the Legislative Yuan passed an amendment to renewable energy development regulations in 2019, a large percentage of electricity consumers must set up a certain percentage of renewable energy power generation equipment. In addition, the Executive Yuan announced a two-year plan to promote solar photovoltaic projects, which will help to continue to advance the construction of intra-Group turnkey projects. This can also be expected to extend to turnkey projects outside the Group, building on roof installation experience and achievements within the Group.

III. Business Implementation Outcome

The company's target market is positioned in diversified engineering fields such as environmental protection engineering, electromechanical engineering, biotechnology plant construction

engineering, electromechanical maintenance and resource recovery plants, and advanced water purification plant agency operation. The main construction projects in 2019 are as follows:

1. Environmental protection engineering: Encompasses Formosa Ha Tinh sintering plant waste gas desulfurization and deoxing project, New Taipei City Sanying Water Resources Recovery Center construction project, China Steel cold-rolled finishing warehouse and steel plate plant PV construction project, the finishing plant for the Dragon Steel Flat Steel solar photovoltaic construction project, the CSAC Co. 2019 solar photovoltaic construction project, the Sing Da Marine Structure public facilities installation and construction works, Sing Da Marine Structure, Honley Auto, Magnpower, ThinTech Materials solar photovoltaic construction, and so on. Calculated at NT\$3.209 billion, this accounted for 34.44% of total revenue.
2. Mechanical and electrical engineering: the Linkou Power Plant renewal and expansion plan coal transportation system project, the China Steel W11 coal and iron mine conveying process transformation project, the China Steel # 1BF PCI screening machine demolition project, new and improved engineering of the conveying process of the wind and dust prevention efficiency improvement project of Zhonglong Steel Raw Material Storage Yard, the Zhonglong R02 electric furnace material-in-one project, the Taikang Biotechnology Company Hsinchu Bioscience Park biomass drugs commercialized mass production GMP production plant construction, and so on are calculated at NT\$3.276 billion, accounting for 35.17% of total revenue.
3. Agency operations, mechanical and electrical maintenance, and others: Engineering projects including mechanical and electrical maintenance works for China Steel and Dragon Steel as well as Chengcing Lake, operation of Jinmen Taihu water treatment plant, and so on, calculated at NT\$2.831 billion and accounting for 30.39% of total revenue.

IV. Profitability and comparison with prior year

Unit: In Thousand NTD

Year Business Item	2019	2018	Increase (Decrease) amount	Rate of change (%)
Operating revenue	9,315,910	10,813,583	-1,497,673	-13.85%
Operating cost	8,784,938	10,306,988	-1,522,050	-14.77%
Unrealized gain from sale	20,247	23,163	-2,916	-12.59%
Realized operating margin	510,725	483,432	27,293	5.65%
Operating expense	478,245	454,899	23,346	5.13%
Net operating income	32,480	28,533	3,947	13.83%
Net operating income (expenditure)	131,092	113,347	17,745	15.66%
Net income before tax	163,572	141,880	21,692	15.29%
Income tax expense	36,714	44,016	-7,302	-16.59%
Consolidated total net income	126,858	97,864	28,994	29.63%

1. Operating revenue in 2019 decreased by NT\$1,497,673 thousand compared with 2018. The main reason is that new projects are still in the design planning stage, and operating cost is recognized as the project cost according to the completion ratio method during the project period. In addition, strengthened project budget management and

control of cost savings resulted in an increase in net operating income of NT\$3,947 thousand compared with 2018.

2. Non-operating income and expenses in 2019 increased by NT\$17,745 thousand compared with 2018. The main reason was that the profit and loss of related companies recognized by the equity method increased by NT\$36,833 thousand and dividend income increased by NT\$7,312 thousand from 2018. In addition, the net profit and loss from currency exchange decreased by NT\$27,539 thousand compared with 2018.
3. In summary, net profit before tax in 2019 increased by NT\$21,692 thousand compared to 2018, and consolidated net profit for the whole year increased by NT\$28,994 thousand compared with 2018.

V. Research and Development Status

In 2019, the Company took trends in the revision of environmental laws as indicators for technical research and development. In terms of wastewater treatment, we have cooperated with Japanese manufacturers to complete the test and verification of fluorine-containing wastewater treatment technology with special ion exchange resin. In addition, sludge produced by the treatment of sewage wastewater has been developed in sludge drying and reuse technology; this technology has been applied to the actual plant and has entered the construction phase of the project. We have also cooperated with China Steel's R&D unit to develop circulating water calcium fluoride inhibitors for water treatment aids, completing online testing and verification of the chemical compound with good results and obtained a calcium fluoride inhibitor supply contract.

In terms of air pollution prevention and control technology, the company continues to focus on technology development to improve SO_x / NO_x emissions from fixed pollution sources. This technology has been

applied to large-scale flue gas treatment systems in steel plants such as China Steel, Dragon Steel and Formosa Ha Tinh. Future research and development of air pollution prevention and control technology will use this as the main focus to improve system treatment efficiency, reduce treatment costs and engineering design optimization, and introduce medium temperature catalyst and high temperature dust collection technology.

Chairman : Chung-Te Chen



Managerial Officer : Tzu-An Wu
President



Accounting Officer : Ya-Min Chuang



Accountants' Audit Report

The Board of Directors and Shareholders China Ecotek Corporation

Audit opinion

Regarding the consolidated balance sheet of China Ecotek Corporation (China Ecotek) and its subsidiaries on December 31, 2019 and 2018, as well as consolidated income statement, consolidated statement of changes in equity, and consolidated cash flow statement, as well as notes to the consolidated financial statements from January 1 to December 31, 2019 (including a summary of major accounting policies), these have been audited by the accountant.

According to the opinion of the accountant, the above-mentioned consolidated financial statements are prepared in all material respects in accordance with the issuer's financial reporting standards, the International Financial Reporting Standards, International Accounting Standards, Interpretation and Interpretation Announcements approved and issued by the Financial Supervisory Commission. They are sufficient to express the consolidated financial situation of China Ecotek and its subsidiaries in 2019 and December 31, 2018, and the consolidated financial performance and consolidated cash flow from January 1 to December 31 in 2019 and 2018.

Basis for Opinion

We've performed the audit according to the responsibilities of the auditors under such standards are to be further described in the section of Auditor's Responsibilities for the Audit of the

Consolidated Financial Statements. The responsibilities of the auditors under such standards are to be further described in the section of Auditor's Responsibilities for the Audit of the Consolidated Financial Statements. The auditors of the firm subject to the independence regulations have maintained independent from China Ecotek Corporation and subsidiaries in accordance with the Code of Ethics and performance other obligations of such Code. We believe to have obtained and sufficient audit evidences in order to be used as the basis for the opinion.

Emphasis of Matters

As mentioned in Note 3 to the consolidated financial statements, China Ecotek and its subsidiaries have applied revised securities issuer financial report preparation standards since 2019 and approved and issued the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretation Announcements that will be effective in 2019 as approved by the Financial Supervisory Commission, and choose not to restate the comparison period information. We have not revised the audit opinion due to such matter.

Key Audit Matters

Key audit items refer to the most important items for the audit of the 2019 consolidated financial statements of China Ecotek and its subsidiaries according to the professional judgment of the accountant. Such matters have been reflected in the entirety of the consolidated financial statements audited and throughout the process of the opinion formation. We do not provide opinions separately for such matters.

The key audit matters of China Ecotek and its subsidiaries' 2019 consolidated financial statements are as follows:

Calculation of Construction Income/Loss

China Ecotek Corporation and subsidiaries signed a lot of construction contracts, and among such contracts, there are contracts crossing over several reporting periods. The construction income of China Ecotek Corporation and subsidiaries has been recognized according to the percentage completion method. If there is an expected loss in a construction contract, the total construction loss of contracts shall be recognized in full immediately. Since the recognition of construction income is determined based on the status of construction completion progress and the expected cost incurred, and due to the certain level of subjectivity in the estimation, there is a risk associated with the possible error in the calculation result of construction profit/loss or failure in the recognition for the correct period. Relevant accounting policies, significant accounting estimates and judgments are described in Note 4 (16) and Note 5 (1) of the consolidated financial statements.

We've assessed the appropriateness of the percentage of completion method adopted by the management level, and have conducted review on the estimation of the construction cost prepared and examined whether or not there are control procedures of major difference between the actual cost incurred and the outstanding cost still required for the completion, inspected the construction cost (including the raw material requisition and construction outsourcing) incurred in the current year, in order to evaluate the appropriateness of the percentage of completion method adopted by the management level.

We have also selected important items for recalculation of the construction income, and verified the expected construction income and the construction contracts (including supplementary addendums or revisions), in order to determine whether the

construction income and construction profit/loss recognized for the current year are reasonable.

Other Matters

China Ecotek has prepared individual financial statements for 2019 and 2018, and the audit report issued by the accountant to strengthen the paragraph adjustment is on record for reference. Responsibilities of Management Level and Those Charged with Governance for the Consolidated Financial Statements.

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

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

The governance units (including supervisors) of China Ecotek Corporation and subsidiaries are responsible for overseeing the financial reporting process thereof.

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

The purpose of our audit of the consolidated statements is to

obtain reasonable assurance on whether the entirety of the consolidated financial statements contain any material misstatement caused by fraud or error, and to issue the audit report. The term of “reasonable assurance” refers to high level of assurance. Nevertheless, the audit performed according to the Generally Accepted Auditing Standards cannot guarantee the discovery of material misstatement in the consolidated financial statements. Misstatement may be caused by fraud or error. When an individual amount or a total amount of a misstatement can be reasonably anticipated to affect the economic decision made by the users of the consolidated financial statements, then it shall be considered to be material misstatement.

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

- I. Identify and assess the risk of material misstatements of the consolidated financial statements due to fraud or error. Design and adopt appropriate countermeasures for the risks assessed. In addition, obtain sufficient and appropriate audit evidences in order to be used as the basis for the opinion. Since fraud may involve a conspiracy, counterfeit, intentional disclosure, deceptive statement or exceeding internal control, consequently, the risk of failure to discover material misstatement due to fraud is higher than the risk due to error.
- II. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of China Ecotek Corporation and subsidiaries.

- III. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management level.
- IV. According to the audit evidences obtained, evaluate appropriateness of the continuous operation accounting basis and whether or not events or circumstances possibly generating material concerns on the continuous operation ability of China Ecotek Corporation and subsidiaries have significant uncertainty, and provide conclusion thereto. In case where we consider that such events or circumstances have significant uncertainty, then relevant disclosure of the consolidated financial statements shall be provided in the audit report to allow users of consolidated financial statements to be aware of such events or circumstances, or shall revise the opinion when such disclosure is considered in appropriate. Our conclusion is made based on the audit evidences obtained up to the audit report date. Nevertheless, future events and circumstances may still cause the China Ecotek Corporation and subsidiaries to lose their ability to continue the operation.
- V. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- VI. Obtain sufficient and appropriate audit evidences for the financial information of individual entity of China Ecotek Corporation and subsidiaries as well as provide opinion on the consolidated financial report. We handle the guidance, supervision and execution of the audit on the China Ecotek

Corporation and subsidiaries and are responsible for preparing the opinion for the China Ecotek Corporation and subsidiaries.

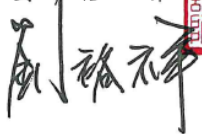
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control that we identify during our audit).

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

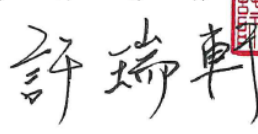
The accountant has communicated with the governance unit and decided to check the key audit matters for the 2019 consolidated financial statements of China Ecotek and its subsidiaries. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

勤業眾信聯合會計師事務所

會計師 劉 裕 祥



會計師 許 瑞 軒



Financial Supervisory Commission
Approval Document No.
Jin-Guan-Zheng-Shen-Zi No.
1050024633

Financial Supervisory Commission
Approval Document No.
Jin-Guan-Zheng-Shen-Zi No.
1020025513

March 19, 2020

1535 CHINA ECOTEK CORPORATION
2019Q4 Consolidated Financial Report
Unit: NT\$ thousands

Balance Sheet			
Code	Accounting Title	2019/12/31	2018/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	1,136,465	1,210,604
1139	Current financial assets for hedging	445,187	1,130,853
1140	Current contract assets	864,260	1,526,024
1141	Current contract assets	864,260	1,526,024
1150	Notes receivable, net	0	788
1151	Notes receivable	0	788
1170	Accounts receivable, net	358,984	555,317
1172	Accounts receivable	358,984	555,317
1180	Accounts receivable due from related parties, net	1,017,213	1,463,705
1181	Accounts receivable due from related parties	1,017,213	1,463,705
1200	Other receivables	32,441	215,694
1220	Current tax assets	1,233	5,285
130X	Current inventories	8,096	5,207
1310	Inventories, manufacturing business	8,096	5,207
1460	Non-current assets or disposal groups classified as held for sale, net	0	14,715
1470	Other current assets	823,174	675,344
1476	Other current financial assets	602,980	478,269
1479	Other current assets, others	220,194	197,075
11XX	Total current assets	4,687,053	6,803,536
	Non-current assets		
1510	Non-current financial assets at fair value through profit or loss	22,424	20,747
1517	Non-current financial assets at fair value through other comprehensive income	139,272	132,507
1550	Investments accounted for using equity method	954,185	814,600
1600	Property, plant and equipment	143,188	158,210
1755	Right-of-use assets	80,461	0
1780	Intangible assets	6,264	7,592
1840	Deferred tax assets	127,197	134,563
1900	Other non-current assets	7,951	8,517
1920	Guarantee deposits paid	7,106	7,691
1990	Other non-current assets, others	845	826
1995	Other non-current assets, others	845	826
15XX	Total non-current assets	1,480,942	1,276,736
1XXX	Total assets	6,167,995	8,080,272

	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	310,000	800,000
2110	Short-term notes and bills payable	0	249,891
2130	Current contract liabilities	1,065,191	1,662,122
2170	Accounts payable	701,578	1,034,453
2180	Accounts payable to related parties	10,740	16,253
2200	Other payables	435,744	425,625
2219	Other payables, others	435,744	425,625
2230	Current tax liabilities	21,539	19,160
2250	Current provisions	110,205	252,056
2280	Current lease liabilities	30,516	0
2300	Other current liabilities	85,511	102,601
2399	Other current liabilities, others	85,511	102,601
21XX	Total current liabilities	2,771,024	4,562,161
	Non-current liabilities		
2550	Non-current provisions	27,739	17,969
2570	Deferred tax liabilities	25,105	159,719
2580	Non-current lease liabilities	48,089	0
2600	Other non-current liabilities	330,859	342,606
2640	Net defined benefit liability, non-current	330,859	342,606
25XX	Total non-current liabilities	431,792	520,294
2XXX	Total liabilities	3,202,816	5,082,455
	Equity		
	Equity attributable to owners of parent		
	Share capital		
3110	Ordinary share	1,237,426	1,237,426
3100	Total capital stock	1,237,426	1,237,426
	Capital surplus		
3200	Total capital surplus	628,374	628,374
	Retained earnings		
3310	Legal reserve	600,939	591,153
3320	Special reserve	36,780	28,187
3350	Unappropriated retained earnings (accumulated deficit)	530,315	549,457
3300	Total retained earnings	1,168,034	1,168,797
	Other equity interest		
3410	Exchange differences on translation of foreign financial statements	-129,534	-104,626
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	79,260	78,341
3450	Gains (losses) on hedging instruments	-18,381	-10,495
3400	Total other equity interest	-68,655	-36,780
3500	Treasury shares	0	0
31XX	Total equity attributable to owners of parent	2,965,179	2,997,817
35XX	Equity attributable to former owner of business combination under common control	0	0
36XX	Non-controlling interests	0	0
3XXX	Total equity	2,965,179	2,997,817
3X2X	Total liabilities and equity	6,167,995	8,080,272
3998	Equivalent issue shares of advance receipts for ordinary share	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	0	0

1535 CHINA ECOTEK CORPORATION
2019Q4 Consolidated Financial Report
Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income			
Code	Accounting Title	2019/1/1To12/31	2018/1/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	78,091	109,442
	Construction and engineering revenue		
4520	Engineering service revenue	8,963,094	10,430,174
4500	Total construction and engineering revenue	8,963,094	10,430,174
	Service revenue		
4650	Technical service revenue	274,725	273,967
4600	Total service revenue	274,725	273,967
4000	Total operating revenue	9,315,910	10,813,583
	Operating costs		
	Cost of sales		
5110	Total cost of sales	57,994	87,054
	Cost of construction and engineering service sales		
5520	Cost of engineering sales	8,511,714	10,008,970
5500	Total cost of construction and engineering service sales	8,511,714	10,008,970
	Cost of services		
5650	Costs to provide technical services	215,230	210,964
5600	Total cost of services	215,230	210,964
5000	Total operating costs	8,784,938	10,306,988
5900	Gross profit (loss) from operations	530,972	506,595
5910	Unrealized profit (loss) from sales	20,247	23,163
5950	Gross profit (loss) from operations	510,725	483,432
	Operating expenses		
6100	Selling expenses	54,744	53,975
6200	Administrative expenses	414,270	390,391
6300	Research and development expenses	9,969	9,931
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	-738	602
6000	Total operating expenses	478,245	454,899
6900	Net operating income (loss)	32,480	28,533
	Non-operating income and expenses		
	Other income		
7010	Total other income	67,906	71,756
	Other gains and losses		
7020	Other gains and losses, net	-6,834	10,037
	Finance costs		
7050	Finance costs, net	5,225	6,858
	Share of profit (loss) of associates and joint ventures accounted for using equity method		
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	75,245	38,412
7000	Total non-operating income and expenses	131,092	113,347
7900	Profit (loss) from continuing operations before tax	163,572	141,880
	Tax expense (income)		
7950	Total tax expense (income)	36,714	44,016
8000	Profit (loss) from continuing operations	126,858	97,864
8200	Profit (loss)	126,858	97,864
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
8311	Gains (losses) on remeasurements of defined benefit plans	12,112	-33,188
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6,765	724
8320	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	-5,686	-2,051
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,776	-7,766
8310	Components of other comprehensive income that will not be reclassified to profit or loss	9,415	-26,749
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	-27,733	470
8368	Gains (losses) on hedging instrument	-6,583	15,805
8370	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	-5,907	1,173
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-7,429	-1,531
8360	Components of other comprehensive income that will be reclassified to profit or loss	-32,794	18,979
8300	Other comprehensive income, net	-23,379	-7,770
8500	Total comprehensive income	103,479	90,094
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	126,858	97,864
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	103,479	90,094
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	1.03	0.79
9750	Total basic earnings per share	1.03	0.79
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	1.02	0.79
9850	Total diluted earnings per share	1.02	0.79

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2019Q4 Consolidated Financial Report
Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2019/1/1To12/31	2018/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	163,572	141,880
A10000	Profit (loss) before tax	163,572	141,880
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	47,824	19,496
A20200	Amortization expense	5,470	6,649
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	-738	602
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-1,077	-1,535
A20900	Interest expense	5,225	6,858
A21200	Interest income	-44,336	-55,235
A21300	Dividend income	-22,694	-15,382
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	-75,245	-38,412
A22500	Loss (gain) on disposal of property, plan and equipment	728	-47
A23000	Loss (gain) on disposal of non-current assets classified as held for sale	-569	2,994
A23900	Unrealized profit (loss) from sales	20,247	23,163
A29900	Other adjustments to reconcile profit (loss)	53,980	192,778
A20010	Total adjustments to reconcile profit (loss)	-11,185	141,929
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31120	Decrease (increase) in financial assets for hedging	679,083	-459,629
A31125	Decrease (increase) in contract assets	535,076	276,395
A31130	Decrease (increase) in notes receivable	788	-788
A31140	Decrease (increase) in notes receivable due from related parties	0	6,848
A31150	Decrease (increase) in accounts receivable	197,071	-406,773
A31160	Decrease (increase) in accounts receivable due from related parties	446,492	-284,838
A31180	Decrease (increase) in other receivable	182,656	23,103
A31200	Decrease (increase) in inventories	-2,889	-218
A31240	Decrease (increase) in other current assets	-49,850	22,937
A31000	Total changes in operating assets	1,988,427	-822,963
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	-598,731	29,582
A32130	Increase (decrease) in notes payable	0	-112,446
A32150	Increase (decrease) in accounts payable	-332,875	523,091
A32160	Increase (decrease) in accounts payable to related parties	-5,513	-27,854
A32180	Increase (decrease) in other payable	10,199	-17,283
A32200	Increase (decrease) in provisions	-57,502	-15,490

A32230	Increase (decrease) in other current liabilities	-18,497	-131,398
A32240	Increase (decrease) in net defined benefit liability	365	-110
A32000	Total changes in operating liabilities	-1,002,554	248,092
A30000	Total changes in operating assets and liabilities	985,873	-574,871
A20000	Total adjustments	974,688	-432,942
A33000	Cash inflow (outflow) generated from operations	1,138,260	-291,062
A33500	Income taxes refund (paid)	-153,974	-88,309
AAAA	Net cash flows from (used in) operating activities	984,286	-379,371
	Cash flows from (used in) investing activities		
B00100	Acquisition of financial assets at fair value through profit or loss	-600	0
B01800	Acquisition of investments accounted for using equity method	-108,800	0
B02400	Proceeds from capital reduction of investments accounted for using equity method	705	392
B02600	Proceeds from disposal of non-current assets classified as held for sale	15,284	0
B02700	Acquisition of property, plant and equipment	-4,790	-8,774
B02800	Proceeds from disposal of property, plant and equipment	130	62
B03800	Decrease in refundable deposits	24,894	16,356
B04500	Acquisition of intangible assets	-4,150	-4,578
B04600	Proceeds from disposal of intangible assets	1	0
B06500	Increase in other financial assets	-124,711	0
B06600	Decrease in other financial assets	0	384,390
B06700	Increase in other non-current assets	-19	-62
B07500	Interest received	44,933	53,722
B07600	Dividends received	34,609	17,808
BBBB	Net cash flows from (used in) investing activities	-122,514	459,316
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	290,000
C00200	Decrease in short-term loans	-490,000	0
C00600	Decrease in short-term notes and bills payable	-250,000	-250,000
C03000	Increase in guarantee deposits received	1,407	0
C03100	Decrease in guarantee deposits received	0	2,570
C04020	Payments of lease liabilities	-28,355	0
C04500	Cash dividends paid	-136,117	-154,678
C05600	Interest paid	-5,159	-6,817
CCCC	Net cash flows from (used in) financing activities	-908,224	-118,925
DDDD	Effect of exchange rate changes on cash and cash equivalents	-27,687	3,798
EEEE	Net increase (decrease) in cash and cash equivalents	-74,139	-35,182
E00100	Cash and cash equivalents at beginning of period	1,210,604	1,245,786
E00200	Cash and cash equivalents at end of period	1,136,465	1,210,604
E00210	Cash and cash equivalents reported in the statement of financial position	1,136,465	1,210,604

Accountants' Audit Report

The Board of Directors and Shareholders China Ecotek Corporation

Audit opinion

China Ecotek Corporation (China Ecotek) individual balance sheets for 2019 and December 31, 2018, and the individual consolidated income statement, individual statement of changes in equity, and individual cash flow from January 1 to December 31, 2019 and 2018. The statement and notes to individual financial statements (including the summary of major accounting policies) have been audited by the accountant.

In accordance with the opinion of the accountant, the above-mentioned individual financial statements are prepared in accordance with the securities issuer's financial reporting standards in all material aspects, which is sufficient to express China Ecotek's individual financial position in 2019 and December 31, 2018 and individual financial performance and individual cash flow from January 1 to December 31 in 2019 and 2018.

Basis for Opinion

The accountant performs the audit work in accordance with the accountant's rules for auditing financial statements and generally accepted auditing standards. The accountant's responsibilities under these standards will be further explained in the accountability sections of the accountants' audits of individual financial statements. The personnel subject to the independence norms of the firm affiliated with this accountant have maintained detachment and independence from China Ecotek in accordance with accountant professional ethics norms, and have performed other responsibilities of the norms. We believe to have obtained and sufficient audit evidences in order to be used as the basis for the opinion.

Emphasis of Matters

As mentioned in Note 3 to the individual financial statements, China Ecotek has applied revised securities issuer financial report preparation standards since 2019 and approved and issued the International Financial Reporting Standards, International Accounting Standards, Interpretations and Interpretation Announcements that are effective in 2019 as approved by the Financial Supervisory Commission, and has chosen not to restate the comparison period information. We have not revised the audit opinion due to such matter.

Key Audit Matters

Key audit matters refer to the matters most important to the audit of China Ecotek's 2019 individual financial statements based on the professional judgment of the accountant. These matters have been dealt with in the process of checking the overall financial statements of the entity and the formation of the audit opinion. The accountant does not express an opinion on these matters separately.

The key audit items of China Ecotek's 2019 individual financial statements are as follows:

Calculation of Construction Income/Loss

China Ecotek has signed many engineering contracts, including contracts that span several reporting periods. China Ecotek's project revenue is recognized by the percentage of completion method. If the project contract is expected to incur losses, the contract's total project losses should be recognized in full immediately, because the project revenue recognition depends on the completion of the project and the expected cost input situation. Due to the estimated degree of subjectivity, it may lead to the calculation of project profit and loss risks that are incorrect or not recognized in the correct period. Relevant accounting policies, significant accounting estimates and judgments are explained in Note 4 (15) and Note 5 (1) of the individual financial statements.

We've assessed the appropriateness of the percentage of completion method adopted by the management level, and have conducted review on the estimation of the construction cost prepared and examined whether or not there are control procedures of major difference between the actual cost incurred and the outstanding cost still required for the completion, inspected the construction cost (including the raw material requisition and construction outsourcing) incurred in the current year, in order to evaluate the appropriateness of the percentage of completion method adopted by the management level.

We have also selected important items for recalculation of the construction income, and verified the expected construction income and the construction contracts (including supplementary addendums or revisions), in order to determine whether the construction income and construction profit/loss recognized for the current year are reasonable.

Responsibility of management and governance units for individual financial statements

The management's responsibility is to prepare individual financial statements that are properly expressed in accordance with the securities issuer's financial report preparation standards, and to maintain the necessary internal controls related to the preparation of individual financial statements. This is done to ensure that there are no major misrepresentations caused by fraud or errors in individual financial statements.

When preparing individual financial statements, the management's responsibilities also include evaluating China Ecotek's ability to continue operations and disclose related matters, and the adoption of the accounting foundation for continuing operations, unless management intends to liquidate China Ecotek or cease operations, or there are no other practical solutions except for liquidation or suspension of business.

The governance unit (including supervisors) of China Ecotek is responsible for supervising the financial reporting process.

Accountants' responsibility for checking individual financial statements

The purpose of this accountant's audit of individual financial statements is to obtain reasonable confidence in whether the individual financial statements as a whole have major misrepresentations due to fraud or errors, and to issue an audit report. Reasonable assurance is a high degree of assurance, but the audit work carried out in accordance with generally accepted auditing standards cannot guarantee that it will be able to detect major misrepresentations in the individual financial statements. Misstatement may be caused by fraud or error. It is considered to be significant if the misrepresented individual amounts or aggregated numbers can reasonably be expected to affect the economic decisions made by individual financial statement users.

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

- I. Identify and assess the risk of material misrepresentation of individual financial statements due to fraud or error, design and implement appropriate countermeasures for the assessed risks, and obtain sufficient and appropriate audit evidence as the basis for the audit opinion. Since fraud may involve a conspiracy, counterfeit, intentional disclosure, deceptive statement or exceeding internal control, consequently, the risk of failure to discover material misstatement due to fraud is higher than the risk due to error.
- II. Obtain the necessary understanding of the internal controls related to the audit to design the appropriate audit procedures under the circumstances, but its purpose is not to express an opinion on the effectiveness of China Ecotek's internal controls.
- III. Evaluate the appropriateness of accounting policies used and the

reasonableness of accounting estimates and related disclosures made by the management level.

- IV. Based on the audit evidence obtained, a conclusion is drawn about the appropriateness of the management level to adopt the accounting basis for continuing operations and whether there are significant uncertainties in events or circumstances that may cause significant doubts about the ability of China Ecotek to continue operating. If the accountant believes that there are significant uncertainties in these events or circumstances, he must remind the individual financial statement users to pay attention to the relevant disclosures of the individual financial statements in the audit report, or revise the audit opinions when such disclosures are inappropriate. The accountant's conclusion is based on the audit evidence obtained as of the date of the audit report. However, future events or circumstances may cause China Ecotek to cease to have the ability to continue operations.
- V. Evaluate the overall expression, structure and content of the individual financial statements (including relevant notes), and whether the individual financial statements allow the relevant transactions and events to be properly expressed.
- VI. Obtain sufficient and appropriate audit evidence for the financial information of the constituent entities in China Ecotek to express opinions on individual financial statements. The accountant is responsible for the guidance, supervision and execution of the audit case, and is responsible for the formation of China Ecotek audit opinions.

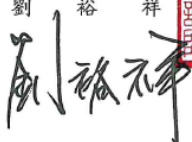
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings (including any significant deficiencies in internal control that we identify during our audit).

We also provide the governance units with statements that we have complied with relevant matters that may reasonably be thought to bear on our independence, and we have also communicated with the governance units on all relationships and other matters (including relevant protective measures) that may be considered to affect the independence of auditors.

From the matters communicated with the governance unit, the accountant decides the key audit matters for the auditing of China Ecotek's 2019 individual financial statements. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

勤業眾信聯合會計師事務所

會計師 劉 裕 祥



Financial Supervisory Commission
Approval Document No.
Jin-Guan-Zheng-Shen-Zi No.
1050024633

會計師 許 瑞 軒



Financial Supervisory Commission
Approval Document No.
Jin-Guan-Zheng-Shen-Zi No.
1020025513

March 19, 2020

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2019Q4 Standalone Financial Report
Unit: NT\$ thousands

Balance Sheet			
Code	Accounting Title	2019/12/31	2018/12/31
	Assets		
	Current assets		
1100	Cash and cash equivalents	837,546	889,430
1139	Current financial assets for hedging	445,187	1,130,853
1140	Current contract assets	667,919	890,118
1141	Current contract assets	667,919	890,118
1150	Notes receivable, net	0	788
1151	Notes receivable	0	788
1170	Accounts receivable, net	268,021	400,347
1172	Accounts receivable	268,021	400,347
1180	Accounts receivable due from related parties, net	941,404	1,358,536
1181	Accounts receivable due from related parties	941,404	1,358,536
1200	Other receivables	2,184	4,655
1220	Current tax assets	0	4,964
130X	Current inventories	5,912	5,207
1310	Inventories, manufacturing business	5,912	5,207
1460	Non-current assets or disposal groups classified as held for sale, net	0	14,715
1470	Other current assets	261,503	332,828
1476	Other current financial assets	146,648	214,017
1479	Other current assets, others	114,855	118,811
11XX	Total current assets	3,429,676	5,032,441
	Non-current assets		
1510	Non-current financial assets at fair value through profit or loss	22,424	20,747
1517	Non-current financial assets at fair value through other comprehensive income	139,272	132,507
1550	Investments accounted for using equity method	2,037,157	2,211,678
1600	Property, plant and equipment	142,854	156,467
1755	Right-of-use assets	77,637	0
1780	Intangible assets	6,264	7,583
1840	Deferred tax assets	123,102	129,144
1900	Other non-current assets	6,486	6,706
1920	Guarantee deposits paid	5,641	5,880
1990	Other non-current assets, others	845	826
1995	Other non-current assets, others	845	826
15XX	Total non-current assets	2,555,196	2,664,832
1XXX	Total assets	5,984,872	7,697,273

	Liabilities and equity		
	Liabilities		
	Current liabilities		
2100	Current borrowings	310,000	800,000
2110	Short-term notes and bills payable	0	249,891
2130	Current contract liabilities	973,650	1,414,465
2170	Accounts payable	610,963	900,931
2180	Accounts payable to related parties	29,737	42,463
2200	Other payables	433,285	422,358
2219	Other payables, others	433,285	422,358
2230	Current tax liabilities	11,790	1,034
2250	Current provisions	108,292	252,056
2280	Current lease liabilities	29,042	0
2300	Other current liabilities	82,024	98,716
2399	Other current liabilities, others	82,024	98,716
21XX	Total current liabilities	2,588,783	4,181,914
	Non-current liabilities		
2550	Non-current provisions	27,739	17,969
2570	Deferred tax liabilities	25,105	156,967
2580	Non-current lease liabilities	47,207	0
2600	Other non-current liabilities	330,859	342,606
2640	Net defined benefit liability, non-current	330,859	342,606
25XX	Total non-current liabilities	430,910	517,542
2XXX	Total liabilities	3,019,693	4,699,456
	Equity		
	Equity attributable to owners of parent		
	Share capital		
3110	Ordinary share	1,237,426	1,237,426
3100	Total capital stock	1,237,426	1,237,426
	Capital surplus		
3200	Total capital surplus	628,374	628,374
	Retained earnings		
3310	Legal reserve	600,939	591,153
3320	Special reserve	36,780	28,187
3350	Unappropriated retained earnings (accumulated deficit)	530,315	549,457
3300	Total retained earnings	1,168,034	1,168,797
	Other equity interest		
3410	Exchange differences on translation of foreign financial statements	-129,534	-104,626
3420	Unrealised gains (losses) from financial assets measured at fair value through other comprehensive income	79,260	78,341
3450	Gains (losses) on hedging instruments	-18,381	-10,495
3400	Total other equity interest	-68,655	-36,780
3500	Treasury shares	0	0
31XX	Total equity attributable to owners of parent	2,965,179	2,997,817
35XX	Equity attributable to former owner of business combination under common control	0	0
36XX	Non-controlling interests	0	0
3XXX	Total equity	2,965,179	2,997,817
3X2X	Total liabilities and equity	5,984,872	7,697,273
3998	Equivalent issue shares of advance receipts for ordinary share	0	0
3999	Number of shares in entity held by entity and by its subsidiaries	0	0

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2019Q4 Standalone Financial Report
Unit: NT\$ thousands EPS Unit: NT\$

Statement of Comprehensive Income			
Code	Accounting Title	2019/H/1To12/31	2018/H/1To12/31
	Operating revenue		
	Net sales revenue		
4100	Net sales revenue	78,091	90,838
	Construction and engineering revenue		
4520	Engineering service revenue	7,775,181	8,906,793
4500	Total construction and engineering revenue	7,775,181	8,906,793
	Service revenue		
4650	Technical service revenue	274,725	273,967
4600	Total service revenue	274,725	273,967
4000	Total operating revenue	8,127,997	9,271,598
	Operating costs		
	Cost of sales		
5110	Total cost of sales	56,879	69,502
	Cost of construction and engineering service sales		
5520	Cost of engineering sales	7,245,334	8,582,717
5500	Total cost of construction and engineering service sales	7,245,334	8,582,717
	Cost of services		
5650	Costs to provide technical services	215,230	210,964
5600	Total cost of services	215,230	210,964
5000	Total operating costs	7,517,443	8,863,183
5900	Gross profit (loss) from operations	610,554	408,415
5910	Unrealized profit (loss) from sales	20,247	23,163
5950	Gross profit (loss) from operations	590,307	385,252
	Operating expenses		
6100	Selling expenses	54,744	53,975
6200	Administrative expenses	375,941	349,132
6300	Research and development expenses	9,969	9,931
6450	Impairment loss (impairment gain and reversal of impairment loss) determined in accordance with IFRS 9	0	0
6000	Total operating expenses	440,654	413,038
6900	Net operating income (loss)	149,653	-27,786
	Non-operating income and expenses		
	Other income		
7010	Total other income	44,245	42,390
	Other gains and losses		
7020	Other gains and losses, net	-5,533	17,502
	Finance costs		
7050	Finance costs, net	5,187	6,858
	Share of profit (loss) of associates and joint ventures accounted for using equity method		
7060	Share of profit (loss) of associates and joint ventures accounted for using equity method, net	-35,567	97,945
7000	Total non-operating income and expenses	-2,042	150,979
7900	Profit (loss) from continuing operations before tax	147,611	123,193
	Tax expense (income)		
7950	Total tax expense (income)	20,753	25,329
8000	Profit (loss) from continuing operations	126,858	97,864
8200	Profit (loss)	126,858	97,864
	Other comprehensive income		
	Components of other comprehensive income that will not be reclassified to profit or loss		
8311	Gains (losses) on remeasurements of defined benefit plans	12,112	-33,188
8316	Unrealised gains (losses) from investments in equity instruments measured at fair value through other comprehensive income	6,765	724
8330	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will not be reclassified to profit or loss	-5,686	-2,051
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	3,776	-7,766
8310	Components of other comprehensive income that will not be reclassified to profit or loss	9,415	-26,749
	Components of other comprehensive income that will be reclassified to profit or loss		
8361	Exchange differences on translation	0	0
8368	Gains (losses) on hedging instrument	-6,583	15,805
8380	Share of other comprehensive income of associates and joint ventures accounted for using equity method, components of other comprehensive income that will be reclassified to profit or loss	-33,640	1,643
8399	Income tax related to components of other comprehensive income that will be reclassified to profit or loss	-7,429	-1,531
8360	Components of other comprehensive income that will be reclassified to profit or loss	-32,794	18,979
8300	Other comprehensive income, net	-23,379	-7,770
8500	Total comprehensive income	103,479	90,094
	Profit (loss), attributable to:		
8610	Profit (loss), attributable to owners of parent	126,858	97,864
	Comprehensive income attributable to:		
8710	Comprehensive income, attributable to owners of parent	103,479	90,094
	Basic earnings per share		
9710	Basic earnings (loss) per share from continuing operations	1.03	0.79
9750	Total basic earnings per share	1.03	0.79
	Diluted earnings per share		
9810	Diluted earnings (loss) per share from continuing operations	1.02	0.79
9850	Total diluted earnings per share	1.02	0.79

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2019Q4 Standalone Financial Report

Unit: NT\$ thousands

Statements of Cash Flows			
Code	Accounting Title	2019/1/1To12/31	2018/1/1To12/31
	Cash flows from (used in) operating activities, indirect method		
A00010	Profit (loss) from continuing operations before tax	147,611	123,193
A10000	Profit (loss) before tax	147,611	123,193
	Adjustments		
	Adjustments to reconcile profit (loss)		
A20100	Depreciation expense	44,661	18,487
A20200	Amortization expense	5,469	6,647
A20300	Expected credit loss (gain) / Provision (reversal of provision) for bad debt expense	0	0
A20400	Net loss (gain) on financial assets or liabilities at fair value through profit or loss	-1,077	-1,535
A20900	Interest expense	5,187	6,858
A21200	Interest income	-20,809	-26,280
A21300	Dividend income	-22,694	-15,382
A22300	Share of loss (profit) of associates and joint ventures accounted for using equity method	35,567	-97,945
A22500	Loss (gain) on disposal of property, plan and equipment	0	0
A23000	Loss (gain) on disposal of non-current assets classified as held for sale	-569	0
A23900	Unrealized profit (loss) from sales	20,247	23,163
A29900	Other adjustments to reconcile profit (loss)	51,996	192,731
A20010	Total adjustments to reconcile profit (loss)	117,978	106,744
	Changes in operating assets and liabilities		
	Changes in operating assets		
A31120	Decrease (increase) in financial assets for hedging	679,083	-459,629
A31125	Decrease (increase) in contract assets	95,511	526,045
A31130	Decrease (increase) in notes receivable	788	-788
A31140	Decrease (increase) in notes receivable due from related parties	0	0
A31150	Decrease (increase) in accounts receivable	132,326	-298,887
A31160	Decrease (increase) in accounts receivable due from related parties	417,132	-178,394
A31180	Decrease (increase) in other receivable	1,768	14,899
A31200	Decrease (increase) in inventories	-705	-218
A31240	Decrease (increase) in other current assets	-23,174	8,679
A31000	Total changes in operating assets	1,302,729	-388,293
	Changes in operating liabilities		
A32125	Increase (decrease) in contract liabilities	-442,615	-173,431
A32130	Increase (decrease) in notes payable	0	-112,446
A32150	Increase (decrease) in accounts payable	-289,968	472,148
A32160	Increase (decrease) in accounts payable to related parties	-12,726	2,710
A32180	Increase (decrease) in other payable	10,970	-18,019
A32200	Increase (decrease) in provisions	-57,502	-15,490
A32230	Increase (decrease) in other current liabilities	-18,180	-124,629
A32240	Increase (decrease) in net defined benefit liability	365	-110
A32000	Total changes in operating liabilities	-809,656	30,733
A30000	Total changes in operating assets and liabilities	493,073	-357,560

A20000	Total adjustments	611,051	-250,816
A33000	Cash inflow (outflow) generated from operations	758,662	-127,623
A33500	Income taxes refund (paid)	-127,200	-56,943
AAAA	Net cash flows from (used in) operating activities	631,462	-184,566
	Cash flows from (used in) investing activities		
B00100	Acquisition of financial assets at fair value through profit or loss	-600	0
B01800	Acquisition of investments accounted for using equity method	-108,800	-25000
B02400	Proceeds from capital reduction of investments accounted for using equity method	176266	392
B02600	Proceeds from disposal of non-current assets classified as held for sale	15,284	0
B02700	Acquisition of property, plant and equipment	-4,753	-8,774
B02800	Proceeds from disposal of property, plant and equipment	6	62
B03800	Decrease in refundable deposits	25,067	16,797
B04500	Acquisition of intangible assets	-4,150	-4,578
B04600	Proceeds from disposal of intangible assets	0	0
B06500	Increase in other financial assets	0	0
B06600	Decrease in other financial assets	67,369	242,349
B06700	Increase in other non-current assets	-19	-62
B07500	Interest received	21,512	26,843
B07600	Dividends received	34,609	20,234
BBBB	Net cash flows from (used in) investing activities	221,791	268,263
	Cash flows from (used in) financing activities		
C00100	Increase in short-term loans	0	290,000
C00200	Decrease in short-term loans	-490,000	0
C00600	Decrease in short-term notes and bills payable	-250,000	-250,000
C03000	Increase in guarantee deposits received	1,488	2624
C03100	Decrease in guarantee deposits received	0	0
C04020	Payments of lease liabilities	-25,387	0
C04500	Cash dividends paid	-136,117	-154,678
C05600	Interest paid	-5,121	-6,817
CCCC	Net cash flows from (used in) financing activities	-905,137	-118,871
DDDD	Effect of exchange rate changes on cash and cash equivalents	0	0
EEEE	Net increase (decrease) in cash and cash equivalents	-51,884	-35,174
E00100	Cash and cash equivalents at beginning of period	889,430	924,604
E00200	Cash and cash equivalents at end of period	837,546	889,430
E00210	Cash and cash equivalents reported in the statement of financial position	837,546	889,430

To facilitate the shareholders' understanding and to download a complete financial report and content thereof

Shareholders are requested to visit the China Ecotek Corporation's website

(website: **<http://www.ecotek.com.tw>**)

and section "Shareholders Service" for inquiries

Proposal 2 Proposed by the board of directors of the Company

Proposal for 2019 Earnings Distribution of the Company. Please proceed with the ratification.

Description:

For the 2019 earnings distribution, the distribution is planned to be handled according to Article 32-1 of the Articles of Incorporation, and shareholders' cash bonus of NT\$ 148,491,062 is to be distributed, and the cash bonus of NT\$ 1.2 per share is to be distributed. Please refer to Attachment 2 for details.

Cash bonus and dividends distribution base date is to be authorized to the Chairman for determination. During the issuance of cash bonus, the distribution ratio is calculated to the integer dollar and the decimal value is truncated and for the total of the odd amount less than one dollar, the decimal numbers are adjusted from large to small and the account number from first to last sequentially until it satisfies the total amount of the cash dividend distribution

Resolution:

China Ecotek Corporation
2019 Expected Earning Distribution Table



NT\$

Summary	Amount
2019 beginning undistributed earnings	\$ 394,960,567
2019 Net income	126,857,635
Investment adjusted retained earnings under equity method	(1,193,202)
Defined benefit plan re-measurement recognized in retained earnings	9,690,213
Adjusted undistributed earnings	\$ 530,315,213
Legal reserve	(13,535,465)
Special reserve	(31,874,982)
Earnings available for distribution	\$ 484,904,766
Distribution item:	
Shareholders cash bonus (NT\$ 1.2 per share)	(148,491,062)
Undistributed earnings at end of 2019	\$ 336,413,704

Note: Income tax for the undistributed earnings according to Article 66-9 of the Income Tax Act, the earnings of the most recent year shall be distributed in priority.

Chairman : Chung-Te Chen



Managerial Officer : Tzu-An Wu
President



Accounting Officer : Ya-Min Chuang



III. Discussion Items

Proposal 1 Proposed by the board of directors of the Company

Cause: Draft amendments to some provisions of the company's "Procedures for the Acquisition or Disposal of Assets" are prepared; please refer to the referendum.

Description:

1. In accordance with the Company's setup of an audit committee in this (2020) year to replace supervisors, it is proposed to amend some of the provisions of the company's "Procedures for the Acquisition or Disposal of Assets"
2. Attach "Procedures for the Acquisition or Disposal of Assets" A comparison table of the draft amendments to some provisions is shown in Attachment 3 .

Resolution:

Attachment 3

China Ecotek Corporation
Comparison Table for Amendment of Parts of Provisions
of “Procedures for Acquisition and Disposal of Assets”

Amended Article	Current Article	Explanation
<p>Article 4: Definition of relevant terms</p> <p>I. Right-of-use assets: Refers to the assets the lessee have the use control right on the subject property during the lease period according to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.”</p> <p>(Middle section omitted)</p> <p>11. Transaction amount: Refers to the amount calculated in one of the following ways, but when calculating whether the valuation report, the accountant's opinion or the threshold of the transaction amount submitted to the board of directors for approval should be calculated and the part that has been processed in accordance with the relevant provisions of this processing procedure will be exempted from calculation. When calculating the threshold of the transaction amount that should be announced, it has already been announced in accordance with this processing procedure, and is not included in the calculation:</p> <p>(I) The amount of any individual transaction.</p> <p>(II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and</p>	<p>Article 4: Definition of relevant terms</p> <p>I. Right-of-use assets: Refers to the assets the lessee have the use control right on the subject property during the lease period according to the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.”</p> <p>(Middle section omitted)</p> <p>11. Transaction amount: Refers to the amount calculated in one of the following ways, but when calculating whether to obtain the valuation report, the accountant's opinion or the transaction amount threshold submitted to the board of directors for approval by the <u>supervisor</u>. The part that has been processed in accordance with the relevant provisions of this processing procedure will be exempted from calculation. When calculating the threshold of the transaction amount that should be announced, the announced portion in accordance with this processing procedure is exempted from inclusion:</p> <p>(I) The amount of any individual transaction.</p> <p>(II) The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.</p> <p>(III) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real</p>	<p>1. In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, the words "eleventh supervisors" are deleted; and because the revised Article 6 has been standardized and reported to the board of directors, it should first be approved by the audit committee. Therefore, after omitting "supervisor," the term "audit committee" will not be repeated again in this article.</p> <p>2. Refer to Article 14-5 of the Securities and Exchange Act for updated calculation methods of all members of the audit committee and all directors in paragraphs 12 and 13.</p>

<p>disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively,) of the same security within the preceding year.</p> <p><u>12. All members of the Audit Committee: Refers to the actual members of the Audit Committee.</u></p> <p><u>13. All directors: refers to the actual directors.</u></p>	<p>property or right-of-use assets thereof within the same development project within the preceding year.</p> <p>(IV) The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively,) of the same security within the preceding year.</p>	
<p>Article 6: The amendment of this processing procedure and the acquisition or disposal of individual assets shall be approved by the board of directors in accordance with this processing procedure or other laws and regulations. <u>First, more than one-half of all members of the audit committee must agree. If there are</u> directors in the board of directors <u>disagreeing</u> (including written statement), this should be stated in the minutes of the board meeting and the proceedings should be sent to the <u>audit committee</u>.</p> <p><u>If the preceding paragraph does not have the consent of more than half of all members of the audit committee, and more than two-thirds of all directors agree to do it, the resolution of the audit committee shall be stated in the minutes of the board meeting.</u></p>	<p>Article 6: The amendment of this processing procedure and the acquisition or disposal of individual assets shall be approved by the board of directors in accordance with this processing procedure or other laws and regulations. <u>When submitting to the board of directors for discussion, the opinions of each independent director should be fully considered. If independent directors</u> or other directors <u>have objections or reservations</u> (including written statements), this should be stated in the minutes of the board meeting and the proceedings sent to <u>supervisors</u>.</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, the audit committee audit procedures are included in the first item, and the second item is added.</p>
<p>Article 8: Procedures for obtaining or disposing of real property, equipment, or right-of-use assets</p> <p>I. Assessment and operating procedures</p>	<p>Article 8: Procedures for obtaining or disposing of real property, equipment, or right-of-use assets</p> <p>I. Assessment and operating procedures</p>	<p>This article is amended in accordance with the provisions of Article 19, Paragraph 6 and Article</p>

<p>The Company acquires or disposes of real estate, equipment or its right-of-use assets, and it is handled in accordance with the company's internal control system of fixed asset cycle procedures.</p>	<p>The Company acquires or disposes of real estate, equipment or its right-of-use assets, and it is handled in accordance with the company's internal control system of fixed asset cycle procedures.</p>	<p>20, Paragraph 4 of the Company's Articles of Association, and the board of directors' division of responsibilities.</p>
<p>II. Procedures for determining transaction criteria and degree of authority delegation</p>	<p>II. Procedures for determining transaction criteria and degree of authority delegation</p>	
<p>(I) When obtaining real estate or its right-of-use assets, reference should be made to the current value of the announcement, the assessed value, the actual transaction price of the adjacent real estate, etc., the leasing market, etc. in deciding the trading conditions and transaction prices and making an analysis report. When obtaining equipment, it should be selected by way of inquiry, price comparison, price negotiation or bidding. When real estate, equipment or assets for use rights have been included in the capital expenditure budget, and the general manager is authorized to approve its processing, if the real estate, equipment or right-of-use assets are not included in the capital expenditure budget and the amount is greater than NT\$ <u>40,000,000</u>, they should still be reported to the board of directors for approval before acquisition or disposal, if less than <u>NT\$ 40,000,000</u>, they should be approval by the Chairman.</p>	<p>(I) When obtaining real estate or its right-of-use assets, reference should be made to the current value of the announcement, the assessed value, the actual transaction price of the adjacent real estate, etc., the leasing market, etc. in deciding the trading conditions and transaction prices and making an analysis report. When obtaining equipment, it should be selected by way of inquiry, price comparison, price negotiation or bidding. If real estate, equipment or right-of-use assets have been included in the capital expenditure budget, and the general manager is authorized to approve its processing, if the real estate, equipment or right-of-use assets were not included in the capital expenditure budget and the amount is greater than <u>NT\$20 million</u>, they should still be reported to the board of directors for approval before acquisition or disposal. If the amount does not exceed <u>NT\$20 million</u>, The chairman of the board of directors is authorized to approve it.</p>	
<p>(II) During the disposal of assets, the custody unit shall prepare the "Property Impairment Form" and for property reaching the useful lifetime, it shall be reported to the Vice President of the management department for review and approval, followed by the handling such property accordingly. For property not reaching the useful lifetime, it shall be reported to the President for review and</p>	<p>(II) During the disposal of assets, the custody unit shall prepare the "Property Impairment Form" and for property reaching the useful lifetime, it shall be reported to the Vice President of the management department for review and approval, followed by the handling such property accordingly. For property not reaching the useful lifetime, it shall be reported to the President for review and approval, followed by handling such</p>	

<p>approval, followed by handling such property accordingly. (Omitted below)</p>	<p>property accordingly. (Omitted below)</p>	
<p>Article 10-1: Related party transaction evaluation and operation procedures§ When the Company obtains or disposes of real estate or its right-of-use assets from related parties, or acquires or disposes of other assets other than real estate or right-of-use assets with related parties, and the transaction amount reaches 20% of the company's paid-in capital, 10% of total assets, or more than NT\$300 million, in addition to buying and selling domestic government bonds, bonds with buy-back and sell-back conditions or subscribing to or buying back money market funds issued by domestic securities investment trusts, then the following information should be included after submission to the board for approval and before signing the transaction contract and payment: (Omitted below)</p>	<p>Article 10-1: Related party transaction evaluation and operation procedures§ When the Company obtains or disposes of real estate or its right-of-use assets from related parties, or acquires or disposes of other assets other than real estate or right-of-use assets with related parties, and the transaction amount reaches 20% of the company's paid-in capital, 10% of total assets, or more than NT\$300 million, in addition to buying and selling domestic government bonds, bonds with buy-back and sell-back conditions or subscribing to or buying back money market funds issued by domestic securities investment trusts, then the following information should be included after submission to the board and <u>supervisors</u> for approval and before signing the transaction contract and payment: (Omitted below)</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, the word "supervisors" is deleted; and because the revised Article 6 has been standardized and reported to the board of directors, it should first be approved by the audit committee. Therefore, after omitting "supervisor," the term "audit committee" will not be repeated again in this article.</p>
<p>Article 10-2: Reasonable evaluation of related party transaction costs When the Company obtains real estate or right-of-use assets from related parties, the reasonableness of transaction costs should be evaluated in the following manner: (Middle section omitted) The Company and the public issuer company that has evaluated the Company's investment by the equity method shall have listed a special surplus reserve according to the aforementioned provisions. If the asset purchased at a high price or the leased asset has been recognized as a loss in price or disposal, or the lease is terminated or properly compensated or restored, or if there is other evidence to determine that</p>	<p>Article 10-2: Reasonable evaluation of related party transaction costs When the Company obtains real estate or right-of-use assets from related parties, the reasonableness of transaction costs should be evaluated in the following manner: (Middle section omitted) The Company and the public issuer company that has evaluated the Company's investment by the equity method shall have listed a special surplus reserve according to the aforementioned provisions. If the asset purchased at a high price or the leased asset has been recognized as a loss in price or disposal, or the lease is terminated or properly compensated or restored, or if there is other evidence to determine that there is</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, and in accordance with Article 33-1 of the Guidelines, change the supervisors of paragraph 2 of Item 6 to independent directors.</p>

<p>there is nothing unreasonable, then with the consent of the Financial Supervisory Commission the special surplus reserve must be used. If the company obtains real estate or right-of-use assets from related parties and the evaluation results according to the first to fifth items of this article are lower than the transaction price, then the following matters should be handled:</p> <p>(A) The company shall make a special surplus reserve in accordance with the provisions of Article 41, paragraph 1, of the Securities and Exchange Act on the difference between the transaction price of the real estate or its right-of-use assets and the appraisal cost, and shall not be allocated or converted into capital allotments. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Paragraph I of Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.</p> <p>(B) <u>Independent director</u> It shall be handled in accordance with the provisions of Article 280 of the Company Law.</p> <p>C. The situation dealt with in paragraphs (A) and (B) of Item 6 of this Article shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and in public statements.</p> <p>When the company obtains real estate or right-of-use assets from related parties, if there is other evidence that the transaction has irregularities then it should also be handled in accordance with the provisions of paragraphs A. and B. of the preceding</p>	<p>nothing unreasonable, then with the consent of the Financial Supervisory Commission the special surplus reserve must be used. If the company obtains real estate or right-of-use assets from related parties and the evaluation results according to the first to fifth items of this article are lower than the transaction price, then the following matters should be handled:</p> <p>(A) The company shall make a special surplus reserve in accordance with the provisions of Article 41, paragraph 1, of the Securities and Exchange Act on the difference between the transaction price of the real estate or its right-of-use assets and the appraisal cost, and shall not be allocated or converted into capital allotments. Where the Company uses the equity method to account for its investment in another company, then the special reserve called for under Paragraph I of Article 41 of the Securities and Exchange Act shall be set aside pro rata in a proportion consistent with the share of public company's equity stake in the other company.</p> <p>(B) <u>Supervisors</u> shall follow the provisions of Article 280 of the Company Act.</p> <p>C. The situation dealt with in paragraphs (A) and (B) of Item 6 of this Article shall be reported to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and in public statements.</p> <p>When the company obtains real estate or right-of-use assets from related parties, if there is other evidence that the transaction has irregularities then it should also be handled in accordance with the provisions of paragraphs A. and B. of the preceding paragraph.</p>	
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paragraph.		
<p>Article 13: Procedures for acquisition or disposal derivatives</p> <p>I. Transaction principles and directives</p> <p>(I) Transaction type</p> <p>At present, the company is engaged in derivative commodities to be limited to financial derivative commodities that meet the needs of operating hedging transactions. Except for the "forward foreign exchange" hedging transactions authorized by the management department, other financial commodity transactions should be reported to the board of directors for approval.</p> <p>(II) Business (risk avoidance) strategy</p> <p>The Company engages in derivatives transactions shall not be for the purpose of trading but shall be based on the principle of risk aversion. Each relevant unit shall handle works properly according to the responsibility requirements, shall be aware of risk management and shall submit assessment report periodically. Other trades of special purposes shall be assessed carefully and shall be submitted to the board of directors for approval before execution.</p> <p>(III) Division of responsibilities</p> <p>1. Financial and Accounting Division (Middle section omitted)</p> <p>2. Auditing department</p> <p>Responsible for understanding the admissibility of the internal control of derivative commodity transactions and checking the compliance of the trading department with the operating procedures, and analyzing the transaction cycle, making an audit report, and delivering it at the end of the following month after the completion of the audit project <u>Audit Committee</u>. In addition, if the internal auditors discover</p>	<p>Article 13: Procedures for acquisition or disposal derivatives</p> <p>I. Transaction principles and directives</p> <p>(I) Transaction type</p> <p>At present, the company is engaged in derivative commodities to be limited to financial derivative commodities that meet the needs of operating hedging transactions. Except for the "forward foreign exchange" hedging transactions authorized by the management department, other financial commodity transactions should be reported to the board of directors for approval.</p> <p>(II) Operating (hedging) strategy</p> <p>The Company engages in derivatives transactions shall not be for the purpose of trading but shall be based on the principle of risk aversion. Each relevant unit shall handle works properly according to the responsibility requirements, shall be aware of risk management and shall submit assessment report periodically. Other trades of special purposes shall be assessed carefully and shall be submitted to the board of directors for approval before execution.</p> <p>(III) Division of responsibilities</p> <p>1. Financial and Accounting Division (Middle section omitted)</p> <p>2. Auditing department</p> <p>Responsible for understanding the admissibility of the internal control of derivative commodity transactions and checking the compliance of the trading department with the operating procedures, and analyzing the transaction cycle, making an audit report, and submitting it to the <u>supervisor</u> for inspection before the end of the following month after the completion of the audit project. In addition, if the internal</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, change supervisors to an audit committee in accordance with Article 33-1 of the Guidelines.</p>

<p>major violations or the company is at risk of major losses, they should immediately make a report and report, and attach <u>Audit Committee</u>.</p> <p>(Middle section omitted)</p> <p>III. Internal audit system</p> <p>(I) Internal auditors should regularly understand the adequacy of internal control of derivative commodity transactions, and check the compliance of the transaction department with the transaction procedures of derivative commodity transactions on a monthly basis, and analyze the transaction cycle to make an audit report. If a major violation is found, the <u>audit committee</u> shall be notified in writing.</p> <p>(II) Internal auditors shall submit the audit report along with the internal audit operation annual audit plan execution status to FSC before the end of February of next year, and shall also report the abnormality improvement status to FSC for recordation no later than the end of May of next year.</p> <p>(Omitted below)</p>	<p>auditor finds major violations or the company is at risk of major losses, he or she should immediately make a report and notify each <u>supervisor and independent director</u>.</p> <p>(Middle section omitted)</p> <p>III. Internal audit system</p> <p>(I) Internal auditors should regularly understand the adequacy of internal control of derivative commodity transactions and check the compliance of the transaction department with the transaction procedures of derivative commodity transactions on a monthly basis, and analyze the transaction cycle to make an audit report. If a major violation is found, <u>supervisors and independent directors</u> shall be notified in writing.</p> <p>(II) Internal auditors shall submit the audit report along with the internal audit operation annual audit plan execution status to FSC before the end of February of next year, and shall also report the abnormality improvement status to FSC for recordation no later than the end of May of next year.</p> <p>(Omitted below)</p>	
<p>Article 19: Implementation</p> <p>This processing procedure has been approved by the board of directors <u>and reported to the shareholders 'meeting for approval. If any director disagrees and has recorded or written statements, the company should send the objections to the audit committee and report to the shareholders meeting for discussion.</u> The same applies to amendments.</p> <p><u>From the tenth session of the board of directors of this Company, amendments to this processing procedure shall be approved by more than half of all members of the audit committee before the board of</u></p>	<p>Article 19: Implementation</p> <p>After this processing procedure is approved by the board of directors, it will be sent to the <u>supervisors</u> and reported to the shareholders' meeting for approval. The same applies to amendments.</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, this provision is amended.</p>

<u>directors makes a resolution. If there is no more than one-half of the consent of the audit committee, more than two-thirds of all directors may agree, and the resolution of the audit committee shall be stated in the minutes of the board meeting.</u>		
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Proposal 2 Proposed by the board of directors of the Company

Cause: Draft amendments to some provisions of the Company's "Operational Procedures for Loaning Funds to Others" are proposed; please refer to the referendum.

Description:

1. Amended according to the provisions of the "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies." Also, in accordance with the Company's setup of an audit committee to replace supervisors in this (2020) year, some provisions of the Company's "Operational Procedures for Loaning Funds to Others" are amended.
2. Attach "Operational Procedures for Loaning Funds to Others" A comparison table of the draft amendments to some provisions is shown in Attachment 4 .

Resolution:

Attachment 4

China Ecotek Corporation
Operational Procedures for Loaning Funds to Others
partially amendment comparison table

Amended Article	Current Article	Explanation
<p><u>Article 1: These procedures are based on "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" (hereinafter referred to as "the Regulations") as stipulated by the Financial Supervisory Commission of the Executive Yuan (hereinafter referred to as "the FSC.") The company shall handle loans of funds to others in accordance with the provisions of these operating procedures. If there are any matters unaddressed by these operating procedures, they shall be governed by the relevant laws and FSC guidelines.</u></p>	<p><u>I. Overview</u> These procedures are particularly formulated to follow the Company's Operational Procedures for Loaning Funds to Others.</p>	<p>In accordance with Article 2 of "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" (hereinafter referred to as "the Regulations"), the wording of the text of the amendments shall be revised.</p>
<p><u>Article 2: The terms used in these procedures are defined as follows:</u></p> <p><u>1. Public announcement and declaration: Refers to the information declaration website designated by the FSC.</u></p> <p><u>2. Date of occurrence of the fact : Refers to the date of signing the contract, the date of payment, the date of the resolution of the board of directors, or the date on which the sufficient funds are used to determine the loan target and amount.</u></p> <p><u>3. Subsidiary: Defined according to the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</u></p>	<p>(None)</p>	<p>Definitions within these procedures shall be updated in accordance with the requirements of the Regulations.</p>

<p><u>4. Net worth of the Company: As per the most recently compiled balance sheet attributable to the company's equity in accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</u></p> <p><u>5. All members of the audit committee: Refers to actual audit committee members.</u></p> <p><u>6. All directors: Refers to actual directors.</u></p>		
(None)	<u>II. Content</u>	Delete
<p><u>Article 3: The counterparty of fund lending of the Company is limited to the companies controlled by the Company or subordinate companies per Article 369-2 of the Company Act, and it is necessary to have short-term financing funds.</u></p> <p>Short-term as mentioned in the preceding paragraph refers to a period of less than one year.</p>	<p><u>Article 1: Lending and Counterparties</u></p> <p><u>1. The Company's controlling company or its subsidiary company, and it has business dealings with the Company.</u></p> <p><u>2. The Company's controlling company or its subsidiary company, and there is a need for short-term accommodation.</u></p> <p>Short-term as mentioned in the preceding paragraph refers to a period of less than one year. <u>However, if the company's business cycle is longer than one year, the business cycle shall prevail.</u></p>	<p>1. Article change.</p> <p>2. Funds are loaned to the counterparty as specified in Article 369-2 of the Company Act.</p> <p>3. The Company's business cycle is one year, so the unnecessary exclusions are deleted; the definition of short-term is revised to a period of less than one year.</p>
(None)	<p><u>Article 2: Evaluation criteria for lending funds to others</u></p> <p><u>In addition to the provisions of Article 3, when the Company is engaged in loaning funds it shall meet the following standards:</u></p> <p><u>1. When engaging in fund lending due to business transactions, it should be considered whether the amount of loans and business transactions are equivalent.</u></p> <p><u>2. When it is necessary to engage in capital lending due to short-term</u></p>	Delete the second clause of the current provision, and separately amend Article 6 of the amendment.

	<u>financing, the reasons and circumstances of the loan and capital are limited to assisting the reinvestment company or controlling company to reduce financing costs.</u>	
Article 4: The total amount of funds loaned by the Company must not exceed 40% of the net worth of the Company. <u>Furthermore, for the amount of funds loaned to a single controlling company or subordinate company the total should not exceed 20% of the net worth of the Company.</u>	<p>Article 3: Loans and the total amounts and <u>limits of individual counterparties</u></p> <ol style="list-style-type: none"> 1. <u>The total lending amount of the Company shall not exceed 40% of net worth of the Company.</u> 2. <u>For companies that do business with the company, the total lending amount shall not exceed 20% of the net worth of the Company. The individual lending amount shall not exceed the total amount of business transactions in the most recent year.</u> 3. <u>For a company with short-term financing needs, the total lending amount shall not exceed 20% of the net worth of the Company. Individual loans are limited to no more than NT\$20 million.</u> <p><u>However, foreign companies that directly or indirectly hold 100% of the voting shares of the company are not subject to the above restrictions. But it should still be handled in accordance with the provisions of Article 4, Lending and Time Restrictions.</u></p> <p><u>The aforementioned net worth refers to the equity of the parent company owner of the balance sheet required by the Company's financial report preparation standards.</u></p>	<ol style="list-style-type: none"> 1. Article change. 2. Discretion to make amendments to the text. 3. Delete the second and third paragraphs of Article 3 of the current provisions.
Article 5 Article: <u>the Company Lending and Time Restrictions, each instance shall not exceed</u> one year <u>The loan interest rate should be adjusted flexibly to adjust the capital loan and the</u>	<p>Article 4: Lending and Time Restrictions and <u>Interest Calculation Methods</u></p> <ol style="list-style-type: none"> 1. <u>Each lending and time restriction instance is based on the principle of one year. In case of special</u> 	<ol style="list-style-type: none"> 1. Article change. 2. Discretion to make amendments to the text.

<p><u>company's capital cost at that time, but</u> not less than the average interest rate of the company's short-term <u>financing</u> from general <u>inbound financial institutions</u> within the past 30 days.</p>	<p><u>circumstances, after obtaining the approval of the board of directors, the loan and term shall be extended according to the actual situation.</u></p> <p>2. <u>Fund loans and interest rates shall be based on the principle of not lower than the average quoted interest rate of short-term fixed deposits or repurchase coupons of ordinary financial institutions in the last 30 days. The calculation and collection of the company's loan interest is based on the payment of interest once every six months or once on the maturity date. In case of special circumstances, it may be adjusted according to the actual situation after obtaining the approval of the board of directors.</u></p>	
<p>Article 6 Article: <u>When the company handles loaning funds to others, the application and evaluation procedures are as follows:</u></p> <p>1. <u>When the borrower applies to the Company for a loan, he should fill in a fund loan and event application, detailing the amount, period, use, and guarantee of the loan. If necessary, the Company may request additional information.</u></p> <p>2. <u>The management department shall, after completing the assessment on the following matters, prepare the loan and the object, amount, period, interest calculation method and other loan conditions:</u></p> <p>(I) The necessity and rationale for lending.</p> <p>(II) Credit investigation and risk assessment of loans and</p>	<p>Article 5: Loans and handling procedures</p> <p>1. <u>When the company handles loans and associated matters, the borrower should first attach the necessary company information and financial information and apply to the company for a financing amount in writing. After the company accepts the application, the administrative department shall investigate and evaluate the business of the loan and counterparties, financial status, solvency and credit, profitability and loan use, and prepare a report.</u></p> <p>2. <u>The administrative department shall conduct a detailed evaluation and review of the loans and counterparties. The evaluation items should include at least the following:</u></p> <p>(I) The necessity and rationale of loaning funds to others.</p>	<p>1. Article change.</p> <p>2. Amend the new name in accordance with Article 2 of the company's "Organizational Regulations".</p> <p>3. In accordance with the Company's setup of an audit committee from the tenth board of directors, delete the content of the first paragraph, third paragraph, second paragraph and third paragraph of Article 5 of the current article, and set it separately in Article 7 of the amended article.</p>

<p>counterparties.</p> <p>(III) The impact on the company's operational risks, financial situation and shareholders' equity.</p> <p>(IV) Whether collateral and collateral's appraised value should be obtained.</p>	<p>(II) Credit investigation and risk assessment of loans and counterparties.</p> <p>(III) The impact on the company's operating risks, financial status and shareholders' equity.</p> <p>(IV) Whether collateral and collateral's appraised value should be obtained.</p> <p><u>3. Before lending the funds to others, the company should carefully evaluate whether it complies with the requirements of this operating procedure, and submit it to the board of directors with the results of the evaluation. It must not be authorized by others.</u></p> <p><u>The company and its parent company or subsidiary shall submit a board resolution in accordance with the provisions of the third paragraph of the preceding paragraph, and may authorize the chairman to approve the same loan and counterparties within a certain amount of the board resolution and within a period not exceeding one year.</u></p> <p><u>The certain amount referred to in the preceding paragraph shall not exceed 10% of the net value of the company's most recent financial statements except for the amount stipulated in Article 3, paragraph 2, excluding the company's authorization to lend funds to a single enterprise.</u></p>	
<p><u>Article 7: Before the company lends funds to others, the application for lending and associated matters shall be reviewed with the review and evaluation results of the second paragraph of the preceding article, and the proposed loan</u></p>	<p>(None)</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, provision is</p>

<p><u>conditions, to carefully assess whether it complies with the Company Act's restrictions on the Company's lending and the provisions of this operating procedure and FSC guidelines. It shall be first submitted to the audit committee for approval, and then reported to the board of directors for resolution. The board of directors may authorize the chairman of the board to use the loans and counterparties within a certain amount of the board resolution and within a period of not more than one year to allocate or revolve the loan. The certain amount mentioned above shall not exceed ten percent of the net worth of the Company.</u></p> <p><u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p>		<p>updated in accordance with Article 8 of the Regulations.</p>
<p>Article 8: The follow-up control measures for the loaned amount and procedures for handling overdue claims <u>are as follows:</u></p> <p>1. After the loan is released, <u>the Financial and Accounting Division</u> should always pay attention to the borrower's finances, business and related credit, etc. If collateral is provided, it should pay attention to whether there is any change in the value of the guarantee. In case of major changes, <u>an appropriate treatment plan should be drawn up.</u></p>	<p><u>Article 6:</u> Subsequent control measures for loans and amounts, and procedures for processing overdue claims</p> <p>1. After the loan is released, constant attention must be paid to the borrower's financial, business and related credit status, etc. If collateral is provided, attention should also be paid to whether the guarantee value has changed. In case of major changes, the chairman shall be notified <u>immediately</u> and appropriate treatment <u>shall be carried out in accordance with the instructions.</u></p>	<p>1. Article change. 2. According to the actual operational situation, the Financial and Accounting Division shall be clearly defined as the implementation unit. 3. Refer to Article 14 of the Regulations for specification that the total borrowing period shall not exceed one year.</p>

<p><u>and reported for the</u> chairman's approval, <u>and reported to the latest board of directors.</u></p> <p>2. <u>If the borrower has any of the following circumstances, the loan and quota of funds shall be frozen immediately and shall not be used anymore. At the same time, all outstanding loans are deemed to be fully due. The Financial and Accounting Division should negotiate with the borrower on the repayment plan, and when necessary take precautionary measures to ensure the company's claims:</u></p> <p style="padding-left: 40px;"><u>(A) Failure to pay off principal and interest as agreed.</u></p> <p style="padding-left: 40px;"><u>(B) Borrowers exempt from providing collateral, whose debt or financial situation deteriorates during the loan period, and the Financial and Accounting Division informs the borrower to replenish the collateral within a certain period and it fails to repay the collateral after the due date.</u></p> <p>3. When the loan expires, the borrower shall pay off the principal and interest immediately. If the extension is not repaid and the extension is made, it should be requested in advance. <u>If there is no matter determined in the preceding paragraph by the Financial and Accounting Division, it shall be processed with the consent of Chairman Chen, but the total loan period shall not exceed one year.</u></p>	<p>2. <u>When the borrower repays the loan before or when the loan is due, the interest payable shall be calculated first, and the principal shall be paid off together with the principal before the collateral is cancelled and returned to the borrower or application is made for mortgage rights to be written off.</u></p> <p>3. The borrower shall pay off the principal and interest immediately when the loan is due. <u>If a repayment is due and renewal is required, a request must be filed in advance and submitted to the board of directors for approval. Each deferred repayment shall not exceed six months and shall be limited to one time. The Company may dispose of and recover the collateral provided by the offender according to law.</u></p>	
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<p>Article 9: In handling loans and related matters by the Company, a reference book should be established by <u>Financial and Accounting Division</u>, specifying the counterparties to which funds are loaned, the amounts, the approval dates of the board of directors, the dates of the chairman’s approval of the same counterparties, the dates of the loans of the funds, and the matters that should be carefully evaluated for future reference in accordance with <u>Article 7. Paragraph 1 of the Regulations</u>.</p> <p>The Company’s internal auditors should audit Operational Procedures for Loaning Funds to Others and their implementation at least <u>monthly</u>. It should make a written record if a major violation is found, and the <u>Audit Committee</u> should be notified in writing immediately.</p>	<p><u>Article 7: Internal Controls</u></p> <ol style="list-style-type: none"> 1. In handling loans and related matters by the Company, a reference book should be established specifying the counterparties to which the funds are loaned, the amounts, the dates of approval by the board of directors, the dates when the funds are lent, and the matters that should be carefully evaluated in accordance with <u>Article 5</u> to be published in detail for future reference. 2. The Company’s internal auditors should audit Operational Procedures for Loaning Funds to Others and their implementation at least quarterly, and make a written record. If major violations are discovered, <u>supervisors shall be notified in writing. If a major violation is found, the managers and organizers shall be punished according to the violation.</u> 3. <u>When the Company changes due to circumstances, and if the loans and counterparties do not meet the requirements of these procedure or if the balance exceeds the limit, an improvement plan should be formulated and the relevant improvement plan sent to each supervisor; and the improvement should be completed according to the plan schedule.</u> 	<ol style="list-style-type: none"> 1. Article change. 2. In accordance with the Company’s setup of an audit committee to replace supervisors from the tenth board of directors, “supervisor” shall be changed to “audit committee.” 3. The content of the third paragraph of Article 7 of the current article is moved to Article 10 of the amended article.
<p>Article 10: <u>If there are changes due to circumstances, and when the loan and counterparties do not conform to the operating procedures or the amount exceeds the limit, the Company shall formulate an improvement plan, send the relevant improvement plan to the</u></p>	<p>(None)</p>	<p>The current Article 7, Paragraph 3, is moved to the newly-added content of this Article.</p>

<p><u>audit committee, and complete the improvement according to the plan schedule.</u></p>		
<p>Article <u>11</u>: Public Announcement and Declaration</p> <p>1. Before the tenth of each month, the Company shall publicly announce and declare the loans and balances of the company and its subsidiaries in the prior month.</p> <p>2. If the Company's loans and balances reach one of the following standards, the public announcement and declaration shall be calculated within two days from the date of occurrence of the fact:</p> <p style="padding-left: 40px;">(A) The balance of funds loaned by the Company and its subsidiaries to others is 20% or more of the net worth of the Company.</p> <p style="padding-left: 40px;">(B) The Company's and its subsidiaries' loans and balances of funds to a single enterprise amount to 10% or more of the net worth of the Company.</p> <p style="padding-left: 40px;">(C) The Company's or subsidiary's new loan amount is more than NT\$10 million and 2% or more of the Company's net worth.</p> <p>If a subsidiary of the Company is not a domestic publicly listed company, and the subsidiary has a matter of public announcement and declaration as under the third item of the second paragraph of the preceding paragraph, this should be carried out by the Company.</p>	<p>Article 8: Public Announcement and Declaration</p> <p>1. Before the tenth of each month, the Company shall publicly announce and declare the loans and balances of the company and its subsidiaries in the prior month.</p> <p>2. If the Company's loans and balances reach one of the following standards, the public announcement and declaration shall be calculated within two days from the date of occurrence of the fact:</p> <p style="padding-left: 40px;">(A) The balance of the Company's and its subsidiaries' loans to others has reached 20% or more of the Company's net worth according to its <u>most recent financial statements</u>.</p> <p style="padding-left: 40px;">(B) The company's and its subsidiaries' loan and balance of funds to a single enterprise amount to 10% or more of the Company's net worth according to its <u>most recent financial statements</u>.</p> <p style="padding-left: 40px;">(C) The newly-funded loans and amounts of the company or its subsidiaries amount to NT\$10 million or more and reach 2% or more of the Company's net worth according to its <u>most recent financial statements</u>.</p> <p>If a subsidiary of the Company is not a domestic publicly listed company, and the subsidiary has a matter of public announcement and declaration as under the third item of the second paragraph of the preceding paragraph, this should be</p>	<p>1. Article change.</p> <p>2. "Net worth of the Company" has been defined in Article 4, paragraph 4, directly replacing "the Company's net worth according to its most recent financial statements" with net worth of the Company.</p> <p>3. "Date of occurrence of the fact" has been defined in the second paragraph of Article 2, so it is deleted.</p>

	<p>should be carried out by the Company.</p> <p><u>The date of occurrence of the fact refers to the date of the signing date of the transaction, the payment date, the resolution date of the board of directors, or the date on which other sufficient funds determine the transaction counterparty and transaction amount.</u></p>	
<p>Article 12: <u>The company should evaluate the loan and situation of the funds and provide adequate allowance for bad debts, and appropriately disclose the relevant information in the financial report, and provide relevant information to the certifying accountant to perform the necessary verification procedures.</u></p>	(None)	<p>The second paragraph of the current Article, "III. Other Matters," has been moved to the newly-added content of this Article.</p>
<p>Article 13.: <u>When a subsidiary of the Company intends to lend funds to others and it is a domestic publicly-listed company, it should formulate its respective Operational Procedures for Loaning Funds to Others in accordance with FSC guidelines. Companies that are not domestic publicly-listed firms should refer to these operation procedures and set up their respective Operational Procedures for Loaning Funds to Others and should handle this according to their respective operation procedures.</u></p>	<p><u>Article 9: Control procedures for subsidiaries lending funds to others</u></p> <ol style="list-style-type: none"> <u>1. If a subsidiary of the Company intends to lend funds to others, it shall formulate Operational Procedures for Loaning Funds to Others in accordance with the provisions of these Regulations and follow the prescribed procedures.</u> <u>2. Subsidiaries should provide relevant materials to submit to the company regularly when they lend funds to others.</u> <u>3. The Company 's auditors should regularly understand the subsidiary 's loan to others and regularly audit the compliance of subsidiaries and make an audit report.</u> 	<ol style="list-style-type: none"> 1. Article change. 2. Simplify the text description in accordance with Article 10 of the Regulations.
<p>Article 14: <u>The Company shall be appointed as a director and supervisor of a subsidiary company, and shall supervise the subsidiary company in accordance with the prescribed Operational Procedures for Loaning</u></p>	(None)	<p>Set according to Article 10 of the Regulations.</p>

<p><u>Funds to Others.</u> <u>The internal auditors of the company shall regularly audit each subsidiary's compliance with its "Operational Procedures for Loaning Funds to Others" and prepare an audit report. After the findings and recommendations of the audit report are reviewed, each subsidiary under investigation shall be notified of required improvements, and a follow-up report shall be made regularly to ensure that it has taken appropriate improvement measures in a timely manner.</u></p>		
<p>(None)</p>	<p>III. Other matters</p> <ol style="list-style-type: none"> 1. <u>If a subsidiary of the company intends to loan funds to others, the company shall order the subsidiary to formulate Operational Procedures for Loaning Funds to Others in accordance with the regulations of FSC "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies," and this should be handled in accordance with the prescribed operating procedures.</u> 2. <u>The company shall follow generally accepted accounting principles, evaluate the loan and situation of funds and provide adequate allowance for bad debts, appropriately disclose relevant information in the financial reports, and provide relevant information to the certifying accountant to perform the necessary verification procedures.</u> 3. <u>Matters that are unaddressed in these procedures shall be handled in accordance with relevant laws and</u> 	<p>This overlaps with Articles 12 and 13 of the amended Article, so this Article is deleted.</p>

	<u>regulations and relevant regulations of the Company.</u>	
Article <u>15: When the company's managers and organizers violate the operating procedures and cause the Company to suffer major losses, they shall report to the Company for assessment in accordance with the Company's "Work Regulations," and they shall be punished according to the severity of the circumstances.</u>	(None)	According to Article 9, Paragraph 9 of the Regulations.
Article <u>16: These working procedures</u> have been approved by the board of directors and reported the shareholders' meeting for approval <u>and implementation.</u> If a director has objections and has a recorded or written statement, the Company should send the objections to the <u>audit committee</u> and report to the shareholders meeting for discussion. The same applies to amendments. <u>From the tenth session of the board of directors of the Company, amendments to this operating procedure shall be approved by more than one-half of all members of the audit committee before the board of directors makes a resolution. If there is no more than one-half of the approval of the entire audit committee, more than two-thirds of all directors may agree to do so, and the resolutions of the audit committee shall be stated in the minutes of the board meeting.</u>	<u>IV. Effectiveness and Amendments</u> <u>The Company has formulated Operational Procedures for Loaning Funds to Others and after being approved by the board of directors, it is sent to supervisors and reported to the shareholders' meeting for approval. If a director has objections and has a recorded or written statement, the Company should send the objections to supervisors and report them to the shareholders meeting for discussion. The same applies to amendments.</u> <u>When submitting Operational Procedures for Loaning Funds to Others to the Board of Directors for discussion in accordance with the preceding paragraph, the opinions of independent directors should be fully considered. The clear opinions and the reasons for objection shall be included in the records of the board of directors.</u>	In accordance with the Company's setup of an audit committee from the tenth board of directors, this provision is amended.

Proposal 3 Proposed by the board of directors of the Company

Cause: To prepare a draft amendment to the provisions of the company's "Endorsement Guarantee Operation Procedures;" please refer to the referendum.

Description:

1. In accordance with a portion of the amendments to the FSC's "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies," and in coordination with the Company's setup of an audit committee to replace supervisor this year (2020), some provisions of the Company's "Endorsement Guarantee Operation Procedures" are amended.
2. A comparison table of the revised provisions of the Company's "Endorsement Guarantee Operation Procedures" is shown in Attachment 5.

Resolution:

Attachment 5

China Ecotek Corporation Partial Article Amendment Comparison Table for Endorsement Guarantee Operation Procedures

Amended Article	Current Article	Explanation
Chapter 1: General	(None)	Update
<p>Article 1: These procedures are based on the "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" _ <u>(hereinafter referred to as "the Regulations")</u> prescribed by the <u>Financial Supervisory Commission (hereinafter referred to as "the FSC")</u>.</p>	<p>Article 1: <u>Legal basis</u> This procedure is based on Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies and set by <u>Article 2-1 of the Company's Articles of Association</u>. <u>All guarantee matters related to endorsements made by the Company shall be implemented in accordance with the provisions of these operating procedures.</u></p>	<p>In accordance with Article 2 of "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" (hereinafter referred to as "the Regulations"), the wording of the text of the amendments shall be revised.</p>
<p>Article 2: Endorsement guarantees referred to in these procedures <u>refer to the following matters:</u></p> <ol style="list-style-type: none"> 1. Financing endorsement guarantees, <u>Include:</u> <u>(A)</u> Discounted ticket financing. <u>(B)</u> Endorsement or guarantee for the purpose of financing other companies. <u>(C)</u> For the purpose of financing of the Company, another note is issued to guarantee non-financial enterprises. 2. Tariff endorsement guarantee refers to the endorsement or guarantee for the company or other companies related to customs matters. 3. Other endorsement guarantees refer to endorsements or guarantees that cannot be included in the first two _ 	<p>Article 2: <u>Scope of application</u> The endorsement guarantee referred to in these procedures <u>includes:</u></p> <ol style="list-style-type: none"> 1. Financing endorsement guarantee refers to the discounting of passenger ticket financing, the endorsement or guarantee for the purpose of financing other companies, and the issuance of notes for non-financial enterprises as guarantee for the purpose of financing of the company. 2. Tariff endorsement guarantee refers to the endorsement or guarantee for the company or other companies related to customs matters. 3. Other endorsement guarantees refer to endorsements or guarantees that cannot be included in the first two items. <p>If the company provides movable property</p>	<p>According to the provisions of Article 4 of the Regulations, the text shall be amended as appropriate.</p>

<p><u>subsections.</u></p> <p>If the company provides movable property or real property to set up a pledge or mortgage for the guarantee of other company's loans, it shall also be handled in accordance with the provisions of these operating procedures.</p>	<p>or real property to set up a pledge or mortgage for the guarantee of other company's loans, it shall also be handled in accordance with the provisions of these operating procedures.</p>	
<p><u>Article 3: Other terms used in this procedure are defined as follows:</u></p> <p>1. <u>Public announcement and declaration: Refers to the information declaration website designated by the FSC.</u></p> <p>2. <u>Date of occurrence of the fact: Refers to the date of signing the contract, the date of payment, the date of the resolution of the board of directors, or the date on which the sufficient guarantee confirms the endorsement counterparty and amount.</u></p> <p>3. <u>Subsidiaries and parent companies: In accordance with the "Regulations Governing the Preparation of Financial Reports by Securities Issuers."</u></p> <p>4. <u>Net worth of the Company: In reference to "Regulations Governing the Preparation of Financial Reports by Securities Issuers," the most recent balance sheet prepared attributable to the rights and interests of the company's owners.</u></p> <p>5. <u>All members of the audit committee: Refers to actual audit committee members.</u></p> <p>6. <u>All directors: Refers to actual directors.</u></p>	<p>(None)</p>	<p>Definitions within these procedures shall be updated in accordance with the requirements of the Regulations.</p>

<p>Article 4: Counterparties of endorsement guaranteed by the Company are limited to the following:</p> <ol style="list-style-type: none"> 1. Companies with business dealings. 2. A company in which the Company directly and indirectly holds more than 50% of the voting shares. 3. A company that directly and indirectly holds more than 50% of the voting shares of the Company. <p>Companies that directly and indirectly hold more than 90% of the voting shares of the Company shall be endorsed by guarantee, and the amount shall not exceed 10% of the net worth of the Company. However, the intercompany endorsement guarantee that the company directly and indirectly holds 100% of the voting shares is not limited to this.</p> <p>Based on contractual requirements, the company guarantees each other within the same industry or co-founders based on contracting requirements, or the co-investment relationship is endorsed by all invested shareholders according to their shareholding ratio to the invested company. Not subject to the restrictions in the preceding two paragraphs, it may be an endorsement guarantee. <u>However, the company shall not be jointly and severally liable for the guarantee part that other shareholders should bear.</u></p> <p>In reference to “all invested shareholders” in the preceding paragraph, this refers to the direct capital contribution of the company or through a company holding 100% of the voting shares.</p>	<p>Article 3: <u>Endorsement guarantee counterparties</u></p> <p>Counterparties guaranteed by the Company, are limited to the following:</p> <ol style="list-style-type: none"> 1. Companies with business dealings. 2. A company in which the Company directly and indirectly holds more than 50% of the voting shares. 3. A company that directly and indirectly holds more than 50% of the voting shares of the Company. <p>Companies that directly and indirectly hold more than 90% of the voting shares of the Company shall be endorsed by guarantee, and the amount shall not exceed 10% of the net worth of the Company. However, the intercompany endorsement guarantee that the company directly and indirectly holds 100% of the voting shares is not limited to this.</p> <p>Where the Company, based on contractual requirements for mutual protection between the same industry or the joint creators based on the contract, or because of the joint investment relationship, all invested shareholders endorse the invested company according to their shareholding ratio. The endorsement shall be guaranteed without being restricted by the preceding two regulations.</p> <p>In reference to “all invested shareholders” in the preceding paragraph, this refers to the direct capital contribution of the company or through a company holding 100% of the voting shares.</p> <p><u>Subsidiaries and parent companies are identified in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.</u></p>	<ol style="list-style-type: none"> 1. Article change. 2. The current Article 3, Paragraph 3 refers to the amendment of the parent company. 3. Delete the current Article 3, Paragraph 5.
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<u>Chapter 2: Operating Procedures</u>	(None)	Update
<p>Article 5: The total amount of the Company's external endorsement guarantee and the limit for a single enterprise endorsement guarantee are as follows:</p> <ol style="list-style-type: none"> 1. The total amount of guarantee for external endorsement shall not exceed one-half of net worth of the Company. 2. Guarantee amount for endorsement of a single enterprise: <ul style="list-style-type: none"> (1) Those who engage in endorsement guarantees due to business transactions shall not exceed 30% of the total amount of business transactions between the guaranteed company and the company and its subsidiaries in the most recent year, or the higher of 120% of the business transactions in the last three months, and it must not exceed one third of the net worth of the Company. (2) Those who engage in endorsement guarantees for the parent-subsidiary relationship with the company shall not exceed the Company 's investment <u>or the invested ratio, and no more than one third of the net worth of the Company.</u> However, for the Company's subsidiaries that directly or indirectly hold 100% of the voting shares, the endorsement guarantee amount shall not be restricted by the aforementioned investment restrictions of the Company. (3) For those who are under contract between the same industry or co-founders due to contracted projects, or if they are co-invested by 	<p>Article 4: <u>Endorsement guarantee amount and evaluation standard</u></p> <p>The total amount of the external endorsement guarantee of the company, <u>the company and its subsidiaries</u> and the limit of the endorsement guarantee for a single enterprise are as follows:</p> <ol style="list-style-type: none"> 1. The total amount of guarantee for external endorsement shall not exceed one-half of the company's current net worth. 2. The endorsement guarantee limit for a single enterprise shall not exceed 30% of the total amount of business transactions between the guaranteed company and the company and its subsidiaries in the most recent year due to business transactions, or the higher of 120% of the business transactions in the last three months, and shall not exceed one third of the current net value of the company's consolidated financial statements. Those who are engaged in endorsement guarantees with the company for the parent-subsidiary relationship shall not exceed the investment limit of the company. However, the company's endorsement of the amount of guarantees for subsidiaries that directly or indirectly hold 100% of the voting shares is not subject to the aforementioned investment restrictions of the company. In addition, for mutual insurance between members of the same industry or between founders as required by the contracted project 	<p>Update</p> <ol style="list-style-type: none"> 1. Article change. 2. The current article 4 paragraph 1 subparagraph 2 is too long and is changed to amend the article 5 paragraph 1 subparagraph 2 subparagraphs 1, 2, and 3. 3. Add amendments to the second paragraph of Article 5.

<p>all the shareholders who endorse the invested company according to their shareholding ratio, this shall be no more than <u>one quarter</u> of the Company's net worth.</p> <p><u>The total amount of the external endorsement guarantee of the company and its subsidiaries and the limit of the endorsement guarantee for a single enterprise are the same as those of the company.</u></p>	<p>according to the provisions of the contract, or in a co-investment relationship, all invested shareholders shall endorse the invested company according to their holding ratio and this shall not exceed 25% of the company's current net worth.</p> <p>The net value of the current period shall be based on the equity of the parent company owner attributable to the <u>most recent balance sheet certified or certified by an accountant.</u></p>	
<p>(None)</p>	<p><u>Article 5: Decision and authorization level</u></p> <ol style="list-style-type: none"> 1. <u>The company's handling of endorsement guarantees shall be done with the consent of the board of directors. The board of directors may authorize the chairman of the board of directors to make a ruling within the quota specified in item 4 of this article. Afterwards, it shall be reported to the latest board of directors for approval, and the relevant circumstances shall be reported to the shareholders' meeting for future reference.</u> 2. <u>The company shall handle endorsement guarantees arising due to business needs. If it is necessary to exceed the quota set by this procedure and meet the conditions set by this procedure, the board of directors shall approve the agreement and more than half of the directors shall insure the company against the possible losses caused by the company's overrun; and they shall amend this procedure and report it to the shareholders' meeting for approval. When the</u> 	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, delete Article 5 of the current article, and set it separately in Article 7 of the amended article.</p>

	<p><u>shareholders' meeting does not agree, it shall formulate a plan to remove the excess within a certain period.</u></p> <p>3. <u>The company has set up independent directors. In the discussion of the board of directors in the preceding paragraph, the opinions of each independent director shall be fully considered, and the clear opinions and reasons for their objections or disapproval shall be included in the records of the board of directors.</u></p> <p>4. <u>The guaranteed amount of the external endorsement authorized by the chairman of the board shall not exceed one quarter of the net worth of the Company.</u></p> <p>5. <u>Subsidiaries that directly or indirectly hold more than 90% of the voting shares of the company shall be reported to the board of directors of the company for resolution before the endorsement guarantee in accordance with Article 3, paragraph 2. However, the intercompany endorsement guarantee that the company directly and indirectly holds 100% of the voting shares is not limited to this.</u></p>	
<p>Article 6: <u>The management department handles endorsement guarantee matters for the company. The following items should be evaluated before handling:</u></p> <p>1. The necessity and rationality of the endorsement guarantee.</p> <p>2. Endorsement guarantee counterparty 's credit and risk assessment.</p> <p>3. <u>The impact of</u> on the company's operating risk, financial status and shareholders' equity.</p>	<p>Article 6: <u>Endorsement guarantee handling and review procedures</u></p> <p>1. <u>Implementation Unit</u> <u>The Financial and Accounting Division is responsible for implementation, and if necessary, the general manager may designate other dedicated personnel to assist in the process.</u></p> <p>2. <u>Review procedures</u> <u>(A) The company should prepare a specific review and evaluation report</u></p>	<p>1. Change the first item of the second paragraph of Article 6 of the current article to the first to fourth paragraphs of Article 6 of the amended article.</p> <p>2. The content of paragraph 4 of Article 6 of the current article is moved to Article 6-1 of the amended article.</p>

<p>4. Whether collateral and collateral's appraised value should be obtained.</p>	<p><u>according to the following items:</u></p> <p><u>1. The necessity and reasonableness of the endorsement guarantee.</u></p> <p><u>2. Endorsement guarantee counterparty credit and risk assessment.</u></p> <p><u>3. The impact on the company's operational risk, financial status and shareholders' equity.</u></p> <p><u>4. Whether collateral and collateral's appraised value should be obtained.</u></p> <p><u>(B) When the company handles an endorsement guarantee, the applicant company should fill out an "endorsement guarantee application" and submit an application to the company's business office and Financial and Accounting Division, stating the endorsement guarantee company, counterparty, type, reason and amount and other matters, and the evaluation report of the previous section (A). After being reviewed and approved by the Business Office and Financial and Accounting Division, it is submitted to the general manager and chairman for approval, submitted to the board of directors for approval, and handled in accordance with the resolution of the board of directors. However, the chairman may first make a decision within the authorized amount of Article 5 of these Measures in response to business needs. Afterwards, this will be reported to the latest board of directors for approval, and the handling situation and related matters will be reported to the shareholders' meeting for</u></p>	<p>3. The content of paragraph 5 of Article 6 of the current article is moved to Article 9 of the amended article.</p>
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	<p><u>reference.</u></p> <p>3. <u>When handling an endorsement guarantee, the handling unit shall specifically assess the risk and, if necessary, obtain the collateral of the endorsed guarantee company.</u></p> <p>4. <u>When the company endorses a counterparty that is a subsidiary whose net value is less than half of the paid-in capital, the requesting department should revise the review and evaluation report and request the company to propose an improvement plan within a certain time limit. If the shares of the subsidiary have no denomination or the denomination per share is not NT\$10, the paid-in capital calculated in accordance with the provisions of the preceding paragraph should be calculated as the total of capital stock plus capital reserve-issuance premium.</u></p> <p>5. <u>The Financial and Accounting Division shall establish a reference book on endorsement guarantee matters regarding endorsements of counterparties, the amounts, the dates of approval by the board of directors or the decision dates of the chairman, the dates of the endorsement guarantee and the matters that should be carefully evaluated in accordance with the provisions of paragraph 2 (A), and these details will be published for future reference.</u></p> <p>6. <u>The Financial and Accounting Division shall prepare a statement of the change in the amount of guarantees for external endorsement at the beginning of each month and</u></p>	
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<p><u>Article 6-1: When the company endorses counterparty that is a subsidiary whose net worth is less than half of the paid-in capital, in addition to the detailed examination in accordance with Article 6, it should formulate follow-up relevant control measures, to control and endorse the risks that may arise.</u></p> <p><u>If the shares of the subsidiary have no denomination or the denomination per share is not NT\$10, the paid-in capital calculated in accordance with the provisions of the preceding paragraph should be calculated as the total of capital stock plus capital reserve-issuance premium.</u></p>	<p><u>report it to the board of directors.</u></p> <p>(None)</p>	<p>The current article 6, paragraph 1, paragraph 4 is moved to the newly-added content of this article.</p>
<p><u>Article 7: Before the company endorses or provides guarantees for others, it should carefully evaluate whether it meets the requirements of this operating procedure and the FSC guidelines, and will endorse the application for guarantee and the evaluation results of Article 6 and submit it to the Audit Committee for approval on a case-by-case basis. The report shall be submitted to the board of directors for resolution. But when necessary, the chairman shall be authorized by the board of directors to endorse the guarantee amount within a quarter of the net worth of the Company. Afterwards, this shall be submitted to the Audit Committee for approval and reported to the latest board of directors for approval.</u></p> <p><u>If the approval of one-half or more of all audit committee members as required in the preceding paragraph is not obtained, the Operational Procedures may be implemented if approved by two-thirds or</u></p>	<p>(None)</p>	<p>In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, this provision is updated in accordance with Article 11 of the Regulations.</p>

<p><u>more of all directors, and the resolution of the audit committee shall be recorded in the minutes of the board of directors meeting.</u></p>		
<p>Article 8: The company shall use the company seal applied for in registration with the Ministry of Economic Affairs as the special seal for endorsement guarantee. The company's printed letters and motions shall be kept by designated persons, and the motions shall be printed or issued in accordance with the procedures prescribed by the company's seal management methods. <u>When not in accordance with the procedures prescribed in Article 7 or approved by the board of directors or directed by the chairman, it is not allowed to print or issue notes.</u></p> <p>If it is a guarantee for a foreign company, the issued letter of guarantee must be signed by the chairman or the general manager under the authorization of the board of directors.</p>	<p><u>Article 7:</u> Seal use and storage procedures The company shall use the company seal applied for in registration with the Ministry of Economic Affairs as the special seal for endorsement guarantees. The company's printed letters and motions shall be kept by designated persons, and the motions shall be printed or issued in accordance with the procedures prescribed by the company's seal management methods.</p> <p>If it is a guarantee for a foreign company, the issued letter of guarantee must be signed by the chairman or the general manager under the authorization of the board of directors.</p>	<p>1. Article change. 2. In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, make corrections to the text as appropriate.</p>
<p><u>Article 9: The Financial and Accounting Division of the company shall establish a reference book regarding endorsements of counterparties, the amounts, the dates of approval of the board of directors or the decision of the chairman, the dates of the endorsement and the matters that should be carefully evaluated in accordance with Article 6, and these details shall be published for future reference.</u></p>	<p>(None)</p>	<p>The current article 6 paragraph 1 paragraph 5 is moved to the newly added content of this article.</p>
<p><u>Article 10: The company's auditors should audit the Endorsement Guarantee Operation Procedures and their implementation at least quarterly, and make a written record. If a major violation is found, the audit committee should be notified in writing immediately.</u></p>	<p>(None)</p>	<p>1 The current article 9 is moved to the newly added content of this article. 2. In accordance with the Company's setup of an audit committee to</p>

		replace supervisors from the tenth board of directors, change “supervisors” to “the audit committee.”
<u>Article 11: If, due to changes in circumstances, the endorsement guarantees of a counterparty do not meet the requirements of this operating procedure or the amount exceeds the limit, the company shall formulate an improvement plan, send the relevant improvement plan to the audit committee, and complete the improvements according to the schedule of the plan.</u>	(None)	1. The current article 12, paragraph 1 is moved to the newly added content of this article. 2. In accordance with the Company’s setup of an audit committee to replace supervisors from the tenth board of directors, change “supervisors” to “the audit committee.”
<u>Chapter 3: Information Disclosure</u>	(None)	Update
<u>Article 12:</u> Public announcement and declaration program Before the tenth day of each month, the company shall make a public announcement and declaration regarding guaranteed balances endorsed by the company and its subsidiaries in the prior month. For endorsement guarantees made by the company falling under one of the following standards, public announcement and declaration shall be made within two days from the date of the date of occurrence of the fact: <u>1.</u> The endorsement guarantee balance of the Company and its subsidiaries reaches 50% or more of the net worth of the Company. <u>2.</u> The endorsement guarantee balance for a single enterprise made by the	<u>Article 8:</u> Public announcement and declaration program <u>1.</u> Before the tenth day of each month, the company shall abide by <u>FSC and Taiwan Stock Exchange regulations</u> to make a public announcement and declaration regarding the prior month's endorsement guarantee balance made by the Company and its subsidiaries <u>and enter this into the designated information declaration website.</u> <u>2.</u> <u>For endorsement guarantees made by the company that fall under one of the following standards, within two days from the date of occurrence of the fact, the public announcement and declaration shall be processed in accordance with the format prescribed by the competent authority and</u>	1. Article change. 2. "Net worth of the Company" has been defined in Article 3, paragraph 4, and so directly substitute net worth of the Company for "net worth according to the company's most recent financial statements." 3. "Date of occurrence of the fact" has been defined in Article 3, paragraph 2, and so this should be deleted.

<p>Company and its subsidiaries reaches 20% or more of the net worth of the Company.</p> <p><u>3.</u> The endorsement guarantee balance made by the Company and its subsidiaries for a single business is more than NT\$10 million and the endorsement guarantee, the equity book value of the investment and the loan and balance of the equity method are 30% or more of the net worth of the Company.</p> <p><u>4.</u> Newly added endorsement guarantee amounts made by the company or its subsidiaries totals NT\$30 million or more and is 5% or more of the net worth of the Company.</p> <p>For subsidiaries of the company that are not domestically listed public companies, and where the subsidiaries have public announcement and declaration matters under paragraph 4 of the preceding paragraph, this shall be done by the company.</p>	<p><u>entered on the information declaration website:</u></p> <p>(A) The endorsement guarantee balance made by the Company and its subsidiaries reaches 50% or more of the Company's net worth according to its <u>most recent financial statements.</u></p> <p>(B) The endorsement guarantee balance made by the Company and its subsidiaries for a single business reaches 20% or more of the Company's net worth according to its <u>most recent financial statements.</u></p> <p>(C) The endorsement guarantee balance made by the Company and its subsidiaries for a single business reaches NT \$ 10 million or more and the endorsement guarantee, long-term investment and capital loans and balance total reaches 30% or more of the Company's net worth according to its <u>most recent financial statements.</u></p> <p>(D) New endorsement guarantee amounts made by the company or a subsidiary attain NT\$30 million or more and reach 5% or more of the Company's net worth according to its <u>most recent financial statements.</u></p> <p><u>3.</u> For subsidiaries of the company that are not domestically listed public companies, when the subsidiary has a public announcement and declaration matter in accordance with the fourth paragraph of the preceding paragraph, the company should do this.</p> <p><u>The date of occurrence of the fact refers to the date of the signing date of the transaction, the payment date, the</u></p>	
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	<u>resolution date of the board of directors, or the date on which other sufficient funds determine the transaction counterparty and transaction amount.</u>	
(None)	Article 9: Internal audit The company's auditors should audit Endorsement Guarantee Operation Procedures and their implementation at least quarterly, and make a written record. If a major violation is found, all <u>supervisors</u> should be notified in writing immediately.	1. The content of Article 9 of the current article is moved to Article 10 of the amended article.
(None)	<u>Article 10: Control procedures for handling endorsement guarantees for subsidiaries</u> 1. <u>When the company's subsidiaries intend to endorse or provide guarantees for others, the "Endorsement Guarantee Operation Procedures" should also be established in accordance with the FSC "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" and should be handled in accordance with the prescribed operating procedures. After being approved by the board of directors, it should be reported to the shareholders' meeting of both parties for approval. The same applies to amendments.</u> 2. <u>The financial department of each subsidiary shall report to the company before the 5th of each month. However, if the standards laid down in Article 8 are reached, the company should be notified immediately so that the public announcement and declaration can be processed.</u> 3. <u>The internal auditors of the company</u>	The content of Article 10 of the current article was moved to Article 14 and Article 15 of the revised article.

	<p><u>shall regularly audit each subsidiary's compliance with its "Endorsement Guarantee Operation Procedures" and make an audit report. After the findings and recommendations of the audit report are reviewed, each subsidiary under investigation shall be notified of required improvements and regularly make tracking reports to ensure that it has taken appropriate improvement measures in a timely manner.</u></p>	
(None)	<p><u>Article 11: Penalties</u></p> <p>The company's managers and organizers shall <u>handle endorsement guarantee operations. If any violate the FSC "Regulations Governing Loaning of Funds and Making of Endorsements / Guarantees by Public Companies" or the company's "Endorsement Guarantee Operation Procedures,"</u> an assessment shall be submitted in accordance with the company's "work rules" and punishment made according to the severity of the circumstances.</p>	The content of Article 11 of the current article is moved to Article 16 of the amended article.
Article 13: The company shall assess or recognize contingent losses guaranteed by the endorsement and properly disclose the endorsement guarantee information in its financial reports. It shall provide relevant information to the certifying accountant to perform the necessary verification procedures.	<p><u>Article 12: Other matters</u></p> <p>1. <u>If, due to changes in circumstances, the endorsement guarantees of a counterparty do not meet the requirements of this operating procedure or the amount exceeds the limit, an improvement plan should be established and related improvement plans sent to the supervisors, and improvements completed according to the schedule.</u></p> <p>2. <u>The company shall assess or recognize the contingent loss guaranteed by the endorsement, appropriately disclose</u></p>	<p>1. Article change.</p> <p>2. Paragraph 1 of Article 12 of the current article is moved to Article 11 of the amended article.</p>

	relevant information in its financial report, and provide relevant information to the certifying accountant to perform the necessary verification procedures.	
<u>Chapter 4: Supplementary Provisions</u>	(None)	Update
<u>Article 14: If a subsidiary of the company handles endorsements or provides guarantees due to business needs, and is a domestically-listed public company, then in accordance with FSC guidelines it shall define its respective Endorsement Guarantee Operation Procedures. If it is not a domestically-listed public company, it should follow this operating procedure, stipulate its respective Endorsement Guarantee Operation Procedures, and handle matters in accordance with its respective operating procedures.</u>	(None)	Updated according to the provisions of Article 13 of the Guidelines and with reference to the parent company's measures.
<u>Article 15: The company shall be appointed as the director and supervisor of the subsidiary company, and shall supervise the subsidiary company in accordance with the Endorsement Guarantee Operation Procedures.</u> <u>The internal auditors of the company shall regularly audit each subsidiary's compliance with its "Endorsement Guarantee Operation Procedures" and make an audit report. After the findings and recommendations of the audit report are reviewed, each subsidiary under investigation shall be notified of improvements and regularly make tracking reports to ensure that it has taken appropriate improvement measures in a timely manner.</u>	(None)	Updated in accordance with Article 12, Paragraph 6 of the Regulations.
<u>Article 16: When the company's managers</u>	(None)	The current article 11 is

<p><u>and sponsors violate the operating procedures and cause the company to suffer significant losses, then an assessment shall be submitted in accordance with the company's "work rules" and disciplinary measures taken depending on the severity of the circumstances.</u></p>		<p>moved to the newly added content of this article.</p>
<p>Article <u>17</u>: If there are matters not covered in this procedure, follow the relevant laws <u>Law</u> and <u>FSC Guidelines</u>.</p>	<p>Article <u>13</u>: Relevant laws and regulations Matters not covered in this operating procedure shall be handled in accordance with relevant laws and <u>regulations</u>.</p>	<p>1. Article change. 2. The text should be amended as necessary to achieve clarity.</p>
<p>Article <u>18</u>: This operating procedure is approved by the board of directors and submitted to the shareholders' meeting for approval. <u>If a director has objections and has a recorded or written statement, the company should send the objections to the audit committee and report to the shareholders meeting for discussion.</u> The same applies to amendments. <u>From the tenth session of the board of directors of the Company, amendments to this operating procedure shall be approved by more than one-half of all members of the audit committee before the board of directors makes a resolution. If there no more than one half of the audit committee gives consent, more than two-thirds of all directors may agree. The resolutions of the audit committee should be stated in the minutes of the board meeting.</u></p>	<p>Article <u>14</u>: <u>Implementation</u> This operating procedure is approved by the board of directors and <u>sent to supervisors</u> and reported to the shareholders' meeting for implementation. The same applies to amendments.</p>	<p>1. Article change. 2. In accordance with the Company's setup of an audit committee to replace supervisors from the tenth board of directors, the first paragraph is amended and the second paragraph added.</p>

Proposal 4 Proposed by the board of directors of the Company

Cause: To prepare draft amendments to some provisions of the Company's "Rules of Procedure for Shareholders' Meetings;" please refer to the referendum.

Description:

1. In accordance with new amendments as of August 11, 2018 to Article 172 of the Company Act and in accordance with the company's setup of an audit committee to replace supervisors from the tenth (2020) board of directors, it is proposed to amend some provisions of the Company's "Rules of Procedure for Shareholders' Meetings."
2. The comparison table of the revised provisions of the Company's "Rules of Procedure for Shareholders' Meetings" is shown in Attachment 6.

Resolution:

Attachment 6

China Ecotek Corporation
Partially amended comparison table for Rules of
Procedure for Shareholders' Meetings

Amendment	Current provisions	Explanation
<p>Article 2</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p>The Company shall make electronic files containing reasons and descriptions for various proposals such as shareholders' meeting notices, powers of attorney, relevant recognitions, discussion, election or dismissal of directors, etc., and send these to the Market Observation Post System thirty days before a regular shareholders' meeting or 15 days before an interim shareholders' meeting. Further, it shall make electronic files encompassing the shareholders' meeting manual and supplementary information and send them to the Market Observation Post System 21 days before a regular shareholders' meeting or 15 days before an interim shareholders' meeting.</p> <p>In addition, 15 days prior to the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and</p>	<p>Article 2</p> <p>Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.</p> <p>The company shall, 30 days before a regular shareholders' meeting or 15 days before an interim shareholders' meeting, create and electronically transfer all the proposals and explanations from the shareholders' meeting notice, power of attorney papers, relevant recognition, discussion, election or dismissal of directors, <u>supervisors</u>, etc. to the Market Observation Post System.</p> <p>The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the Annual Meeting of Shareholders or before 15 days before the date of the special shareholders meeting.</p> <p>In addition, 15 days prior to the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The</p>	<p>1. In accordance with the company's to setup of an audit committee from the tenth board of directors, delete text referring to supervisors.</p> <p>2. In accordance with the amendments to Article 172 and Article 172-1 of the Company Act, amend the text of paragraphs 5, 7 and 8 of this article.</p>

<p>supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.</p> <p>The notice and announcement shall describe the reason of convention. Where the consent of the counterparty of the notice is obtained, an electronic method may be adopted.</p> <p>Matters to be listed in the convening cause include election or dismissal of directors, changes in the Articles of Association, <u>reduction of capital, application for cessation of public offering, directors' permission to compete for business, conversion of surplus to capital increase, and conversion of public reserve to capital increase</u>, company dissolution, mergers, or segmentation, or matters related to the issuer's handling and collection of securities under Article 185, paragraph 1 of the Company Act, Article 43-6 of the Securities and Exchange Act, and Issues 56-1 and 60-2 of the Issuer's Guidelines for Dealing with and Offering Securities.</p> <p>There shall be no ad hoc</p>	<p>meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.</p> <p>The notice and announcement shall describe the reason of convention. Where the consent of the counterparty of the notice is obtained, an electronic method may be adopted.</p> <p>Matters to be listed in the convening cause include election or dismissal of directors or <u>supervisors</u>, changes in the Articles of Association, company dissolution, mergers, or segmentation, or matters related to the issuer's handling and collection of securities under Article 185, paragraph 1 of the Company Act, Article <u>26-1</u>, 43-6 of the Securities and Exchange Act, and Issues 56-1 and 60-2 of the Issuer's Guidelines for Dealing with and Offering Securities. There shall be no ad hoc motions.</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a Annual Meeting of Shareholders. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any Sub-</p>	
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<p>motions.:<u>Its main content may be placed on the website designated by the securities authority or company, and its website should be stated in the notice.</u>§</p> <p>A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a Annual Meeting of Shareholders. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any Sub-paragraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>The company shall announce the acceptance of the shareholders proposals, <u>written or electronic acceptance method</u>, acceptance premises and acceptance period before the shareholders 'closing date before the shareholders' general meeting is held. The period of acceptance shall not be less than ten days.</p> <p>The number of words of a proposal to be submitted by a shareholder shall be limited to not more than three hundred (300) words, and any proposal containing more than 300 words</p>	<p>paragraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.</p> <p>Prior to the book closure date before a Annual Meeting of Shareholders is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p> <p>Motions proposed by shareholders are limited to <u>300 words</u>. Those exceeding 300 words shall not be included among the motions. Proposing shareholders shall attend the regular shareholders meeting in person or by entrusting others and shall participate in the motion discussion.</p> <p>Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.</p>	
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<p>shall not be included in the agenda of the shareholders' meeting. The shareholder who has submitted a proposal shall attend, in person or by a proxy, the regular shareholders' meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal. The company shall, before the notice date of the shareholders' meeting, notify the proposal shareholders of the processing result, and list the motions stipulated in this article in the meeting notice. For shareholder proposals not included in the proposal, the board of directors shall explain the reasons for the non-listing at the shareholders' meeting.</p>		
<p>Article 5 The company shall submit the discussion manual, annual report, attendance card, speech, voting and other meeting materials for delivery to shareholders attending the shareholders meeting; when electing directors, ballots shall additionally be included. (Remaining content is unchanged)</p>	<p>Article 5 The company shall submit the discussion manual, annual report, attendance card, speech, voting and other meeting materials for delivery to shareholders attending the shareholders meeting; when electing directors and <u>supervisors</u>, ballots shall additionally be included. (Remaining content is unchanged)</p>	<p>1. In accordance with the company's setup of an audit committee from the tenth board of directors, delete the text of paragraph 3 concerning supervisors.</p>
<p>Article 6 If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason is unable to exercise</p>	<p>Article 6 If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason is unable to exercise the powers of the</p>	<p>1. In accordance with the company's setup of an audit committee from the tenth board of directors, delete the text of paragraph 3 concerning supervisors.</p>

<p>the powers of the chairperson, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</p> <p>The chairman of the preceding paragraph is an agent of directors who serves as a director who has served for more than six months and who understands the company's financial business; the same applies if the chairman is the representative of a corporate director.</p> <p>The shareholders' meeting convened by the board of directors should be presided over by the chairman himself, and it is advisable for more than half of the directors of the board to attend in person and at least one representative of various functional committee members to attend; attendance should be recorded in the minutes of the shareholders' meeting.</p> <p>(Omitted below)</p>	<p>chairperson, one of the directors shall be appointed to act as chair.</p> <p>Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.</p> <p>When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company.</p> <p>The same shall be true for a representative of a juristic person director that serves as chair.</p> <p>The shareholders' meeting convened by the board of directors should be presided over by the chairman himself. It is advisable for more than half of the directors and at least one supervisor to attend in person, and <u>at least one representative</u> of various functional committee members to attend; attendance should be recorded in the minutes of the shareholders' meeting.</p> <p>(Omitted below)</p>	
<p>Article 8</p> <p>The attendance of the shareholders' meeting shall be based on shares, the number of shares present shall be calculated according to the registration card. If the voting is exercised in writing or electronically, the number of shares exercising voting rights in writing or</p>	<p>Article 8</p> <p>Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the sign-in cards handed in, and if written or electronic method is adopted for the exercise of voting rights, then it shall be counted plus</p>	<p>Update the text of paragraph 2 according to actual operational situation.</p>

<p>electronically shall be added. <u>During the meeting, if the total number of voting rights of shareholders present increases, it should be updated immediately.</u> (Omitted below)</p>	<p>the number of shares whose voting rights are exercised by correspondence or electronically. (Omitted below)</p>	
<p>Article 9 If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. (Omitted below) <u>The chairman should be in a position of impartiality and detachment, strictly implement the rules of procedure, and make the meeting proceed smoothly. The shareholders present are obliged to abide by the rules of procedure, speak politely and maintain order in the conference room.</u></p>	<p>Article 9 If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting. (Omitted below)</p>	<p>Refer to the rules of procedure for shareholders' meetings of Group companies to add paragraphs 6 and 7.</p>
<p>Article 11 5. Voting at a shareholders' meeting shall be calculated based the number of shares. (Middle section omitted) Except for trust enterprises or stock agency agencies approved by the securities authority, when one person is entrusted by more than two shareholders at the same time, the voting rights of his agent shall not exceed 3% of the total voting rights of the</p>	<p>Article 11 5. Voting at a shareholders' meeting shall be calculated based the number of shares. (Middle section omitted) With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of</p>	<p>According to the letter of the Ministry of Economic Affairs No. 1010227630, the text shall be amended accordingly.</p>

<p>issued shares. If exceeded, the voting rights exceeded will not be counted, <u>but it shall still be included in the total number of shares present.</u></p>	<p>the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.</p>	
<p>Article 12 <u>Each company's</u> shareholders, have one voting right per share. However, according to Article 157 <u>Item 1</u> Paragraph 3 of Article 179 of the Company Act and Article 179 Paragraph 2 and other laws and regulations, those whose voting rights are restricted or have no voting rights are not subject to this limit. (Middle section omitted) Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When voting, the chairman or his designated person shall announce the total number of voting rights to attend shareholders on a case-by-case basis. Shareholders vote on a case-by-case basis, and after the shareholders meeting <u>the day</u>, entry shall be made of the results of shareholders' consent, opposition and abstaining into the Market Observation Post System. When there are amendments or</p>	<p>Article 12 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article Subparagraph 3 of Article 157 and Paragraph 2 of 179 of the Company Act. (Middle section omitted) Except as otherwise provided in the Company Act and in the Company's Articles of Association, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. When voting, after the chairman or his designated person announces the total number of voting rights to attend shareholders on a case-by-case basis, shareholders shall vote on a case-by-case basis; and within <u>two days</u> after the shareholders meeting, the results shall be entered for shareholders' consent, opposition and abstaining into the Market Observation Post System. When there is an amendment or alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they</p>	<ol style="list-style-type: none"> 1. In accordance with the Company Act to amend paragraph 1 of this article. 2. Amend the text of paragraph 5 according to Article 13 of the reference example. 3. Paragraph 7 should be amended as appropriate.

<p>alternatives to the same motion, the chairman and the original motion determine the order of voting; If one of the motion has been passed, other motions are regarded as vetoes and shall not be voted on again.</p> <p><u>Before voting, a number of examiners and counting staff shall be appointed by the chairman to perform various related duties.</u> The examiner shall have shareholder status. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	<p>will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.</p> <p><u>The examiners and counting staff of votes on motions shall be appointed by the chairman,</u> but the examiners should have shareholder status. Vote counting for shareholders' meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.</p>	
<p>Article 13</p> <p>When the shareholders have elected directors, they should be handled in accordance with the company's director election method <u>and announce the election results on the spot. It should include the list of elected directors and their number of votes.</u></p> <p><u>Votes for the election matters in the preceding paragraph shall be sealed and signed by the examiners, stored properly and kept for at least one year. If,</u></p>	<p>Article 13</p> <p>When the shareholders' meeting elects directors and <u>supervisors</u>, it shall be handled in accordance with the election procedures for directors and <u>supervisors</u> separately formulated by the company.</p>	<p>1. According to Article 14 of Reference Example, text of paragraph 2 is added.</p> <p>2. In accordance with the company's setup of an audit committee from the tenth board of directors, delete text concerning supervisors.</p>

<p><u>however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.</u></p>		
<p>Article 14 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System (MOPS). Proceedings shall be recorded according to year, month, day, venue, name of the chairman, resolution method, method of proceeding and results of the meeting. During the existence of the company, it should be kept permanently <u>and fully disclosed on the company's website.</u></p>	<p>Article 14 Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form. The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System (MOPS). The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.</p>	<p>In order to strengthen the information disclosed on the company's website, the a portion of text in the third paragraph has been updated.</p>

IV. Election matters

Proposed by the board of directors of the Company

Cause: Election of the company's tenth session of directors (including independent directors); please refer to the election for details.

Description:

1. The term of the current ninth session of directors of the company will expire on June 21, 2020, and plans to cooperate with the 2020 shareholders' general meeting to hold a comprehensive re-election of tenth session of directors. The ninth session of directors will perform until tenth session of directors take office.
2. Article 18 of the Articles of Association of the company provides 9 to 15 directors. The number of independent directors shall not be less than 3, also adopting the candidate nomination system; Eleven directors are to be elected at the 2020 shareholders' meeting. Eight of them are non-independent directors and three are independent directors. The term of office is three years, from June 23, 2020 to June 22, 2023.
3. The list of nominations for directors (including independent directors) is as Attachment 7, and shareholders are invited to vote.

Attachment 7

Account number	Candidate category	Candidate name	Education	Experience	Current position	Number of shares held (Unit: shares)	Juridical person represented (Shareholding ratio)
1	Director	Chung-Te Chen	EMBA, Sun Yat Sen University	Deputy General Manager of Engineering, China Steel Corporation	Deputy General Manager of Engineering Department, China Steel Corporation; concurrently Chairman of China Ecotek Corporation	55,393,138	China Steel Corporation (44.76%)
1	Director	Chao-Tung Wong	PhD in Resource Engineering, National Cheng Kung University	Chairman, China Steel Vietnam	Chairman, China Steel Corporation		
1	Director	Shyi-Chin Wang	PhD in Materials Science, Sun Yat-sen University	Executive Deputy General Manager, China Steel Corporation	General Manager, China Steel Corporation		
1	Director	Huo-Kun Chen	PhD in Business Management, Sun Yat-sen University	General Manager, China Steel Malaysia	Assistant Deputy General Manager of Engineering Department, China Steel Corporation		
1	Director	Tzu-An Wu	Department of Aeronautical Engineering, Tamkang University	Director of Equipment Division, China Steel Corporation	General Manager, China Ecotek Corporation		
4	Director	Ming-Hsiang Lin	Kaohsiung City Commercial School	Director of Huarong Wire and Cable Company, Director of First Extension	Deputy General Manager of Huarong Wire & Cable Co., Ltd.	11,843,730	Hua Eng Wire and Cable Co., Ltd. (9.57%)

Account number	Candidate category	Candidate name	Education	Experience	Current position	Number of shares held (Unit: shares)	Juridical person represented (Shareholding ratio)
				Copper Technology Company			
19071	Director	Yu-Lun Kuo	MBA, School of Management, National Taiwan University	Director of Great Grandeur Steel Co. and supervisor of Hongyun Iron and Steel Industry Co., Ltd.	Deputy General Manager of Great Grandeur Steel Co.	3,918,000	Great Grandeur Steel Co. (3.17%)
11	Director	Tsan-Jen Chen	Master of Commerce, Waseda University, Japan	General Manager of CHF Steel Co., Ltd.	General Manager of CHF Steel Co., Ltd.	3,610,475	CHF Steel Co., Ltd. (2.92%)
	Independent Director	Chia-Jung Chen	Ph.D., Department of Resources and Energy Economics, University of West Virginia, USA	Professor and Director of Department of Resource Engineering, National Cheng Kung University; Deputy Dean, School of Engineering, National Cheng Kung University	Honorary Professor, Department of Resource Engineering, National Cheng Kung University	0	None
	Independent Director	Po-Han Wang	National Sun Yat-sen University, Master of Business Administration	Manager of Audit Department of Deloitte Taiwan	Director of Accounting Office, Long Wei Federation	0	None
	Independent Director	Tai-Guang Peng	Doctor of Management, Texas Tech University	Dean of School of Management, I-Shou University	Professor of I-Shou University and Dean of International College	0	None

Voting Results:

V. Other Proposals

Proposed by the board of directors of the Company

Cause: Lift restrictions on the 10th session of the company's non-independent directors prohibiting competition; please refer to the referendum.

Description:

1. According to Article 209 of the Company Act, directors acting for themselves or others while under the company's business scope should obtain permission from the shareholders' meeting.
2. In consideration of the newly elected tenth session of non-independent directors of the company contingently investing or operating other companies with the same or similar business scope as the company's directors or managers (e.g., if a juridical person shareholder is elected as a director, including the legal person shareholder and its designated representative) it is submitted to the shareholders' meeting for approval that if a newly elected tenth session non-independent director of the company has an open relationship (e.g., a legal person shareholder is elected as a director, including the legal person shareholder and its designated representative), it is agreed to lift the restrictions on their competition.
3. The tenth session of the company Candidates for non-independent directors concurrently hold other major positions in other companies; for details, see Attachment 8.

Resolution:

**China Ecotek Corporation Tenth Session Candidates for
Non-Independent Director
Concurrently holding other major positions of other
companies**

Director candidate name	Concurrently holding positions in other companies
Representative of China Steel Corporation: Chung-Te Chen	Deputy General Manager of Engineering Department of China Steel Corporation
Representative of China Steel Corporation: Chao-Tung Wong	Chairman: China Steel Corporation, Zhongxin Development Corporation, Shangyang Venture Capital Corporation Director: Dragon Steel Steel Co., Ltd., China Steel Chemical Corp., Chung Hung Steel
Representative of China Steel Corporation: Shyi-ChinWang	General Manager of China Steel Corporation, Chairman of Dragon Steel Corporation Director: China Steel Chemical Corp., China Steel Express Co., Ltd.
Representative of China Steel Corporation: Huo-Kun Chen	Assistant Deputy General Manager of Engineering Department of China Steel Corporation Director: China Steel Machinery Co., Ltd., Taiwan Rolling Stock Co. Ltd.
Representative of China Steel Corporation: Tzu-An Wu	Chairman of China Steel Solar Energy Corporation and Supervisor of China Steel Machinery Co., Ltd. Director: Wuhan Hua De Environmental Protection Engineering Technology Ltd.

Representative of Huarong Wire and Cable Company: Ming-Hsiang Lin	Deputy General Manager of Huarong Wire & Cable Co., Ltd. Director: Huarong Wire & Cable Co., Ltd., Yishen Copper Technology Co., Ltd., Hejing Technology Co., Ltd., Jinju Development Copper Foil Co., Ltd., Huaguang Biotechnology Co., Ltd., Jing Chuan Optoelectronics Co., Ltd., Zhanwang Life Technology Co., Ltd.
Representative of Great Grandeul Steel Co.: Yu-Lun Kuo	Director of Great Grandeul Steel Co. and Supervisor of Hongyun Iron and Steel Industry Co.
Representative of CHF Steel Co.: Tsan-Jen Chen	General Manager of CHF Steel Co., Ltd.

Five. Extraordinary Motions

Six. Regulations and Rules

Regulations and Rules 1

China Ecotek Corporation Rules of Procedures for Shareholders Meetings (Before Amendment)

Article 1

The rules of procedures for shareholders meeting of the Company, except as otherwise provided by law, regulation or the articles of incorporation, shall be as provided in these Rules.

Article 2

Unless otherwise provided by law or regulation, the Company's shareholders meetings shall be convened by the board of directors.

The Company shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of an Annual Meeting of Shareholders or before 15 days before the date of a special shareholders meeting. The Company shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the Annual Meeting of Shareholders or before 15 days before the date of the special shareholders meeting.

In addition, 15 days prior to the date of the shareholders meeting, the Company shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at the Company and the professional shareholder services agent designated thereby as well as being distributed on-site at the meeting place.

The notice and announcement shall describe the reason of convention. Where the consent of the counterparty of the notice is obtained, an electronic method may be adopted.

Election or dismissal of directors or supervisors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the Company, or any matter under Paragraph 1 of Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, or Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out in the notice of the reasons for convening the

shareholders meeting. None of the above matters may be raised by an extraordinary motion.

A shareholder holding 1 percent or more of the total number of issued shares may submit to the Company a written proposal for discussion at a Annual Meeting of Shareholders. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any Sub-paragraph of Paragraph 4 of Article 172-1 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda. Prior to the book closure date before a Annual Meeting of Shareholders is held, the Company shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the Annual Meeting of Shareholders and take part in discussion of the proposal. Prior to the date for issuance of notice of a shareholders meeting, the Company shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the board of directors shall explain the reasons for the exclusion of any shareholder proposals not included in the agenda.

Article 3

For each shareholders' meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by the Company and stating the scope of the proxy's authorization.

A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to the Company before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail; unless a declaration is made to cancel the previous proxy appointment.

After a proxy form has been delivered to the Company, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to the Company before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 4

The venue for a shareholders' meeting shall be the premises of the Company, or

a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m.

Article 5

The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance and other matters for attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders' meetings based on attendance cards, sign-in cards or other certificates of attendance. The Company may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.

The Company shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.

When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 6

If a shareholders' meeting is convened by the board of directors, the meeting shall be chaired by the Chairman. When the Chairman is on leave or for any reason is unable to exercise the powers of the chairperson, one of the directors shall be appointed to act as chair. Where the Chairman does not make such a designation, the directors shall select from among themselves one person to serve as chair.

When a director serves as chair, as referred to in the preceding paragraph, the director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair. It is advisable that shareholders' meetings convened by the board of directors be chaired by the Chairman in person and attended by a majority of the directors, at least one supervisor in person, and at least one member of each functional committee on behalf of the committee. The attendance shall be recorded in the

meeting minutes.

If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.

The Company may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 7

The Company, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 8

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares in attendance shall be calculated according to the sign-in cards handed in, and if written or electronic method is adopted for the exercise of voting rights, then it shall be counted plus the number of shares whose voting rights are exercised by correspondence or electronically.

The chair shall call the meeting to order at the appointed meeting time. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Paragraph 1 of Article 175 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month. However, for special resolutions specified in the Company Act or other laws or articles of incorporation, such restrictions shall not be applied. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may re-submit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 9

If a shareholders' meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply *mutatis mutandis* to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

After the end of a meeting and after the chair declares the meeting adjourned, shareholders shall not further elect a chair to continue the meeting at the original site or at another place.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call for a vote.

Article 10

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number and shareholders' name or account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.

When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chairperson shall stop any violation.

When a juristic person shareholder appoints two or more representatives to

attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.

After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 11

5. Voting at a shareholders' meeting shall be calculated based the number of shares.

With respect to resolutions of shareholders' meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.

When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of the Company, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.

The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 12

A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article Subparagraph 3 of Article 157 and Paragraph 2 of 179 of the Company Act. When the Company holds a shareholders' meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that the Company avoid the submission of extraordinary motions and amendments to original proposals.

A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to the Company before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall

prevail; except when a declaration is made to cancel the earlier declaration of intent.

After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to the Company, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.

Except as otherwise provided in the Company Act and in the Company's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. Within two days after the conclusion of the meeting, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

When there is an amendment or alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.

Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall have the identity of shareholders of the Company.

Vote counting for shareholders's meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

Article 13

When there is any election of directors or supervisors at a shareholders meeting, such election shall be held in accordance with the Regulations for Election of Directors and Supervisors established by the Company.

Article 14

Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.

The Company may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the Market Observation Post System (MOPS).

The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chairperson's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of the Company.

Article 15

On the day of a shareholders' meeting, the Company shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.

If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation regulations, the Company shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 16

Staff handling administrative affairs of a shareholders' meeting shall wear identification cards or arm bands.

The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband.

At the place of a shareholders' meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by the Company, the chair may prevent the shareholder from so doing.

When a shareholder violates the rules of procedure and defies the chairperson's correction, obstructing the proceedings and refusing to heed calls to stop, the chairperson may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 17

When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances,

the meeting will be resumed.

If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders' meeting may adopt a resolution to resume the meeting at another venue.

A resolution may be adopted at a shareholders' meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Regulations and Rules 2

China Ecotek Corporation Articles of Incorporation

Chapter 1 General Rules

Article 1 The Company shall be incorporated under the Company Act and its English name shall be “China Ecotek Corporation”.

Article 2 The scope of business of the Company is as follows:

1. C802120 Industrial Catalyst Manufacturing
2. C901060 Refractory Materials Manufacturing
3. CA01020 Iron and Steel Rolls over Extends and Crowding
4. CA01030 Iron and Steel Casting
5. CA01050 Iron and Steel Rolling, Drawing, and Extruding
6. CA01120 Copper Casting
7. CA01990 Other Non-ferrous Metal Basic Industries
8. CA02010 Metal Architectural Components Manufacturing
9. CA02050 Metal Valves Manufacturing
10. CA02060 Metal Containers Manufacturing
11. CA02090 Metal line Products Manufacturing
12. CA02990 Other Fabricated Metal Products Manufacturing Not Elsewhere Classified
13. CA03010 Metal Heat Treating
14. CA04010 Metal Surface Treating
15. CB01010 Machinery and Equipment Manufacturing
16. CB01030 Pollution Controlling Equipment Manufacturing
17. CC01040 Lighting Facilities Manufacturing
18. CB01990 Other Machinery Manufacturing Not Elsewhere Classified
19. CC01010 Electric Power Supply, Electric Transmission and Power Distribution Machinery Manufacturing
20. CC01990 Electrical Machinery, Supplies Manufacturing
21. CD01010 Ship and Parts Manufacturing
22. CD01020 Tramway Cars Manufacturing
23. CD01030 Automobiles and Parts Manufacturing
24. CE01010 Precision Instruments Manufacturing
25. D101050 Steam and Electricity Paragenesis
26. D101060 Self-usage power generation equipment utilizing

- renewable energy industry
27. D301010 Water Supply
 28. D601011 Reclaimed Water Operators
 29. E101011 Synthesis Construction
 30. E102011 Civil Engineering Construction
 31. E103011 Steel Construction
 32. E103021 Keeps off the Earth Strut & Earth Work Construction
 33. E103031 Foundation Engineering Construction
 34. E103041 Construction tower hoisting & Pattern Plate Project Construction
 35. E103051 Mixes the Concrete Project in Advance Construction
 36. E103061 Builds the Drilling Project Construction
 37. E103071 Underground Utilities Project Construction
 38. E103081 Valance curtain wall project Construction
 39. E103091 Garden, Landscape Project Construction
 40. E103101 Environmental Protection Construction
 41. E103111 Waterproof Project Construction
 42. E401010 Dredge Engineering
 43. E402010 Ballast and Mud Construction on Sea
 44. E501011 Water Pipe Construction
 45. E502010 Fuel Pipe Construction
 46. E503011 User's Drainage Facility Installation Contractor of Sewer System
 47. E599010 Pipe Lines Construction
 48. E601010 Electric Appliance Construction
 49. E601020 Electric Appliance Installation
 50. E602011 Frozen and Air-conditioning Engineering
 51. E603010 Cables Construction
 52. E603020 Elevator Construction
 53. E603040 Fire Fighting Equipments Construction
 54. E603050 Cybernation Equipments Construction
 55. E603080 Traffic Signals Construction
 56. E603090 Illumination Equipments Construction

57. E603100 Electric Welding Construction
58. E603110 Quench Construction
59. E603120 Sand Spurting Construction
60. E603130 Gas Water Heater Installation
61. E604010 Machinery Installation Construction
62. E605010 Computing Equipments Installation Construction
63. E606010 Electricity Equipments Checking and Maintenance
64. E607010 Solar Heat Energy Equipments Installation Construction
65. E701020 Channel KU and C of Satellite TV Equipments and Materials Construction
66. E701030 Restrained Telecom Radio Frequency Equipments and Materials Construction
67. E701040 Basic Telecommunications Equipment Construction
68. E801010 Building Maintenance and Upholstery
69. E801020 Doors and Windows Construction
70. E801030 Interior Light Rigid Frame Construction
71. E801040 Glass Construction
72. E801060 Interior Decoration Construction and Repairing
73. E801070 Kitchen and Bath Facilities Construction
74. E901010 Painting Construction
75. E903010 Eroding and Rusting Construction
76. EZ02010 Derrick Construction
77. EZ03010 Furnace Installation Construction
78. EZ05010 Apparatus Installation Construction
79. EZ06010 Traffic Labels Construction
80. EZ07010 Drilling Construction
81. EZ09010 Static Electricity Protecting and Clearing Construction
82. EZ14010 Sports Ground Equipments Construction
83. EZ15010 Warming and Cooling Maintenance Construction
84. EZ99990 Other Construction
85. F106010 Wholesale of Ironware
86. F106040 Wholesale of Water Containers
87. F107010 Wholesale of Paints, Varnishes and Lacquers

88. F107050 Wholesale of Manure
89. F107080 Wholesale of Environmental Medicines
90. F107090 Wholesale of Industrial Explosives
91. F107170 Wholesale of Industrial Catalyst
92. F107200 Wholesale of Chemistry Raw Materials
93. F107990 Wholesale of Other Chemical Products
94. F113010 Wholesale of Machinery
95. F113020 Wholesale of Household Appliances
96. F113030 Wholesale of Precision Instruments
97. F113050 Wholesale of Computing and Business Machinery
Equipment
98. F113060 Wholesale of Metrological Instruments
99. F113070 Wholesale of Telecom Instruments
100. F113090 Wholesale of Traffic Signal Equipments and
Materials
101. F113100 Wholesale of Pollution Controlling Equipments
102. F113110 Wholesale of Batteries
103. F113990 Wholesale of Other Machinery and Equipment
104. F118010 Wholesale of Computer Software
105. F120010 Wholesale of Refractory Materials
106. F207010 Retail Sale of Paints, Varnishes and Lacquers
107. F207020 Retail Sale of Dyeing Mills and Dyestuff
108. F207080 Retail Sale of Environmental Medicine
109. F207170 Retail Sale of Industrial Catalyst
110. F207200 Retail sale of Chemistry Raw Material
111. F207990 Retail Sale of Other Chemical Products
112. F213010 Retail Sale of Household Appliance
113. F213040 Retail Sale of Precision Instruments
114. F213050 Retail Sale of Metrological Instruments
115. F213060 Retail Sale of Telecom Instruments
116. F213080 Retail Sale of Machinery and Equipment
117. F213090 Retail Sale of Traffic Signal Equipments and
Materials
118. F213100 Retail Sale of Pollution Controlling Equipments
119. F213990 Retail Sale of Other Machinery and Equipment

- 120. F214080 Retail Sale of Tramway Cars and Parts
- 112. F217010 Retail Sale of Fire Fighting Equipments
- 122. F218010 Retail Sale of Computer Software
- 123. F219010 Retail Sale of Electronic Materials
- 124. F220010 Retail Sale of Refractory Materials
- 125. F299990 Retail Sale of Other Retail Trade Not Elsewhere
Classified
- 126. F399040 Retail Business Without Shop
- 127. F401010 International Trade
- 128. H201010 Investment
- 129. H701050 Public Works Construction and Investment
- 130. I101061 Engineering Consultancy
- 131. I101070 Agriculture, Forestry, Fishing and Animal
Husbandry Consultancy
- 132. I101090 Food Consultancy
- 133. I101110 Textile Industry Consultancy
- 134. I102010 Investment Consultancy
- 135. I103060 Management Consulting Services
- 136. I199990 Other Consultancy
- 137. I301010 Software Design Services
- 138. I301020 Data Processing Services
- 139. I301030 Digital Information Supply Services
- 140. I501010 Product Designing
- 141. I503010 Landscape and Interior Designing
- 142. I599990 Other Designing
- 143. IF04010 Harmless Checking Services
- 144. IG01010 Biotechnology Services
- 145. IG02010 Research Development Service
- 146. IG03010 Energy Technical Services
- 147. IZ99990 Other Industry and Commerce Services Not
Elsewhere Classified
- 148. J101030 Waste Clearing
- 149. J101040 Waste Disposing
- 150. J101050 Sanitary and Pollution Controlling Services
- 151. J101060 Wastewater (Sewage) Treatment

- 152. J101070 Radwaste Disposing Service
- 153. J101080 Waste Recycling
- 154. J101090 Waste Collecting and Disposing
- 155. J101990 Other Environmental Protection Construction
- 156. JB01010 Exhibition Services
- 157. JE01010 Rental and Leasing Business
- 158. ZZ99999 All business items that are not prohibited or restricted by law, except those that are subject to special approval.

Article 2-1 In the event of business needs, the Company may proceed with endorsement and guarantee matters according to the Regulations for Making Endorsements and Guarantees to the External of the Company.

Article 3 To achieve the objective of business diversification, the Company may re-invest in other companies, and the total investment amount of re-investment made is not limited to t40 percent of the paid-in share capital of the Company described in the Company Act.

Article 4 The Company shall have its head office in Kaohsiung City, R.O.C., and when it is determined to be necessary, branch offices may be established domestically or overseas.

Article 5 The public announcement method of the Company, unless otherwise specified by competent authority of securities management, shall be published in a conspicuous place on a daily newspaper circulating in the area wherein the Company is located.

Chapter 2 Shares

Article 6 The total capital of the Company shall be in the amount of NT\$ 2,200,000,000, divided into 220,000,000 shares, at NTD 10 per share, which may be issued at discrete times.

Article 7 The shares of the Company are exempted from printing of share certificates, and shall be numbered as well as indicated with statutory matters. The shares shall be signed or sealed by at least three Directors. In addition, the shares shall also be certified by the registration institution approved by the competent authority for issuance thereof.

Article 9 Where the printing of share certificates is exempted, the shares shall be registered with the Centralized Securities Depository Enterprises.

Article 8 The printing of the share certificates of the Company is exempted and all of the shares shall be registered shares. The shares shall be indicated with the name of each shareholder. For a government or corporate shareholder, the government or corporate shareholder and the name of its representative as well as the address thereof shall be recorded clearly in the shareholders' roster.

Article 9 The stock affairs of the Company shall be handled according to the Company Act and regulations of the competent authority.

Article 10 Any transfer registration of shares shall be prohibited within 60 days prior to an Annual Meeting of Shareholders, 30 days prior to an extraAnnual Meeting of Shareholders, or 5 days prior to the target date for the distribution of dividends and bonuses or other interests by the Company.

Chapter 3 Shareholders' Meeting

Article 11 The Company's shareholders' meeting shall be of two types as follows:

- I. Annual Meeting of Shareholders shall be convened by the board of directors according to the laws within six months after the end of each fiscal year.
- II. The extraordinary shareholders' meeting shall be convened whenever necessary according to the laws.

Article 12 The convention procedures for Annual Meeting of Shareholders shall be handled according to the regulations of the Company Act, Securities and Exchange Act and relevant laws.

Article 13 Any resolution at a shareholders' meeting, unless otherwise specified in the Company Act, shall be adopted by a majority of the shareholders presented, who represent more than half of the total number of the company's outstanding shares and shall be executed based on the majority of the voting rights of the attending shareholders.

Article 14 A shareholder shall be entitled to one vote for each share

held, except where the voting rights are restricted or shareholders are deemed to have no voting rights under Paragraph 2 of Article 179 of the Company Act.

Article 15 Where a shareholder for any reasons cannot attend the shareholders' meeting in person, he or she may appoint a proxy to attend a shareholders' meeting in his/her/its behalf by executing a power of attorney printed by the Company, stamped with a seal of the Company preserved on record, stating therein the scope of power authorized to the proxy. With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares, and the part of the voting rights exceeding such percentage shall not be counted.

Article 16 During the convention of shareholders' meeting, the Chairman shall be the chair of the meeting. In case where the Chairman is on leave or cannot exercise his power and authority for any cause, the Chairman may appoint a director to act as a proxy thereof; where the Chairman fails to appoint a proxy, the directors shall elect one person from among the directors to act as the proxy.

Article 17 Resolutions adopted at a shareholders' meeting shall be recorded in the minutes of the meeting, which shall be affixed with the signature or seal of the chair of the meeting. The meeting minutes along with the attendance list bearing the signatures of the attending shareholders and the powers of attorney of the proxies for attending the meeting shall be archived by the board of directors for preservation at the Company. In addition, the meeting minutes shall be distributed to all shareholders within twenty days after the close of the meeting. The preparation and distribution of the meeting minutes may be effected by means of electronic transmission.

Chapter 4 Director, Supervisor and Managerial Personnel

Article 18 The Company has nine to fifteen directors and three supervisors, and adopts the candidate nomination system with the

term of office of three years. Supervisors with capability shall be elected by the shareholders' meeting according to the regulations of the Company Act, and re-election shall be applicable.

In the roster of directors described in the preceding paragraph, the number of independent directors among the number of directors of each term shall not be less than three and shall not be less than one fifth of the total number of directors.

The professional qualifications, restrictions on both shareholding and concurrent positions held, determination of independence, method of nomination and other requirements shall comply with relevant regulations of the Securities and Exchange Act, Elections for independent directors and non-independent directors shall be held concurrently, and the lists of successful candidates shall be calculated separately.

Article 18.1 The Company shall establish the audit committee starting from the tenth term of board of directors according to Article 14-4 of the Securities and Exchange Act, and the Audit Committee shall be responsible for executing the authorities of supervisors according to the Company Act, Securities and Exchange Act and other laws. This Audit Committee shall be composed of the entire number of independent directors. The committee members shall not be fewer than three persons in number, one of the committee members shall be the committee convener, and at least one of the committee members shall have accounting or financial expertise.

Resolutions of the Audit Committee meetings shall be adopted with the consent of one-half or more of all members of the Audit Committee.

The exercise of authorities, organization charter and other matters requiring compliance of the Audit Committee shall be handled according to the Securities and Exchange Act and other relevant laws or the rules and regulations of the Company.

Starting from the implementation of this article, the rules for the election of supervisors as described in Paragraph 1 of the preceding article and other rules related to supervisors described in these

Articles of Incorporation shall be ceased to be applicable.

Article 19 The authorities of the board of directors are as follows:

- I. Approval of annual business directives;
- II. Appointment or discharge of President, Vice President, financial and accounting managers, internal audit managers and consultants;;
- III. Approval of annual budget plan and financial statements
- IV. Determine the pledge, sale/purchase or other disposition methods related to major assets of the Company;
- V. Approval of investment plans;
- VI. Approval of capital expense above NT\$ 40 million;
- VII. Approval of exclusive technology, purchase or transfer of patent rights and technology collaboration contracts at an amount above NT\$ 40 million;
- VIII. Approval of establishment and dissolution of branch institutions;
- IX. Proposals for recommending the amendment of the Articles of Incorporation, change of capital and Company's dissolution or merger to shareholders' meetings;
- X. Proposal for recommending distribution of profit or covering losses to shareholders' meetings;
- XI. The appointment, discharge, or compensation of an attesting Certified Public Accountant;
- XII. Approval of internal organizations and authorities of the Company;
- XIII. Approval of other matters with authorities under laws and regulations.

Article 20 Resolution of Board of Directors

For the important matters described in the following, a board of directors' meeting with more than two-thirds of directors attending the meeting is required, and shall be approved by a majority of attending directors; or a majority of directors shall attend a board of directors' meeting, and shall be approved by more than two-thirds of attending directors for the resolutions of such important matters:

- I. Proposal for recommending distribution of profit or

- covering losses to shareholders' meetings;
- II. Proposal for recommending capital increase or decrease to shareholders' meetings;
 - III. Approval of exclusive technology, purchase or transfer of patent rights and technology collaboration contracts at an amount above NT\$ 40 million;
 - IV. Approval of capital expense above NT\$ 40 million;
 - V. Approval of investment plans.

Proposals of important matters shall not be handled as extraordinary motions. Except for the aforementioned resolutions of important matters and other resolutions according to the laws of R.O.C. or relevant laws, other matters shall be resolved by a majority of attending directors of the board of directors and based on the approval of a majority of attending directors.

Article 21 Board of directors' meeting shall be attended by more than two third of the directors along with the consents of the majority of the attending directors in order to elect a Chairman among the directors. The Chairman shall represent the Company externally, and shall internally act as the chair of the shareholders meetings and board of directors meetings. In case where the Chairman is on leave or cannot exercise his power and authority for any cause, the Chairman may appoint a director to act as a proxy thereof; where the Chairman fails to appoint a proxy, the directors shall elect one person from among the directors to act as the proxy.

Article 22 Except where the first board of directors' meeting for each term of newly elected directors, such first board of directors' meeting shall be convened by the director with the votes representing the greatest voting rights, the rest of board of directors' meetings shall be convened by the Chairman. In addition, meeting notices indicating the meeting date, place, agenda and sufficient meeting information shall be submitted to each director and supervisor in writing, E-mail or facsimile seven days before the convention of the meeting. However, in case of emergencies, meetings may be convened at any time.

Article 23 The board of directors' meetings of the Company shall

be convened once every three months and may be convened at any time whenever necessary. Unless otherwise specified in the Company Act, a Board of Directors' meeting shall be convened by the Chairman.

Article 24 In case where a director cannot attend a board of directors' meeting due to reasons, he or she may issue a power of attorney indicating the scope of authority for the reasons of such convention of board of directors' meeting in order to appoint another director to act as a proxy for attending the meeting on his or her behalf, provided that the proxy shall only accept the appointment of one director only.

Directors with residences outside the jurisdiction of R.O.C. may issue a power of attorney to another shareholder with residence in the jurisdiction of R.OC. to act as a proxy thereof in order to attend a board of directors' meeting on his or her behalf according to the Company Act.

During the convention of a board of directors' meeting, if it is held with the video conference method, directors attending the meeting through the video conference shall be deemed to have attended the meeting in person.

Article 25 The board of directors' executive duties shall comply with the laws, Articles of Incorporation and resolutions of the shareholders' meetings in order to exercise its authorities and duties.

Article 26 The authorities of the supervisors are as following:

- I. Supervise the execution of business operations of the Company.
- II. Investigate the operational and financial status of the Company.
- III. Examine the accounting books and documents.
- IV. Other authorities empowered under the laws.

Article 27 The supervisor may attend the board of directors' meetings to express their opinions, but shall have no voting rights.

Article 27-1 The remunerations of directors and supervisors, the compensation for the independent directors and the salary of the

Chairman shall be determined by the board of directors according to the relevant standards adopted in the industry and TWSE/TPEX listed companies. In addition, other allowances for the Chairman are paid according to the relevant regulations for employees' salary and compensation.

Article 27-2 The Company may purchase liability insurances for directors and supervisors during the term of office of the directors and supervisors for the indemnification liabilities required to be borne within their scope of duty performance according to the laws.

Article 28 The Company has one President as the managerial officer and the appointment, discharge and remuneration thereof shall be handled according to Article 29 of the Company Act.

Article 29 The managerial officers of the Company shall handle business operations of the Company according to the resolutions of the board of directors' meetings.

Article 30 The internal organization of the Company and its authorities shall be handled according to the resolutions of the board of directors' meetings.

Chapter 5 Accounting

Article 31 The accounting fiscal year of the Company shall start from January 1, to December 31 of each year. At the end of each fiscal year, an annual settlement shall be performed. The board of directors shall prepare all the necessary statements and reports according to the Company Act for submission to the supervisor for examination thirty days before the ordinarily shareholder's meeting. In addition, the supervisor shall issue a report to the Annual Meeting of Shareholders in order to request for the approval thereof.

Article 32 Where the Company has a profit for a fiscal year, no less than 0.1 percent of such profit shall be appropriated as the employees' remuneration and no higher than 1% of such profit shall be appropriated as the remuneration of directors through resolutions of the board of directors' meeting. The recipients entitled to the issuance of the employees' remuneration include employees of affiliates satisfying certain criteria. provided that where there is an accumulated loss, the Company shall reserve

amount to compensate such loss first, followed by setting aside for the employee remuneration and the Director and Supervisor remuneration according to the aforementioned ratio.

The distribution of the employees' remuneration and the remunerations of directors and supervisors shall be submitted to the board of directors' meeting for resolution and shall be reported to the shareholders' meeting,

Article 32-1 Where the Company has earnings after the settlement of each year, the distribution of earnings shall be made in accordance with the following sequence:

- (I) Compensate losses of previous years;
- (II) Appropriate 10 percent as the legal reserve, until the aggregate amount has reached the total capital of the Company;
- (III) Set aside or reverse a special reserve depending upon the operating needs of the Company and regulatory requirements;
- (IV) Where there are still distributable earnings, the board of directors shall then submit an earnings distribution proposal to the shareholders' meeting for resolution on the distribution thereof.

The Company is in a high-tech engineering market with stable growth and also develops diverse strategies at the same time. The Company also expands the business operating foundation in the development of investment plans, including environmental protection and energy etc. During the establishment of the proposal for distribution of earnings by the board of directors, it is necessary to consider the stability of dividends. Except when there is need for capital, the earnings distributed each year shall account for more than 50 percent of the distributable earnings, and where the shareholders' cash bonus shall not be less than 10 percent of the shareholders' bonus.

Article 33 The distribution of the shareholders' dividends shall be limited to the shareholders recorded on the shareholders' list on the dividend distribution target date.

Chapter 6 Supplementary Provisions

Article 34 The organizational charters and operational rules of the Company shall be further established by the board of directors.

Article 35 For any matters not specified in these Articles of Incorporation, such matters shall be handled according to the regulations of the Company Act.

Article 36 These Articles of Incorporation were established on March 2, 1993. First amendment was made according to the resolution of the extraordinary shareholders' meeting on May 25, 1993. Second amendment was made according to the resolution of the extraordinary shareholders' meeting on November 22, 1993. Third amendment was made according to the resolution of the extraordinary shareholders' meeting on September 22, 1994. Fourth amendment was made according to the resolution of the Annual Meeting of Shareholders on June 11, 1996. Fifth amendment was made according to the resolution of the Annual Meeting of Shareholders on June 25, 1997. Sixth amendment was made according to the resolution of the shareholders' meeting on June 29, 1998. Seventh amendment was made according to the resolution of the shareholders' meeting on June 9, 2000. Eighth amendment was made according to the resolution of the shareholders' meeting on June 8, 2001. Ninth amendment was made according to the resolution of the shareholders' meeting on June 11, 2002. Tenth amendment was made according to the resolution of the shareholders' meeting on June 28, 2005. Eleventh amendment was made according to the resolution of the shareholders' meeting on June 25, 2008. Twelfth amendment was made according to the resolution of the shareholders' meeting on June 28, 2012. Thirteenth amendment was made according to the resolution of the shareholders' meeting on June 25, 2015. Fourteenth amendment was made according to the resolution of the shareholders' meeting on June 22, 2016. Fifteenth amendment was made according to the resolution of the shareholders' meeting on June 22, 2018. Sixteenth amendment was made according to the resolution of the shareholders' meeting on June 25, 2019.

Regulations and Rules 3

China Ecotek Corporation Regulations for Election of Directors

Article 1 Except as otherwise provided by laws or by the Company's articles of incorporation, elections of directors of the Company shall be conducted in accordance with these Regulations.

Article 2 The overall composition of the board of directors shall be taken into consideration in the selection of the Company's directors. The composition of the board of directors shall be determined by taking diversity into consideration and formulating an appropriate policy on diversity based on the company's business operations, operating dynamics, and development needs. It is advisable that the policy include, without being limited to, the following two general standards:

(I) Basic requirements and values: Gender, age, nationality, and culture.

(II) Professional knowledge and skills: A professional background (*e.g.*, law, accounting, industry, finance, marketing or technology), professional skills and industry experience.

Each board member shall have the necessary knowledge, skill, and experience to perform their duties; the abilities that must be present in the board as a whole are as follows:

- (1) The ability to make judgments about operations.
- (2) Accounting and financial analysis ability.
- (3) Business management ability.
- (4) Crisis management ability.
- (5) Knowledge of the industry.

- (6) An international market perspective.
- (7) Leadership ability.
- (8) Decision-making ability.

More than half of the directors of the Company shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 3 The Company adopts the candidate nomination system for the election of directors. The Company shall carefully review the qualifications, education, working experience, background of the nominees and the existence of any other matters set forth in Article 30 of the Company Act with respect to the nominee directors, and shall handle the election according to Article 192-1 of the Company Act. Independent directors and non-independent directors shall be nominated separately, and the shareholders shall elect independent directors and non-independent directors from the two candidate rosters respectively.

For the nomination of independent directors of the Company, where special requirements are specified in the Article 5 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, such requirements shall also be applicable.

The qualifications for the independent directors of the Company shall comply with Articles 2, 3, and 4 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies.

Elections for independent directors and non-independent directors of the Company shall be held concurrently, and the lists of successful candidates shall be calculated separately.

When any director is dismissed for any reason, causing the number of directors to fall below the number as required by the

articles of incorporation, the Company shall hold a by-election for the directors at the most recent shareholders meeting. However, when the number of directors falls short by one-third of the total number of directors prescribed in the articles of incorporation, the Company shall convene an extraordinary shareholders' meeting within 60 days from the occurrence of such event to hold a by-election for the directors.

Where the number of independent directors falls below the number prescribed in the proviso of Paragraph 1 of Article 14-2 of Securities and Exchange Act, the Company shall hold by-election at the most recent shareholders' meeting. When all independent directors are dismissed, the Company shall convene an extraordinary shareholders' meeting within 60 days from the occurrence of such event to hold a by-election for the independent directors.

Article 4 The single-name cumulative voting method shall be used for election of the directors of the Company. Each ordinary share shall have voting rights in number equal to the directors to be elected, and may be cast for a single candidate or split among multiple candidates.

Article 5 The board of directors shall prepare ballots for directors in numbers corresponding to the directors to be elected. The attendance card number shall be printed out and the number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders of ordinary shares at the shareholders meeting.

The name of the voting shareholders shall be replaced by the attendance card numbers printed on the ballots.

For the shareholders of ordinary shares exercising the voting rights via the electronic method, no ballots are prepared and

provided to such shareholders.

Article 6 According to the number of positions of the independent directors and non-independent directors of the Company required to be elected, those candidates receiving ballots representing the highest numbers of voting rights will be elected as the independent directors or non-independent directors sequentially according to their respective numbers of votes. When two or more persons receive the same number of votes, thus exceeding the specified number of positions, they shall draw lots to determine the winner, with the chair drawing lots on behalf of any person not in attendance.

Article 7 Before the election begins, the chair shall appoint two vote monitoring personnel and several vote counting personnel to perform the all relevant duties. The vote monitoring personnel shall be equipped with the shareholder status.

Article 8 The duties of the vote monitoring personnel are as follows:

I. Prior to the voting, examine the ballot box publicly.

II. After the voting is complete, seal the ballot box, and unseal the box for retrieving ballots before opening the ballot box and hand over the ballots to vote counting personnel for counting the ballots.

III. Examination or determination of invalid ballots.

IV. Verify the number of ballots and the number of voting rights statistically counted by the vote counting personnel.

V. Assist the chair to maintain the order during voting and ballot box opening.

The ballot box described in Subparagraph 1 of the preceding paragraph shall be prepared by the board of directors.

Article 9 The voters shall enter the following information at the “candidate” field on the candidate roster of independent director or non-

independent director, followed by dropping the ballot into the ballot box:

I. When a candidate is a natural person shareholder, the candidate's name and account number shall be entered. When a candidate is a non-shareholder natural person, the candidate's name, identification certificate number shall be entered.

II. When a candidate is a corporate shareholder or a government shareholder, the name and account number of such corporate shareholder or government shareholder shall be entered.

III. When a candidate is a representative designated by a corporate shareholder or government shareholder, the name, account number of the corporate shareholder or government shareholder as well as the name of the representative shall be entered. When there are a multiple number of representatives, the names of such representatives shall be entered respectively.

Article 10 A ballot is invalid under any of the following circumstances:

I. Where the attendance sign-in card is not submitted to complete the sign-in procedure.

II. Where the ballot provided by the board of director is not used.

III. Where more than two candidates are entered on the ballot.

IV. Where texts other than the name, account number of identification number of the candidate are entered on the ballot.

V. Where the ballot is torn or damaged such that it is not a complete ballot.

VI. Where the ballot is contained such that the candidate entered thereon cannot be identified clearly.

VII. Where the ballot is completely blank.

VIII. Where the writing is unclear and unidentifiable or is altered; however, correction or addition/deletion for errors shall not be restricted.

IX. Where the candidate entered is a shareholder, but his/her name or account number is inconsistent with the ones recorded on the shareholders' roster.

X. Where the candidate entered is a non-shareholder natural person, but his/her name is inconsistent with the name indicated on the identification certificate.

XI. Where the candidate entered is a representative designated by a corporate shareholder or government shareholder, but the name or account number of the corporate shareholder or government shareholder entered is inconsistent with the ones recorded on the shareholders' roster.

XII. Where the name of the candidate entered on the ballot is identical to that of another shareholder, but no shareholder account number or identity certificate number is provided on the ballot to identify such individual.

XIII. Where candidate for the independent director or non-independent director entered on the ballot is not in the roster of the independent directors or non-independent directors.

Article 11 The voting rights shall be calculated on site immediately after the end of the voting. In case where there is a doubt on a ballot, the vote monitoring personnel shall determine whether it is an invalid ballot. When there is a dispute in such determination, it shall be

resolved by the voting of all of the vote monitoring personnel. When the voting result indicates the same number of votes for assenting and dissenting, then such ballot shall be determined to be invalid.

Article 12 After the voting rights are counted completely, the vote monitoring personnel shall verify that the total amount of the valid ballots and invalid ballots are correct, followed by entering the number of valid ballots, invalid ballots and the number of voting rights of the two into the record table respectively, and shall submit it to the chair to announce the list of directors elected and the number of votes which they are elected.

Article 13 The vote monitoring personnel shall seal the valid ballots and invalid ballots separately, and shall jointly provide signatures at the sealing area. In addition, the cover of the package sealed with the invalid ballots shall be indicated with the texts of invalid ballots, and shall be submitted to the Company for custody. The period of custody shall be at least one year. However, where a shareholder files a lawsuit related to the election of directors pursuant to Article 189 of the Company Act, the files shall be retained until the conclusion of the litigation.

Article 14 These Regulations shall be approved by the shareholders' meeting and shall be implemented starting from the election of the 10th term of directors. Any amendments of these Regulations shall be approved by the shareholders' meeting before implementation.

Detail of Directors and Supervisors of the Company
(Up to the book closure of Annual Meeting of Shareholders of this year:
April 25, 2020)

Unit: Shares %

Job Title	Name		Shareholder Account No.	Shareholding (Ordinary shares)	Holding percentage (%)
Chairman	Chung-Te Chen	China Steel Corporation	1	55,393,138	44.76%
Director	Chao-Tung Wong				
Director	Shyi-Chin Wang				
Director	Tzu-An Wu				
Director	Huo-Kun Chen				
Director	Ming-Hsiang Lin	Hua Eng Wire and Cable Co., Ltd.	4	11,843,730	9.57%
Director	Hsi-Chi Tsai	Chun Yuan Steel Industry Co., Ltd.	15	2,990,772	2.42%
Director	Yu-Lun Kuo	Great Grandeul Steel Corporation	19071	3,918,000	3.17%
Independent Director	Chia-Jung Chen			0	0
Independent Director	Po-Han Wang			0	0
Supervisor	Hui-Zeng Lin	Chun Yu Co., Ltd.	9	4,333,266	3.50%
Supervisor	Wei-Yan Hong	CHF Steel Co., Ltd.	11	3,610,475	2.92%
Supervisor	Po-Nien Lin	Bai-Chien Investment Co., Ltd.	16	3,005,000	2.43%
Number of shares held by all directors				74,145,640	59.92%
Number of shares held by all supervisors				10,948,741	8.85%
Minimum number of shares required to be held by all directors				10,000,000	
Minimum number of shares required to be held by all supervisors				1,000,000	

Note 1: The Company has issued 123,742,552 shares of ordinary shares

Appendix

Appendix 1

Impact of the distribution of bonus shares proposed in the present shareholders' meeting on the business performance of the Company and earning per share

The Company plans to distribute cash dividends in full; therefore, such impact is not applicable.

Appendix 2

Shareholding

China Ecotek Corporation

2020 Annual Meeting of Shareholders Speaker's Slip

Dear Shareholders:

We welcome your attendance in this year's Annual Meeting of Shareholders of China Ecotek Corporation. To adhere to the company's rules of procedures for shareholders' meetings and to facilitate your speech in the meeting, please describe your question on this Speaker's Slip, and submit it to the service personnel. We will request the Chair or relevant personnel to provide explanations to your question during the Q&A session.

We thank you for your support and care for China Ecotek Corporation

Account Name: _____
Shareholders' Account No.: _____
(or Attendance Certificate No.)
Date: Month Date, Year

I am a shareholder of the Company, and I hereby confirm that the summary of my speech at the 2020 Annual Meeting of Shareholders is as follows:
