

Stock Code: 4305



# 世堃塑膠股份有限公司 Shih-Kuen Plastics CO., LTD.

## Handbook for 2023 Annual Shareholders Meeting



Date: June 17, 2023

Venue: Ma-Dou District Agriculture Office Building  
(3F, 56 Xing Sheng North Road, Ma-Dou District, Tainan)

### Translation Summary

This English translation is prepared in accordance with the Mandarin version for reference purposes only. Please prevail the Mandarin version if there are any discrepancy with the translation.

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# SHIH-KUEN PLASTICS CO., LTD.

## 2023 ANNUAL MEETING OF SHAREHOLDERS

### Meeting Procedure

**Date:** Saturday, June 17, 2023

**Time:** 9:30 a.m.

**Venue:** Ma-Dou District Agriculture Office Building  
(3F, 56 Xing Sheng North Road, Ma-Dou District, Tainan)

**Attendants:** All shareholders or their proxy holders

**Chairman:** Mr. Chang-Fu Lin, Chairman of the Board of Directors

1. Call Meeting to Order
2. Chairman's Address
3. Report Items
  - (1) Business Report 2022
  - (2) Auditor's Review Financial Statement 2022
  - (3) Report on remuneration distribution of employees and directors, 2022
  - (4) Amendment to Rules and Procedures for the Board Meeting
  - (5) Amendment to Corporate Governance Best Practice Principles
4. Ratification Items
  - (1) Business Report and Financial Statements, 2022
  - (2) Profit Distribution Proposal, 2022
5. Questions and Motions
6. Meeting Adjourned

# Report Items

- (1) Business Report 2022 ([Attachment I](#), pp. [8-9])
- (2) Auditors' Review Report 2022 ([Attachment II](#), pp. [10])
- (3) Report on Remuneration Distribution of Employees, Directors and Auditors, 2022  
The Board has approved the following Remuneration Distribution Plan on March 14th, 2023:
  1. Remuneration of Directors is NT\$4,836,611.
  2. Employee Compensation is NT\$6,771,255.
  3. Comparing the above-mentioned proposed amount of remuneration NT\$11,607,866 and the accounting estimate NT\$9,670,133, the difference of NT \$1,937,733 will be adjusted in the expense of FY23 accordingly.
- (4) Amendment to Rules and Procedures for the Board Meeting
- (5) Amendment to Corporate Governance Best Practice Principles

# Rectification items

1. Adoption of the Business Report and Financial Statements, 2022  
(Proposed by the Board of Directors)

Explanatory Notes:

- (1) The Company's 2022 Financial Statements, including Balance Sheet, Statement of Comprehensive Income, Statement of Changes in Equity, and Cash Flow Statement, were approved at the Board on March 14, 2022 and reviewed by the auditor. ([Attachment II](#), pp. [10])
- (2) All the financial reports listed above were audited by accountants, Ms. Fang-Ting Yeh and Mr. Yung-Chih Lin, of PwC Taiwan. ([Attachment III](#), pp. [11-16])

Resolution:

2. Adoption of the Distribution of Remuneration, 2022  
(Proposed by the Board of Directors)

Explanatory Notes:

- (1) After adjusting the Retained Earnings of 2022 including legal reserves and associated expenses related to dividends distribution, the Board of Directors has approved the following profit distribution plan: ([Attachment IV](#), pp. [17])
  1. Distributing a total of NT \$110,028,000 capital surplus in cash dividends.
  2. Issuing cash dividends only.
- (2) The Board proposes to distribute cash dividends of \$2.00 per share.  
According to *the Company Act*, the approval of the shareholders meeting authorizes the Board of Directors to resolve the ex-dividend date, payment date, and other relevant issues. The Board shall adjust the cash dividends based on the number of actual shares outstanding on the record date.

Resolution

## Questions and Motions

**Meeting Adjourned**

## Attachments

- I. Business Report 2022
- II. Auditors' Review Report 2022
- III. Financial Statements 2022
- IV. Statements of Profit Distribution 2022

## Business Report 2022

The coronavirus pandemic has continued the serious impact on overall demands for PVC sheets. Coupled with the Russian invasion of Ukrainian and escalating inflation across the globe, the economic growth was under expectation. Because of the weak consumer needs and changed in procurement plan, it had greatly impact the Company's performance in FY22.

The operating revenue for FY22 was NT \$909,733 thousands, a decrease of 22.43% from NT \$1,172,837 thousands in FY21. Company's average material price was down by 8.14% and the operating profit was NT \$109,982 thousands, a decrease of 28.80% as comparing to FY21. Due to foreign exchange surplus against USD, the net income and earnings per shares of FY 22 was \$146,870 and NT \$2.67 respectively; Even during the COVID-19 crisis, Shih-Kuen Plastics consistently strived hard to maintain operating performance and profitability.

Looking forward, 2023 will be another challenging year full of uncertainties. To remain competitive in the market, Shih-Kuen Plastics will keep up the current operating strategies to secure its key competitiveness by closely monitoring market trends, controlling procurement costs and expanding oversea market opportunities. From the internal management perspectives, Shih-Kuen Plastics offers regular employee training, optimize production efficiency, quality and yield, developing new specifications, and controlling operation cost.

Followings are analysis of operation performance, financial conditions strategic plans:

### 1. Annual Income, FY22 and FY21 (in thousands of New Taiwan Dollars):

	FY22		FY21		Change (%)
	Amount	%	Amount	%	
Operating Revenue	909,733	100.00	1,172,837	100.00	(22.43)
Operating Cost	( 726,568 )	(79.87)	( 943,449 )	(80.44)	(22.99)
Gross Profit	\$ 183,165	20.13	\$ 229,388	19.56	(20.15)
Operating Expense	( 73,183 )	( 8.04)	( 74,909 )	(6.39)	(2.30)
Operating Income	\$ 109,982	12.09	\$ 154,479	13.17	(28.80)
Non-Operating Income and Expenses	73,812	8.11	( 14,991 )	(1.28)	592.38
Profit Before Income Tax	\$ 183,794	20.20	\$ 139,488	11.89	31.76
Income Tax Expense	( 36,924 )	( 4.06)	( 28,072 )	(2.39)	31.53
Net Income for the Year	\$ 146,870	16.14	\$ 111,416	9.50	31.82

### 2. Budget Execution FY22

As FY20 budget was not disclosed, budget execution is not available to discuss.



**3. Profitability Analysis FY22 and FY21 in percentage %, except EPS in New Taiwan Dollars):**

	FY22	FY21
Capital Structure		
Debt Ratio	11.28	14.70
Long-Term Capital Ratio	398.87	367.30
Liquidity Analysis		
Current Ratio	742.57	583.04
Quick Ratio	687.55	530.97
Return on Assets	12.06	9.38
Return on Shareholders' Equity	13.86	10.85
Return on Capital Employed		
Operating Profits	19.99	28.08
Operating Profits Before Tax	33.41	25.36
Net Profitability	16.14	9.50
Earnings Per Share (NT\$)	\$ 2.67	\$ 2.03

**4. Research and Development:**

While Shih-Kuen Plastics continuously supports clients with quality PVC Sheet by fulfilling diverse market demands, the Company offers versatile customization options from printing, cold-crack, high-resistance, waterproof to anti-mod features.

There are the five major product categories available in mass production:

1. Double-Polished Normal Clear & Super Clear PVC Sheet
2. Double-Polished Super Clear PVC Sheet
3. Embossed, Translucent & Opaque PVC Sheet
4. PVC Sheet for Digital Printing and Advertisement
5. Impact-Resistant PVC Sheet

**5. Strategic Plan:**

- I. Developing stronger bond with domestic clients to secure stable order demands and simultaneously expanding international markets.
- II. Establishing long-term supplier relationship to ensure provision of supplies and mitigate price volatility.
- III. Providing regular employees training to excel in professions and managerial skills.
- IV. Optimizing machinery performance to enhance efficiency, product quality, yield, and control production cost.
- V. Improving administrative management and employee incentive programs, attracting talents to join Shih-Keun Plastics and maintaining company's sustainability.

Shih-Kuen Plastics will continuously pursue rationalizing policies and implement lean human resource management, professional team division and products quality stability, aiming towards sustainability and workplace diversity in a long run.

Chairman:  
Lin, Chang-Fu



General Manager:  
Chen, Chun-Cheng



Chief Accountant:  
Lin, Hsiang-Yun



# SHIH-KUEN PLASTICS CO., LTD.

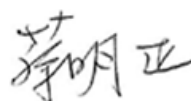
## Auditors' Review Report

The Board of Directors has prepared the Company's 2022 Business Report, Proposal for Profits Distribution, and Financial Statements audited by the accountants, Fang-Ting Yeh and Yung-Chih Lin, of the PwC Taiwan. We as the Auditors of the Company have examined the aforementioned documents and confirmed no unconformities. According to the Article 219 of *Company Act*, we hereby submit this report. Please be advised accordingly.

Submitted to:

The Company's 2023 Annual Shareholders' Meeting

Auditors



Ming-Cheng Tsai

March 14, 2023

## SHIH-KUEN PLASTICS CO., LTD.

### BALANCE SHEETS

December 31, 2021 and 2022

(in thousands of New Taiwan Dollars)

		2022		2021	
		Amount	%	Amount	%
<b>ASSETS</b>					
<b>Current Assets</b>					
1100	Cash and Cash Equivalents	302,870	25	463,291	38
1136	Amortized Cost of Current Financial Assets	436,581	36	118,809	10
1150	Notes Receivables, Net	31,928	2	31,410	3
1170	Account Receivables, Net	98,682	8	221,357	18
1200	Other Receivables	73	-	37	-
130X	Inventories	68,833	6	78,832	7
1410	Prepayment	803	-	3,042	-
11XX	<b>Total Current Assets</b>	<u>\$ 939,770</u>	77	<u>\$ 916,778</u>	76
<b>Non-Current Assets</b>					
1600	Property, Plant and Equipment	272,208	22	281,493	23
1755	Right-of-Use Asset	1,058	-	2,668	-
1840	Deferred Income Tax Assets	9,273	1	8,113	1
1920	Guarantee Deposit Paid	1,508	-	3,108	-
15XX	<b>Total Non-Current Assets</b>	<u>\$ 284,047</u>	23	<u>\$ 295,382</u>	24
1XXX	<b>Total Assets</b>	<u>\$ 1,223,817</u>	100	<u>\$ 1,212,160</u>	100
<b>LIABILITIES AND EQUITY</b>					
<b>Current Liabilities</b>					
2100	Short-Term Borrowings	-	-	-	-
2150	Notes Payables	9,091	1	9,971	1
2170	Accounts Payable	56,692	4	91,890	8
2200	Other Payables	35,800	3	38,694	3
2230	Current Income Tax Liabilities	24,167	2	15,039	1
2280	Current Lease Liabilities	806	-	1,646	-
21XX	<b>Total Current Liabilities</b>	<u>\$ 126,556</u>	10	<u>\$ 157,240</u>	13

(continued)

## Attachment III

<b>Non-Current Liabilities</b>					
2580	Non-Current Lease Liabilities	273	-	1,079	-
2640	Net Defined Benefit Liabilities- Non-Current	8,942	1	15,941	1
2645	Guarantee Deposits Received	2,281	-	3,983	1
25XX	<b>Total Non-Current Liabilities</b>	<u>11,496</u>	1	<u>21,003</u>	2
2XXX	<b>Total Liabilities</b>	<u>\$ 138,052</u>	11	<u>\$ 178,243</u>	15
<b>EQUITY</b>					
<b>Share Capital</b>					
3110	Share Capital - Common Shares	550,140	45	550,140	45
3200	Capital Surplus	75	-	75	-
<b>Retained Earnings</b>					
3310	Legal Reserve	243,637	20	232,269	19
3350	Unappropriated Retained Earnings	291,913	24	251,433	21
3XXX	<b>Total Equity - Contingent Liabilities &amp; Unrecognized Contract Commitments</b>	<u>\$ 1,085,765</u>	89	<u>\$ 1,033,917</u>	85
3X2X	<b>Total Liabilities and Equity</b>	<u>\$ 1,223,817</u>	100	<u>\$ 1,212,160</u>	100

## SHIH-KUEN PLASTICS CO., LTD. STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2019 and 2020

(in thousands of New Taiwan Dollars, except earnings per share)

	2022		2021	
	Amount	%	Amount	%
4000 Operating Revenue	\$ 909,733	100	\$ 1,172,837	100
5000 Operating Costs	( 726,568 )	(80)	(943,449 )	(81)
5900 Net Operating Margin	\$ 183,165	20	\$ 229,388	19
<b>OPERATING EXPENSES</b>				
6100 Selling Expenses	(34,100 )	(4)	( 37,020 )	(3)
6200 General and Administrative Expenses	( 29,372 )	(3)	( 27,391 )	(2)
6300 Research and Development Expenses	(8,521)	(1)	(8,386)	(1)
6450 Expected Credit Gain (Loss)	(1,190)		(2,112)	
6000 Total Operating Expenses	( 73,183 )	(8)	( 74,909 )	(6)
6900 Operating Profit	\$ 109,982	12	\$ 154,479	13
<b>NON-OPERATING INCOME AND EXPENSES</b>				
7100 Interest Income	8,914	1	1,180	-
7010 Other Income	1,087	-	887	-
7020 Other Gains and Losses	63,870	7	(16,956)	(1)
7050 Finance Costs	(59)	-	(102)	-
7000 Total Non-Operating Income and Expenses	\$ 73,812	8	\$ (14,991)	(1)
7900 Profit Before Income Tax	\$ 183,794	20	\$ 139,488	12
7950 Income Tax Expense	( 36,924 )	(4)	(28,072)	(2)
8200 Net Income for The Year	\$ 146,870	16	\$ 111,416	10
(Other comprehensive income (loss) or related components will not be reclassified to profit or loss)				
8311 Re-measurement of Defined Benefit Obligation	5,004	-	2,830	-
8349 Income Tax	(1,001)	-	(566)	-
8300 (Other related components of comprehensive income will not be reclassified to profit or loss.)	4,003	1	2,264	-
8500 Total Comprehensive Income for the Year	\$ 150,873	17	\$ 113,680	10
<b>EARNINGS PER SHARE</b>				
9750 Basic Earnings per Share (in NT \$)	\$ 2.67		\$ 2.03	
9850 Diluted Earnings per Share (in NT \$)	\$ 2.66		\$ 2.02	

# SHIH-KUEN PLASTICS CO., LTD.

## STATEMENTS OF CHANGES IN EQUITY

For the years ended December 31, 2021 and 2022

(in thousands of New Taiwan Dollars)

Attachment III  
Financial Reports 2022

	Share Capital		Capital Surplus		Retained Earnings		Total Equity			
	Common Share		Gain / Disposal of Assets		Legal Reserve	Unappropriated Earnings				
BALANCE, JANUARY 1 ,2021	\$	550,140	\$	75	\$	220,936	248,111	1,019,262		
Net Income for the Years, Ended Dec. 2021		-		-			111,416	111,416		
Other Comprehensive Income, Ended Dec. 31,2021							2,264	2,264		
Total Comprehensive Income, 2021							113,680	113,680		
Distribution of 2020 Net Income										
Legal Reserve						11,333	(11,333)	-		
Cash Dividends							(99,025)	(99,025)		
<b>BALANCE, DECEMBER 31 ,2021</b>	<b>\$</b>	<b>550,140</b>	<b>\$</b>	<b>75</b>	<b>\$</b>	<b>232,269</b>	<b>\$</b> 251,433	<b>\$</b> 1,033,917		
BALANCE, JANUARY 1 ,2022		550,140	\$	75	\$	232,269	\$	251,433	\$	1,033,917
Net Income for the Years, Ended Dec. 2022							146,870	146,870		
Other Comprehensive Income, Ended Dec. 31, 2022		-		-			4,003	4,003		
Total Comprehensive Income, 2022							150,873	150,873		
Distribution of 2021 Net Income										
Legal Reserve						11,368	(11,368)	-		
Cash Dividends							(99,025)	(99,025)		
<b>BALANCE, DECEMBER 31 ,2022</b>	<b>\$</b>	<b>550,140</b>	<b>\$</b>	<b>75</b>	<b>\$</b>	<b>243,637</b>	<b>\$</b> 291,913	<b>\$</b> 1,085,765		

## SHIH-KUEN PLASTICS CO., LTD.

### STATEMENTS OF CASH FLOW

For the years ended December 31, 2021 and 2022

(in thousands of New Taiwan Dollars)

	Year Ended Dec. 31	
	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax for the year	\$ 183,794	\$ 139,488
<b>Adjustments</b>		
Expected Credit Loss (or Gain)	1,190	2,112
Depreciation	12,142	12,191
Gain (Loss) on Disposal of Property, Plant and Equipment	(20)	145
Interest Income	( 8,914 )	(1,180)
Unrealized Exchange (Gain) Loss	(1,610)	688
Interest Expenses	59	102
<b>Changes in Operating Assets and Liabilities</b>		
<b>Changes in Operating Assets</b>		
Notes Receivable	(518)	(11,751)
Accounts Receivable	121,458	(53,774)
Other Receivables	(36)	11
Inventories	9,999	21,953
Prepayments	2,239	(2,335)
<b>Changes in Operating Liabilities</b>		
Notes Payable	(880)	(3,965)
Accounts Payable	(35,198)	29,258
Other Payables	(3,944)	3,015
Net Defined Benefit Liabilities-Non-Current	\$ (1,995)	\$ (2,046)
Cash Inflow Generated from Operations	\$ 277,793	\$ 133,912
Interest Received	8,914	1,180
Interest Paid	(59)	(102)
Income Tax Paid	(29,957)	(20,949)
Net Cash Inflows from Operating Activities	\$ 256,691	\$ 114,041

(continued)

## Attachment III

### CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of Financial Assets at Amortized Cost- Current	(538,914)	(217,569)
Proceeds from Disposal of Financial Assets at Amortized Cost- Current	222,752	305,611
Cash Paid for Acquisition of Property, Plants & Equipment	(197)	(6,072)
Proceeds from Disposal of Property, Plants & Equipment	20	668
Decrease (Increase) in Refundable Deposits	1,600	(1,000)
Net Cash Flows Used in Investing Activities	\$ (314,739)	\$ 81,638

### CASH FLOWS FROM FINANCING ACTIVITIES

Payment of Lease Liabilities	(1,646)	(1,756)
Increase (Decrease) in Guarantee Deposit Received	(1,702)	2,864
Payment of Cash Dividends	(99,025)	(99,025)
Net Cash Flows Used in Financing Activities	\$ (102,373)	\$ (97,917)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (160,421)	\$ 97,762
Cash and Cash Equivalents, Beginning	463,291	365,529
Cash and Cash Equivalents, Ending	\$ 302,870	\$ 463,291



**SHIH-KUEN PLASTICS CO., LTD.**  
**STATEMENTS OF PROFIT DISTRIBUTION 2022**  
(in New Taiwan Dollars)

Items		Amount
Net Profit Before Tax for the Current Year	\$	146,870,123
Less: Income Tax		4,002,805
Less: Legal Reserve (=10% of Profit After Tax 2022)		(15,087,293 )
Earnings Available for Distribution in 2022	\$	135,785,635
Add: Unappropriated Retained Earnings, Beginning		141,039,613
Accumulated Distributable Earnings	\$	276,825,248
Less: Cash Dividends (= NT \$2.0/shares × 55,014,000 shares)		(110,028,000 )
Unappropriated Retained Earnings, Ending	\$	166,797,248

Chairman:

Lin, Chang-Fu



General Manager:

Chen, Chun-Cheng



Chief Accountant:

Lin, Hsiang-Yun



# Appendix

- I. Memorandum and Articles of the Company
- II. Rules and Procedures of Shareholders' Meeting
- III. Current Shareholding of Directors

# SHIH-KUEN PLASTICS CO., LTD.

## Memorandum and Articles of the Company

### Chapter 1 General Provisions

#### Article 1

The Company shall be incorporated as a company limited by shares under *the Company Act* and its name shall be “Shih-Kuen Plastics Co., Ltd.” (hereinafter referred to as the “Company”).

#### Article 2

The scope of business of the Company shall be as follows:

1. Manufacturing customized soft and semi-rigid Polyvinyl Chloride (PVC) sheet, PVC film, material for plastics goods (e.g. printing advertisement, cases, bags, rainwear, plastics injection, etc.), adhesive PVC sheet, and offering import and export solution of PVC raw material.
2. Trading and material processing of shoes, non-woven fabric.
3. Other business not prohibited or restricted by law, except by special permission.

#### Article 3

To achieve the goal of diversification, the Company’s reinvestment to other companies shall exceed forty percent (40%) of paid-up capital, and has authorized the Board to implement the matters concerned.

#### Article 4

The Company may make guarantee for business necessity and has authorized the Board to implement the matters concerned.

#### Article 5

The Company, locates in Tainan, may expand branches or factories at other locations to satisfy operation needs. It’s subject to resolution of the Board.

#### Article 6

Public notices of the Company are handled in accordance with *the Company Act* and other relevant regulations.

## Chapter 2 Shares

### Article 7

The total capital stock of the Company, NT \$ 550,140,000 divided into total of 55,014,000 common shares at NT \$10 each, has been fully issued.

### Article 8

All the shares are registered and the certificates shall be signed or affixed by the directors representing the Company.

The Company may combine printing the shares and exempt from printing the physical certificates pursuant to the Article 161-2 of the *Company Act*.

### Article 9

Registration of share transfers shall be suspended in the following circumstances: sixty (60) days prior the Meeting, thirty (30) days before a special shareholders meeting, and five (5) days prior to the record date for distribution of dividend, bonuses or other benefits.

### Article 10

Once the Company's shares are issued to the public, all shares are handled in accordance with the regulations stipulated in the *Regulations Governing the Administration of Shareholder Services of Public Companies*.

### Article 11

The Company may convert the issued shares into a larger denomination in accordance with the request of licensed security custody agency.

## Chapter 3 Shareholders' Meetings

### Article 12

The Meeting shall be convened by the board of directors once in six (6) months from the closing of each fiscal year. The shareholders' special meeting may be called whenever it is deemed necessary with meeting notices.

The Meetings may be held via videoconference or other methods announced by the Central Government. Rules regulating the conditions, operating procedures and other matters would be complied with for the adoption of a videoconference shareholder meeting, unless otherwise stipulated by the competent authority, shall prevail.

**Article 13**

Meeting notices should be delivered to all shareholders thirty (30) days prior the general meetings and fifteen (15) days before the special meetings. Notice shall specify meeting date, venue, reasons of meeting, discussion agenda and public announcement.

**Article 14**

If shareholders are unable to attend the Meeting, they may appoint a proxy to attend and vote on their behalf at the Meeting. Proxy holders shall present the proxy form at the Meeting registration check-in. All proxy appointments must comply with Article 177 of *the Company Act* and *Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies*.

**Article 15**

The Meetings shall be chaired by the Chairperson of Board. If the person is absent, he/she shall designate a director as the representative. If the shareholders meeting is called by convener other than the board, the Chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected among the conveners.

**Article 16**

Each shareholder is entitled to one vote per share held. Shares held by the Company itself in accordance with the laws does not have voting right.

**Article 17**

Unless otherwise required by *the Company Act*, all proposals shall be resolved by the majority at the Meeting representing minimum fifty percent (50%) of the shareholding and more than half of the total votes.

**Article 18**

Resolutions adopted at the Meeting shall be recorded in the meeting minutes, specifying meeting date, venue, the name of the Chairperson, the voting methods, a summary of the meeting procedure and the Meeting results. Minutes must be sealed and signed by the Chairperson and delivered to shareholders in twenty (20) days. The Company shall retain all the meeting minutes, attendance list and the proxy forms.

## Chapter 4 Directors and Auditors

### Article 19

The Company shall establish the Board constituted by seven (7) directors whom are elected at the Meeting among the individuals of legal capacity, with the three-year term. The election shall apply candidate nomination system complying with Article 198 and 192-1 of the *Company Act*. All Directors and Auditor(s) shall be eligible for re-election.

Said directors shall include minimum two (2) independent directors; the independent directors shall be elected from the list of candidates proposed in the Meeting representing over one-fifth (1/5) of total director seats.

The qualification, shareholding, restrictions on part-time jobs, identification of independency, nomination and election of independent directors and other matters to be complied with shall be handled in accordance with *the Company Act* and other relevant policies set at the Board Meeting.

### Article 19-1

Conforming with Article 14-4, *Securities and Exchange Act*, the audit committee shall be composed of all independent directors. The Audit Committee shall be responsible for exercising a auditor's power prescribed by *the Company Act*, *Securities and Exchange Act* and other related laws. Resolutions of the audit committee shall require the consent of more than half of all members.

### Article 20

If the tenure of current directors and auditors expire before the time of final account closing of the year, the tenure would be extended until the newly elected take office. If the reelection is not held during the extended period, the competent authority may, ex office, order the Company to complete the reelection within a specific time limit, otherwise the directors and auditors will be discharged automatically upon the expiry date it orders.

### Article 21

The Board shall be organized and formed among the directors. The Chairperson shall be elected by the board with more than half of the total seats. The chairperson shall represent the Company externally in charge of the Company's business operation and convene the Meeting and Board Meeting. Other authorization not specified in *the Company Act* or this Memorandum will be approved at the Board Meeting.

Unless special regulations set other than *the Company Act*, Board Meetings shall be convened by the chairman with subjects for discussion and reasons sending to every directors and auditors. In the case of emergency, a meeting of the board of directors may be convened at any time.

Directors' meeting may be convened in writing, fax or by electronic transmission.

**Article 22**

Where vacancies of the Board exceed one-third of the total number of the Directors or all the independent directors are dismissed, the Board shall convene a special shareholders' meeting within sixty (60) days to elect new Directors until the incumbent term expires.

**Article 23**

The Board of Directors hold the following responsibilities and authorities:

1. Guarantee on Behalf of the Company
2. Dispose Company's Whole or Partial Properties.
3. Appoint and Remove Public Accountants for the Company
4. Amend the Memorandum and Article of the Company
5. Draft Annual Budget of the Fiscal Year
6. Establish or Withdraw Subsidiaries
7. Reinvest Other Properties or Approved Items
8. Approve and Amend Important Contracts
9. Propose Profit Allocation
10. Propose Capital Increase or Reduction Plans

**Article 24**

The resolutions of the Board, unless otherwise required by *the Company Act*, shall be passed by the majority of the Board of Directors when the attendance rate is at least fifty percent (50%) at Meeting. Directors shall attend Board meetings in person. Otherwise, he/she shall issue an authorization letter to designate another director to act on his/her behalf; One director may only represent only one other director

**Article 25**

When the Chairperson of the Board is on leave or unable to perform his duties, the designed proxy shall be made in accordance with Article 208 of *the Company Act*.

**Article 26**

Resolutions adopted at Meeting shall be recorded in the minutes, which shall be sealed and signed by the chairperson. Meeting minutes shall be distributed to all shareholders of the company within twenty (20) days after the close of the meeting, and the Company shall retain all the meeting records (including check in list, proxy form) according to the regulations.

**Article 27**

Regardless the Company's financial performance in the fiscal year, directors and auditors are entitled with transportation allowance. The rule of travelling allowance is established based on industry standard

and Board's resolution.

#### **Article 27-1**

Executive pay and bonus shall follow industry standards and authorize the Board to stipulate the remuneration policy.

## **Chapter Five      Managerial Officers**

#### **Article 28**

The Company shall appoint one or more managerial personnel(s) managing all affairs of the Company. The employment, discharge and remuneration thereof shall follow Article 29 of *the Company Act*.

## **Chapter Six      Accounting**

#### **Article 29**

The fiscal year for the Company starts from January 1st to December 31st of every calendar year. The final account closing shall be conducted at the end of every fiscal year, and the Board shall prepare and propose the following reports:

- I. Business report
- II. Financial statements
- III. Proposal of profit allocation or loss covering

All the documents will be submitted to the auditor for audit after deliberation and inspection according to legal procedures.

#### **Article 29-1**

If there is surplus after recovering previous loss, the retained earnings (before tax) shall be distributed based on the following proposals:

1. Remuneration to directors and auditor not exceeding 5%
2. Employee bonus shall exceed 2%

The boards shall first determine distributing employee bonus through cash or stock dividends at the Board Meeting, representing two-third (2/3) or more of directors and adopting by a large majority vote, then submit employee bonus proposal for resolution at the Meeting.

The entitlement of employee bonus may be specified in the *Memorandum and Article of the Company*. Qualification requirements of employees, including the employees of subsidiaries of the company meeting certain specific requirements, entitled to receive share bonus may be specified in the Articles of Incorporation

#### **Article 30**

In consideration of the current status and development stage in a long run, the Company adopts the



dividend policy seeking the optimal balance between the capital needs, operating expenditure and shareholder interests. When there is surplus upon closing of accounts, the Company shall first settle outstanding taxes and accumulated losses from the preceding years.

The remaining shall be set aside legal reserve (10%) and special reserve according to the regulations. The allocation of the balance including bonuses, dividends, retained earnings or otherwise, shall be proposed by the Board and resolved in the Meeting.

Shareholders' Dividends and bonus shall be assigned 30% - 95% of Accumulated Distributable Retained Earnings. cash dividend shall be at least 10% of total shareholders' dividends and bonus. When the cash dividends to be distributed is under NT \$0.3/share, the dividends will be distributed as stock dividends instead. Taking into account the profit growth or capital investment in the future, the board shall adjust remuneration plan in the Meeting.

## Chapter 7      Appendix

**Article 31**

Other details of organization regulation and rules of procedure will be established by the Board of Directors.

**Article 32**

Matters not specified in these Memorandum and Articles of the Company shall be governed by *the Company Act, the Securities and Exchange Act* and other relevant legislations.

**Article 33**

The Memorandum and Articles of the Company shall be implemented after resolution at the Meeting; Further amendment shall follow the same procedure and be adopted at the Meeting.

**Article 34**

These Memorandum and Articles were promulgated on 24 September, 1986 and amended on the following dates:

- |                       |                        |                    |
|-----------------------|------------------------|--------------------|
| (1) March 15, 1987    | (10) April 22, 1998    | (19) June 22, 2012 |
| (2) May 20, 1987      | (11) April 22, 1999    | (20) June 26, 2015 |
| (3) May 24, 1993      | (12) November 11, 1999 | (21) June 24, 2016 |
| (4) June 30, 1993     | (13) May 6, 2000       | (22) June 19, 2019 |
| (5) December 27, 1993 | (14) May 26, 2001      | (23) June 24, 2022 |
| (6) October 11, 1996  | (15) May 30, 2002      |                    |
| (7) November 20, 1996 | (16) June 3, 2003      |                    |
| (8) June 27, 1997     | (17) June 4, 2004      |                    |
| (9) October 30, 1997  | (18) June 10, 2005     |                    |

# SHIH-KUEN PLASTICS CO., LTD.

## Rules and Procedures of Shareholders Meeting

Adopted by Ordinary Resolution on June 24, 2022

### Article 1

The present regulations and procedures are established in accordance with Article 6 of *the Corporate Governance Best Practice Principles* for TWSE/GTSM Listed Companies to set guidelines for the governance, supervision, and management of the shareholders' meeting of Shih-Kuen Plastics Ltd. 世堃塑膠股份有限公司, trading under “世坤” (hereinafter referred to as the Company).

### Article 2.

Unless relevant laws and regulations or the Company's Articles of Association provided, the Company's Shareholders' Meeting (the "Meeting") shall be conducted in accordance with the *Rules and Procedures of Shareholders' Meetings* (the “Rules and Procedures”).

### Article 3

Unless otherwise specified in laws and regulations, the Meeting shall be convened by the board of directors.

Changes in the method of convening the shareholders' meeting of the Company shall be resolved by the Board, and shall be implemented no later than the dispatch of the notice of the shareholders' meeting. The Company shall deliver meeting notice and proxy form to major shareholders thirty (30) days prior the Annual Shareholders' Meetings and fifteen (15) days prior the special shareholders meetings. For shareholders holding under one thousand (1000) shares, meeting notices will only be announced on Market Observation Post System (MOPS) simultaneously.

The notification may be submitted electronically if the counterparty agrees.

The election or dismissal of directors, amendments of memorandum and rules of the Company, capital reduction, application for cessation of public offering, directors' non-competition permit, capital increase from surplus, capital increase from public reserves, the dissolution, merger and demerger of the Company, or any matter under paragraph 1, 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 stated in the meeting notice and shall not be proposed in Questions and Motions.

The convening of the shareholders' meeting has stated the overall re-election of directors and the date of their inauguration. After the re-election of the shareholders' meeting is completed, the same meeting shall not amend the date of their inauguration by temporary motion or other means.

Shareholders holding over one percentage (1%) of the total number of issued shares may propose to the company a general meeting of shareholders but restrict to maximum of one proposal; exceeding one

proposal shall not be included in the meeting agenda. Additionally, if a proposal by a shareholder satisfied the circumstances in Subparagraph 4 of *Article 172-1* of the Company Law, the board of directors may not include it as a proposal.

Shareholders may submit proposals to urge the Company to promote public interests or fulfill social responsibilities. The procedure shall be limited to one item in accordance with the relevant provisions of *Article 172-1* of the Company Law. Proposals exceeding one item shall not be included in the proposal. . The company shall announce the acceptance of shareholders' proposals, written or electronic acceptance method, acceptance location, and acceptance period before the shareholders' general meeting is held and before the closing date of stock transfer; the acceptance period shall not be less than ten (10) days.

Proposal submitted by shareholders are limited to 300 words in Chinese characters, and proposals exceeding such requirement will not be included in the proposals; proposing shareholders should attend the general meeting of shareholders in person or authorize other representative to participate in the discussion of the proposal.

The Company shall notify the proposing shareholders of the results of the handling before the notice date of the shareholders' meeting, and list the proposals that meet the provisions of this article in the meeting notice. For shareholder proposals that are not included in the proposal, the Board shall explain the reasons for not including them at the shareholders' meeting.

#### **Article 4**

For each Meeting, every shareholder may appoint a proxy to attend a general meeting and vote on his/her behalf by presenting the proxy statement which specifies the scope of authorization. Every shareholder may only submit a proxy form to designate one proxy for each Meeting. Proxy appointment shall be delivered to the Company at least five (5) days prior to the meeting date. If the Company receives more than one written proxies from the same shareholder, the first application delivered to the Company shall prevail unless a declaration is made to revoke the previous proxy appointment.

After submitting the proxy form to the Company, shareholders who would like to attend the Meeting in person or exercise their rights through electronic transmission shall file a written notice of proxy cancellation two (2) days before the meeting date. If the cancellation notice is received after the deadline, votes casted by the proxy at the Meeting shall prevail.

After the power of attorney is delivered to the Company, if the shareholder wants to attend the shareholders' meeting via video conference, he or she should notify in writing of the cancellation of the proxy two (2) days before the shareholders' meeting.

**Article 5**

The Meeting shall be held at the head office of the Company or other appropriate venue where is convenient for the shareholders to attend. The time for commencing the said meeting shall be held between 9:00 a.m. to 3:00 p.m. local time. The opinions of independent directors shall be fully considered with respect to the location and the time of the Meeting.

When the Company holds a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

**Article 6**

This Company shall specify in its shareholders meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention. Where a video-conference shareholders meeting is convened, in addition to the particulars to be included in the meeting minutes as described in the preceding paragraph, the start time and end time of the shareholders meeting, how the meeting is convened, the chair's and secretary's name, and actions to be taken in the event of disruption to the virtual meeting platform or participation in the meeting online due to natural disasters, accidents or other force majeure events, and how issues are dealt with shall also be included in the minutes.

The registration of shareholders shall begin at least thirty (30) minutes before meetings commences. The registration counter shall be clearly indicated and have sufficient staff available for checking in shareholders. For video-conference shareholders meetings, shareholders may begin to register on the virtual meeting platform 30 minutes prior the Meeting. Shareholders completing registration will be deemed as attend the shareholders meeting in person. Shareholders and proxies attending the Meeting shall present the Attendance Cards, sign-in cards or other certifications to the Meeting. The proxy solicitors shall also provide document for identity verification.

The Company shall prepare an attendance list for the meeting registration; attending shareholders may either sign on the attendance list or submit the Attendance Card to complete the registration.

The company shall prepare each shareholder and proxy meeting handbook, annual report, attendance card, voting card for the meeting and the relevant document. This Company may not arbitrarily add additional requirements for other documents beyond those showing eligibility to attend presented by shareholders. Where voting powers of election of directors at a shareholders' meeting are to be exercised, a printed ballot shall also be sent to the shareholders as well.

When shareholder is the government or juristic person, multiple representatives may attend the Meeting, but only juristic person shall be designated to attend the meeting.

In the event of a video-conference shareholders meeting, the Company shall upload the meeting agenda, annual report and other meeting materials to the virtual meeting platform at least 30 minutes before the meeting starts, and keep this information disclosed until the end of the meeting.

**Article 7**

The Chairperson of the Board of Directors, minimum of one (1) independent director and other committee members shall preside the Meeting in person if it is convened by the Board; and all the attendance shall be recorded in the meeting minutes. In the event the Chairperson is unable to perform his/her duties, the vice Chairperson shall preside over the meeting. If Vice Chairperson cannot attend the Meeting, the Chairperson shall appoint an executive director or other director instead. In the absence of chairperson designation, the Board shall elect among themselves an acting Chairperson. Acting Chairperson to preside the Meeting shall be part of the Board of Directors for minimum six (6) months and be familiar with the Company's financial and business operations. The provision shall also apply to the juristic person shareholders.

It is advisable the meeting called by the Boards is attended by over half of the total number of the Board.

If the Meeting is convened by other duly authorized person other than the Chairperson, the person shall be the chairperson to preside at the Meeting. When there are two (2) or more person(s), the chairperson of the meeting shall be elected from among themselves.

The Company may also appoint designated counsels, CPA or other related persons to attend the Meeting.

**Article 8**

The Company shall videotape and record the entire meeting process, including registration of attendees, meeting proceedings, election and vote-count in every Meeting. Videos and recordings shall be preserved for at least one (1) year. Relevant videos and files shall be retained until the litigation is concluded based on Article 189 of the *Company Act*.

This 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. In the event of a video-conference shareholders meeting, this Company shall also declare the meeting adjourned at the virtual meeting platform.

**Article 9**

Attendance at the Meetings shall be determined based on the number of outstanding shares. The number of shares represented by shareholders attending the Meeting shall be calculated based on the attendance list, check-in cards submitted by the shareholders and number of check-in at the virtual meeting platform. The number of attendance shall

The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting.

If the attending shareholders are under the half of the total number of issued shares, the Chairperson shall postpone the Meeting. The postponements shall be limited to two (2) times at the most and Meeting shall not be postponed for longer than one (1) hour.

If the quorum is not reached after two (2) postponement and the number of shareholders represents under one-third (1/3) of the total shares, the Chairperson shall announce the adjournment of the Meeting. Under this situation, a tentative resolution shall be adopted according to Paragraph 1, Article 175 of the *Company Act*. All the shareholders shall be notified of any tentative resolution, and the meeting shall be held within one (1) month. Once the number of shares reached the majority of the total shares before the Meeting adjourned, the Chairperson shall re-submit the tentative resolution for voting, according to Article 174 of the *Company Act*.

#### **Article 10**

The Board shall set the agenda for the Meeting convened by the board of directors. Relevant motions (including provisional motions and amendments to original motions) shall be cast by vote in order. The Meeting shall proceed in accordance with the agenda without shareholders' resolution.

The above provision applies *mutatis mutandis* to the Meeting convened by other duly authorized person, other than the Chairperson of the Board.

Without shareholders' resolution, the Chairperson shall not adjourn the Meeting before all the discussion items (including Questions and Motions) listed in the agenda are completed.

The shareholders cannot designate any other person as Chairperson and continue the Meeting after the Meeting is adjourned. However, in the event that the Chairperson violates the Rules and Procedures and adjourns the Meeting, the shareholders may elect, by a majority of votes represented by attending shareholders, a new chairperson to continue the Meeting.

The proposed resolutions should be given ample time for sufficient discussion and explanation. If the Chairperson deems it's appropriate to close the discussion, he/she may announce to end the discussion and go into voting. The Meeting shall provide ample time for voting.

#### **Article 11**

Prior making speech, shareholders shall specify the speaking subject, the account name and attendance number on the speech slip. The sequence of speeches shall be determined by the Chairperson. If the shareholder does not speak after slip submission, no speech is deemed. In case the contents of the speech is inconsistent with the speech slip, the contents of actual spoken speech shall prevail.

Unless otherwise permitted by the Chairperson, each shareholder shall not speak more than twice on the same proposal; each speech shall be within five (5) minutes. If speech given at the Meeting violates the above provision or exceeds the scope of the discussion item, the Chairperson may terminate such speech.

No shareholder shall interrupt the speeches of the other shareholders unless otherwise permitted by the chairperson. Any violation of the provision shall be stopped by the chairperson.

If there are two or more representatives acting on the behalf of the juristic person at the Meeting, only one representative can speak for each discussion item.

After the speech of a shareholders, the chairperson shall respond in person or direct relevant personnel to respond at the Meeting.

#### **Article 12**

Vote counts at the Meeting shall be based on the number of shares. The shares without voting rights are excluded from the total number of outstanding shares.

If shareholders are the interest parties related to any proposal and agenda, they shall not exercise the voting right on behalf of other shareholders. These numbers of shares shall be subtracted from the total voting rights representing the attending shareholders.

With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, one person can be concurrently appointed as a proxy by two (2) or more shareholders; the voting rights represented by this person shall be under three percent (3%) of the total issued shares; The voting right over three percentage (3%) shall be excluded.

#### **Article 13**

Shareholders are entitled to one vote for each share held. This does not apply to shareholders who are restricted by the conditions listed in the Paragraph 2, Article 179 of *the Company Act*.

Votes may be exercised in writing or electronic transmission in accordance of Paragraph 1, Article 177 of *the Company Act*. The voting approaches adopt in the Meeting shall be clearly indicated in the Meeting notice. Shareholders who exercises their votes in writing or electronic transmission shall be deemed to have attended meetings in person; they shall also be deemed to have waived his/her rights with respect to the Questions and Motions and amendments to the original proposals. It is therefore advisable that the Company should avoid the submission of Questions and Motions and amendments to original proposals.

Shareholders shall deliver their voting declaration in writing or electronic transmission to the Company at least two (2) days prior to the scheduled meeting; If there is more than one (1) declarations received by the Company, the first declaration shall prevail unless an explicit statement to revoke the previous declaration. In case shareholders would like to attend the Meeting in person after submitting the written or electronic declaration, they shall also submit separate declaration at least two (2) days prior to the meeting date. In the absence of a timely rescission of the previous declaration of intention, the votes exercised in writing or electronic transmission shall prevail.

When shareholders submitted declaration in writing or electronic transmission and designate a proxy to attend the Meeting on their behalf, the authorized proxy for the said shareholder shall prevail. Except otherwise specified in relevant laws or the Memorandum and Articles of the Company, a resolution shall be adopted by a majority of the votes represented by the shareholders at the Meeting. Chairperson or appointed directors shall announce total votes represented at the Meeting before voting; If Chairperson confirms no objection is voiced regarding proposed items, the resolution is adopted as equivalent to the voting result. If not, the proposed items will follow voting procedure. If there is amendment to or substitute for a discussion item, the Chairperson shall decide the voting sequence. Once resolution has been adopted, no further voting is necessary. Chairperson shall appoint the person(s) monitoring the voting procedure and checking the ballots while the former appointee shall also be a shareholder(s). Vote-count during a shareholders meeting shall be conducted publicly at the meeting venue. The results, including the numbers of votes, shall be announced immediately after counting and filing to records.

**Article 14**

The election of directors shall be conducted in accordance with the *Rules for Election of Directors* and the applicable laws. The results of the election should be announced at the meeting and disclose the information including the names of elected directors and the number of votes. The ballots shall be sealed with the signature of the person(s) monitoring the voting and retained for at least one (1) year. The Company shall retain the ballots until the litigation is concluded based on Article 189 of the *Company Act*.

**Article 15**

Resolutions of the Meeting shall be recorded in the meeting minutes including the voting methods, discussion process and every result adopted at the Meeting. Minutes shall be signed or sealed by the Chairperson of the meeting and distributed to all shareholders within twenty (20) days after the Meeting. Meeting minutes can be distributed in electronic formats and must upload to MOPS for public disclosure.

The meeting minutes shall accurately record meeting time and place as well as the full name of the Chairperson; Minutes shall be carefully kept as the Company's important file throughout the life of the Company. If no objection is voiced after solicitation by the shareholders, the resolution shall be deemed approved with the statement "the resolution is adopted based on the unanimous concurrence of shareholders". In the case of objection, the meeting minutes shall record the voting approach, the vote-count and the percentage of shareholders.



**Article 16**

On the day of the Meeting, the Company shall compile a statistical statement of the number of shares obtained by the solicitors through solicitation, by the proxies and via video-conference, and make an official disclosure at the place of the Meeting. In the video-conference shareholders meeting, the Company shall upload the above meeting information to the virtual meeting platform at least thirty (30) minutes before the meeting starts, and keep this information disclosed until the end of the meeting. During this Company's video-conference shareholders meeting, when the meeting is called to order, the total number of shares represented at the meeting shall be disclosed on the virtual meeting platform. The same shall apply whenever the total number of shares represented at the meeting and a new tally of votes is released during the meeting.

Public announcement of any resolution in respect of any information proscribed by the law and Taipei Exchange (TPEX) shall be made timely on the Market Observation Post System MOPS. Any relevant laws and regulations or the regulations of Taiwan Stock Exchange Corporation, the Company shall upload the contents of such resolutions to the MOPS within the prescribed time period.

**Article 17**

All staff members including administrative officers and security should wear badge and arm band to indicate their positions.

Shareholders shall only use microphones supplied at the Meeting. Any violation shall be refrained from speaking by the Chairperson. If shareholders refuse to obey the instructions given by the Chairperson and violate the Rules, he or she may be escorted out of the Meeting.

**Article 18**

The chairperson shall, at his/her discretion, sets time for intermission during the Meeting. In case of force majeure occurs, the Chairperson may temporarily suspend or resume the Meeting to different time. If the Meeting venue is no longer available for continuous use or not all Agenda items (including Questions and Motions) have been addressed, shareholders shall resolve to resume the Meeting at another location within five (5) days, in accordance with Article 182 of *the Company Act*.

**Article 19**

In the event of a video-conference shareholders meeting, this Company shall disclose real-time results of votes and election immediately after the end of the voting session on the virtual meeting platform according to the regulations, and this disclosure shall continue at least fifteen (15) minutes after the chair has announced the meeting adjourned.

**Article 20**

When this Company convenes a video-conference shareholders meeting, both the chair and secretary shall be in the same location, and the chair shall declare the venue address and meeting time.

**Article 21**

In the event of a video-conference shareholders meeting, the Company may provide connection test to shareholders prior to the meeting, and offer technical assistance or other services before and during the meeting to resolve communication technical issues. The chair shall also declare opening video-conference shareholders' meeting, unless under a circumstance where a meeting is not required to be postponed to or resumed at another time under *Article 44-20*, paragraph 4 of the *Regulations Governing the Administration of Shareholder Services of Public Companies*, if the virtual meeting platform or participation in the video-conference meeting is obstructed due to natural disasters, accidents or other force majeure events before the chair has announced the meeting adjourned, and the obstruction continues for more than thirty (30) minutes, the meeting shall be postponed to or resumed, in which case *Article 182 of the Company Act* shall not apply.

During a postponed or resumed session of a shareholders meeting held under the second paragraph, no further discussion or resolution is required for proposals for which votes have been cast and counted and results have been announced, or list of elected directors and supervisors.

When postponing or resuming a meeting according to the second paragraph, this Company shall handle the preparatory work based on the date of the original shareholders meeting in accordance with the requirements listed under *Article 44-20*, paragraph 4 of the *Regulations Governing the Administration of Shareholder Services of Public Companies*.

For dates or period set forth under *Article 12*, second half, and *Article 13*, paragraph 3 of *Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies*, and *Article 44-5*, paragraph 2, *Article 44-15*, and *Article 44-17*, paragraph 1 of the *Regulations Governing the Administration of Shareholder Services of Public Companies*, this Company shall handle the matter based on the date of the shareholders meeting that is postponed or resumed under the second paragraph.

For a meeting to be postponed or resumed under the second paragraph, the number of shares represented by, and voting rights and election rights exercised by the shareholders who have registered to participate in the affected shareholders meeting and have successfully signed in the meeting, but do not attend the postpone or resumed session, at the affected shareholders meeting, shall be counted towards the total number of shares, number of voting rights and number of election rights represented at the postponed or resumed session.

To convene a video-conference shareholders meeting, alternative measures shall be available to shareholders with difficulties in attending a meeting online.

**Article 22**

*Rules and Procedures of Shareholders' Meeting* shall be effective from the date it is approved at Shareholders' Meeting. The same procedure applies to the case of revision.

# 世堃塑膠股份有限公司

## SHIH-KUEN PLASTICS CO., LTD.

### Current Shareholding of Directors

Record Date: April 19, 2023

<u>Title</u>	<u>Name</u>	<u>Number of Shares</u>	<u>Shareholding Ratio (%)</u>
Chairman	Lin, Chang-Fu	5,107,180	9.28
Directors	Chen, Chun-Cheng	3,654,253	6.64
	Hong, Zhi-Cheng	3,632,595	6.60
	Hong, Zhi-Ming	3,114,114	5.66
(independent)	Chou, Liang-Cheng	-	-
(independent)	Chou, Szu-Cheng		
(independent)	Tsai, Ming-Cheng	-	-
	<b>Total Directors Shareholdings</b>	<u>15,508,142</u>	<u>28.18</u>

The total paid-up capital of the Company is NT\$550,140,000 and has fully issued a total of 55,014,000 shares.

In accordance with *the Securities Exchange Act*, the required combined shareholding of directors is 5,501,400 and 550,140 shares respectively on the book closure date.