



Ton Yi Industrial Corp.

2015 Annual General Shareholders' Meeting

Meeting Agenda
(Translation)

June 30, 2015

Table of Contents

1. Management Presentation	3-5
2. Acknowledgements	6
3. Discussion	7
4. Motions	8
5. Adjournment of Meeting	8
Appendices	
(1) 2014 Business Report	9-10
(2) Audit Committee's Review Report	11
(3) Accountant's Audit Report.....	12.19
(4) Statements	13-25
(5) Distribution of Profits	26
(6) Procedure for Election of Directors	27-30
(7) Minimum number of shares to be held by the board of directors collectively and number of shares held by individual directors and the board of directors	31
Rules	
(1) Rules and Procedures of Shareholders' Meeting.....	32-36
(2) Ethical Corporate Management Best Practice Principles	37-46
(3) Articles of Association	47-56

Ton Yi Industrial Corp.
2015 Annual Shareholders' Meeting Agenda

1. Time: 9 a.m. June 30, 2015 (Tuesday)
2. Place: 7th floor company meeting room, No. 837 Zhongzheng N. Rd., Yongkang District Tainan City
3. Report on the number of shares represented by shareholders attending the Meeting, and Meeting is called to order
4. Opening Speech of the Chairman
5. Management Presentation
 - (1) 2014 Business Report
 - (2) Audit Committee's Review Report on 2014 Financial Statements
 - (3) Status of Overall Endorsement and Guarantees
 - (4) Status Report on Overall Loan to Others
 - (5) Status Report on Overall Financial Instruments Undertaken by the Company
 - (6) Status Report on Indirect Investments in Mainland China
 - (7) Report on Motion for Amendments to the Company's "Ethical Corporate Management Best-Practice Principles"
6. Acknowledgements:
 - (1) Adoption of the 2014 Business Report and Financial Statements
 - (2) Adoption of the proposal for Distribution of 2014 Profits
7. Discussion:
 - (1) Motion for relief of directors from the restriction on non-competition
 - (2) Motion for enactment of the Company's "Procedure for Election of Directors"
8. Temporary Motions
9. Adjournment of Meeting

Article 1: **Management Presentation**

Report No. 1.

2014 Business Report

Explanation: 2014 Business Report of the Company

(Please refer to page 9 - page 10 of this Agenda)

Report No. 2.

Audit Committee's Review Report on 2014 Financial Reports

Explanation: (1) The audit report and review report provided by the Audit Committee after its completion of the review of the 2014 Company Financial Statements as audited and certified by PwC Taiwan. (Please refer to page 11 - 25 page of this Agenda)

(2) This resolution is adopted at the 11th Meeting of the 15th Board of Directors.

(3) The review report is read out.

Report No. 3.

Status of Overall Endorsement and Guarantees

Explanation: The amount of endorsement and guarantees issued according to the Company's "Operational Procedures for Issuing of Endorsements and Guarantees" of Dec 31, 2014 is NTD 4,655,129 thousand.

Unit : Thousands of New Taiwan Dollars

Endorsement and Guarantees Provided To:	Shareholding %	As at Dec 31, 2014
FUJIAN TON YI TINPLATE CO., LTD.	86.80%	422,211
ZHANGZHOU TON YI INDUSTRIAL CO., LTD.	100%	499,848

CHENGDU TON YI INDUSTRIAL CO., LTD.	100%	946,950
HUIZHOU TON YI INDUSTRIAL CO., LTD.	100%	494,720
SICHUAN TON YI INDUSTRIAL CO., LTD.	100%	1,273,000
CHANJIANG TON YI INDUSTRIAL CO., LTD.	100%	1,018,400
Total		4,655,129

Report No. 4

Status Report on Overall Loan to Others.

Explanation: The total loan to others as of Dec 31, 2014 is NTD 0.

Report No. 5

Status Report on Financial Instruments Undertaken by the Company

Explanation: The financial instruments utilized by the Company are solely for hedging purposes, and mainly for hedging of exchange rates pertaining to foreign currency credit or debt related to export sales or import of raw materials.

Unit: Thousands of New Taiwan Dollars

Items	Principle sum utilized	Recognized (loss) profit
Jan 2014 to Dec 2014	145,903	(2,908)

Report No. 6

Status Report on Indirect Investments in Mainland China

Explanation: Status of indirect investment in Mainland China in 2014 through 100% wholly-owned subsidiaries in other host countries, as follows:

Unit: thousand U.S. dollars

Company in Host Countries	Investee Company	Capital	Initial Investment Amount (as at Dec 31, 2013)	Current Period Investment Amount (as of Dec 31, 2014)	Investment Amount as of ending period
Ton Yi Industrial Holdings (CHINA), Ltd. (CAYMAN)	TON YI INVESTMENT CO., LTD. (CHINA)	50,000	0	30,000	30,000
	CHANJIANG TON YI INDUSTRIAL CO., LTD.	20,000	0	12,000	12,000
Ton Yi Investment Co., Ltd.	SICHUAN TON YI INDUSTRIAL CO., LTD.	30,000	0	18,000	18,000
Total		100,000	0	60,000	60,000

Report No. 7

Report on Amendments to the Company's "Ethical Corporate Management Best Practice Principles"

- Explanation:
1. Amend the Company's "Ethical Corporate Management Best Practice Principles" according to the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Companies" promulgated by the Taiwan Stock Exchange Corporation. Please refer to P37 – P46 of this Agenda.
 2. This resolution is adopted at the 12th Meeting of the 15th Board of Directors.

2. Acknowledgements

Proposal 1 (Proposed by Board of Directors)

Adoption of the 2014 Business Report and Financial Statements

Explanation: 2014 Business Report, and Financial Reports were audited by the CPA of PwC Taiwan.

(Please refer to P9 - P25 of this Agenda)

Resolution:

Proposal 2 (Proposed by Board of Directors)

Adoption of the proposal for Distribution of 2014 Profits

Explanation: (1) The 2014 individual financial statements have been completed, and the net profit after-tax is NTD 775,960,135. After deducting losses, defined by actuarial calculations for welfare plan, of NTD 10,851,372, covering accumulated carryover losses from previous years of NTD 46,854,059, and then setting aside the 10% legal reserve of NTD 76,510,876, the distributable net profit is NTD 735,451,946.

(2) The proposed profit distribution plan for 2014 is to allocate the amount of NTD 710,615,404 from distributable profits to be disbursed through cash dividends (NTD 450 per 1,000 shares). Please refer to page 26 of this Agenda.

(3) The cash dividends shall be calculated until NTD 1, and rounded off below. The total of fractional cash dividends less than NTD 1 shall be transferred to the Company's Employee Benefits Committee.

(4) Upon the approval of the Annual Meeting of Shareholders, it is proposed that the Board of Directors be authorized to set the ex-dividend date and other matters relating to the disbursement of cash dividend, and make any public announcement as required by law.

(5) The proposal has been discussed by the Audit Committee and approved by the Board of Directors.

Resolution :

3. Discussion

Proposal 1 (Proposed by Board of Directors)

Relief of directors from the restriction on non-competition. Please proceed to discuss.

Explanation: (1) According to Article 209 of the Company Law, “A director who does anything for himself or on behalf of another person that is within the scope of the Company's business, shall explain to the meeting of shareholders the essential contents of such an act and secure its approval”.

(2) The motion is proposed in order to relieve Director Liang Hsiang-Chu from the restriction on non-competition prohibiting him from assuming any post in another company concurrently. The post to be assumed by him in another company concurrently is specified as following:

Name	Post to be assumed in another company concurrently
Liang, Shing Chi	Chairman: Changsha Ton Yi Packaging Co., Ltd.

Resolution:

Proposal 2 (Proposed by Board of Directors)

Motion for enactment of the Company’s “Procedure for Election of Directors”. Please proceed to discuss.

Explanation: (1) Amend the Procedure according to Article 21 of the “Corporate Governance Best Practice Principles for TWSE/GTSM Companies”, and enact the Company’s “Procedure for Election of Directors” based on the “Sample Template for XXX Co., Ltd. Procedures for Election of Directors and Supervisors” promulgated by TWSE on January 28, 2015 and other related practices.

(2) For the provisions of the Company’s “Procedure for Election of Directors”, please see P27 – P30 of this Agenda.

Resolution:

4. Temporary Motions

5. Adjournment of Meeting

2014 Business Report

Appendix (1)

2014 may be identified as a turn-around year. In terms of the entire economic environment and the Company's industrial trend, the price of raw materials and supplies as iron ore and petroleum declined drastically, the main market economy was improved significantly in the U.S.A., the economic structure transformed in Mainland China and the global economic drive turned to the West from the East. Though the global economic environment is transforming rapidly and the situation is changeable, the Company is relentlessly dedicated to conducting its principal business lines and to expanding new business development to increase the source of profit. The annual turnover for 2014 of Ton Yi was NTD 21.042 billion; profit before tax was NTD 930 million, and pre-tax EPS was NTD 0.59. The net profit after tax was NTD 776 million and after-tax EPS was 0.49.

Because the price of iron ore declined in the world and the economic growth in Mainland China is sluggish, the entire demand for iron and steel drops relatively. The main products of the Company, tinplate and tin mill black plate (TMBP), are essential consumer products and affected therefor. The shipment of the three products, tinplate, TMBP and cold rolled steel totaled 812,689 tons in 2014, decreasing by 17,238 tons from 829,927 tons in the previous year. Among which, the sales volume of cold rolled steel and TMBP, which are part of the steel sheet business division, was 559,447 tons, resulting in the turnover of NTD 12.329 billion. Sales volume declined by 0.13% year-on-year while operating revenue declined by 0.65%. The sales volume of the tinplate business division was 253,242 tons, resulting in the turnover of NTD 7.872 billion. Sales volume declined by 6.11 % year-on-year while operating revenue declined by 5.5%. The sales volume of the tin can business division was 152 million cans, resulting in the turnover of NTD 83 million. Sales volume declined by 10.22 % year-on-year while operating revenue declined by 5.78%.

We are the only company outside of Japan to have been awarded Japan's JIS3303 tinplate product quality certification, and also have obtained ISO9001, ISO14001, OHSAS18001 and TOSHMS certifications. Our company meets international standards of product quality, environmental management, industrial safety and hygiene. In 2014, we were also awarded ISO22000 & HACCP certification and CNS certification. Our tinplate products are highly competitive, and our ultra-slim cold rolled products are outstanding products in the industry. Our company has continuously developed our manufacturing technology to enhance productivity and yield rate which lowers our costs, and also invested consideration human resources and time in food safety management.

With regards to overseas business investment, our total revenue generated from Mainland China was RMB 5.043 billion in 2014, growing by 16.8% year-on-year. The key growth driver came from the continued expansion of newly invested businesses, among which

the sales volume of tinplate was 344,155 tons. Tin cans reached a sales volume of 601 million, tinplate's sales volume declined by 2.9% while sales volume for tin cans grew by 2.0%. Newly invested business in PET bottling materials and packaging materials brought in revenue of RMB 2.449 billion in 2014, growing by 60.4% year-on-year; the factory in Vietnam brought in revenue of USD 8.22 million through sales volume of 60,980 thousand tin cans, growing by 14% year-on-year.

In order to meet the rising demand of the beverage market in Mainland China, we have worked with Uni-President to proceed with our layout in Mainland China. We established the distinguished factories of PET beverage and packaging materials dedicated to manufacturing PET caps, bottle embryos and blown bottles, and producing hot filling and sterilized filling beverages in order to provide customers with more comprehensive products and services. Until 2014, we already have had 8 factories in Taizhou and Kunshan of Jiangsu Province, Zhangzhou of Fukien Province, Chengdu of Sichuan Province, Hueizhou and Chanjiang of Guandong Province, and Beijing. As a result, the productivity of PET and TP beverage was raised to 300 million boxes. Meanwhile, we established Changsha Ton Yi Packaging Co., Ltd. in Changsha of Hunan Province, which went into operation in 2014. Aside from the metallic packing business, Ton Yi is moving into the production of PET packaging materials and beverage production, and owns a total of 16 production and marketing locations domestically and overseas. Ton Yi has become an integrated provider of packaging materials and beverage, while continuing to provide consumers with “absolute” ease of mind in achieving our corporate social responsibility.

Looking forward to 2015, we will develop new business lines in addition to the original ones which remain well-founded. Given our core competence in the production of packaging containers and beverage materials, along with the integration of our developing beverage material production in Mainland China, we will continue to innovate in technology, nurture our talents, value environmental protection and food safety, fulfill the promotion of corporate governance, and develop sustainable environment and corporate social responsibilities, in hopes of benefiting employees, shareholders and the social environment at the same time.

Chairman: Manager: Accounting Manager:

Ton Yi Industrial Corp
Review Report of the Audit Committee

Appendix (2)

Attn to: 2015 Annual Meeting of Shareholders

The Board of Directors have prepared and submitted the business report, financial statements and profit distribution proposal for the year 2014, among which the individual and consolidated financial statements have been audited and reviewed by Lin Tzu Shu and Lee Ming Hsien, who are both certified accounts from the accounting firm of PwC Taiwan, and have issued an Unqualified Opinion report. The above mentioned report and documents have been reviewed by the Audit Committee of the Company and the Audit Committee is of the opinion that they are in order, and hereby issues this report in accordance to Article 14-4 of the Securities and Exchange Act and Article 219 of the Companies Act.

Ton Yi Industrial Corp.

Audit Committee

Convener: [Signature]

Committee Member: [Signature]

Committee Member: [Signature]

March 25, 2015

Appendix (3)

Accountant's Audit Report

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

(104) Tsai-Shen-Po-Tze No. 14003105

We have audited the accompanying separate balance sheets of Ton Yi Industrial Corp. as of December 31, 2014, December 31, 2013 and January 1, 2013, and the related separate statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2014 and 2013. These separate financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these separate financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits, the separate financial statements referred to above present fairly, in all material respects, the financial position of Ton Yi Industrial Corp. as of December 31, 2014, December 31, 2013 and January 1, 2013, and their financial performance and cash flows for the years ended December 31, 2014 and 2013 in conformity with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers".

PricewaterhouseCoopers, Taiwan

Lin Tze-Yu

CPA

Lee Ming-Hsien

Former Securities Management Commission, Ministry of
Finance

Approval Letter No.: (82) Tai-Tsai-Cheng (6) No. 44927

(78) Tai-Tsai-Cheng (1) No. 30934

Republic of China

March 25, 2015

Appendix (4)

TON YI INDUSTRIAL CORP.
SEPARATE BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2013		December 31, 2012		January 1, 2012	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
Current assets								
1100	Cash and cash equivalents	6(1)	\$ 25,309	-	\$ 67,072	-	\$ 44,595	-
1110	Financial assets at fair value through profit or loss - current	6(2)	43	-	-	-	-	-
1150	Notes receivable, net	6(3)(4)	157,036	-	188,773	1	225,468	1
1170	Accounts receivable, net	6(4)	469,309	2	384,207	1	265,607	1
1180	Accounts receivable, net - related parties	6(4)and 7	738,748	3	551,912	2	568,575	2
1200	Other receivables		110,280	-	121,038	1	143,494	-
130X	Inventory	5(2)and 6(5)	2,478,738	9	2,555,203	9	3,091,849	12
1410	Prepayments		164,356	1	178,493	1	185,014	1
11XX	Total Current Assets		<u>4,143,819</u>	<u>15</u>	<u>4,046,698</u>	<u>15</u>	<u>4,524,602</u>	<u>17</u>
Non-current assets								
1523	Available-for-sale financial assets - non-current	3(2),5(1) and 6(6)	177,579	1	134,728	-	136,124	-
1543	Financial assets carried at cost - non-current	6(7)	501,050	2	501,050	2	501,050	2
1550	Investments accounted for using the equity method	6(7) and (8)	7,490,875	27	6,563,234	24	4,325,436	16
1600	Property, plant and equipment	6(9) and (28)	14,715,947	54	15,780,928	58	16,775,324	63
1760	Investment property, net	6(10) and 8	10,561	-	10,561	-	10,561	-
1780	Intangible assets	6(11)	105,957	-	141,276	1	176,595	1
1840	Deferred income tax assets	5(2) and 6(26)	115,106	1	122,995	-	178,481	1
1915	Prepayments for equipments	6(9)(28)	85,014	-	-	-	-	-
1920	Guarantee deposits paid		5,386	-	5,406	-	5,406	-
1985	Long-term prepaid rents	6(12)	51,347	-	-	-	-	-
1990	Other non-current assets		10,403	-	16,119	-	15,641	-
15XX	Total Non-current assets		<u>23,269,225</u>	<u>85</u>	<u>23,276,297</u>	<u>85</u>	<u>22,124,618</u>	<u>83</u>
1XXX	Total assets		<u>\$ 27,413,044</u>	<u>100</u>	<u>\$ 27,322,995</u>	<u>100</u>	<u>\$ 26,649,220</u>	<u>100</u>

(Continued)

TON YI INDUSTRIAL CORP.
SEPARATE BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2013		December 31, 2012		January 1, 2012	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(13)	\$ 2,823	-	\$ 495,838	2	\$ 144,453	1
2110	Short-term commercial papers	6(14)	-	-	-	-	99,986	1
2150	Notes payable		22,974	-	27,035	-	31,904	-
2170	Accounts payable		449,721	2	359,893	1	99,819	-
2180	Accounts payable-related parties	7	7,743	-	9,253	-	9,937	-
2200	Other payables		701,741	2	510,028	2	548,638	2
2230	Current income tax liabilities	6(26)	174,398	1	2,574	-	102,219	-
2310	Receipts in advance		38,914	-	31,995	-	39,111	-
2320	Long-term liabilities, current portion	6(15) and 9	1,000,000	4	1,283,326	5	1,283,326	5
21XX	Total Current Liabilities		<u>2,398,314</u>	<u>9</u>	<u>2,719,942</u>	<u>10</u>	<u>2,359,393</u>	<u>9</u>
	Non-current liabilities							
2540	Long-term borrowings	6(15)and9	4,849,329	18	6,041,685	22	4,925,011	18
2550	Provision- non-current	6(16)	71,302	-	69,990	-	68,702	-
2570	Deferred income tax liabilities	6(26)	204,184	1	203,013	1	202,078	1
2640	Accrued pension liabilities	5(2) and 6(17)	435,778	1	485,628	2	409,391	2
2645	Guarantee deposits received		5,520	-	5,520	-	5,510	-
25XX	Total Non-current Liabilities		<u>5,566,113</u>	<u>20</u>	<u>6,805,836</u>	<u>25</u>	<u>5,610,692</u>	<u>21</u>
2XXX	Total Liabilities		<u>7,964,427</u>	<u>29</u>	<u>9,525,778</u>	<u>35</u>	<u>7,970,085</u>	<u>30</u>
	Equity							
	Share capital							
3110	Common stock						15,791,45	
		6(18)	15,791,453	58	15,791,453	58	3	59
3200	Capital surplus	6(19)	228,178	1	228,178	1	228,178	1
	Retained earnings	6(20)(26)						
3310	Legal reserve		1,183,966	4	1,156,779	4	1,058,334	4
3320	Special reserve		826,453	3	-	-	-	-
3350	Unappropriated retained earnings		1,192,555	4	1,029,534	4	1,843,963	7
3400	Other equity interest	3(2) and 6(6)	226,012	1	(408,727)	(2)	(242,793)	(1)
3XXX	Total Equity		<u>19,448,617</u>	<u>71</u>	<u>17,797,217</u>	<u>65</u>	<u>18,679,13</u>	<u>70</u>
	Contingent Liabilities and Commitments	9						
	Total liabilities and equity					10	26,649,22	10
			<u>\$27,413,044</u>	<u>100</u>	<u>\$ 27,322,995</u>	<u>0</u>	<u>\$ 0</u>	<u>0</u>

TON YI INDUSTRIAL CORP.
SEPARATE STATEMENTS OF COMPREHENSIVE INCOME
(Expressed in thousands of New Taiwan dollars, except for basic and diluted earnings per share)

Items	Notes	For the years ended December 31,			
		2013		2012	
		AMOUNT	%	AMOUNT	%
4000 Sales revenue	7	\$ 21,629,949	100	\$ 22,407,070	100
5000 Operating costs	6(5)(11)(12)(17) (24)(25),7 and 9	(19,137,355)	(88)	(20,888,768)	(93)
5900 Operating margin		2,492,594	12	1,518,302	7
5910 Unrealized margin from intercompany transactions	6(8)及 7	(127,180)	(1)	(75,412)	-
5920 Realized margin from intercompany transactions	6(8)	74,886	-	140,237	-
5950 Net operating margin		2,440,300	11	1,583,127	7
Operating expenses	6(17)(24)(25),7 and 9				
6100 Selling expenses		(872,359)	(4)	(923,356)	(4)
6200 General and administrative expenses		(454,861)	(2)	(266,672)	(1)
6000 Total operating expenses		(1,327,220)	(6)	(1,190,028)	(5)
6900 Operating profit		1,113,080	5	393,099	2
Non-operating income and expenses					
7010 Other income	6(10)(21)	46,816	-	71,012	-
7020 Other gains and losses	6(2)(8)(26) and 7	22,492	-	(14,169)	-
7050 Finance costs	6(9)(16)(23)	(126,221)	-	(116,802)	(1)
7070 Share of profit of subsidiaries, associates and joint ventures accounted for under equity method	6(8)	388,428	2	12,083	-
7000 Total non-operating income and expenses		331,515	2	(47,876)	(1)
7900 Profit before income tax		1,444,595	7	345,223	1
7950 Income tax expense	6(26)	(188,473)	(1)	(85,577)	(-)
8200 Profit for the year		\$ 1,256,122	6	\$ 259,646	1
Other comprehensive income, net					
8310 Financial statements translation differences of foreign operations	6(8)	\$ 590,981	3	(\$ 163,837)	(1)
8325 Unrealized (loss) gain on valuation of available-for-sale financial assets	3(2) and 6(6)	42,851	-	(1,396)	-
8360 Actuarial loss on defined benefit plans	6(17)	(3,120)	-	(129,036)	-
8399 Income tax benefit relating to the components of other comprehensive income	6(26)	1,438	-	21,235	-
8300 Total other comprehensive income (loss) for the year		\$ 632,150	3	(\$ 273,034)	(1)
8500 Total comprehensive income (loss) for the year		\$ 1,888,272	9	(\$ 13,388)	-
Basic earnings per share (in dollars)	6(27)				
9750 Net income		\$	0.80	\$	0.16
Diluted earnings per share (in dollars)	6(27)				
9850 Net income		\$	0.79	\$	0.16

TON YI INDUSTRIAL CORP.
SEPARATE STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	<u>For the years ended December 31</u>	
		<u>2013</u>	<u>2012</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax for the year		\$ 1,444,595	\$ 345,223
Adjustments to reconcile net income to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Gain on financial assets at fair value through profit and loss	6(2)(22)	(43)	-
Provision for doubtful accounts	6(4)	926	2,385
Reversal of allowance for inventory market price decline	6(5)	(53,000)	(179,000)
Share of gain of subsidiaries, associates, and joint ventures accounted for under equity method	6(8)	(388,428)	(12,083)
Depreciation on property, plant and equipment	6(9)(24)	1,093,672	1,087,373
Loss (gain) on disposal of property, plant and equipment	6(22)	71,380	(386)
Amortization	6(11)(24)	35,319	35,319
Amortization of long-term prepaid rent	6(12)	1,262	-
Unrealized margin from intercompany transactions	6(8)	127,180	75,412
Realized margin from intercompany transactions		(74,886)	(140,237)
Dividend income	6(21)	(2,811)	(25,182)
Interest expense	6(23)	126,221	116,802
Exchange gain		(933)	17
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		31,737	36,695
Accounts receivable		(86,941)	(120,509)
Accounts receivable- related parties		(185,923)	16,187
Other receivables		10,758	22,456
Inventories		129,465	715,646
Prepayments		14,137	6,521
Net changes in liabilities relating to operating activities			
Notes payable		(4,061)	(4,869)
Accounts payable		89,828	260,074
Accounts payable- related parties		(1,510)	(684)
Other payables		191,995	(40,896)
Receipts in advance		6,919	(7,116)
Accrued pension liabilities		(52,970)	(52,799)
Cash provided by operations		2,523,888	2,136,349
Dividend received	6(21)	2,811	25,182
Interest paid		(125,191)	(113,228)
Income tax paid		(6,151)	(107,566)
Net cash provided by operating activities		<u>2,395,357</u>	<u>1,940,737</u>

(Continued)

TON YI INDUSTRIAL CORP.
SEPARATE STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31	
		2013	2012
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Increase in investments under the equity method - subsidiaries	6(8)	\$ -	(\$ 2,324,202)
Purchase of property, plant and equipment	6(28)	(6,004)	(4,406)
Interest paid for property, plant and equipment	6(9)(23)(28)	(1,628)	(616)
Proceeds from disposal of property, plant and equipment		95	120
Increase in prepayment for equipments		(178,074)	(88,214)
Decrease in refundable deposits		20	-
Increase in long-term prepaid rent		(52,609)	-
Decrease (increase) in other non-current assets		<u>5,716</u>	(<u>478</u>)
Net cash used in investing activities		(<u>232,484</u>)	(<u>2,417,796</u>)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase (decrease) in short-term borrowings		(493,015)	351,385
Decrease in short-term commercial papers		-	(99,986)
Proceeds from long-term borrowings		3,327,133	5,574,744
Repayment of long-term borrowings		(4,802,815)	(4,458,070)
Increase in guarantee deposit received		-	10
Payment of cash dividends	6(20)	(<u>236,872</u>)	(<u>868,530</u>)
Net cash provided by financing activities		(<u>2,205,569</u>)	<u>499,553</u>
Effect of foreign exchange rate changes on cash		<u>933</u>	(<u>17</u>)
Increase (decrease) in cash and cash equivalents		(41,763)	22,477
Cash and cash equivalents at beginning of the year	6(1)	<u>67,072</u>	<u>44,595</u>
Cash and cash equivalents at end of the year	6(1)	<u>\$ 25,309</u>	<u>\$ 67,072</u>

REPORT OF INDEPENDENT ACCOUNTANTS TRANSLATED FROM CHINESE

We have audited the accompanying consolidated balance sheets of Ton Yi Industrial Corp. and its subsidiaries as of December 31, 2013, December 31, 2012 and January 1, 2012, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years ended December 31, 2013 and 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and generally accepted auditing standards in the Republic of China. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, based on our audits, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Ton Yi Industrial Corp. and its subsidiaries as of December 31, 2013, December 31, 2012 and January 1, 2012, and their financial performance and cash flows for the years ended December 31, 2013 and 2012 in conformity with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

We have also audited the separate financial statements of Ton Yi Industrial Corp. as of and for the years ended December 31, 2013 and 2012, and have expressed an unqualified opinion on those financial statements.

PricewaterhouseCoopers, Taiwan
Republic of China
March 24, 2014

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31, 2013		December 31, 2012		January 1, 2012		
		AMOUNT	%	AMOUNT	%	AMOUNT	%	
Current assets								
1100	Cash and cash equivalents	6(1)(28)and 8	\$ 804,825	2	\$ 2,022,444	5	\$ 2,413,628	6
1110	Financial assets at fair value through profit or loss - current	6(2)	43	-	-	-	-	-
1150	Notes receivable, net	6(3)(4)	1,067,488	2	1,093,374	3	1,410,398	4
1170	Accounts receivable, net	6(4)	2,082,063	5	1,743,753	4	1,694,474	4
1180	Accounts receivable - related parties, net	6(4)and 7	881,955	2	582,434	2	28,215	-
1200	Other receivables		178,314	-	123,989	-	156,828	-
1220	Current income tax assets	6(26)(28)	12,673	-	6,387	-	5,992	-
130X	Inventory	5(2)and 6(5)	4,925,065	11	4,812,708	12	5,204,983	14
1410	Prepayments	7	1,616,709	3	634,179	2	262,195	1
1460	Non-current assets held for sale, net	6(6)(9)(28)	314,126	1	-	-	-	-
1476	Other financial assets - current	8	5,971	-	1,395	-	8,137	-
11XX	Total Current Assets		<u>11,889,23</u>	<u>2</u>	<u>11,020,663</u>	<u>28</u>	<u>11,184,850</u>	<u>29</u>
Non-current assets								
1523	Available-for-sale financial assets - non-current	3(2),5(1) and 6(7)	177,579	-	134,728	-	136,124	-
1543	Financial assets carried at cost - non-current	6(8)	501,050	1	501,050	1	501,050	1
1600	Property, plant and equipment	6(9)(10)(28) and 7	32,446,044	70	26,463,893	68	25,398,302	67
1760	Investment property, net	6(9)(10)(28) and 8	10,561	-	10,561	-	21,544	-
1780	Intangible assets	6(11)	497,753	1	444,171	1	492,374	1
1840	Deferred income tax assets	5(2) and 6(26)	232,735	1	138,976	1	202,542	1
1915	Prepayments for equipment	6(9)(28)	164,799	-	-	-	-	-
1920	Guarantee deposits paid	7	117,203	-	24,886	-	11,683	-
1985	Long-term prepaid rents	6(6)(12)(28)	333,726	1	280,305	1	160,515	1
1990	Other non-current assets		82,980	-	46,014	-	54,975	-
15XX	Total Non-current assets		<u>34,564,43</u>	<u>0</u>	<u>28,044,584</u>	<u>72</u>	<u>26,979,109</u>	<u>71</u>
1XXX	Total assets		<u>46,453,66</u>	<u>74</u>	<u>\$ 39,065,247</u>	<u>100</u>	<u>\$ 38,163,959</u>	<u>100</u>

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2013		December 31, 2012		January 1, 2012	
			AMOUNT	%	AMOUNT	%	AMOUNT	%
	Current liabilities							
2100	Short-term borrowings	6(13)	\$ 4,199,647	9	\$ 3,188,031	8	\$ 2,809,137	8
2110	Short-term commercial papers	6(14)	-	-	-	-	99,986	-
2150	Notes payable		22,974	-	27,035	-	31,904	-
2170	Accounts payable		1,286,624	3	849,987	2	366,723	1
2180	Accounts payable-related parties	7	209,283	-	31,605	-	9,937	-
2200	Other payables	6(28)	1,306,295	3	935,553	3	768,072	2
2230	Current income tax liabilities	6(26)	216,132	1	15,725	-	115,043	-
2260	Liabilities directly associated with non-current assets held for sale	6(6)(28)	371	-	-	-	-	-
2305	Other financial liabilities-current		4,762	-	22	-	23	-
2310	Receipts in advance		159,912	-	54,186	-	59,347	-
2320	Long-term liabilities, current portion	6(15) and 9	3,829,209	8	1,999,639	5	3,054,212	8
21XX	Total Current Liabilities		<u>11,235,209</u>	<u>24</u>	<u>7,101,783</u>	<u>18</u>	<u>7,314,384</u>	<u>19</u>
	Non-current liabilities							
2540	Long-term borrowings	6(15)and9	13,877,451	30	12,364,400	32	10,394,593	27
2550	Provision- non-current	6(16)(23)	71,302	-	69,990	-	68,702	-
2570	Deferred income tax liabilities	6(26)	220,324	1	203,013	1	202,078	1
2640	Accrued pension liabilities	5(2) and 6(17)	435,778	1	485,628	1	409,391	1
2645	Guarantee deposits received		15,787	-	14,064	-	17,759	-
25XX	Total Non-current Liabilities		<u>14,620,642</u>	<u>32</u>	<u>13,137,095</u>	<u>34</u>	<u>11,092,523</u>	<u>29</u>
2XXX	Total Liabilities		<u>25,855,851</u>	<u>56</u>	<u>20,238,878</u>	<u>52</u>	<u>18,406,907</u>	<u>48</u>
	Equity attributable to owners of parent							
	Share capital							
3110	Common stock	6(18)	15,791,453	34	15,791,453	40	15,791,453	41
3200	Capital surplus	6(19)	228,178	-	228,178	-	228,178	1
	Retained earnings	6(20)(26)						
3310	Legal reserve		1,183,966	2	1,156,779	3	1,058,334	3
3320	Special reserve		826,453	2	-	-	-	-
3350	Unappropriated retained earnings		1,192,555	3	1,029,534	3	1,843,963	5
3400	Other equity interest	3(2) and 6(7)	226,012	1	(408,727)	(1)	(242,793)	(1)
31XX	Equity attributable to owners of the parent		<u>19,448,617</u>	<u>42</u>	<u>17,797,217</u>	<u>45</u>	<u>18,679,135</u>	<u>49</u>
36XX	Non-controlling interest		<u>1,149,194</u>	<u>2</u>	<u>1,029,152</u>	<u>3</u>	<u>1,077,917</u>	<u>3</u>
3XXX	Total equity		<u>20,597,811</u>	<u>44</u>	<u>18,826,369</u>	<u>48</u>	<u>19,757,052</u>	<u>52</u>
	Contingent Liabilities and Commitments	9						
	Total liabilities and equity		<u>\$ 46,453,662</u>	<u>100</u>	<u>\$39,065,247</u>	<u>100</u>	<u>\$ 38,163,959</u>	<u>100</u>

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Expressed in thousands of New Taiwan dollars, except for basic and diluted earnings per share)

Items	Notes	For the years ended December 31,			
		2013		2012	
		AMOUNT	%	AMOUNT	%
4000	Sales revenue		10		10
5000	Operating costs				
	7	\$ 33,192,553	0	\$ 27,966,801	0
	6(5)(11)(12)(17)(24)				
	(25),7 and 9	(29,364,494)	(88)	(25,607,098)	(91)
5950	Net operating margin	<u>3,828,059</u>	<u>12</u>	<u>2,359,703</u>	<u>9</u>
	Operating expenses				
	6(11)(12)(17)(24)				
	(25),7 and 9				
6100	Selling expenses	(1,270,476)	(4)	(1,235,562)	(4)
6200	General and administrative expenses	(949,039)	(3)	(487,582)	(2)
6000	Total operating expenses	<u>(2,219,515)</u>	<u>(7)</u>	<u>(1,723,144)</u>	<u>(6)</u>
6900	Operating profit	<u>1,608,544</u>	<u>5</u>	<u>636,559</u>	<u>3</u>
	Non-operating income and expenses				
7010	Other income	132,604	-	110,546	-
7020	Other gains and losses	295,240	1	11,523	-
7050	Finance costs	(415,275)	(1)	(335,389)	(1)
7000	Total non-operating income and expenses	<u>12,569</u>	<u>-</u>	<u>(213,320)</u>	<u>(1)</u>
7900	Profit before income tax	<u>1,621,113</u>	<u>5</u>	<u>423,239</u>	<u>2</u>
7950	Income tax expense	(309,779)	(1)	(170,811)	(1)
8200	Profit for the year	<u>\$ 1,311,334</u>	<u>4</u>	<u>\$ 252,428</u>	<u>1</u>
	Other comprehensive income, net				
8310	Financial statements translation differences of foreign operations	\$ 655,811	2	(\$ 205,384)	(1)
8325	Unrealized (loss) gain on valuation of available-for-sale financial assets	42,851	-	(1,396)	-
	3(2) and 6(7)				
8360	Actuarial loss on defined benefit plans	(3,120)	-	(129,036)	-
8399	Income tax benefit relating to the components of other comprehensive income	1,438	-	21,235	-
	6(26)				
8300	Total other comprehensive income (loss) for the year	<u>\$ 696,980</u>	<u>2</u>	<u>(\$ 314,581)</u>	<u>(1)</u>
8500	Total comprehensive income (loss) for the year	<u>\$ 2,008,314</u>	<u>6</u>	<u>(\$ 62,153)</u>	<u>-</u>
	Profit (loss), attributable to:				
8610	Owners of the parent	\$ 1,256,122	4	\$ 259,646	1
8620	Non-controlling interest	55,212	-	(7,218)	-
		<u>\$ 1,311,334</u>	<u>4</u>	<u>\$ 252,428</u>	<u>1</u>
	Comprehensive income (loss) attributable to:				
8710	Owners of the parent	\$ 1,888,272	6	(\$ 13,388)	-
8720	Non-controlling interest	120,042	-	(48,765)	-
		<u>\$ 2,008,314</u>	<u>6</u>	<u>(\$ 62,153)</u>	<u>-</u>
	Basic earnings per share (in dollars)				
	6(27)				
9750	Net income	<u>\$</u>	<u>0.80</u>	<u>\$</u>	<u>0.16</u>
	Diluted earnings per share (in dollars)				
	6(27)				
9850	Net income	<u>\$</u>	<u>0.79</u>	<u>\$</u>	<u>0.16</u>

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

TONY INDUSTRIAL CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
 (Expressed in thousands of New Taiwan dollars)

	Notes	Equity attributable to owners of the parent										Total	Non-control interest	Total equity	
		Capital Surplus			Retained Earnings			Other equity interest							
		Share capital— common stock	Share premium	Treasury stock	Donated Assets Received	Legal reserve	Special reserve	Unappropriated retained earnings	Currency translation differences	Unrealized gain or loss on available-for-sale financial assets					
For the year ended December 31,															
2012															
Balance at January 1, 2012		\$ 15,791,453	\$ 58,271	\$ 169,688	\$ 819	\$ 1,058,334	\$ -	\$ 1,843,963	\$ -	\$ 242,793	\$ 18,679,135	\$ 1,077,917	\$ 19,757,052		
Distribution of 2011 consolidated net income:		-	-	-	-	-	-	-	-	-	-	-	-		
Legal reserve		-	-	-	-	98,445	-	(98,445)	-	-	-	-	-		
Cash dividends	6(20)	-	-	-	-	(868,530)	-	(868,530)	-	-	(868,530)	-	(868,530)		
Consolidated net income for 2012		-	-	-	-	-	-	259,646	-	-	259,646	(7,218)	252,428		
Other comprehensive income for 2012		-	-	-	-	-	-	-	-	-	-	-	-		
Balance at December 31, 2012	6(7)	\$ 15,791,453	\$ 58,271	\$ 169,688	\$ 819	\$ 1,156,775	\$ -	\$ 1,029,534	\$ (164,538)	\$ (1,396)	\$ 17,797,217	\$ (41,847)	\$ 18,826,369		
For the year ended December 31,															
2013															
Balance at January 1, 2013		\$ 15,791,453	\$ 58,271	\$ 169,688	\$ 819	\$ 1,156,775	\$ -	\$ 1,029,534	\$ (164,538)	\$ (244,189)	\$ 17,797,217	\$ 1,029,152	\$ 18,826,369		
Special reserve for IFRS transition		-	-	-	-	-	-	826,453	-	-	-	-	-		
Distribution of 2012 consolidated net income:		-	-	-	-	-	-	-	-	-	-	-	-		
Legal reserve		-	-	-	-	27,187	-	(27,187)	-	-	-	-	-		
Cash dividends	6(20)	-	-	-	-	(236,872)	-	(236,872)	-	-	(236,872)	-	(236,872)		
Consolidated net income for 2013		-	-	-	-	-	-	1,256,122	-	-	1,256,122	55,212	1,311,334		
Other comprehensive income for 2013		-	-	-	-	-	-	-	-	-	-	-	-		
Balance at December 31, 2013	6(7)	\$ 15,791,453	\$ 58,271	\$ 169,688	\$ 819	\$ 1,183,967	\$ 826,453	\$ 1,192,555	\$ (591,888)	\$ (42,851)	\$ 19,448,617	\$ 64,830	\$ 20,977,811		

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

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31	
		2013	2012
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Consolidated profit before tax for the year		\$ 1,621,113	\$ 423,239
Adjustments to reconcile net income to net cash provided by operating activities			
Income and expenses having no effect on cash flows			
Gain on financial assets at fair value through profit and loss	6(2)(22)	(43)	-
Provision for doubtful accounts	6(4)	19,760	1,313
Reversal of allowance for inventory market price decline	6(5)	(54,876)	(246,957)
Depreciation on property, plant and equipment	6(9)(10)(24)	2,075,999	1,715,448
Loss on disposal of property, plant and equipment	6(22)	45,148	2,385
Property, plant and equipment transfer to expense	6(9)	300	-
Amortization	6(11)(24)	41,393	35,319
Amortization of long-term prepaid rent	6(12)	9,239	3,893
Dividend income	6(21)	(2,811)	(25,182)
Interest expense	6(23)	415,275	335,389
Exchange gain		(933)	(4,111)
Changes in assets/liabilities relating to operating activities			
Net changes in assets relating to operating activities			
Notes receivable		25,862	317,039
Accounts receivable		(363,361)	(47,790)
Accounts receivable- related parties		(298,608)	(554,695)
Other receivables		(54,325)	32,839
Inventories		(59,016)	548,154
Prepayments		(982,530)	(371,984)
Net changes in liabilities relating to operating activities			
Notes payable		(4,061)	(4,869)
Accounts payable		436,637	483,264
Accounts payable- related parties		177,678	21,668
Other payables		572,428	(44,314)
Receipts in advance		105,726	(5,161)
Accrued pension liabilities		(49,850)	76,237
Cash provided from operations		3,676,144	2,691,124
Dividend received	6(21)	2,811	25,182
Interest paid		(443,337)	(326,632)
Income tax paid		(193,333)	(185,214)
Net cash provided by operating activities		<u>3,042,285</u>	<u>2,204,460</u>

(Continued)

TON YI INDUSTRIAL CORP. AND SUBSIDIARIES AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of New Taiwan dollars)

	Notes	For the years ended December 31	
		2013	2012
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Decrease(Increase) in other financial assets-current		(\$ 4,576)	\$ 6,742
Cash paid for acquisition of property, plant and equipment	6(28)	(5,608,018)	(2,904,504)
Interest paid for acquisition of property, plant and equipment	6(9)(23)(28)	(33,367)	(29,943)
Proceeds from disposal of property, plant and equipment		44,015	948
Increase in intangible assets	6(11)	(85,401)	-
Increase in prepayment for equipment		(2,113,695)	-
Increase in refundable deposits		(92,317)	(13,203)
Increase in long-term prepaid rent		(79,122)	(128,177)
Increase (decrease) in other non-current assets		(36,966)	8,961
Net cash used in investing activities		(8,009,447)	(3,059,176)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Increase in short-term borrowings		1,011,616	378,894
Decrease in short-term commercial papers		-	(99,986)
Increase (decrease) in other financial liabilities- current		4,740	(1)
Proceeds from long-term borrowings		10,182,646	10,010,900
Repayment of long-term borrowings		(6,852,273)	(8,807,250)
Increase (decrease) in guarantee deposit received		1,723	(3,695)
Payment of cash dividends	6(20)	(236,872)	(868,530)
Net cash provided by financing activities		4,111,580	610,332
Effect of foreign exchange rate changes on cash		(105,130)	(146,800)
Non-current assets held for sale - cash	6(6)(28)	(256,907)	-
Decrease in cash and cash equivalents		(1,217,619)	(391,184)
Cash and cash equivalents at beginning of the year	6(1)	2,022,444	2,413,628
Cash and cash equivalents at end of the year	6(1)	\$ 804,825	\$ 2,022,444

Appendix (5)**Ton Yi Industrial Corp.****Statement for Distribution of 2014 Profits**

Unit: NTD

Item		Total
Net Profit After Tax		775,960,135
Less:	Confirmed losses defined by actuarial calculations for welfare plan	(10,851,372)
Sub-total		765,108,763
Less:	Provision for legal reserve	(76,510,876)
Add	Accumulated unappropriated retained earnings from previous years	46,854,059
Total Distributable Profits		735,451,946
Status on Distribution of Profit in 2014:		
Disbursement of Cash Dividends (voluntary disbursement of NTD 450 per 1,000 shares)		(710,615,404)
Unappropriated Retained Earnings		24,836,542

Note 1: Disbursement of dividend shall prioritize the distribution of 2014 profits and where insufficient, retained earnings post-1998 shall be utilized to supplement.

Note 2: Computed based on number of outstanding shares in circulation (1,579,145, 342 shares).

Note 3: Every share will be allotted share dividend of, at most, NTD 0.46572 according to total distributable profits.

Note 4: Director's compensation and employee bonuses for 2014 proposed to be distributed are as follows:

Director's compensation: NTD 13,771,958 (NTD 14,791,345 booked in 2014, the difference will be recognized in 2015 if this proposal is adopted)

Employee Bonuses: NTD 45,147,883

Chairman: Manager: Accounting Manager:

Ton Yi Industrial Corp.

Procedure for Election of Directors

Article 1. To ensure a just, fair, and open election of directors and supervisors, this Procedure is adopted pursuant to Articles 21 and 41 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2. Except as otherwise provided by law and regulation or by the Company's Articles of Association, the election of directors shall be conducted in accordance with the Procedure.

Article 3. 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. It is advisable that the policy include but is not limited to the following two general standards:

1. Basic requirements and values: Gender, age, nationality, and culture.
2. Professional knowledge and skills: A professional background (e.g., law, accounting, industry, finance, marketing, 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. 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 shall be persons who have neither a spousal relationship nor a relationship within the second degree of kinship with any other director.

Article 4. 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. The election of independent directors of the Company shall comply with Articles 5, 6, 7, 8, and 9 of the Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies, and shall be conducted in accordance with Article 24 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 5. Elections of both directors and supervisors at the Company shall be conducted in accordance with the candidate nomination system and procedures set out in Article 192-1 of the Company Law. The Company shall review the qualifications, education, working experience, background, and the existence of any other matters set forth in Article 30 of the Company Law with respect to nominee directors and supervisors and may not arbitrarily add requirements for documentation of other qualifications. It shall further provide the results of the review to shareholders for their reference, so that qualified directors and supervisors will be elected.

When the number of directors falls below five due to the dismissal of a director for any reason, the Company shall hold a by-election to fill the vacancy at its next shareholders meeting. When the number of directors falls short by one third of the total number prescribed in the Company's Articles of Association, the Company shall call a special shareholders meeting within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

When the number of independent directors falls below that required under the proviso of Article 14-2, paragraph 1 of the Securities and Exchange Act, or the related provisions of the Taiwan Stock Exchange Corporation rules governing the review of listings, or subparagraph 8 of the Standards for Determining Unsuitability for GTSM Listing under Article 10, Paragraph 1 of the GreTai Securities Market Criteria Governing Review of Securities Traded on Over-the-Counter Markets, a by-election shall be held at the next shareholders meeting to fill the vacancy. When the independent directors are dismissed en masse, a special shareholders meeting shall be called within 60 days from the date of occurrence to hold a by-election to fill the vacancies.

Article 6. The cumulative voting method shall be used for election of the directors at the Company. Each share will 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 7. The board of directors shall prepare separate ballots for directors in numbers corresponding to the directors to be elected. The number of voting rights associated with each ballot shall be specified on the ballots, which shall then be distributed to the attending shareholders at the shareholders meeting. Attendance card numbers printed on the ballots may be used instead of recording the names of voting shareholders.

Article 8. The number of directors will be as specified in the Company's Articles of Association, with voting rights separately calculated for independent and non-independent director positions. Those receiving ballots representing the highest numbers of voting rights will be elected 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 9. Before the election begins, the chair shall appoint a number of persons with shareholder status to perform the respective duties of vote monitoring and counting personnel. The ballot boxes shall be prepared by the board of directors and publicly checked by the vote monitoring personnel before voting commences.

Article 10. If a candidate is a shareholder, a voter must enter the candidate's account name and shareholder account number in the "candidate" column of the ballot; for a non-shareholder, the voter shall enter the candidate's full name and identity card number, provided that when the candidate is a governmental organization or juristic-person shareholder, the name of the governmental organization or corporate shareholder shall be entered in the column for the candidate's account name in the ballot paper, or both the name of the governmental organization or corporate shareholder and the name of its representative may be entered. When there are multiple representatives, the names of each respective representative shall be entered.

Article 11. A ballot is invalid under any of the following circumstances:

1. The ballot was not prepared by the board of directors.
2. A blank ballot is placed in the ballot box.

3. The writing is unclear and indecipherable or has been altered.
4. The candidate whose name is entered in the ballot is a shareholder, but the candidate's account name and shareholder account number do not conform with those given in the shareholder register, or the candidate whose name is entered in the ballot is a non-shareholder, and a cross-check shows that the candidate's name and identity card number do not match.
5. Other words or marks are entered in addition to the candidate's account name or shareholder account number (or identity card number) and the number of voting rights allotted.
6. The name of the candidate entered in the ballot is identical to that of another shareholder, but no shareholder account number or identity card number is provided in the ballot to identify such individual.

Article 12. The voting rights shall be calculated on-site immediately after the end of the poll, and the results of the calculation, including the list of persons elected as directors or supervisors and the numbers of votes with which they were elected, shall be announced by the chair on the site.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Law, the ballots shall be retained until the conclusion of the litigation.

Article 13. The board of directors of the Company shall issue notifications to the persons elected as directors.

Article 14. The Procedure, and any amendments hereto, shall be implemented after approval by a shareholders meeting.

Appendix (7)

Minimum number of shares to be held by the board of directors collectively and number of shares held by individual directors and the board of directors

1. According to the stipulations of Article 26 of the Securities and Exchange Act and Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total shareholding percentage of shares held by the Board of Directors as a ratio of total circulated company shares shall not collectively be less than 2.4% collectively (37,899,488 shares).
2. Company Paid-in Capital : NTD 15,791,453,420, Total number of issued shares 1,579,145,342 shares.
3. No. of shares that the Board of Directors is legally required to hold : 37, 899, 488 shares
4. As of the share transfer suspension date of this Shareholders' Meeting, the number of shares held by the respective directors as denoted in the shareholders list are as follows :

Title	Name		Shareholdings
Chairman	Lo , Chih Hsien	Legal Representative of Uni-President Enterprises Corp.	719,357,425
Director	Liang, Shing Chi		5,920,028
Director	Kao, Chin Yen	Representative of Uni-President Enterprise Corp.	719,357,425
Director	Lin ,ChangSheng		
Director	Lin, Long Yi		
Director	Kao ,Xiu Ling	Representative of Kao-Chyuan Investment Co., Ltd.	24,400,700
Director	Chen, Kuo Keng		6,369,222
Independent Director	Wang, Ming Long		0
Independent Director	Chien, Chih Chen		0
Independent Director	Wu, Bing Eng		0
Total number of shares held by all Directors (including Independent Directors)			756,047,375

Ton Yi Industrial Corp.

Rules of Procedures for Shareholders' Meeting

(Translation)

Rule (1)

June 20, 2013

1. Shareholders' meetings of the Company shall proceed according to the Rules of Procedures for Shareholders' Meeting (the "Rules").
2. The term "shareholder" as set forth in the Rules shall mean a shareholder himself and any proxy authorized by a shareholder.
3. The Company shall state the time for accepting registration for the meeting and the location where the registration will take place as well as other special notes in the meeting notice. Registration by shareholders shall start at least 30 minutes prior to the commencement of the meeting. The registration location shall be clearly identified and there shall be an adequate number of qualified staff to assist with the registration procedure. A shareholder wishing to attend a shareholders' meeting shall present an attendance card, sign-in card or other supporting attendance documents. A proxy solicitor shall provide such identification documents for verification as well. A shareholder shall submit the sign-in card as a substitute for sign-in to represent its attendance of the meeting. The total number of shares present at the meeting shall be calculated based on the sign-in cards plus the number of shares exercising their voting power in writing or through electronic transmission.
4. The attendance and vote of a shareholders' meeting shall be computed on the basis of the number of shares.
5. A shareholders' meeting shall be held on the premises of the Company or a place that is convenient for shareholders to attend. A shareholders' meeting shall start no earlier than 9 a.m. or no later than 3 p.m.

6. Unless otherwise stipulated by laws, a shareholders' meeting shall be called by the Board of Directors (the "Board") and be chaired by the Chairman of the Board. Where the Chairman is on leave or unable to exercise his authority for any reason, the Vice Chairman shall act on his behalf. Where the Vice Chairman is on leave or unable to exercise his authority for any reason, the Chairman shall designate one of the Directors to act on his behalf. Where no such designee is designated, the Chairperson shall be elected from the directors. In the event where the shareholders' meeting is convened by a convener entitled to hold the meeting other than the Board, the convener shall be the Chairperson. In the event where there are more than two conveners, the Chairperson shall be elected from the conveners.

If one of the Directors is appointed to act as the Chairperson of the meeting in accordance with the preceding paragraph, he or she shall have served as a Director for more than 6 months and have a sound knowledge of the Company's financial and business status. The same shall apply to the situation where the Chairperson is the representative of a legal-entity director.

7. The Company may appoint lawyers, accountants or other relevant personnel to attend the shareholders' meeting. All staff members assisting the procedure of the shareholders' meeting shall wear an identification badge.
8. The Company shall record, in audio or video, the meeting in its entirety on a continuous and uninterrupted basis from the time that any shareholders register for attendance, including the registration process, proceedings of the meeting and the voting and vote counting process.

The aforementioned recordings shall be retained for at least one year. However, in the event any shareholder files a lawsuit in accordance with Article 189 of the Company Act, such recordings shall be kept until the conclusion of litigation.

9. The Chairman shall call the meeting to order at the specified time. Where the number of shares represented by the attending shareholders has not reached the required quorum of one-half of total issued shares, the Chairman may announce a postponement of the meeting. The total postponements shall be limited to two

instances and the total time any such delays shall not exceed one hour. If after two postponements, the number of shares represented by the shareholders present does not reach the specified quorum but represents more than one-third of the total issued shares, a tentative-resolution may be adopted according to Section 1 of Article 175 of the Company Act. Should the number of shares represented by shareholders in attendance constitute more than one-half of the total issued shares before the shareholders' meeting adjourns, the Chairman may offer the tentative-resolution to the meeting for resolution again in accordance to Article 174 of the Company Act.

10. Should the shareholders meeting be convened by the Board, the agenda of the meeting shall be set by the Board and the meeting shall proceed according to the agenda, and such agenda shall not be amended without the resolution being passed by the shareholders' meeting. In the event where the shareholders' meeting is convened by a person with convening rights other than the Board, the provision set forth in the preceding paragraph shall apply. Unless duly resolved at the meeting, where the meeting agenda (including extemporaneous motions) set forth in the two preceding paragraphs has not been completed, the Chairman shall not announce to adjourn the meeting. After the adjournment of the meeting, shareholders shall not elect a chairman and resume the meeting at the same or an alternative venue. If the Chairman adjourns the meeting in violation of the Rules, the present shareholders may elect another Chairperson by a majority vote to continue the meeting accordingly.

11. Prior to addressing the meeting, a shareholder shall fill out a speech note, to summarize the key subjects of his speech, the shareholder's account number (or the code of the attendance card) and the name of the shareholder. The sequence of speakers shall be determined by the Chairman.

Should any shareholder in attendance submit a speech but not actually speak at the meeting, it shall be deemed that the speech has not been made by the shareholder. In case of a discrepancy between what was summarized on the floor note and what was actually spoken, the contents actually spoken shall prevail.

When a shareholder is properly addressing the meeting, no other shareholder shall

speak to interrupt unless otherwise permitted by the Chairman and the speaking shareholder. The Chairman shall stop such interruption of any violating shareholder.

12. Each shareholder is entitled to speak no more than twice on the same discussion proposal, unless agreed to otherwise by the Chairman. Each speech is limited to five minutes, and the Chairman may stop any speech of any shareholder that is in violation of the aforementioned time limit or the content of which is beyond the scope of the discussion proposal.
13. Where a legal entity is entrusted to attend a shareholders' meeting on someone else's behalf, such legal entity may appoint only one representative to attend the meeting. Where a legal entity shareholder has appointed two or more representatives to attend the meeting, only one representative can speak for the same discussion proposal.
14. The Chairman may respond in person or through an appropriate appointee after the speech of a shareholder.
15. In the event where the Chairman considers the discussion of a proposal has reach the extent necessary for a resolution to be reached, the Chairman may announce discontinuation of the discussion and proceed to the voting process.
16. Voting counting for a resolution or election shall be conducted in public at the place of the shareholders meeting. The Chairman shall appoint persons responsible for supervising and counting of ballots. However, the persons responsible for supervising the ballots must be appointed from the shareholders. The voting results, including the numbers of votes, shall be announced on-site immediately at the meeting and recorded in writing.

Where Directors are elected at the meeting, the election shall be conducted in accordance with the applicable election rules of the Company and the election results, including the list of elected Directors and numbers of votes for the election of Directors, shall be announced on-site immediately at the meeting.
17. The Chairman may announce a recess as deemed appropriate during the proceeding of a shareholders' meeting.
18. A proposal shall be deemed duly resolved should there be no objection raised by any

shareholder present in response to such an inquiry by the Chairman. Unless otherwise provided for under the Company Act or Articles of Association, a proposal for vote shall be resolved by a majority of the presenting shareholders.

Upon voting process, where there is no objection raised by any shareholders, the proposal shall be deemed resolved and has equal validity as a resolution resolved through voting process.

19. In the event of an amendment proposal or substitute proposal to an original proposal, the Chairman shall decide on the order of the vote of the amendment or substitute proposal together with the original proposal. However, if one of the proposals has been approved, the others shall be deemed overruled and no further voting shall be required.
20. The Chairman may direct disciplinary personnel (or security guards) to assist in safeguarding the order of the meeting venue. The Chairman may direct the disciplinary personnel (or security guards) to remove shareholders from the venue if the shareholders have violated the Rules and refused to obey the instructions of the Chairman, impeded the proceedings of the meeting and furthermore does not comply after having being asked to stop. The disciplinary personnel (or security guards) shall, while helping safeguard the order of the meeting venue, wear an arm-band with the words "Disciplinary Personnel."
21. All matters not specified in the Rules shall be subject to the Company Act, Articles of Association and other relevant laws and regulations.
22. The Rules and any amendments hereof, shall be implemented after adoption by shareholders meeting.

Ton Yi Industrial Corp.

Ethical Corporate Management Best Practice Principles

Rule (2)

May 6, 2015

Article 1. (Purpose and Scope of Application)

These Principles are adopted in accordance with the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies”, in order to foster a corporate culture of ethical management and fair risk control mechanism to well found the enterprise’s sustainable development and operation.

Each of the Company’s subsidiaries and other institutions or juridical persons that are substantially controlled by the Company (the business group) shall adopt its own ethical corporate management best practice principles adopted in the spirit of the Principles.

Article 2. (Prohibition of Unethical Conduct)

When engaging in commercial activities, directors, supervisors, managers, employees, and mandataries of the Company or persons having substantial control over the Company ("substantial controllers") shall not directly or indirectly offer, promise to offer, request or accept any improper benefits, nor commit unethical acts including breach of ethics, illegal acts, or breach of fiduciary duty ("unethical conduct") for purposes of acquiring or maintaining benefits.

Parties referred to in the preceding paragraph include civil servants, political candidates, political parties or members of political parties, state-run or private-owned businesses or institutions, and their directors, supervisors, managers, employees or substantial controllers or other stakeholders.

Article 3. (Types of Benefit)

"Benefits" in the Principles means any article of value, including money,

endowments, commissions, positions, services, preferential treatment or rebates of any type or in any name. Benefits received or given occasionally in accordance with accepted social customs and that do not adversely affect specific rights and obligations shall be excluded.

Article 4. (Compliance)

The Company shall comply with the Company Law, Securities and Exchange Act, Business Entity Accounting Act, Political Donations Act, Anti-Corruption Statute, Government Procurement Act, Act on Recusal of Public Servants Due to Conflicts of Interest, TWSE/GTSM listing rules, or other laws or regulations regarding commercial activities, as the underlying basic premise to facilitate ethical corporate management.

Article 5. (Policy)

The Company shall abide by the operational philosophies of honesty, transparency and responsibility, base policies on the principle of good faith and establish good corporate governance, and risk control and management mechanism so as to create an operational environment for sustainable development.

Article 6. (Prevention Program)

The Company shall, in its own ethical management policy, clearly and thoroughly prescribe the specific ethical management practices and the programs to forestall unethical conduct ("prevention programs"), including operational procedures, guidelines, and training.

When establishing the prevention programs, the Company shall comply with relevant laws and regulations of the territory where the Company and its business group are operating.

In the course of developing the prevention programs, the Company is advised to negotiate with staff, labor unions members, important trading counterparties, or other stakeholders.

Article 7. (Scope of Prevention Program)

When establishing the prevention programs, the Company shall analyze which business activities within its business scope that are possibly at a higher risk of being involved in an unethical conduct, and strengthen the preventive measures.

The prevention programs adopted by the Company shall at least include preventive measures against the following:

1. Offering and acceptance of bribes.
2. Illegal political donations.
3. Improper charitable donations or sponsorship.
4. Offering or acceptance of unreasonable presents or hospitality, or other improper benefits.
5. Infringement upon trade secrets, trademark rights, patent rights, copyrights, and other intellectual property rights.
6. Engaging in unfair competitive practices.
7. Damage directly or indirectly caused to the rights or interests, health, or safety of consumers or other stakeholders in the course of research and development, procurement, manufacture, provision, or sale of products and services.

Article 8. (Commitment and Execution)

The Company shall clearly specify in its rules and external documents the ethical corporate management policies and the commitment by the board of directors and the management on rigorous and thorough implementation of such policies, and shall carry out the policies in internal management and in commercial activities.

Article 9. (Ethical Corporate Management Activities)

The Company shall engage in commercial activities in a fair and transparent manner based on the principle of ethical management.

Prior to any commercial transactions, the Company shall take into consideration the legality of their agents, suppliers, clients, or other trading counterparties and whether any of them are involved in unethical conduct, and shall avoid any dealings with persons so involved.

When entering into contracts with agents, suppliers, clients, or other trading counterparties, the Company shall include in such contracts terms requiring compliance with ethical corporate management policy and that in the event the trading counterparties are involved in unethical conduct, the Company may at any time terminate or rescind the contracts.

Article 10. (Prohibition of Bribe and Acceptance of Bribe)

When conducting business, the Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers, may not directly or indirectly offer, promise to offer, request, or accept any improper benefits in whatever form to or from clients, agents, contractors, suppliers, public servants, or other stakeholders.

Article 11. (Prohibition of Illegal Political Donations)

No political donations are provided by the Company.

Article 12. (Prohibition of Improper Charitable Donations or Sponsorship)

When making or offering donations and sponsorship, the Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall comply with relevant laws and regulations and internal operational procedures, and shall not surreptitiously engage in bribery.

Article 13. (Prohibition of Unreasonable Presents, Hospitality or Other Improper Benefits)

The Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall not directly or indirectly offer or accept any unreasonable presents, hospitality or other improper benefits to establish business relationship or influence commercial transactions.

Article 14 (Prohibition of Infringement Upon Intellectual Property Rights)

The Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations, the Company's internal operational procedures, and contractual provisions concerning intellectual property, and may not use, disclose, dispose, or damage intellectual property or otherwise infringe intellectual property rights without the prior consent of the intellectual property rights holder.

Article 15. (Prohibition of Unfair Competition)

The Company shall engage in business activities in accordance with the Fair Trade Act and related competition laws and regulations, and be prohibited from engaging in any unfair competition.

Article 16. (Prevention of Damage to Stakeholders by Products or Services)

In the course of research and development, procurement, manufacture, provision, or sale of products and services, the Company and its directors, supervisors, managers, employees, mandataries, and substantial controllers shall observe applicable laws and regulations and international standards to ensure the transparency of information about, and safety of, the Company's products and services. They shall also adopt and publish a policy on the protection of the rights and interests of consumers or other stakeholders, and carry out the policy in the Company's operations, with a view to preventing the Company's products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Where there are sufficient facts to determine that the Company's products or services are likely to pose any hazard to the safety and health of consumers or other stakeholders, the Company shall, in principle, recall those products or suspend the services immediately.

Article 17. (Organization and Liability)

The board of directors, audit committee, managers, employees, mandataries, and substantial controllers of the Company shall exercise the due care of good administrators to urge the Company to prevent unethical conduct, always review the results of the preventive measures and continually make adjustments so as to ensure thorough implementation of its ethical corporate management policies.

To achieve sound ethical corporate management, a dedicated unit that is under the board of directors and responsible for establishing and supervising the implementation of the ethical corporate management policies and prevention programs shall be in charge of the following matters, and shall report to the board of directors on a regular basis:

1. Assisting in incorporating ethics and moral values into the Company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.

2. Adopting programs to prevent unethical conduct (the prevention programs adopted by the related units shall be based on the “the standard operating procedures and conduct guidelines” referred to in Article 21 herein).
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a complaining system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 18. (Compliance When Conducting Business)

The Company and its directors, audit committee, managers, employees, mandataries, and substantial controllers shall comply with laws and regulations and the prevention programs when conducting business.

Article 19. (Avoidance of Conflict of Interest)

The Company shall adopt policies for preventing conflicts of interest to identify, monitor, and manage risks possibly resulting from unethical conduct, and shall also offer appropriate means for directors, supervisors, managers, and other stakeholders attending or present at board meetings to voluntarily explain whether their interests would potentially conflict with those of the Company.

When a proposal at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the Company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise

voting rights as proxy for another director. The directors shall practice self-discipline and must not support one another in improper dealings.

The Company's directors, managers, employees, mandataries, and substantial controllers shall not take advantage of their positions or influence in the Company to obtain improper benefits for themselves, their spouses, parents, children or any other person.

Article 20. (Accounting and Internal Control)

The Company shall establish effective accounting systems and internal control systems for business activities possibly at a higher risk of being involved in an unethical conduct, not have under-the-table accounts or keep secret accounts, and conduct reviews regularly so as to ensure that the design and enforcement of the systems are showing results.

The internal audit unit of the Company shall periodically examine the Company's compliance with the foregoing systems and prepare audit reports and submit the same to the board of directors. The internal audit unit may engage a certified public accountant to carry out the audit, and may engage professionals to assist if necessary.

Article 21. (Operating Procedure and Conduct Guidelines)

The Company shall establish operational procedures and guidelines in accordance with Article 6 hereof to guide directors, audit committee, managers, employees, and substantial controllers on how to conduct business. The procedures and guidelines shall at least contain the following matters:

1. Standards for determining whether improper benefits have been offered or accepted.
2. No political donations shall be offered.
3. Procedures for offering charitable donations or sponsorship and the related review regulations thereof.
4. Rules for avoiding work-related conflicts of interests and how they are reported and handled.
5. Rules for keeping confidential trade secrets and sensitive business information obtained in the ordinary course of business.
6. Regulations and procedures for dealing with suppliers, clients and business transaction counterparties suspected of unethical conduct.
7. Handling procedures for violations of these Principles.

8. Disciplinary measures on offenders.

Article 22. (Training and Performance Appraisal)

The Company shall periodically organize training and awareness programs for directors, managers, employees, mandataries, and substantial controllers or encourage them to attend internal and external training and awareness programs related to ethical corporate management, and invite the Company's commercial transaction counterparts so they understand the Company's resolve to implement ethical corporate management, the related policies, prevention programs and the consequences of committing unethical conduct.

The Company shall apply the policies of ethical corporate management when creating its employee performance appraisal system and human resource policies to establish a clear and effective reward and discipline system.

Article 23. (Complaining System)

The Company shall adopt a concrete complaining system and scrupulously operate the system. The complaining system shall include at least the following:

1. An independent mailbox or hotline, either internally established and publicly announced or provided by an independent external institution, to allow Company insiders and outsiders to submit reports.
2. Dedicated personnel or unit appointed to handle the complaining system. Any complaint involving a director or senior manager shall be reported to the independent directors or audit committee. Categories of reported misconduct shall be delineated and standard operating procedures for the investigation of each shall be adopted.
3. Documentation of case acceptance, investigation processes, investigation results, and relevant documents.
4. Confidentiality of the identity of complainants and the content of reported cases.
5. Measures for protecting complainants from inappropriate disciplinary actions due to their complaining.
6. Complainants' incentive measures.

When material misconduct or the likelihood of material impairment to the Company comes to awareness upon investigation, the dedicated personnel or unit handling the complaining system shall immediately prepare a report and notify the independent directors or audit committee in written form.

Article 24. (Disciplinary and Appeal System)

The Company shall adopt and publish a well-defined disciplinary and appeal system for handling violations of the ethical corporate management rules, and shall make immediate disclosure on the Company's internal website of the job title and name of the violator, the date and details of the violation, and the actions taken in response.

Article 25. (Disclosure)

The Company shall collect quantitative data about the promotion of ethical management and continuously analyze and assess the effectiveness of the promotion of ethical management policy. The Company shall also disclose the measures taken for implementing ethical corporate management, the status of implementation, the foregoing quantitative data, and the effectiveness of promotion on the Company's website, annual reports, and prospectuses, and shall disclose its ethical corporate management best practice principles on the Market Observation Post System.

Article 26. (Review and Modification of Ethical Corporate Management Policies and Measures)

The Company shall at all times monitor the development of relevant local and international regulations concerning ethical corporate management and encourage its directors, audit committee, managers, and employees to make suggestions, based on which the adopted ethical corporate management policies and measures taken will be reviewed and improved with a view to achieving better implementation of the Company's ethical management.

Article 27. (Enforcement)

The Company's Ethical Corporate Management Best Practice Principles shall be enforced after the board of directors grants the approval, and shall be sent to the audit committee and reported at a shareholders' meeting. The same procedure shall be followed when the Principles are amended.

Where the Company has appointed any independent director, when the ethical corporate management best practice principles are submitted for discussion by the board of directors pursuant to the preceding paragraph, the board of directors shall take into full consideration each independent director's opinions. If an

independent director objects to or expresses reservations about any matter, it shall be recorded in the minutes of the board of directors meeting. An independent director that cannot attend the board meeting in person to express objection or reservations shall provide a written opinion before the board meeting, unless there is some legitimate reason to do otherwise, and the opinion shall be specified in the minutes of the board of directors meeting.

Article 28. (Enactment and Amendment)

The Principles were enacted on December 28, 2010. The 1st amendments hereto were made on May 6, 2015.

Ton Yi Industrial Corp.
Articles of Association
(Translation)

Rule (3)

Amended on Jun 20, 2013

Chapter 1 General Provisions

- Article 1: The Company is duly incorporated under the provisions governing a company limited by shares as set forth in the Companies Act in the full name of Ton Yi Industrial Corp.
- Article 2: The businesses operated by the Company are as follows:
1. Domestic and export sales of processed and manufactured various types of metal sheets, printed sheets and other processed materials.
 2. Domestic and export sales of processed and manufactured tinted steel plates and raw steel plates.
 3. Domestic and export sales of manufactured cans and tinplate machinery.
 4. Provide processing and manufacturing technology for tin cans, tinted steel plate and other raw steel plate.
 5. F199990 other wholesale business (oxidized metal, aliphatic acid, tin products and oxidized tin).
 6. ZZ99999 other businesses not prohibited or restricted by law except any business requiring special approval.
- Article2-1: The Company may invest in other enterprise and be free from the restriction of total investment amount referred to in the Companies Act.
Any matters regarding long-term equity investment shall be resolved in accordance with the resolutions of the Board of Directors.
The aforementioned business operations shall abide by relevant laws.
- Article 3: The Company may make external endorsement/guarantee due to the business.
- Article 4: The Company's head office is based in Tainan, and may establish branches and representative offices domestically or overseas if necessary.

Chapter 2 Shares

- Article 5: The total capital stock of the Company shall be in the amount of NTD 17,847,009,180 divided into 1,784,700,918 shares at a par value of NTD 10 each, and may be paid-up in installments. Where any increase in capitalization occurs, the Company may issue shares over par value. The Company may issue preferred shares within the amount of aforementioned shares, and the unissued shares are authorized to be issued by the Board of Directors when deemed necessary for the business.
- Article 6: It is not necessary for the Company to print stock certificates, but if stock certificates are to be issued, all of them have to be registered. Upon the competent authorities' approval to register or issue new shares, the share certificates hereof, shall be duly signed or sealed of no less than three Directors of the Company, and duly authenticated by the competent authorities of the government or the certification organization authorized thereby before issuance.
- Article 7: For transfer of any stock certificate, both the transferor and transferee shall fill out the application form, sign or affix seals thereon and apply to the Company for stock certificate transfer. Until the transfer procedures are completed in full and until the shares under transfer are entered into the Register (Roster) of Shareholders, the transferred stock certificate shall not act against the Company. The matters regarding the Company's equity affairs shall be duly handled in accordance with the "Regulations Governing Equity Affairs of Public Companies" promulgated by the Stock Securities & Exchange Commission, Ministry of Finance.
- Article 8: The shareholders hereof shall have their seal specimen cards, ID Cards or profit-seeking enterprise certificates submitted to and archived at the Company upon opening accounts. The specimen seals shall be taken as the grounds for the shareholders to receive dividend, bonus and exercise shareholders' interests. A shareholder who has lost or changed his registered specimen seal shall fill out the application form and submit it along with the supporting documents verifying his/her capacity along with the Xerox copy (photocopy) thereof, the new registered seal impression card and share certificates to the Company in person for registration. The new registered seal impression card comes into effect on the date which the application is approved. In case of application for change in the shareholder name because of succession, the inheritor shall submit supporting documents verifying the lawful succession.

- Article 9: No transfer of shares shall be handled within sixty days prior to a shareholders' regular meeting, or within thirty days prior to a shareholders' extraordinary meeting, or within five days prior to allocation of dividend' bonus or any other benefits.
- Article 10: The following formalities shall take place for processing any application pertaining to the loss of share certificates and replacement of such:
1. A shareholder who has lost his/her share certificates shall report to the security authority and apply to the Company with an application form for registration of the lost share certificates.
 7. Such shareholder shall apply to the court for public summons in accordance with the Code of Civil Procedure and shall submit to the Company the application form, duplicate copy, and the receipt issued by the court verifying the receipt of the application within five days, otherwise the application shall be annulled.
 8. Upon expiry of the public disclosure dunning, the shareholder may apply for reissuance of share certificates by providing the invalidating judgment to the Company.
- Article 11: The Company may collect adequate handling charge cover printing cost and revenue stamp tax for transfer of the share certificates.

Chapter 3 Shareholders' Meeting

- Article 12: The shareholders' meeting hereof consists of two categories—the shareholders' regular meeting and shareholders' extraordinary meeting. The shareholders' regular meeting shall be convened by the Board of Directors once per annum within six months from the closing of each fiscal year, with notices for the shareholders' meeting to be sent to all shareholders at least thirty days in advance. A shareholders' extraordinary meeting may be called whenever it is deemed necessary with notices for the shareholders' meeting to be sent to all shareholders fifteen days in advance.
- Article 13: In the event where a shareholder is unable to attend a shareholders' meeting for any reason, the shareholder may appoint a proxy to attend the meeting on behalf of the shareholder by executing a power of attorney in accordance with Article 177 of the Company Act.
- Article 14: If the shareholders' meeting is convened by the Board of Directors, it shall be chaired by the Chairman of Board. If the Chairman is absent or fails to perform

the duty with justified reasons, the chairperson may be assumed by Vice-Chairman of the Board. If the Vice-Chairman is absent or fails to perform the duty with justified reasons, the chairperson shall be assumed by a Director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected out of the Directors. If the shareholders' meeting is called by any convener other than the Board of Directors, the chairperson shall be assumed by the convener. If there are more than two conveners, the chairperson shall be elected out of the conveners. In the event where the chairman adjourns the meeting and is in violation of the rules, another person shall be nominated to be the chairperson and be elected by a majority of shareholder votes to continue with the meeting accordingly.

Article 15: Unless otherwise provided for in the Companies Act, decisions in the shareholders' meeting shall be resolved by a majority vote in the meeting attended by shareholders representing a majority of the total issued shares. When the number of shareholders present does not constitute the quorum prescribed in the preceding article, but those present represent one-third or more of the total number of issued shares, a tentative resolution may be passed by a majority of those present. A notice of such tentative resolution shall be given to each of the shareholders, and reconvene a Shareholders' meeting within one month. In the aforesaid meeting of shareholders, if the tentative resolution is again adopted by a majority of those present who represent one-third or more of the total number of issued shares, such tentative resolution shall be deemed to be a resolution under the preceding article.

Article 16: Unless otherwise provided in laws, a shareholder shall be entitled to one voting right for each share held by him/her.

Article 17: Meeting minutes shall be kept for every meeting, specifying the date, month, year and location of the meeting, the name of the Chairman, the method of adopting resolutions, a summary of the essential points of the proceedings and the results of the meeting, and bearing the signature or seal of the Chairman of the meeting. The minutes shall be distributed to all shareholders of the Company within twenty (20) days after the close of the meeting and the distribution of the minutes may be effected by means of a public notice in accordance with the Company Act. The aforesaid minutes shall be kept persistently throughout the life of the Company and processed in accordance with Article 183 of the Company Act.

Article 18: The Directors' meeting is authorized to agree on the remuneration of Directors according to the contribution of the Director toward business operations and

also the standard generally prevailing in the same trade.

Chapter 4 Board of Directors

Article 19: The Company shall establish the Board of Directors constituted by seven (7) to ten (10) Directors, for whom the election thereof adopts the candidates nomination system and on the shareholders' meeting votes shall be cast on the candidates list based on the cumulative ballot system specified in Article 198 of the Company Act; provided that the total number of registered shares held by all of the Directors shall not be less than a certain percentage of the total number of the Company's outstanding shares. The rules governing the aforesaid shareholding percentage and the verification and execution thereof shall be established in compliance with orders of the competent authority. The rules governing the election of the Board of Directors shall be passed by a shareholder's meeting.

In order to abide by Article 14-2 of the Securities and Exchange Act, the number of independent Directors shall not be less than 2 persons, and shall not be lower than one-fifth of the overall directorships on the board. The matters of qualifications, shareholdings, non-compete limitations, impartiality and nomination and selection of independent Directors shall be in accordance with related law and regulation.

The election of all Directors of the Company shall adopt a nomination approach, and the nomination process shall be in accordance to Article 192-1 of the Companies Act.

Article 19-1: The Company shall establish an Audit Committee in accordance with Articles 14-4 and 181-2 of the Securities and Exchange Act. The exercise of powers of supervisors under the Company Act and Securities and Exchange Act shall now be carried out by members of the Audit Committee. The Audit Committee shall include all of the independent Directors of the Company. It shall not be fewer than three persons in number, one of whom shall be committee convenor, and at least one of whom shall have accounting or financial expertise.

The Company's Board of Directors may establish other functional committees of which the committee charter may be stipulated by the Board of Directors.

Article 20: The Directors constitute the Board of Directors and shall elect one Chairman from among the Directors by a majority vote at a meeting attended by over two-thirds of the Directors and one Vice-Chairman may be elected from among the Directors to assist the chairman. The Chairman shall represent the

Company externally and shall take charge of the Company's business operation internally pursuant to laws, these Articles and resolutions of shareholders' meetings and Directors' meetings.

Article 21: The Board of Director shall be chaired by the Chairman of the Board. If the Chairman is absent or fails to perform the duty with justified reasons, the chairperson may be assumed by the Vice-Chairman of the Board. If the Vice-Chairman is absent or fails to perform such duty for any reason, the chairperson shall be assumed by a Director designated by the Chairman. If no such designee is appointed, the chairperson shall be elected from remaining Directors.

Article 22: The Directors have a three-year tenure of office and are eligible for reelection. In the event where the period of tenure is reached and the election has not taken place, the duties and tenure of the Directors shall be extended to such time that the election has taken place, however the competent authority may, ex officio, order that the Company complete the reelection within the specified time limit. If reelection is not held within the specified time limit, the Directors shall be discharged automatically ex officio upon expiry of the specified time limit. Where one third or more of the seats of the Directors are vacant, a special (extraordinary) meeting of shareholders shall be duly held by the Board of Directors within sixty days to elect supplemental Directors.

Article 23: Directors hold the following responsibilities and powers: (I) review and accredit a variety of operating rules, (II) resolve business policies, (III) review budgets and final account closing, (IV) propose the ratio for profit allocation or loss coverage, (V) propose for increase/decrease of capital, (VI) determination of major personnel lineups, (VII) enforce the decisions resolved in the shareholders' meeting and (VIII) exercise other responsibilities and powers as bestowed by law and the shareholders' meeting.

Article23-1: The Company may purchase liability insurance for Directors and important officers to insure their business performance during the tenure of office. The Board of Directors is authorized with full power to implement this policy.

Article 24: Board of Directors Meeting shall be convened at least once per quarter. A temporary meeting may be called in the case of any emergency or upon request of a majority of the Directors. The Directors' meeting and temporary meeting, if any, shall be called by the Chairman of the Board pursuant to laws, provided that the first Directors meeting at each term shall be called by the Director winning the most votes pursuant to laws.

The convening of the Board of Directors meetings shall be announced in

writing, fax or email.

Article 25: All business of the Company will be carried out by the Chairman after it is resolved by the Board of Directors. Except otherwise specified in the Company Act, the resolutions of the Board of Directors shall be passed by the majority of Directors present at the board meeting. In the event where a Director is unable to attend a meeting, he/she may appoint another Director on his behalf by issuing a written proxy, stating therein the scope of authorization with reference to the subjects to be discussed at the meeting. However, each Director may accept the appointment to act as the proxy of only one other Director. The resolutions of a Board meeting shall be recorded in the minutes with the signature or seal of the Chairman of the meeting and kept in the Company.

Chapter 5 Managers and Employees

Article 26: The Company may appoint one or more managerial personnel who shall manage all affairs of the Company in accordance with the Board resolutions. The managerial personnel and the employment, discharge and remuneration thereof shall be decided by a resolution to be adopted by a majority vote of the Directors at a meeting of the Board of Directors attended by at least a majority of the entire Directors of the Company.

Article 27: The Company may retain a certain number of consultants as resolved by the Board of Directors.

Chapter 6 Accounting

Article 28: The Company's fiscal year starts from January 1 and runs until December 31 of every calendar year. The final account closing shall be conducted at end of every fiscal year.

Article 29: The Company takes the calendar year as its fiscal year. Upon closing of each fiscal year, the Board of Directors shall produce the following documents and proposals to the shareholders' meeting in accordance with the legal procedures for adoption: (I) Business report; (II) Financial statements and (III) Proposals of profit allocation or loss coverage.

Article 30: The Company is operating amidst capricious environments and amidst the business cycle of steady growth. When proposing the ratio of distribution of earnings, the Board of Directors shall take into account the capital expenditure

anticipated by the Company and the Company's capital needs with consideration of the indispensability of taking the earnings to back up the capital needs to resolve the amount of earnings to be reserved or to be allocated and the amounts of bonus to be allocated to shareholders in cash. From the profit earned by the Company as shown in the financial statements, the sum necessary to pay all income tax and to make up previous losses, if any, shall be first withheld, then 10% shall be reserved as legal reserve, then the special reserve to be duly allocated or restored. The balance shall be the sum allocable in the present term and will become the accumulated allocable earnings after being added with the undistributed retained earnings accumulated in the preceding year. The bonus to shareholders shall be 50%~100% of the accumulated allocable earnings and from which, the ratio of shares and cash portion shall be equally in half each, and where necessary the ratio shall be adjusted. The actual ratio of distribution shall be proposed by the Board of Directors and resolved by the shareholders' meeting provided that the remuneration to Directors shall be fixed at 2% of the accumulated allocable earnings and the bonus to employees shall not be less than 0.2% of the accumulated allocable earnings.

Independent Directors shall not participate in this said profit distribution of Director's bonus, except for the remuneration to be paid according to Article 18 herein.

Chapter 7 Supplementary Provisions

- Article 31: The organizational rules and operational rules shall be separately worked out by the Board of Directors.
- Article 32: Any matters inadequately provided for herein shall be subject to Company Act and other laws and regulations concerned.
- Article 33: These Articles were duly enacted on Mar 20, 1969 and duly amended on:
1. Oct 7, 1970
 9. Mar 1, 1974
 10. May 15, 1974
 11. Jun 12, 1974
 12. Mar 1, 1975
 13. Dec 28, 1975

14. Oct 2, 1976
15. Jan 11, 1977
16. May 10, 1977
17. Mar 1, 1978
18. May 15, 1981
19. Aug 15, 1981
20. Mar 5, 1985
21. Sep 18, 1985
22. Apr 20, 1986
23. Jul 14, 1986
24. Jun 3, 1987
25. Aug 12, 1988
26. Jun 28, 1989
27. Sep 12, 1990
28. Jun 20, 1991
29. Jun 8, 1992
30. Jun 30, 1993
31. May 26, 1994
32. Jun 23, 1995
33. Jun 22, 1996
34. Jun 14, 1997
35. Jun 22, 1998
36. Jun 14, 1999
37. Jun 16, 2000
38. Jun 22, 2001
39. Jun 24, 2002
40. Jun 19, 2003
41. Jun 4, 2004
42. Jun 17, 2005
43. Jun 12, 2007

44. Jun 19, 2008
45. Jun 12, 2009
46. Jun 21, 2011
47. Jun 20, 2012
48. Jun 20, 2013

This Articles of Association will be implemented after approved by a shareholders meeting. The same shall apply for any amendment.

Ton Yi Industrial Corp.

Chairman Chih- Hsien Lo