

Meeting Notice
for
Annual General Shareholders' Meeting
(Summary Translation)

The 2021 Annual General Shareholders' Meeting (the "Meeting") of Nan Pao Resins Chemical Co., Ltd. (the "Company") will be convened at 10:00 a.m., Thursday, June 17, 2021 at No. 12, Nanhaipu, Nanhai Vil., Xigang Dist., Tainan City.

1. The agenda for the Meeting is as follows:

I. Reported Matters

- (1) 2020 Business Report
- (2) Audit Committee's Review Report on the 2020 annual final accounting books and statements
- (3) Report on 2020 employees' and directors' remuneration
- (4) Amendments to the Company's "Rules of Procedure for Board of Directors Meetings"
- (5) Amendments to the Company's "Procedures for Ethical Management and Guidelines for Conduct"

II. Acknowledged Matters

- (1) Acknowledgment of the 2020 Business Report and Financial Statements
- (2) Acknowledgment of the 2020 Earnings Distribution

III. Matters for Discussion

- (1) The Company's subsidiary Foshan Nan Pao Advanced Materials Co., Ltd. made an initial public offering of CNY-denominated common shares (A-shares) and applied for listing in an overseas securities market
【 Please refer to Attachment for explanation 】
- (2) Amendments to the Company's " Procedures for Governing Loaning of Funds and Making of Endorsements"
- (3) Amendments to the Company's "Rules of Procedure for Shareholders Meetings"

IV. Extemporary Motions

2. The proposal for 2020 earnings distribution is as follows :
Cash dividend of NT\$7 per share is proposed to be distributed. Upon the approval of the Shareholders' Meeting, it is proposed that the Board of Directors be authorized to resolve the ex-dividend date and the distribution date.

3. Voting right for the shareholders' meeting can be exercised via electronic form during the period from May 18, 2021 to June 14, 2021. Please access "Shareholder e-voting" at the website of Taiwan Depository and Clearing Corporation. (<https://www.stockvote.com.tw>)

Board of Directors
Nan Pao Resins Chemical Co., Ltd.

Attachment

Subject: The Company's subsidiary Foshan Nan Pao Advanced Materials Co., Ltd. made an initial public offering of CNY-denominated common shares (A-shares) and applied for listing in an overseas securities market

Explanation: (1) Purpose of applying for listing and trading in an overseas securities market

With the aims of rapidly expanding business, attracting local talents, enhancing the Company's reputation in the market, and increasing its competitiveness, the Company's subsidiary Foshan Nan Pao Advanced Materials Co., Ltd. (hereinafter referred to as "NP Foshan (AM)") intends to apply for the initial public offering of CNY denominated common shares (A shares) and listing and trading in Shanghai or Shenzhen Stock Exchange. Currently, the Company holds, directly or indirectly, 60.47% of the shares of NP Foshan (AM). Successful listing is expected to bring positive effects to the image and business of the Company, and add value to its reinvestments. This would bring mutual benefits for the Company and all its shareholders.

(2) Impact on the finance and business of the Company and impact of the proposed changes in the organizational structure and business on the listed company.

A. Impact on finance

- (a) The raised fund from the offering and listing of NP Foshan (AM) are mainly used for plant expansion, purchase of R&D equipment and supplementary working capital to attract high-end R&D talents, enhance the Company's innovation capabilities, and bring new revenue and profit growth for the Company (Group).
- (b) Successful listing of A shares issued, it can raise the fund from market independently and effectively, improve financial structure for consolidated financial statement and reduce relevant expenses.
- (c) Successful listing of A shares issued by NP Foshan (AM), would help the Company (Group) expanding the assets and strengthen the capital to pursue the best interests for shareholders.

B. Impact on business

- (a) NP Foshan (AM) focuses on the development and production of high-performance Hot Melt Adhesives. If the A shares issued by NP Foshan (AM) are successfully listed this time, funds raised may be reinvested to increase the R&D abilities, focus on developing the new products that comply with market needs and meet environmental requirements. It would also help to expand scale of production and attract higher profits.
- (b) The listing of A shares issued by NP Foshan (AM) will further elevate the image of the Company, help to maintain the Company's brand leadership, attract talents, and enhance the stability of key employees through incentives such as employee stock option programs. These would be helpful for the Company to expand the group business.

C. Impact of the proposed changes in the organizational structure

NP Foshan (AM) has not adjusted its organizational structure and business nature. Through this issuance and listing and raised funds, the company's value will be enhanced, which will have a positive effect on the company's long-term stable development.

(3) Method of shareholding dispersal and proposed percentage of shareholding or contributions reduction

NP Foshan (AM) intends to conduct initial public offering of CNY denominated common shares (A shares) and apply for listing and trading in Shanghai or Shenzhen Stock Exchange. The par value of shares will be CNY 1. In accordance with relevant regulations of the place of listing, the total no. of shares issued shall account for about 10% to 25% (tentative) of the total capital of NP Foshan (AM) after issuance. After the issuance of new shares, the Company's comprehensive shareholding in NP Foshan (AM) should be no less than 51%.

(4) Basis of price determination

According to relevant regulations at the place of listing, the price shall be determined by sending inquiries to the inquirers. The issuing price shall be determined based on the results of inquiries and the market status. Alternatively, the issuing price shall be the price eventually approved by the China Securities Regulatory Commission.

(5) The counterparties of the new issuance

According to relevant regulations at the place of listing, the counterparties of the new issuance shall be the inquirers who fulfill the qualifications specified in relevant laws and regulations of Mainland China or of the supervisory authority, or investors who meet the requirements of the China Securities Regulatory Commission. The Company and all the subsidiaries shall not participate in the subscription.

(6) Any effect on the ongoing listing of the listed company

Successful listing of the A shares issued by NP Foshan (AM), will not affect the continued listing of the Company's shares in Taiwan.

(7) Supplementary information

A. Considering its long term development, NP Foshan (AM) intends to apply to the competent authority in Mainland China for the initial public offering and listing of A shares. However, the application has not been submitted so far. The time of submission and actual length of the application period remain uncertain and unpredictable.

B. In order to satisfy requirements for NP Foshan (AM)'s initial public offering of CNY denominated common shares (A shares) in Mainland China and apply for listing and trading in Shanghai or Shenzhen Stock Exchange, the shareholders meeting should authorize the Board of Directors or its designated personnel or the Board of Directors of NP Foshan (AM) or its designated personnel to make necessary adjustments based on the actual requirements in the listing process, the opinions of relevant competent authority and relevant regulations in the place of listing, the market conditions, and the actual conditions

applicable. The Board of Directors or its designated personnel shall have the full authority to manage all the matters relating to the listing, including but not limited to engaging professional advisers, determining the conditions for this issuance, issuing time, issuing amount, issuing counterparties, issuing method, issuing price (including price range and final price), issuance record date, strategic allocation (if any), use of raised funds, issuing of letters of undertaking, and conduct any other matters in connection with the current issuance and listing.