



Stock Code: 6965

Chung Jye Investment Holding Co., Ltd.

2025 Shareholders' Meeting Meeting handbook

Method of meeting: In-person meeting

June 10, 2025

Meeting venue: 5th Floor, No. 77, Shizheng Road, Xitun District, Taichung City
(Conference Room 05, Millennium Vee Hotel Taichung)

Content

One. Chung Jye Investment Holding Co., Ltd.'s Procedure for the 2025 Annual Meeting of Shareholders.....	2
Two. Chung Jye Investment Holding Co., Ltd.'s Agenda for the 2025 Annual Meeting of Shareholders.....	3
Three. Report items	4
Four. Recognition items	6
Five. Discussion items.....	7
Six. Extraordinary motions.....	9
Seven. Adjournment	9
 Appendix	
Appendix I 2024 Business Report.....	10
Appendix II Audit Committee's Report	13
Appendix III 2024 directors' remuneration	14
Appendix IV Consolidated Financial Statements and Independent Auditor's Report	15
Appendix V Earning appropriation and distribution in 2024.....	26
Appendix VI Rules for Election of Directors.....	27
Appendix VII 2025 First Issuance of Restricted Stock Awards	30
 Annex	
Annex I Articles of Incorporation	34
Annex II Rules of Procedure for Shareholders' Meetings.....	80
Annex III Shareholding of directors.....	93

One. Chung Jye Investment Holding Co., Ltd.'s Procedure for the 2025 Annual Meeting of Shareholders

- I. Chairperson Call the meeting to order
- II. Chairperson remarks
- III. Report items
- IV. Recognition
- V. Discussion
- VI. Extraordinary motions
- VII. Adjournment

Two. Chung Jye Investment Holding Co., Ltd.’s Agenda for the 2025 Annual Meeting of Shareholders

Time of meeting: 9:00 a.m., June 10, 2025 (Tuesday)

Meeting venue: 5th Floor, No. 77, Shizheng Road, Xitun District, Taichung City (Conference Room 05, Millennium Vee Hotel Taichung)

Method of meeting: In-person meeting

I. Chairperson Call the meeting to order (Report the number of shares present)

II. Chairperson remarks

III. Report matters

(I) 2024 business report.

(II) Audit Committee's review report on 2024 financial statements.

(III) 2024 distribution of remuneration to directors and employees.

(IV) 2024 cash dividend distribution of earnings for 2024.

(V) 2024 payment of directors’ remuneration.

(VI) Donation report made by the subsidiary to Chung Jye Charity Foundation.

VI. Recognition items

(I) 2024 business report and consolidated financial statements.

(II) 2024 earnings distribution proposal.

V. Discussion items

(I) Release of non-competition restriction on directors.

(II) Formulation of the “Rules for Election of Directors”..

(III) Issuance of Restricted Stock Awards.

VI. Extraordinary motions

VII. Adjournment

Three. Report items

I. Please review the 2024 business report.

Explanation: Please refer to Appendix I on page 10 of this handbook for the 2024 business report.

II. Audit Committee's review report on 2024 financial statements. Please review.

Explanation: Please refer to Appendix II on page 13 of this handbook for the Audit Committee's review report.

III. 2024 distribution of remuneration to directors and employees. Please review.

Explanation: (I) The distribution of 2024 remuneration to employees and directors in accordance with Article 14.5 of the Articles of Incorporation.

(II) The Company's 2024 remuneration to employees and directors was 1.22% and 0.80% in cash, respectively. The amount of remuneration was as follows:

Remuneration to employees: NT\$27,617 thousand

Remuneration to directors: NT\$18,000 thousand

IV. Please review cash dividends distributed from earnings for 2024.

Explanation: (I) The Company plans to distribute a cash dividend of NT\$6 per share from its 2024 earnings, totaling NT\$934,500,000. In accordance with the Articles of Incorporation, this distribution shall be approved by a resolution of the Board of Directors with at least two-thirds of directors in attendance and a majority of attending directors voting in favor, and will be reported at the shareholders' meeting.

(II) The cash dividend for this time is calculated based on the proportion of shares held by shareholders as recorded in the shareholder register on the ex-dividend base date. The fractional amounts less than NTD 1 shall be included in other income of the Company.

(III) If the number of outstanding shares is affected by the subsequent repurchase of the Company's shares, transfer or cancellation of treasury shares, or cash increase, and the dividend rate to shareholders changes as a result, the chairman of the Board of Directors is authorized to handle the matters with full authority. The chairman is also authorized to determine the ex-dividend base date, payment date, etc.

V. Please review the report on distribution of directors' remuneration in 2024.

Explanation: (I) The Company's remuneration policy, system, standards and structure for general directors and independent directors, and the relevance of the remuneration amount to the responsibilities, risks, time invested, etc. to the remuneration amount:

1. Pursuant to Article 38.3 of the Company's Articles of Incorporation, the remuneration of the Company's directors may be determined by the Board of Directors with reference to the recommendations of the Remuneration Committee and other general standards in the industry, but may only be paid in cash.

2. The Company's Articles of Incorporation also clearly stipulate that the remuneration of directors (excluding independent directors) shall not exceed 3% of the annual profit. In accordance with the Company's Remuneration Committee Charter, the payment of directors' remuneration shall be handled in accordance with the "Regulations Governing the Remuneration of Directors and Managers".

(II) For the details and amount of individual remuneration for directors, please refer to Appendix III on page 14 of this handbook.

VI. Please read the report on the donation of our subsidiary to the Chung Jye Charity Foundation.

Explanation: (I) The Company is an international enterprise. We are committed to fulfilling our corporate social responsibility and sustainable business philosophy, and setting an example for international enterprises. The Company intends to continue to invest in public welfare and charity activities to fulfill its corporate social responsibility.

(II) In 2025, the Company donated NT\$15 million to its affiliate, "Chung Jye Charity Foundation" via its subsidiary, Chung Jye Shoes Holdings Limited Taiwan Branch (SAMOA). The donation may be made in one lump sum or in installments.

(III) Since this donation involves interested parties, in accordance with Subparagraph 4, Paragraph 1, Article 6 of the Company's "Audit Committee Charter" concerning matters involving the interests of directors, and Subparagraph 8, Paragraph 1, Article 12 of the "Rules of Procedure for Board of Directors Meetings", the donation to interested parties has been approved by the Audit Committee and the Board of Directors, and reported to the shareholders' meeting.

Four. Recognition items

Proposal 1 Proposed by the Board of Directors

Subject: Please ratify the 2024 business report and consolidated financial statements.

Explanation: (I) The Board of Directors has prepared and submitted the Company's 2024 parent company only and consolidated financial statements, which have been audited and certified by Deloitte Taiwan, and the business report has been audited and certified by the Audit Committee.

(II) For the above-mentioned business report, auditors' report and financial statements, please refer to Appendix I on page 10 and Appendix IV on pages 15-25 of this handbook.

(III) Please ratify.

Resolution:

Proposal 2 Proposed by the Board of Directors

Subject: Please ratify the proposal for 2024 distribution of earnings.

Explanation: (I) Please refer to Appendix V on page 26 of this handbook for the Company's 2024 earnings distribution table.

(II) Please ratify

Resolution:

Five. Discussion items

Proposal 1 Proposed by the Board of Directors

Subject: Removal of non-competition restriction on directors, please vote.

Explanation: (I) According to Article 209 of the Company Act of the Republic of China, "When a director performs an act for himself or others that falls within the scope of the Company's business, he/she shall explain the important details of his/her act to the shareholders' meeting and obtain permission".

(II) The Company established a subsidiary, Fusionsole Footwear Private Limited, in India. In order to take advantage of the expertise and relevant experience of the Company's director Liu Yu-Hsuan, the Company requested the shareholders' meeting to agree to lift the non-competition restriction in accordance with the law.

(III) The items for directors to lift the non-competition restriction are as follows:

Title	Name	Removal of restricted duties
Director and President	Liu, Yo-Xuan	Director of Fusionsole Footwear Private Limited

(IV) Please vote.

Resolution:

Proposal 2 Proposed by the Board of Directors

Subject: Establishing the "Regulations Governing the Election of Directors" of the Company.

Explanation: (I) In order to elect directors fairly, impartially and openly, the Company has established the "Regulations Governing the Election of Directors" in accordance with Article 21 of the Company's "Corporate Best Practice Principles". Please refer to Appendix VI on page 27 of this handbook.

(II) Please vote.

Resolution:

Proposal 3 Proposed by the Board of Directors

Subject: Please vote on the issuance of Restricted Stock Awards.

Explanation: (I) Purpose of issuance:

To attract and retain professional talent required by the group companies controlled by or subordinate to the Company under Articles 369-2 and 369-3 of the Company Act (hereinafter collectively referred to as the "Group"), as well as to incentivize employees and enhance their sense of unity in order to create greater value for the Company and its shareholders, the Company has established the "2025 First Issuance Guidelines for Restricted Stock Awards (RSA) of Group Companies" (hereinafter referred to as the "Guidelines") in accordance with Article 267 of the Company Act and relevant regulations issued by the Financial Supervisory Commission, including the "Regulations Governing the Offering and Issuance of Securities by Foreign Issuers" and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers". Please refer to Appendix VII on page 30 of this handbook.

(II) The details of the employee restricted shares to be issued this time are as follows:

1. Total issuance amount: 1,141,000 common shares (the issuance accounts for approximately 0.73% of the total number of shares).
2. Issuance price and vested conditions:

(1) Category A

I. Issue price: 75% of the market price on the issuance date.

II. Vested conditions: After employees are allocated RSA in accordance with

this regulation, they must meet the following conditions to be vested:

- (i) If an employee remains employed and achieves performance goals one year after being allocated RSA, he or she can obtain 100% of the shares. If the above date falls on a holiday, it will be processed in advance on the previous business day.
- (ii) During each vested period, there has been no violation of any contract signed with the group companies or the Company's work rules;
- (iii) Achieved individual work performance evaluation indicators set by the group company within each vested period.
The individual work performance evaluation indicator is the performance evaluation rating of at least 81 points (inclusive) for the most recent period after the expiration of the vested period.
- (iv) Company performance
The Company's net profit in the previous year must be 3% (inclusive) or above.

(2) Category B

- I. Issue price: NT\$0 per share.
- II. Vested conditions: After employees are allocated RSA in accordance with this regulation, they must meet the following conditions to be vested:
 - (i) If an employee remains employed and achieves performance goals one year after being allocated RSA, he or she can obtain 100% of the shares. If the above date falls on a holiday, it will be processed in advance on the previous business day.
 - (ii) During each vested period, there has been no violation of any contract signed with the group companies or the Company's work rules;
 - (iii) Achieved individual work performance evaluation indicators set by the group company within each vested period.
The individual work performance evaluation indicator is the performance evaluation rating of at least 81 points (inclusive) in the most recent period after the expiration of the vested period.
 - (iv) Company performance
The Company's net profit in the previous year must be 3% (inclusive) or above.

- (III) Employees' eligibility requirements and number of shares to be allocated or subscribed:
- 1. The restrictions on employee rights are limited to full-time regular employees of the Group who have already started work on the day the new shares are granted, and who meet certain performance requirements, or who are key personnel for the future development of the Group's core technologies and strategies.
 - 2. The actual number of new shares that can be granted to employees and the number of RSA that can be obtained will be based on factors such as seniority, position level, performance, overall contribution, special achievements or other management reference conditions, and will take into account the Company's operational needs and business development strategy. It will be approved by the chairman and then submitted to the Board of Directors for approval; however, for directors with managerial status and employees with employee status, it must first be submitted to the Remuneration Committee for approval; for employees who are not directors or managers, it must first be approved by the Audit Committee.
 - 3. The number of RSA granted to any employee by the Group shall be handled in accordance with the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers".

- (IV) Matters for potential expensing amounts, the dilution of the Company's earnings per share, and other matters affecting shareholders' equity:
1. If all the vested conditions are met, the estimated amount of expense is approximately NT\$125,756,000 (temporarily estimated based on the closing price of the Company on April 7, 2025, which is NT\$131 per share). In 2025, it is NT\$26,764,240, in 2026, it is NT\$64,278,195, and in 2027, it is NT\$34,713,565.
 2. Dilution of earnings per share and other impacts on shareholders' equity: Possible impact on earnings per share: NT\$0.17 in 2025, NT\$0.41 in 2026, and NT\$0.22 in 2027; the dilution of earnings per share of the Company is still limited, and therefore does not significantly affect shareholders' equity.
- (V) The necessary reasons for handling the employee restricted shares are: to attract and retain professional talents required by the Group, motivate employees and enhance employee cohesion, so as to jointly create more benefits for the Company and shareholders.
- (VI) Other important matters:
1. The employee restricted shares that the Company intends to issue may be reported to the competent authority in installments within one year from the date of the shareholders' meeting resolution, and may be issued all at once or in installments based on actual needs within two years from the date of receipt of the competent authority's notice of approval for the effective date of the report.
 2. After the proposal is submitted to the shareholders' meeting for resolution, the Board of Directors is authorized to file an application for issuance with the competent authority in accordance with relevant laws and regulations. If there are any matters not covered, unless otherwise provided by laws and regulations, the Board of Directors is fully authorized to amend or implement them in accordance with relevant laws and regulations.
- (VII) Please vote.

Resolution:

Six. Extraordinary motions

Seven. Adjournment

Chung Jye Investment Holding Co., Ltd. 2024 Business Report

I. Introduction:

Recently, benefiting from the active restocking of inventory by brand customers, the shoe manufacturing industry got rid of the awkward situation where brand customers have excessive inventory in 2023. Various economic data showed that the market is recovering rapidly, benefiting the companies in the supply chain for shoe manufacturing. According to Statista, under the effects of the pandemic, the global shoe market dropped to the bottom in 2020 and 2021, and then showed a recovery trend subsequently. In the long run, the CAGR of the global shoe market from 2022 to 2028 after the pandemic is approximately 3.62%. The market growth of various types of shoes in 2024 was: a growth of approximately 5.83% for sneakers, 4.42% for athletic footwear, 2.40% for leather footwear, and 3.27% for other shoes.

In response to the need for mass production orders in the future, the Company is actively expanding overseas production bases, in order to create more favorable flexibility for the layout of multiple brands and multiple factories. In 2025, the Company developed new production capacity in India and Bac Kan Province in Vietnam and commenced the plant establishment investment plan in Indonesia, which will effectively disperse risks of geopolitics, economy, and tariff barriers in different places. Furthermore, due to the healthy financial structure and sufficient capital level, the Company recorded favorable performance in terms of operating income and profit in 2024.

The operating income of the Company in 2024 was NT\$269.86 billion, representing an increase of NT\$4.247 billion from NT\$22.739 billion in 2023, with an annual growth of 18.7%. The overall net profit after tax in 2024 was NT\$1.821 billion, representing a decrease of NT\$146 million or 7.42% compared to NT\$1.967 billion in 2023. The slight decrease in profit in 2024 was affected by the increase in wages and the poor efficiency of the new production line. It is expected that the procedure efficiency will be optimized in 2025 to improve profitability.

The Company's production sites are located in Guangdong, Jiangxi, and Henan Provinces in China and Hai Duang, Ninh Binh, and Tuyen Quang Provinces in North Vietnam. In 2024, the ratio of production capacity in Mainland China and Vietnam was 59% and 41%, respectively. Regarding the ratio of sales regions (destination designated by brand customers) to operating income, American and Chinese regions are the main sales locations, accounting for approximately 35% and 37%, respectively. The growth in the ratio of Mainland China was mainly from the brands in Mainland China. Apart from the existing brands at present, the Company actively develops new international brands and continues to expand its production capacity to inject new growing momentum into its operations.

Despite the uncertainties in the international political and economic situation, there are infinite possibilities hidden in it. The Company adheres to the attitude of learning modestly and unites with employees to continue moving toward the targets of innovation, high quality, diversity, and sustainability. We are jointly committed to the control of costs and risks, implementing team inheritance and cultivation, building a solid management team of Chung Jye, and exerting the resilience of the Chung Jye team so as to jointly face challenges and grow together with brand customers. It is believed that the efforts made by the Chung Jye team will allow the Company to change for the better and improve its competitive strength for the creation of another business peak.

II. 2024 Business Report

(I) Implementation achievements of the business plan

Unit: NT\$ thousand

Accounting item	2024	2023	Amount increased (decreased)	Change ratio (%)
Net operating income	26,986,539	22,739,253	4,247,286	18.68
Gross profit	4,104,719	4,222,707	(117,988)	(2.79)
Net profit	1,802,475	2,137,307	(334,832)	(15.67)
Net profit before tax	2,343,542	2,351,137	(7,595)	(0.32)
Net profit after tax	1,821,034	1,966,807	(145,773)	(7.41)

(II) Budget implementation in 2024: According to the "Regulations Governing the Publication of Financial Forecasts of Public Companies," the Company did not disclose the financial forecast for 2024 and thus is not required to disclose the analysis of budget implementation in 2024.

(III) Analysis of financial income, expenditure and profitability

Analysis item			2024	2023
Financial income and expenditure	Net operating income		26,986,539	22,739,253
	Gross profit		4,104,719	4,222,707
	Net profit after tax		1,821,034	1,966,807
Profitability	Return on assets (%)		10.26	11.98
	Return on equity (%)		18.67	22.70
	Ratio to paid-in capital (%)	Operating gain (loss)	128.75	152.66
		Net profit (loss) before tax	167.40	167.94
	Net profit margin		6.75	8.65
	Basic earnings per share (NT\$)		12.22	13.55

(IV) R&D

The Company continues to invest in various procedures and process technology innovations. In 2024, the Company invested NT\$662,379 thousand in R&D, accounting for 2.5% of the consolidated operating income, representing an increase of NT\$58,575 thousand or approximately 9.7% as compared to the R&D amount of NT\$603,804 thousand in 2023. The R&D expenses are mainly spent on the upgrades of shoe manufacturing technologies and the advances and improvements of various procedures. At present, the Company has established four R&D Centers to have close cooperation with brand customers during the period between product development to product prototype to provide better services and solutions and rapidly respond to various requirements under changes in the market so as to maintain and increase the market share of shoe foundry.

(V) Corporate responsibility

The Company upholds the philosophy of "Taken from the community, Giving back to society" and has long been involved in various public welfare activities. The Chung Jye Foundation was established at the beginning of 2024 to serve as a leader in social feedback and participation. The relevant departments of overseas subsidiaries are responsible for the coordination of the activities of environmental safety and health, social and environmental affairs, and caring for the disadvantaged by plants.

In addition, the Company attaches great importance to and pays attention to the rights and interests of employees and the safety of employees and has established a friendly, diversified, fair and inclusive working environment. Overseas plants of the Group adopt sustainable operation and development as the target and promote various energy conservation and carbon reduction plans. The solar power panel green energy program was initiated at Jiangxi Plant and Ninh Binh Plant, and we invested in reduction equipment at Jiangxi Plant. We actively implement green energy, environmental protection, energy conservation, carbon reduction, and resource recycling and renewal to take action for the sustainability of the earth.

III. Conclusion

Looking ahead to 2025, in the face of the unpredictable and ever-changing international political and economic situations, geopolitics and tariff barriers, the Company has the confidence to respond to external changes and challenges with a practical spirit to turn crises into opportunities and growth and to continue to record outstanding results in 2025.

The management team of Chung Jye will continue to invest in technological innovations, procedure improvements, automation, lean management, talent cultivation, and sustainable corporate development. With the efforts of all employees of the Group, the corporate competitiveness will be improved in the hope of creating the maximum value for customers, employees, and shareholders.

Chairperson: Liu, An-Zhe

Manager: Liu, Yo-Xuan

Accounting officer: Cai, Ying-Zi

Audit Committee's Report

The Board of Directors has prepared the Company's 2024 business report, financial statements and earnings distribution proposal. The financial statements have been audited by Deloitte Taiwan, and the CPAs have issued an auditors' report. The above-mentioned business report, financial statements and earnings distribution proposal have been reviewed by the Audit Committee, and it is believed that there is no inconsistency. Therefore, the above report is prepared in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act for your review.

Sincerely,

2025 Annual Shareholders' Meeting

Convener of Audit Committee: Cheng Wen-Cheng

March 12, 2025

2024 directors' remuneration

December 31, 2024

Unit: NT\$ thousand; thousand shares

Title	Name	Remuneration of Directors								Sum of A, B, C, and D and as a percentage of net profit after tax		Relevant remuneration received from the concurrent position as an employee								Sum of A, B, C, D, E, F, and G <u>and</u> as a percentage of net profit after tax		Remuneration from investees other than subsidiaries or parent company
		Compensation (A)		Severance pay and pension (B)		Remuneration of Directors (C)		Business execution allowance (D)				Salaries, bonuses, and special allowances (E)		Severance pay and pension (F)		Remuneration of employees (G)						
		The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company	All companies included in the financial statements	The Company		All companies included in the financial statements		The Company	All companies included in the financial statements	
Amount in cash	Amount in stock															Amount in cash	Amount in stock					
Chairman	Liu, An-Zhe	-	-	-	-	18,000	18,000	-	-	18,000 1.05%	18,000 1.05%	-	25,599	-	261	18,144	-	18,144	-	36,144 2.11%	62,004 3.62%	-
Directors	Liu, Chung-Wen																					
Directors	Liu, Yo-Xuan																					
Independent Director	Cheng, Wen-Cheng	3,859	3,859	-	-	-	-	246	246	4,105 0.24%	4,105 0.24%	-	-	-	-	-	-	-	-	4,105 0.24%	4,105 0.24%	-
	Ke, Kuan-Cheng																					
	Tsai, Fu-Chiang																					
	Hsieh, Ming-Hui (Note)																					

1. Please describe the policy, system, standard and structure of the remuneration paid to Independent Directors, and describe the correlation with the amount of remuneration based on the responsibilities, risks, time invested and other factors:

The Company has established a Remuneration Committee consisting of three Independent Directors. The Remuneration Committee is responsible for setting and regularly examining the performance evaluation of Directors and managers and the policy, system, standard and structure of their remuneration while regularly evaluating and establishing the remuneration of Directors and managers. The remuneration of Directors is distributed based on the positions and the level of participation in the Company's operations and contributions. The remuneration of the President and Vice President is mainly based on the level of contribution of the Company and the personnel regulations of the Company with reference to the standards among peers.

2. Except for the disclosures in the table above, remuneration received by Directors of the Company for the provision of services (i.e., being the non-employee consultant of the parent company/all companies included in the financial statements/investees) in the most recent year: None.

Note: Independent Director Hsieh, Ming-Hui was elected on May 10, 2024.

Chung Jye Investment Holding Co.,
Ltd. and Its Subsidiaries

Consolidated Financial Statements and
Independent Auditor's Report
2024 and 2023

Address: The Grand Pavilion Commercial Centre, Oleander
Way, 802 West Bay Road, P.O. Box 32052, Grand
Cayman KY1-1208, Cayman Islands
Tel.: (886)-4-25661116

**Deloitte Taiwan**

KPMG Taiwan
20F, No. 100, Songren Road, Xinyi
District, Taipei City 110016

Deloitte & Touche
20F, Taipei Nan Shan Plaza
No. 100, Songren Rd.,
Xinyi Dist., Taipei 110016, Taiwan

Tel: +886 (2) 2725-9988

Fax: +886 (2) 4051-6888

www.deloitte.com.tw

Independent Auditors' Report

The Board of Directors and Shareholders of Chung Jye Investment Holding Co., Ltd.:

Opinion

We have audited the accompanying Consolidated Balance Sheet of Chung Jye Investment Holding Co., Ltd. and its subsidiaries (Chung Jye Group) as of December 31, 2024 and 2023, and the Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flows, and the Notes to Consolidated Financial Statements, including a summary of significant accounting policies for the years then ended.

In our opinion, based on the audit results of the independent auditors and the audit report of other accountants, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Chung Jye Group as of December 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulation Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations as endorsed and issued into effect by the Financial Supervisory Commission.

Basis for the Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards of the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of Chung Jye Group in accordance with the Norm of Professional Ethics for Certified Public Accountants of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that sufficient and appropriate audit evidence has been obtained in order to serve as the basis for presenting the audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 2024 consolidated financial statements of Chung Jye Group. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters of the 2024 consolidated financial statements of Chung Jye Group are described as follows:

Timing for recognizing the income from export sales

The main business of Chung Jye Group is the production and sale of leather shoes and sports and leisure outdoor shoes. The sales patterns are divided into domestic sales and export sales. The counterparties of export sales are located in many regions around the world. The transaction conditions with different customers may differ.

Regarding the export sales income of Chung Jye Group, sales income is recognized when the transaction conditions are achieved, and the control over products is transferred to purchasers based on the agreed transaction conditions with individual customers. As partial export sales transactions have longer transportation time, and the transaction conditions agreed upon with particular customers may result in the involvement of human judgment in the income recognition procedures, which may cause sales income not to be recorded in the accurate period. Therefore, we include the accuracy of the timing of the recognition of export sales income with particular transaction conditions in the key audit matters for the year.

The main audit procedures that we performed for the abovementioned timing of sales income recognition are as follows:

1. Understand and assess the operating procedures and internal control system related to the timing of revenue recognition from sales, and test the effectiveness of these controls.
2. Perform cutoff tests on sales transactions with specific customers during a certain period before and after the balance sheet date, including verifying transaction terms, customs declarations, and shipping schedules to confirm that revenue is recognized in the appropriate period.
3. Obtain manually compiled shipping details for a specific period for review, and perform sampling checks against relevant supporting documents to verify the accuracy of timing adjustment of revenue recognition.

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

The management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and the IFRSs, IASs, IFRIC Interpretations, and SIC Interpretations endorsed and issued into effect by the Financial Supervisory Commission, and to maintain Internal controls necessary for the preparation of financial statements to ensure that the consolidated financial statements are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the management is responsible for assessing Chung Jye Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Chung Jye Group or cease operations or has no realistic alternative but to do so.

Those charged with governance, including the Audit Committee, are responsible for overseeing the financial reporting process of Chung Jye Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report. Reasonable assurance is a high level of assurance. However, the auditing conducted in accordance with the auditing standards of the Republic of China cannot guarantee that it will be able to detect material misstatements in the consolidated financial statements. Misstatement can arise from fraud or error. If the individual or aggregate amount of the misstatement can reasonably be expected to affect the economic decisions made by users of the consolidated financial statements, they are considered material.

We exercise professional skepticism during the audit in accordance with the auditing standards. We also performed the following tasks:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not to express an opinion on the effectiveness of the internal control of Chung Jye Group.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Based on the audit evidence obtained, conclude on the appropriateness of management's use of the going concern basis of accounting and whether a material uncertainty exists related to events or conditions that may cast significant doubt on Chung Jye Group's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause Chung Jye Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including related notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the parent company's only financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable (including relevant protection measures).

From matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 2024 consolidated financial statements of Chung Jye Group and are, therefore, key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Taiwan

CPA Chang Ching-Hsia

CPA Chiu Meng-Chieh

Certificate No. for the approval of the competent
authority of securities
Jin-Guan-Zheng-Shen-Zi No. 1090347472

Certificate No. for the approval of the competent
authority of securities
Jin-Guan-Zheng-Shen-Zi No. 1020025513

March 12, 2025

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Balance Sheet

December 31, 2024 and 2023

Unit: NT\$ thousand

Code	Assets	December 31, 2024		December 31, 2023	
		Amount	%	Amount	%
	Current assets				
1100	Cash and cash equivalents (Note 6)	\$ 3,603,548	19	\$ 4,460,254	25
1136	Financial assets measured at amortized cost - Current (Notes 7 and 25)	557,555	3	1,057,163	6
1170	Accounts receivable (Note 8)	5,611,628	30	4,898,789	28
1180	Net accounts receivable - Related parties (Note 24)	228	-	-	-
1200	Other receivables	57,461	-	18,072	-
1220	Income tax assets for the period	26,051	-	11,177	-
1310	Inventory (Note 9)	3,071,209	17	2,399,198	14
1470	Other current assets	500,602	3	338,503	2
11XX	Total current assets	<u>13,428,282</u>	<u>72</u>	<u>13,183,156</u>	<u>75</u>
	Non-current assets				
1550	Investments accounted for using the equity method	45,939	-	39,605	-
1600	Property, plant and equipment (Notes 11 and 25)	3,989,013	22	3,476,861	20
1755	Right-of-use assets (Note 12)	650,025	4	391,297	2
1760	Investment property (Note 25)	8,739	-	45,175	-
1780	Intangible assets	5,389	-	4,264	-
1840	Deferred income tax assets (Note 19)	411,814	2	418,043	3
1920	Refundable deposits	19,395	-	9,846	-
1975	Net defined benefit assets (Note 15)	2,665	-	1,759	-
1990	Other non-current assets	57,533	-	-	-
15XX	Total non-current assets	<u>5,190,512</u>	<u>28</u>	<u>4,386,850</u>	<u>25</u>
1XXX	Total assets	<u>\$ 18,618,794</u>	<u>100</u>	<u>\$ 17,570,006</u>	<u>100</u>
	Liabilities and equity				
	Current liabilities				
2100	Short-term borrowings (Notes 13 and 25)	\$ 1,018,935	5	\$ 2,349,709	13
2170	Accounts payable	3,475,278	19	2,680,835	15
2180	Accounts payables - Related parties (Note 24)	161,681	1	150,502	1
2200	Other payables (Note 14)	2,519,542	14	2,280,807	13
2230	Income tax liabilities for the period	272,150	1	295,297	2
2280	Lease liabilities - Current (Note 12)	14,884	-	13,244	-
2320	Long-term borrowings due within one year (Notes 13 and 25)	171,158	1	137,799	1
2399	Other current liabilities	26,174	-	29,426	-
21XX	Total current liabilities	<u>7,659,802</u>	<u>41</u>	<u>7,937,619</u>	<u>45</u>
	Non-current liabilities				
2540	Long-term borrowings (Notes 13 and 25)	193,881	1	365,028	2
2570	Deferred income tax liabilities (Note 19)	15,522	-	3,001	-
2580	Lease liabilities - Non-current (Note 12)	47,137	-	42,079	-
2630	Deferred income - Non-current (Notes 12 and 21)	257,876	2	139,128	1
2645	Guarantee deposits received	15,978	-	4,272	-
25XX	Total non-current liabilities	<u>530,394</u>	<u>3</u>	<u>553,508</u>	<u>3</u>
2XXX	Total liabilities	<u>8,190,196</u>	<u>44</u>	<u>8,491,127</u>	<u>48</u>
	Equity attributable to owners of the Company (Note 16)				
3110	Share capital	1,400,000	8	1,400,000	8
3200	Capital reserve	2,677,907	14	2,677,907	15
3300	Retained earnings	6,094,448	33	5,152,664	30
3410	Exchange differences arising from the translation of the financial statements of foreign operations	24,002	-	(367,101)	(2)
31XX	Total equity attributable to the owners of the Company	<u>10,196,357</u>	<u>55</u>	<u>8,863,470</u>	<u>51</u>
36XX	Non-controlling interests (Note 16)	<u>232,241</u>	<u>1</u>	<u>215,409</u>	<u>1</u>
3XXX	Total equity	<u>10,428,598</u>	<u>56</u>	<u>9,078,879</u>	<u>52</u>
	Total liabilities and equity	<u>\$ 18,618,794</u>	<u>100</u>	<u>\$ 17,570,006</u>	<u>100</u>

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che

Manager: Liu, Yu-Hsuan

Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries

Consolidated Statement of Comprehensive Income

For the years ended December 31, 2024 and 2023

Unit: NT\$ thousand

Code		2024		2023	
		Amount	%	Amount	%
4000	Operating income (Notes 17 and 24)	\$ 26,986,539	100	\$ 22,739,253	100
5000	Operating costs (Notes 9, 18 and 24)	(22,881,820)	(85)	(18,516,546)	(81)
5900	Gross profit	4,104,719	15	4,222,707	19
	Operating expenses (Notes 8 and 18)				
6100	Marketing expenses	(452,753)	(2)	(242,176)	(1)
6200	Management fees	(1,180,223)	(4)	(1,218,516)	(5)
6300	R&D expenses	(662,379)	(2)	(603,804)	(3)
6450	Expected credit impairment loss	(6,889)	-	(20,904)	-
6000	Total operating expenses	(2,302,244)	(8)	(2,085,400)	(9)
6900	Net profit	1,802,475	7	2,137,307	10
	Non-operating income and expenses (Note 18)				
7100	Interest income	224,517	1	176,473	1
7010	Other income	128,911	-	93,211	-
7020	Other gains and losses	227,584	1	15,519	-
7050	Financial costs	(46,377)	-	(63,170)	-
7060	Share of investment gains or losses under the equity method	6,432	-	(8,203)	-
7000	Total non-operating income and expenses	541,067	2	213,830	1
7900	Net profit before tax	2,343,542	9	2,351,137	11
7950	Income tax expenses (Note 19)	(522,508)	(2)	(384,330)	(2)
8200	Net profit for the current year	1,821,034	7	1,966,807	9

(Cont'd)

(Cont'd)

Code		2024		2023	
		Amount	%	Amount	%
	Other comprehensive income				
8310	Items not reclassified as profit or loss				
8311	Remeasurement of defined benefit plans (Note 15)	\$ 1,054	-	\$ 238	-
8341	Exchange differences arising from the conversion to the presentation currency (Note 16)	677,754	2	19,289	-
8349	Income tax related to items not subject to reclassification (Note 19)	(212)	-	(48)	-
8360	Items that may be reclassified as profit or loss subsequently				
8361	Exchange differences arising from the translation of the financial statements of foreign operations (Note 16)	(289,463)	(1)	(232,053)	(1)
8399	Income tax related to items that may be reclassified (Note 19)	(32)	-	-	-
8300	Total other comprehensive income	<u>389,101</u>	<u>1</u>	<u>(212,574)</u>	<u>(1)</u>
8500	Total comprehensive income of the year	<u>\$ 2,210,135</u>	<u>8</u>	<u>\$ 1,754,233</u>	<u>8</u>
	Net profit attributable to:				
8610	Owners of the Company	\$ 1,710,942	6	\$ 1,896,687	9
8620	Non-controlling interests	<u>110,092</u>	<u>1</u>	<u>70,120</u>	-
8600		<u>\$ 1,821,034</u>	<u>7</u>	<u>\$ 1,966,807</u>	<u>9</u>
	Total comprehensive income attributable to:				
8710	Owners of the Company	\$ 2,102,887	8	\$ 1,707,186	8
8720	Non-controlling interests	<u>107,248</u>	-	<u>47,047</u>	-
8700		<u>\$ 2,210,135</u>	<u>8</u>	<u>\$ 1,754,233</u>	<u>8</u>
	Earnings per share (Note 20)				
9710	Basic	<u>\$ 12.22</u>		<u>\$ 13.55</u>	
9810	Diluted	<u>\$ 12.17</u>		<u>\$ 13.49</u>	

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che

Manager: Liu, Yu-Hsuan

Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries
Consolidated Statement of Changes in Equity
For the years ended December 31, 2024 and 2023

Unit: NT\$ thousand

		Equity attributable to the owners of the Company						Total	Non-controlling interests	Total equity
		Capital	Premium of share capital	Capital reserve Differences between the price for the acquisition or disposal of equity of subsidiaries and the carrying amount	Changes in the ownership equity in subsidiaries	Retained earnings	Other equity items Exchange differences arising from the translation of the financial statements of foreign operations			
Code										
A1	Balance on January 1, 2023	\$ 1,400,000	\$ 2,591,805	\$ 69,209	\$ 16,893	\$ 4,179,787	(\$ 177,410)	\$ 8,080,284	\$ 168,362	\$ 8,248,646
	Earning appropriation and distribution in 2022									
B5	Cash dividends of the Company's shareholders	-	-	-	-	(924,000)	-	(924,000)	-	(924,000)
D1	Net profit in 2023	-	-	-	-	1,896,687	-	1,896,687	70,120	1,966,807
D3	Other comprehensive income in 2023	-	-	-	-	190	(189,691)	(189,501)	(23,073)	(212,574)
D5	Total comprehensive income in 2023	-	-	-	-	1,896,877	(189,691)	1,707,186	47,047	1,754,233
Z1	Balance on December 31, 2023	1,400,000	2,591,805	69,209	16,893	5,152,664	(367,101)	8,863,470	215,409	9,078,879
	Earning appropriation and distribution in 2023									
B5	Cash dividends of the Company's shareholders	-	-	-	-	(770,000)	-	(770,000)	-	(770,000)
D1	Net profit in 2024	-	-	-	-	1,710,942	-	1,710,942	110,092	1,821,034
D3	Other comprehensive income in 2024	-	-	-	-	842	391,103	391,945	(2,844)	389,101
D5	Total comprehensive income in 2024	-	-	-	-	1,711,784	391,103	2,102,887	107,248	2,210,135
O1	Cash dividends for non-controlling interests	-	-	-	-	-	-	-	(90,416)	(90,416)
Z1	Balance on December 31, 2024	<u>\$ 1,400,000</u>	<u>\$ 2,591,805</u>	<u>\$ 69,209</u>	<u>\$ 16,893</u>	<u>\$ 6,094,448</u>	<u>\$ 24,002</u>	<u>\$ 10,196,357</u>	<u>\$ 232,241</u>	<u>\$ 10,428,598</u>

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che

Manager: Liu, Yu-Hsuan

Accounting officer: Tsai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd. and Its Subsidiaries
Consolidated Statement of Cash Flows
For the years ended December 31, 2024 and 2023

		Unit: NT\$ thousand	
Code		2024	2023
	Cash flow from operating activities		
A10000	Net profit before tax for the year	\$ 2,343,542	\$ 2,351,137
A20010	Items of income and expenses		
A20100	Depreciation expenses	491,778	498,174
A20200	Amortization expenses	2,186	2,150
A20300	Expected credit impairment loss	6,889	20,904
A20400	Net gains on financial assets and liabilities at fair value through profit or loss	(5,365)	(6,439)
A20900	Financial costs	46,377	63,170
A21200	Interest income	(224,517)	(176,473)
A22300	Share of loss (gain) of affiliates and joint ventures recognized using the equity method	(6,432)	8,203
A22500	Net loss from the disposal of property, plant and equipment and right-of-use assets	1,398	1,171
A22800	Loss from the disposal of intangible assets	-	6
A23700	Inventory devaluation and obsolescence losses	14,144	58,962
A29900	Amortization of deferred income	(5,837)	(3,467)
A29900	Fire loss	-	12,996
A30000	Net changes in operating assets and liabilities		
A31115	Financial assets mandatorily at fair value through profit or loss	5,365	56,388
A31150	Accounts receivable	(719,728)	(99,149)
A31160	Accounts receivable - Related parties	(228)	-
A31180	Other receivables	(39,389)	50,355
A31200	Inventory	(686,155)	471,434
A31240	Other current assets	(162,099)	109,620
A31990	Net defined benefit assets	148	148
A32150	Accounts payable	794,443	(10,205)
A32160	Accounts payable - Related parties	11,179	60,495
A32180	Other payables	170,160	(3,674)
A32230	Other current liabilities	(3,252)	(14,636)
A32250	Deferred income	<u>116,199</u>	<u>15,598</u>
A33000	Cash inflow from operations	2,150,806	3,466,868
A33100	Interest received	224,517	176,473

(Cont'd)

(Cont'd)			
Code		2024	2023
A33300	Interest paid	(\$ 43,676)	(\$ 61,566)
A33500	Income tax paid	(544,912)	(565,215)
AAAA	Net cash inflow from operating activities	<u>1,786,735</u>	<u>3,016,560</u>
	Net cash flow from investing activities		
B00040	Acquisition of financial assets measured at amortized cost	-	(517,879)
B00050	Disposal of financial assets measured at amortized cost	499,608	-
B02700	Acquisition of property, plant and equipment	(799,815)	(406,457)
B02800	Consideration from the disposal of property, plant and equipment and right-of-use assets	26,462	18,085
B03700	Increase in refundable deposits	(9,549)	-
B03800	Decrease in refundable deposits	-	3,751
B04500	Acquisition of intangible assets	(3,022)	(347)
B05350	Acquisition of right-of-use assets	(304,528)	-
B07100	Decrease in prepayment for equipment	<u>-</u>	<u>1,410</u>
BBBB	Net cash outflow from investing activities	(<u>590,844</u>)	(<u>901,437</u>)
	Net cash flow from financing activities		
C00100	Increase in short-term borrowings	-	1,225,506
C00200	Decrease in short-term borrowings	(1,330,774)	-
C01600	Proceeds from long-term borrowings	390,000	304,397
C01700	Repayment of long-term borrowings	(556,246)	(761,395)
C03000	Receipt of guarantee deposits received	11,706	-
C03100	Return of guarantee deposits received	-	(3,688)
C04020	Repayment of principal for lease liabilities	(15,396)	(14,578)
C04500	Distribution of cash dividends	(770,000)	(924,000)
C05800	Distribution of dividends of non-controlling interests	(<u>90,416</u>)	<u>-</u>
CCCC	Net cash outflow from financing activities	(<u>2,361,126</u>)	(<u>173,758</u>)
DDDD	Effects of exchange rate changes on cash and cash equivalents	<u>308,529</u>	(<u>113,754</u>)
EEEE	Increase (decrease) in cash and cash equivalents	(856,706)	1,827,611
E00100	Balance of cash and cash equivalents at the beginning of the year	<u>4,460,254</u>	<u>2,632,643</u>
E00200	Balance of cash and cash equivalents at the end of the year	<u>\$ 3,603,548</u>	<u>\$ 4,460,254</u>

The notes attached hereto form an integral part of the consolidated financial statements.

Chairperson: Liu, An-Che

Manager: Liu, Yu-Hsuan

Accounting officer: Cai, Ying-Tzu

Chung Jye Investment Holding Co., Ltd.**Earning appropriation and distribution in 2024**

Item	Unit: NT\$ thousand	Unit: NTD thousands
Beginning retained earnings	4,382,664	4,382,663,382
Net profit after tax for the current period	1,710,942	1,710,942,140
Add: Remeasurement of the defined benefit plan	842	842,679
Legal reserve (10%)	(171,178)	(171,178,482)
Distributable earnings for the current period	5,923,270	5,923,269,719
Distribution items:		
Shareholders' dividend (NT\$6 per share)	(934,500)	(934,500,000)
Ending retained earnings	4,988,770	4,988,769,719

Remarks:

1. The number of shares issued was 155,750,000 shares, and the number of shares outstanding was 155,750,000 shares.
2. If the number of outstanding shares of the Company changes due to the repurchase of shares, transfer of treasury shares, exercise of stock options by employees, and conversion of convertible bonds into common shares, which affects the dividend and requires adjustment, the chairman of the Board of Directors is authorized to determine the relevant matters.
3. The above profit distribution shall give priority to the profit of the most recent year.
4. The Company's cash dividends are distributed to the nearest dollar, and the fractional shares are included in the Company's other income.

Chairperson: Liu, An-Zhe

Manager: Liu, Yo-Xuan

Accounting officer: Cai, Ying-Zi

Chung Jye Investment Holding Co., Ltd.

Rules for Election of Directors.

Article 1

In order to ensure fair, just and open election of directors, these Regulations are formulated in accordance with Article 21 of the “Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies”.

Article 2

Unless otherwise provided by laws or the Articles of Incorporation, the election of the Company's directors shall be conducted in accordance with these Regulations.

Article 3

The election of the Company's directors shall take into account the overall composition of the Board of Directors. The composition of the Board of Directors shall take into account diversity and formulate appropriate diversity policies based on its own operations, business model and development needs, including but not limited to the following two aspects:

- I. Basic conditions and values: gender, age, nationality and culture, etc.
- II. Professional knowledge and skills: Professional background (such as law, accounting, industry, finance, marketing or technology), professional skills and industry experience, etc.

Board members should generally possess the knowledge, skills and qualities necessary to perform their duties. The overall capabilities they should possess are as follows:

- I. Operational judgment ability.
- II. Accounting and financial analysis ability.
- III. Business management ability.
- IV. Crisis management ability.
- V. Industry knowledge.
- VI. International market perspective.
- VII. Leadership ability.
- VIII. Decision-making ability.

Directors shall hold more than half of the seats and shall not be spouses or relatives within the second degree of kinship.

The Company's Board of Directors shall consider adjusting the composition of the Board of Directors based on the results of the performance evaluation.

Article 4

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

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

Article 5

The election of the Company's directors shall be conducted in accordance with the candidate nomination system procedures specified in Article 192-1 of the Company Act.

If the number of directors is less than five due to the dismissal of directors for any reason, the Company shall elect new directors at the most recent shareholders' meeting. However, if the number of vacancies in the number of directors reaches one-third of the seats stipulated in the Articles of Incorporation, the Company shall convene an extraordinary general meeting of shareholders to elect new directors within sixty days from the date of the occurrence of the vacancy.

If the number of independent directors is less than that specified in the proviso to Paragraph 1 of Article 14-2 of the Securities and Exchange Act, a by-election shall be held at the most recent shareholders' meeting. If all independent directors are dismissed, a by-election shall be held at an extraordinary shareholders' meeting within sixty days from the date of the occurrence of the fact.

Article 6

The election of directors of the Company shall adopt the cumulative voting system. Each share shall have the same voting rights as the number of directors to be elected. The voting rights may be centralized to elect one person or distributed to elect several persons.

Article 7

The Board of Directors shall prepare a number of ballots equal to the number of directors to be elected, indicating the number of voting rights on each ballot, and distribute them to shareholders attending the shareholders' meeting. The voter's name may be replaced with the printed attendance certificate number on the ballot.

Article 8

In accordance with the number of seats specified in the Company's Articles of Incorporation, the election rights for independent directors and non-independent directors shall be calculated separately. Candidates receiving a greater number of votes representing election rights shall be elected in descending order. If two or more candidates receive the same number of votes and the number of such candidates exceeds the available seats, the winners shall be determined by drawing lots among those with equal vote counts. If any of them is absent, the chairperson shall draw the lot on their behalf.

Article 9

Before the election begins, the chairperson shall designate a number of scrutineers and vote counters who are shareholders to perform relevant duties. The ballot box shall be prepared by the Board of Directors and shall be opened and inspected in public by the scrutineer before voting.

Article 10

A ballot paper shall be invalid if any of the following conditions are present:

- I. The ballot paper is not prepared by the convener.
- II. Cast the votes with blank ballots
- III. The handwriting is unclear, unidentifiable or altered.
- IV. The filled-in candidates do not match the list of director candidates after verification.
- V. In addition to filling in the number of allocated voting rights, other words are written in between.

Article 11

After the voting is completed, the ballots will be opened on the spot and the results will be announced by the

chairperson on the spot, including the list of elected directors and their voting rights.

The ballot papers for the election matters referred to in the preceding paragraph shall be sealed and signed by the scrutineer and kept in a safe place for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the documents shall be preserved until the conclusion of the lawsuit.

Article 12

The elected directors shall be issued a notice of election by the Company's Board of Directors.

Article 13

These Procedures shall be implemented after approval by the shareholders' meeting, and the same applies to amendments.

Chung Jye Investment Holding Co., Ltd.

2025 First Issuance of Restricted Stock Awards

This issuance is	Paid and free subscriptions are available at a price in accordance with the issuance conditions: Category A subscriptions are 75% of the market price on the issuance date per share, and Category B subscriptions are NT\$0 per share.
Total number of shares to be issued	1,141,000 shares (about 0.73% of the total number of shares issued)
Necessary reasons for issuing employee restricted shares	In order to attract and retain the required professional talents, motivate employees and enhance employee cohesion, so as to jointly create long-term benefits for the Company's growth, employees and shareholders.
Amounts that may be expensed, dilution of earnings per share, and other matters that may affect shareholders' equity	1. If all the vested conditions are met, the estimated amount of expense is approximately NT\$125,756,000 (temporarily estimated based on the closing price of the Company on April 7, 2025, which is NT\$131 per share). In 2025, it is NT\$26,764,240, in 2026, it is NT\$64,278,195, and in 2027, it is NT\$34,713,565. 2. Dilution of earnings per share and other matters affecting shareholders' equity: Potential impact on EPS: NT\$0.17 in 2025, NT\$0.41 in 2026, and NT\$0.22 in 2027. The dilution effect on the Company's earnings per share remains limited; therefore, there is no significant impact on shareholders' equity.
Contents of the issuance regulations	Chung Jye Investment Holding Co., Ltd. 2025 First Issuance of Restricted Stock Awards (RSA) Article 1: Purpose of Issuance In order to attract and retain the professional talent required by the group companies governed by Articles 369-2 and 369-3 of the Company Act (hereinafter collectively referred to as the "Group"), and to incentivize employees and enhance their sense of belonging, thereby jointly creating greater value for the company and its shareholders, the Company has established the "2025 First Issuance Guidelines for RSA of the Group Companies" (hereinafter referred to as the "Guidelines") in accordance with Article 267 of the Company Act and the relevant provisions of the "Regulations Governing the Offering and Issuance of Securities by Foreign Issuers" (hereinafter referred to as the "Foreign Issuer Regulations") and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" (hereinafter referred to as the "Issuer Regulations"). Article 2: Issuance Period Within two years from the date of receipt of the notification of effectiveness of the declaration by the competent authority, the shares may be issued in one go or in installments depending on actual needs. The actual issuance date shall be determined by the chairman authorized by the Board of Directors. Article 3: Total Issuance Amount 1,141,000 common shares at par value of NT\$10 per share, with a total issuance amount of NT\$11,410,000. Article 4: Eligibility Criteria I. The restrictions on employee rights are limited to full-time regular employees of the Group who have started work on the date of the grant of new shares and who meet certain performance requirements, or who are key personnel for the future development of the Group's core technologies and strategies. II. The actual recipients and the number of employee restricted shares to be granted shall be determined based on factors such as seniority, job grade, performance, overall contribution, special achievements, or other managerial considerations. These shall also take into account the Company's operational needs and business development strategies. The grants are to be approved by the chairman and submitted to the Board of Directors for resolution. However, for directors who also serve as managers or employees, the grants must first be approved by the Remuneration

Contents of the issuance regulations	Committee; for employees who are neither directors nor managers, prior approval by the Audit Committee is required. III. The number of shares granted to any single employee shall comply with Paragraph 1, Article 56-1 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers (the "Issuer Regulations"). The total number of shares that may be subscribed by a single warrant holder through employee stock warrants issued by the Group, combined with the total number of RSA cumulatively granted to the same person, shall not exceed 0.3% of the total issued shares. Furthermore, when combined with the total number of shares that may be subscribed by the same warrant holder through employee stock warrants issued pursuant to Paragraph 1, Article 56 of the Issuer Regulations, the total shall not exceed 1% of the total issued shares. However, with special approval from the relevant competent authorities in charge of the relevant industry, the total number of employee stock options and RSA acquired by a single employee may not be subject to the above-mentioned ratio restrictions. Article 5: Issuance Terms I. The shares issued and granted to employees this time are "common shares" and their rights and obligations are the same as other common shares outstanding, except as provided in Article 6. II. Issuance price and vesting conditions: Divided into two categories: A and B (I) Category A 1. Issuance price: Each share is subscribed at 75% of the market price on the issue date. 2. Vesting conditions: After employees are allocated RSA in accordance with the Regulations, they must meet the following conditions before vesting: (1) Employees who are still employed and achieve performance goals after one year from the date of being allocated RSA can obtain 100% of the shares. If the above date falls on a holiday, it will be processed in advance on the previous business day. (2) During each vested period, he/she has not violated any contract signed with the Group or the Company's work rules; (3) Achieving individual work performance evaluation indicators set by the Group within each vested period. The individual work performance evaluation indicator is the performance evaluation rating of at least <u>81 points (inclusive)</u> in the most recent year after the expiration of the vested period. (4) Company performance The Company's net income in the most recent year must be more than 3% (inclusive). (II) Category B 1. Issuance price: NT\$0 per share 2. Vesting conditions After employees are allocated employee restricted shares in accordance with the Regulations, they must meet the following conditions before vesting: (1) Employees who are still employed and achieve performance goals after one year from the date of being allocated employee restricted shares can obtain 100% of the shares. If the above date falls on a holiday, it will be processed in advance on the previous business day. (2) During each vested period, he/she has not violated any contract signed with the Group or the Company's work rules; (3) Achieving individual work performance evaluation indicators set by the Group within each vested period. The individual work performance evaluation indicator is the performance evaluation rating of at least <u>81 points (inclusive)</u> in the most recent year after the expiration of the vested period. (4) Company performance The Company's net income in the most recent year must be more than 3% (inclusive). III. After employees are allocated employee restricted shares, if there are employees who fail to meet the vesting conditions, the Group shall recover the allocated shares for free or purchase the shares at the original issue price and cancel them. In case of other exceptional circumstances such as inheritance, the following shall be followed: (I) If an employee resigns, is laid off, or is laid off due to reasons, or is unable to resume his/her duties, the Group will recover the RSA which have not yet been acquired or buy back the shares at the original issue price and write off the same <u>from the effective date of</u>
---	--

Contents of the issuance regulations	<u>resignation.</u> (II) In the event of physical disability or death due to occupational hazards or general death, the unacquired RSA shall be handled in the following manner: 1. If an employee is unable to continue to work due to physical disability caused by an occupational accident, all the unvested employee restricted shares will be deemed to have been acquired from the effective date of the employee's resignation. 2. In case of death of an employee due to occupational hazard, all the new unvested employee restricted shares will be deemed to have been acquired on the day of the employee's death, and the heirs may apply to receive the shares they are entitled to inherit after completing the necessary legal procedures and providing relevant supporting documents. 3. In case of death of an employee due to reasons other than occupational hazards, all the new unvested employee restricted shares will be deemed to have been acquired on the day of the employee's death, and the heirs may apply to receive the shares they are entitled to inherit after completing the necessary legal procedures and providing relevant supporting documents. (III) Employees who wish to retire must submit a "Retirement Application" and, after approval by the chairman, all unvested RSA will be fully vested upon retirement. (IV) If, due to the operational needs of the Group, the employees are required to transfer to affiliated enterprises upon the request and approval of the Group, the RSA that they have not yet acquired shall still be acquired in accordance with the time schedule ratio of the acquired conditions under these Regulations and shall not be affected by the transfer. (V) For RSA that have been obtained after the vesting conditions have been met, the employees or their heirs shall receive them in accordance with the trust agreement of these measures. If the Group needs to require the employee or his/her heir to cooperate in the stock collection process, the employee or his/her heir shall cooperate in the relevant stock collection procedures within one year from the date the Group notifies the employee of the stock collection in accordance with these measures. Failure to cooperate in the processing within the time limit will be deemed as the employee or his/her heir refusing to accept the shares, and the Group has the right to recover their shares free of charge or purchase them at the original issue price and cancel them. IV. If an employee violates the Group's labor contract, employment agreement, employee handbook, employee discipline principles and non-competition restriction, the Group may, depending on the severity of the violation, have the right to recover from the employee free of charge or purchase the unvested shares at the original issue price and cancel the shares. V. If an employee terminates or cancels the Company's authorization to handle the trust custody for the issuance of RSA, the Group will recover the RSA free of charge or purchase the shares at the original issue price and cancel them in accordance with the law if the conditions for acquisition have not been met. VI. The Group will cancel the RSA that are redeemed free of charge or purchased at the original issue price. VII. Mergers and acquisitions Unvested shares shall be subject to changes stipulated in the merger-related contract or plan.
Contents of the issuance regulations	Article 6: The restricted rights of employees after receiving new shares but before meeting the vested conditions are as follows: I. The RSA allocated to the Group's employees in accordance with the Regulations shall be delivered to the trust or safekeeping institution designated by the Company before the vesting conditions are met, and all procedures and relevant documents shall be cooperated with. Before the vesting conditions are met, the employees shall not request the trustee or custodian bank to return the employee restricted shares for any reason or in any way. II. In addition to the restrictions on the custody agreement in the preceding paragraph, employees of the Group who are allocated employee restricted shares in accordance with these Regulations shall not sell, mortgage, transfer, donate, pledge, or otherwise dispose of shares that have not yet met the vesting conditions, except in the event of succession under these Regulations. III. Employees who are allocated RSA in accordance with the Regulations can still participate in rights issue, dividend distribution, and cash capital increase subscription before the vesting conditions are met, and their rights are the same as those of the common shares issued by the

	Group. IV. Before the employee meets the vested conditions, his/her attendance, proposal, speech, voting rights and other matters related to shareholder rights at the Group shareholders' meeting shall be exercised by the trust custodian institution or custodian bank on his/her behalf. V. If the Group refunds cash due to a cash capital reduction during the vesting period, the capital reduction refund that was allocated but not vested must be paid into a trust and delivered to the employees without interest together with the vested shares when the vesting conditions and deadline are met; however, if the vesting conditions are not met by the expiration date, the Group will recover the cash. Article 7: Trust and custody of shares I. Restrictions on employee rights during the period of trust or custody of new shares, the Group shall be the sole agent for employees (including but not limited) to negotiate, sign, revise, extend, cancel, and terminate the trust or custody agreement and instruct the delivery, use, and disposal of the trust or custody property with the stock trust institution or custodian bank. II. Before the conditions for redemption are met, RSA issued by the Group in accordance with these Regulations shall be kept in trust by employees of the Republic of China; and for managers of mainland China, the shares shall be kept in a custodian bank. Article 8: Contract and Confidentiality I. After the total number of units of RSA to be issued, the subscription price, the distribution principles and the list of recipients are determined, the organizing unit shall notify the employees to sign the "Restricted Stock Awards Agreement". Failure to sign in accordance with the Regulations shall be deemed as a waiver of the employee restricted shares. II. Employees who are allocated RSA shall abide by confidentiality regulations and shall not disclose the number of shares allocated and all related details unless required by laws or competent authorities. If an employee violates the Regulations and the Group deems the violation to be serious, the employee will immediately lose the qualification for the employee restricted shares that have not yet met the vested conditions, and the Group has the right to recover the shares free of charge or purchase the shares at the original issue price and cancel them. Article 9: Taxation The related taxes of RSA allotted to the employees in accordance with the Regulations shall be governed by the laws and regulations of the Republic of China. Article 10: Implementation and revision I. The Regulations shall become effective after a meeting of the Board of Directors is attended by more than two-thirds of the directors and approved by more than half of the directors present, and after being approved by the competent authority. The same shall apply to any amendments made before issuance. If during the submission and review process, amendments are required due to the requirements of the competent authority, the chairman is authorized to amend the Regulations, which can only be issued after being submitted to the Board of Directors for ratification. II. Any matters not covered in the Regulations shall be handled in accordance with relevant laws and regulations.
Remarks	None

Company No.: 346405

Cayman Islands The Companies Act

FOURTH Amended and Restated

Memorandum of Association

And

Articles of Association

Of

Chung Jye Investment Holding Co., Ltd.
中傑投資控股股份有限公司

Incorporated on the 20th day of December 2018

(Adopted by special resolution dated 20th September, 2024)



Portcullis (Cayman) Ltd

The Grand Pavilion Commercial Centre,
Oleander Way, 802 West Bay Road,
P.O. Box 32052, Grand Cayman KY1-1208
Cayman Islands

Tel: 345-946-6145 / +65 6496 0496

Fax: 345-946-6146 / +65 6538 6585

Email: Info.CaymanIslands@portcullis.co

www.portcullis.co



THE COMPANIES ACT (AS AMENDED)
COMPANY LIMITED BY SHARES

FOURTH AMENDED AND RESTATED

**MEMORANDUM OF
ASSOCIATION OF**

Chung Jye Investment Holding Co., Ltd.

中傑投資控股股份有限公司

(adopted by a Special Resolution passed on 20th September, 2024)

1. The name of the Company is Chung Jye Investment Holding Co., Ltd. 中傑投資控股股份有限公司.
2. The Registered Office of the Company shall be at the offices of Portcullis (Cayman) Ltd, The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands or other offices determined by Board resolution afterwards.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Act (As Revised).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Act (As Revised).
5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks and Trust Companies Act (As Revised), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Act (As Revised), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Act (As Revised).
6. The Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.
7. The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
8. The authorised share capital of the Company is NTD 3,000,000,000 divided into 300,000,000 ordinary shares of a par value of NTD 10 each provided always that subject to the provisions of the Companies Act (As Revised) and the Articles of Association, the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.
9. The end of the Company's financial year shall fall on December 31 of each year.
10. If the Company is registered as exempted, its operations will be carried on subject to the provisions of Section 174 of the Companies Act (As Revised).



Table A
INTERPRETATION

1. Definitions
- SHARES**
2. Power to Issue Shares
3. Redemption and Purchase of Shares
4. Rights Attaching to Shares
5. Share Certificates
6. Preferred Shares

REGISTRATION OF SHARES

7. Register of Members
8. Registered Holder as Absolute Owner
9. Transfer of Registered Shares
10. Transmission of Registered Shares

ORDINARY RESOLUTION, SPECIAL RESOLUTION AND SUPERMAJORITY RESOLUTION

11. Alteration of Capital
12. Special Resolution and Supermajority Resolution

DIVIDENDS AND CAPITALISATION

13. Variation of Rights Attaching to Shares
14. Dividends
15. Capital Reserve and Power to Set Aside Profits
16. Method of Payment
17. Capitalisation

MEETINGS OF MEMBERS

18. Annual General Meetings
19. Extraordinary General Meetings
20. Notice
21. Giving Notice

22. Postponement of General Meeting
23. Quorum and Proceedings at General Meetings
24. Chairman to Preside
25. Voting on Resolutions
26. Proxies

27. Proxy Solicitation
28. Dissenting Member's Appraisal Right
29. Shares that May Not be Voted
30. Voting by Joint Holders of Shares
31. Representation of Corporate Member
32. Adjournment of General Meeting
33. Directors Attendance at General Meetings

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors
35. Election of Directors
36. Removal of Directors
37. Vacation of Office of Director
38. Compensation of Directors
39. Defect in Election of Director
40. Directors to Manage Business
41. Powers of the Board of Directors
42. Register of Directors and Officers
43. Officers
44. Appointment of Officers
45. Duties of Officers
46. Compensation of Officers
47. Conflict of Interest

48. Indemnification and Exculpation of Directors and Officers
MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings
50. Notice of Board Meetings
51. Participation in Meetings by Video Conference
52. Quorum at Board Meetings
53. Board to Continue in the

Event of Vacancy

54. Chairman to Preside
55. Validity of Prior Acts of the Board

CORPORATE RECORDS

56. Minutes
57. Register of Mortgages and Charges

58. Form and Use of Seal
TENDER OFFER AND ACCOUNTS

59. Tender Offer
60. Books of Account
61. Financial Year End

AUDIT COMMITTEE

62. Number of Audit Committee Members
63. Power of Audit Committee

VOLUNTARY DISSOLUTION AND WINDING-UP

64. Voluntary Dissolution and Winding-Up

CHANGES TO CONSTITUTION

65. Changes to Articles

LITIGIOUS AND NON-LITIGIOUS AGENT

66. Appointment of Litigious and Non-Litigious Agent
- OTHERS**
67. Termination of Listing
68. ROC Securities Laws and Regulations
69. Social Responsibilities



THE COMPANIES ACT (AS AMENDED)
COMPANY LIMITED BY SHARES

FOURTH AMENDED AND RESTATED

ARTICLES OF ASSOCIATION

(Adopted by special resolutions dated 20th September, 2024)

OF
Chung Jye Investment Holding Co., Ltd.
中傑投資控股股份有限公司

Table A

The regulations in Table A in the First Schedule to the Act (as defined below) do not apply to the Company.

INTERPRETATION

1. Definitions

1.1 In these Articles, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

Acquisition	as defined in the ROC Business Mergers and Acquisitions Act whereby a company acquires shares, business or assets of another company on exchange for shares, cash or other assets.
Act	The Companies Act (As Amended) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;
Applicable Law	the Applicable Public Company Rules, the Act or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Law of the ROC, the Securities and Exchange Law of the ROC, the rules and regulations promulgated by the FSC, the rules and regulations promulgated by the TPEx and the rules and regulations promulgated by the TWSE, as amended from time to time) affecting public reporting companies or companies listed on any ROC stock exchange or securities market or traded on the ESM that from time to time



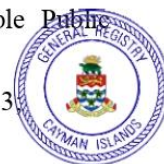
	required by the relevant regulator as applicable to the Company;
Articles	the articles of association of the Company as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of all the Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to the Articles and acting at a meeting of directors at which there is a quorum in accordance with the Articles;
Capital Reserve	for the purpose of the Articles only, comprises of the premium paid on the issuance of any share and income from endowments received by the Company from the Members;
Chairman	the Director elected amongst all the Directors as the chairman of the Board;
Communication Facilities	video, video-conferencing, internet or online conferencing applications, telephone or teleconferencing and/or any other video-communication, internet or online conferencing application or telecommunications facilities by means of which all persons participating in a general meeting are capable of hearing and be heard by each other, as permitted under the Applicable Public Company Rules;
Company	Chung Jye Investment Holding Co., Ltd. 中傑投資控股股份有限公司;
Compensation Committee	a committee of the Board, which shall be comprised of professional individuals and having the functions, in each case, prescribed by the Applicable Public Company Rules;
Cumulative Voting	the voting mechanism for an election of Directors as described in Article 35.2 hereof;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Directors' Remuneration	has the meaning given thereto in Article 14.5;
Dissenting Member	has the meaning given thereto in Article 28.2;
Electronic Record	has the same meaning as in the Electronic Transactions Act;
Electronic Transactions Act	the Electronic Transactions Act (As Revised) of the



	Cayman Islands;
Employees' Compensations	has the meaning given thereto in Article 14.5;
Employee Subscription Portion	has the meaning given thereto in Article 2.3;
ESM	the emerging stock market of the TPEx in the ROC;
Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as "Independent Directors" in accordance with the Applicable Public Company Rules or the Articles;
Joint Operation Contract	a contract between the Company and one or more person(s) or entit(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Lease Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate the whole business of the Company in the name of such person, and as consideration, the Company receives a pre-determined compensation from such person;
Litigious and Non-Litigious Agent	a person appointed by the Company pursuant to the Applicable Law as the Company's process agent for purposes of service of documents in the relevant jurisdiction and the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC;
Management Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of and for the benefit of the Company, and as consideration, such person(s) receive a pre-determined compensation from the Company while the Company continues to be entitled to the profits (or losses) of such business;



Market Observation Post System	the public company reporting system maintained by the TWSE (as defined below);
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Memorandum	the memorandum of association of the Company as altered from time to time;
Merger	means: (a) a "merger" or "consolidation" as defined under the Act; or (b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Applicable Public Company Rules;
month	calendar month;
Notice	written notice as further provided in the Articles unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Ordinary Resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by a simple majority vote of the Members who, being entitled to do so present at the meeting, in person or by proxy or, in the case of Members that are corporations or other non-natural person, by their duly authorised representatives by computing the number of votes to which each such Member is entitled. (Members who attended the meeting but did not vote will be recorded as having abstained from voting but they will still be counted towards the quorum of the meeting);
Preferred Shares	has the meaning given thereto in Article 6;
Private Placement	means, for so long as the shares are listed on the TWSE in the ROC, the private placement by the Company of shares or other securities of the Company as permitted by the Applicable Public Company Rules;
Public Offering Portion	has the meaning given thereto in Article 2.3



Register of Directors and Officers	the register of directors and officers referred to in Article 42 hereof;
Register of Members	the register of members of the Company maintained in accordance with the Act and (as long as the shares of the Company are listed on the TWSE in the ROC) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Restricted Shares	has the meaning given thereto in Article 2.5;
ROC	Taiwan, the Republic of China;
Seal	the common seal or any official or duplicate seal of the Company;
Secretary	the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary or any person authorised by the Company to perform the relevant matters;
share(s)	share(s) of par value New Taiwan Dollars 10 each in the Company;
Share Swap	a 100% share swap as defined in the ROC Business Mergers and Acquisitions Act whereby a company (the "Acquiring Company") acquires all the issued and outstanding shares of another company with the consideration being the shares of the Acquiring Company, cash or other assets;
Special Resolution	subject to the Act, means a resolution passed at a general meeting of the Company (or, if so specified, a meeting of Members holding a class of shares) by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorised representatives by computing the number of votes to which each such Member is entitled (Members who attended the meeting but did not vote will be recorded as having abstained from voting but they will still be counted towards the quorum of the meeting);
Spin-off	a spin-off as defined in the ROC Business Mergers and Acquisitions Act whereby a company transfers a part or all of its business that



	operated independently to an existing company or a newly incorporated company (the "Acquirer") with the consideration being the shares of the Acquirer, cash or other assets;
Subsidiary	with respect to any company, (1) the entity, more than one half of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; or (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation;
Supermajority Resolution	a resolution passed by a more than one-second majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares with voting rights or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares with voting right, but more than one half of the total issued shares with voting right, means instead, a resolution passed by two-thirds or more of votes cast by the Members present at such general meeting. (Members who attended the meeting but did not vote will be recorded as having abstained from voting but they will still be counted towards the quorum of the meeting);
TPEX	means the Taipei Exchange;
Treasury Shares	means shares of the Company held in treasury pursuant to the Act and the Articles;
TDCC	the Taiwan Depository & Clearing Corporation;
TWSE	the Taiwan Stock Exchange Corporation;
Virtual Meeting	any general meeting of the Members at which the Members (and any other permitted participants of such meeting, including, without limitation, the chairman of such meeting and any Directors) are permitted to attend and participate solely by means of Communication Facilities; and
year	calendar year.

1.2 In the Articles, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons, whether corporate or not;



- (d) the words:
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) "written" and "in writing" include all modes of representing or reproducing words in visible form, including the form of an Electronic Record;
- (f) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;
- (g) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in the Articles; and
- (h) Section 8 and 19(3) of the Electronic Transactions Act shall not apply to the extent that it imposes obligations or requirements in addition to those set out in the Articles.

1.3 Headings used in the Articles are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. Power to Issue Shares

- 2.1** Subject to Applicable Law, the Articles and any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may, subject to Article 6.1, by Ordinary Resolution of the Members prescribe, provided that no share shall be issued at a discount except in accordance with the Act and the Applicable Public Company Rules.
- 2.2** Unless otherwise provided in the Articles, the issue of new shares of the Company shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new shares shall at all times be subject to the sufficiency of the authorised share capital of the Company.
- 2.3** After the application for listing in the ROC has been approved by the TWSE, as applicable, where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public ("**Public Offering Portion**") unless it is not necessary or appropriate, as determined by the FSC or the TWSE for the Company to conduct the aforementioned public offering or otherwise provided by Applicable Law. However, if a percentage higher than the aforementioned 10% is resolved by the Members in a general meeting by Ordinary Resolution to be offered, the percentage determined by such resolution shall prevail and shares corresponding to such percentage shall be reserved as Public Offering Portion. The Company may also reserve no more than five per cent (5%) of such new shares for subscription by the employees of the Company and its Subsidiaries (the "**Employee Subscription Portion**"). The Company may prohibit such employees from transferring the shares so subscribed within a certain period; provided, however, that such a



period cannot be more than two years.

- 2.4 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration pursuant to Article 2.3 hereof, after allocation of the Public Offering Portion, including, for the avoidance of doubt, any percentage in excess of 10% of the total amount of the new shares to be issued for offering in the ROC to the public as resolved by the Members in general meeting be offered pursuant to Article 2.3, and the Employee Subscription Portion pursuant to Article 2.3 hereof, the Company shall make a public announcement and notify each Member that he is entitled to exercise a pre-emptive right to purchase his pro rata portion of the remaining new shares, to be issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. Where an exercise of the pre-emptive right may result in fractional entitlement of a Member, the entitlements (including fractional entitlements) of two or more Members may be combined to jointly subscribe for one or more whole new shares in the name of a single Member, subject to compliance with the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed for by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons in such manner as is consistent with the Applicable Public Company Rules.

If any person who has subscribed the new shares (by exercising the aforesaid pre-emptive right of Members or subscribing the Public Offering Portion or the Employee Subscription Portion) fails to pay when due any amount of the subscription price in relation to such newly-issued shares within the payment period as determined by the Company, the Company shall fix a period of no less than one month and call for payment of the subscription price or the Company may declare a forfeiture of such subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding sentence, forfeiture of the subscription may be declared without the demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares remaining unsubscribed to shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.

- 2.5 Subject to the Applicable Law, the Company may issue new shares with restricted rights ("**Restricted Shares**") to employees of the Company and its Subsidiaries with the sanction of a Supermajority Resolution provided that Article 2.3 hereof shall not apply in respect of the issue of such shares. For so long as the shares are or listed on the TWSE in the ROC, the terms of issue of Restricted Shares, including but not limited to the number of Restricted Shares so issued, issue price of Restricted Shares and other related matters shall be in accordance with the rules promulgated by the competent authority of securities of the ROC.
- 2.6 The pre-emptive right of employees under Article 2.3 and the pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:
- (a) in connection with a Merger, Spin-off, Share Swap, or pursuant to any reorganization of the Company;
 - (b) in connection with meeting the Company's obligations under share subscription warrants.



and/or options, including those rendered in Articles 2.8 and 2.11 hereof;

- (c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;
- (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;
- (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares;
- (f) in connection with the issue of shares in accordance with Articles 14.5 or 17; or
- (g) in connection with Private Placement of the securities issued by the Company.

2.7 The Company shall not issue any unpaid shares or partly paid shares.

2.8 Notwithstanding Article 2.5 hereof, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, adopt one or more employee incentive programs and may issue shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries, and for the avoidance of doubt, resolution of the Members is not required.

2.9 Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.

2.10 Directors of the Company and its Subsidiaries shall not be eligible for Restricted Shares pursuant to Article 2.5 hereof or the incentive programs pursuant to Article 2.8 hereof, provided that directors who are also employees of the Company or its Subsidiaries may subscribe for Restricted Shares or participate in an incentive program in their capacity as an employee and not as a director of the Company or its Subsidiaries.

2.11 The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive program approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive program.

3. Redemption and Purchase of Shares

3.1 Subject to the Act, the Company is authorised to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member.

3.2 The Company is authorised to make payments in respect of the redemption of its shares out of capital or out of any other account or fund authorised for this purpose in accordance with the Act.

3.3 The redemption price of a redeemable share, or the method of calculation thereof, shall be fixed by the Board at or before the time of issue.

3.4 Every share certificate relating to a redeemable share shall indicate that the share is redeemable.



- 3.5 For so long as the shares are listed on the TWSE in the ROC, subject to the provisions of the Applicable Law and the Articles, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and hold them as Treasury Shares in accordance with the Applicable Law PROVIDED THAT if any purchase of the Company's own shares from all the Members involves any immediate cancellation of shares of the Company, such repurchase of shares is subject to approval by the Members by way of an Ordinary Resolution and the number of shares of the Company to be cancelled shall be effected based on the then prevailing percentage of shareholding of all the Members as of the date of such cancellation on a pro rata basis (as rounded up to the nearest whole number as determined by the Directors), unless otherwise provided for in the Act or the Applicable Public Company Rules.

Upon approval by Members by way of an Ordinary Resolution to repurchase and cancel shares of the Company, the repurchase price may be paid in any manner authorised by the Act, including in cash or in kind, provided that where any repurchase price is to be paid in kind, the monetary equivalent value of such payment in kind shall be (a) assessed by an ROC certified public accountant before being submitted by the Board to the Members for approval as part of the Ordinary Resolution authorising the repurchase and cancellation of shares of the Company; and (b) agreed to individually by each Member who will be receiving the repurchase price in kind. Without prejudice to this Article 3.5, in the case of a repurchase of shares by the Company for purposes of changing the currency denomination of share capital of the Company, consent of the holders of the shares subject to such repurchase shall not be required.

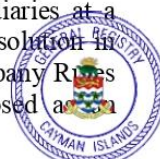
- 3.6 In the event that the Company proposes to purchase any share listed on the TWSE in the ROC pursuant to the preceding Article, the resolution of the Board approving such proposal and the implementation thereof should be reported to the Members in the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall also apply even if the Company does not implement the proposal to purchase its shares listed on the TWSE in the ROC for any reason.

- 3.7 For so long as the shares are listed on the TWSE in the ROC, the Company is authorised to purchase any share listed on the TWSE in the ROC in accordance with the following manner of purchase:

- (a) the total price of the shares purchased by the Company shall not exceed the sum of retained earnings minus earnings distribution resolved by the Board or the general meeting, plus the following realized capital reserve:
 - (i) the premium received from the disposal of assets that has not been booked as retained earnings;
 - (ii) the premium paid on the issuance of any share and income from endowments received by the Company provided however that income from the shares shall not be included before such shares have been transferred to others;
- (b) the maximum number of shares purchased by the Company shall not exceed ten percent of the total number of issued and outstanding shares of the Company; and



- (c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:
 - (i) such purchase transactions shall be in accordance with the applicable ROC securities laws and regulations and the Applicable Public Company Rules; and
 - (ii) such purchase transactions shall be in accordance with the Act.
- 3.8** Subject to Article 3.5 and the Applicable Public Company Rules, the redemption or repurchase price may be paid in any manner permissible under the Act as determined by the Board.
- 3.9** A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due enquiry, estimate to be representative of the rates being offered by banks holding “A” licenses (as defined in the Banks and Trust Companies Act (Revised) of the Cayman Islands) in the Cayman Islands for thirty day deposits in the same currency.
- 3.10** The Directors may exercise as they think fit the powers conferred on the Company by Section 37(5) of the Act (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.11** Subject as aforesaid, the Directors may determine, as they think fit all questions that may arise concerning the manner in which the redemption of the shares shall or may be effected.
- 3.12** No share may be redeemed unless it is fully paid.
- 3.13** The Board may designate as Treasury Shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Applicable Law.
- 3.14** No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.15** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:
 - (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void; and
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles or the Act.
- 3.16** After the Company purchases the shares listed on the TWSE in the ROC, any proposal to transfer the Treasury Shares to the employees of the Company and its Subsidiaries at a price below the average actual repurchase price must be approved by Special Resolution in the next general meeting and the items required by the Applicable Public Company Rules shall be specified in the notice of the general meeting and may not be proposed as



extemporary motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate. The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.

3.17 Subject to Article 3.16 and the Applicable Public Company Rules, Treasury Shares may be disposed of (by cancellation or transfer) by the Company on such terms and conditions in accordance with the Applicable Law as determined by the Directors.

4. Rights Attaching to Shares

Subject to Article 2.1, the Memorandum and the Articles, other contractual obligations or restrictions that the Company is bound by and any resolution of the Members to the contrary and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares, the share capital of the Company shall be divided into shares of a single class the holders of which shall, subject to the provisions of the Articles:

- (a) be entitled to one vote per share;
- (b) be entitled to such dividends as recommended by the Board and approved by the Members at general meeting;
- (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganization or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
- (d) generally be entitled to enjoy all of the rights attaching to shares.

5. Share Certificates

5.1 The Company may issue shares in uncertificated/scripless form or issue share certificates. Where share certificates are issued, every Member shall be entitled to a certificate issued under the Seal (or a facsimile thereof), which shall be affixed or imprinted with the authority of the Board, specifying the number and, where appropriate, the class of shares held by such Member. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.

For so long as the shares are listed on the TWSE in the ROC, shares of the Company shall be issued in uncertificated/scripless form unless the issuance of share certificates is required by the provisions of the Applicable Public Company Rules.

5.2 If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

5.3 Share may not be issued in bearer form.

5.4 When the Company shall issue share certificates pursuant to Article 5.1 hereof, the Company shall deliver the share certificates to the subscribers within thirty (30) days from the date such share certificates may be issued pursuant to the Act, the Memorandum, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the deliv-



of such share certificates pursuant to the Applicable Public Company Rules.

- 5.5 Where the Company shall issue the shares in uncertificated/scripless form, the Company shall comply with the Act and the Applicable Public Company Rules to handle relevant matters, and shall deliver the shares to the subscribers by book-entry transfer within thirty (30) days after the Company is permitted by applicable listing laws and regulations to issue such shares and make a public announcement prior to the delivery.

6. Preferred Shares

- 6.1 The Company may by Special Resolution designate one or more classes of shares with preferred or other special rights (shares with such preferred or other special rights, the "Preferred Shares"), and amend the Memorandum and these Articles as appropriate to reflect the designation of shares as Preferred Shares.
- 6.2 For so long as the shares are on the TWSE in the ROC, the rights and obligations of Preferred Shares may include (but not limited to) the following terms and shall be consistent with the Applicable Public Company Rules:
- (a) the total number of Preferred Shares that have been authorised to be issued and the numbers of the Preferred Shares already issued;
 - (b) the order of priority and fixed amount or fixed ratio of allocation of dividends and bonus on Preferred Shares;
 - (c) the order of priority and fixed amount or fixed ratio of allocation of surplus assets of the Company;
 - (d) the order of priority for or restriction on the voting right(s) (including declaring no voting rights whatsoever) of the Members holding the Preferred Shares;
 - (e) the method by which the Company is authorised or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply; and
 - (f) other matters concerning rights and obligations incidental to Preferred Shares.

REGISTRATION OF SHARES

7. Register of Members

- (a) For so long as shares are listed on the TWSE in the ROC, the Board shall cause to be kept a Register of Members which may be kept outside the Cayman Islands at such place as the Board shall appoint and which shall be maintained in accordance with the Act and the Applicable Public Company Rules.
- (b) In the event that the Company has shares that are not listed on the TWSE in the ROC, the Company shall also cause to be kept a register of such shares in accordance with Section 40 of the Act.

8. Registered Holder as Absolute Owner

Except as required by Act:

- (a) no person shall be recognised by the Company as holding any share on any trust; and
- (b) no person other than a Member shall be recognised by the Company as having any right in a



share.

9. Transfer of Registered Shares

- 9.1** Title to shares listed on the TWSE in the ROC may be evidenced and transferred in a manner consistent with the Applicable Public Company Rules (including through the book-entry system of the TDCC).
- 9.2** All transfers of shares which are in certificated form may be effected by an instrument of transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, if the Board so requires, by or on behalf of the transferee. Without prejudice to the foregoing, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers.
- 9.3** The Board may refuse to recognise any instrument of transfer in respect of shares in certificated form unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 9.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 9.5** The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share in certificated form in the event such registration of transfer would (i) conflict with the Applicable Law; or (ii) conflict with the Memorandum and/or the Articles. If the Board refuses to register a transfer of any share, the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

10. Transmission of Registered Shares

- 10.1** In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the provisions of Section 39 of the Act, for the purpose of this Article, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 10.2** Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share.
- 10.3** On the presentation of the evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration or refuse



registration as stipulated in Article 9.5 hereof as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.

- 10.4** Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to the said share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ORDINARY RESOLUTION, SPECIAL RESOLUTION AND SUPERMAJORITY RESOLUTION

11. Alteration of Capital

- 11.1** The Company may from time to time by Ordinary Resolution alter the conditions of its Memorandum to:

- (a) increase its share capital by new shares of such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
- (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination for the purpose of redenominating its share capital, provided that the Company shall not convert its stock into no-par value stock;
- (d) sub-divide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

- 11.2** The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Article and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the new proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

12. Special Resolution and Supermajority Resolution



- 12.1** Subject to the Act and the Articles, the Company may from time to time by Special Resolution:
- (a) change its name;
 - (b) alter or add to the Articles;
 - (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein;
 - (d) reduce its share capital and any capital redemption reserve fund; or
 - (e) effect a Merger under the Act.
- 12.2** Subject to the Act the Company may, by Special Resolution, issue securities by way of Private Placement within the territory of the ROC in accordance with Applicable Public Company Rules; provided that, for issuance of corporate bonds which do not involve the grant of a warrant, option, or right of conversion or otherwise grant the holders of the bonds the right to acquire equity or similar rights by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board in different tranches within one year from the date of the resolution of the Board in accordance with Applicable Public Company Rules.
- 12.3** Subject to the Act and Article 12.4 hereof, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:
- (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17 hereof;
 - (b) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the Act, which requires the approval of the Company by Special Resolution only), Share Swap, or Spin-off of the Company;
 - (c) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
 - (d) the transferring of the whole or any essential part of the business or assets of the Company; or
 - (e) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.
- 12.4** Subject to the Act, the Company may be wound up voluntarily:
- (a) if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or
 - (b) if the Company resolves by Special Resolution that it be wound up voluntarily for reasons other than set out in Article 12.4(a) above.
- 12.5** Subject to the Applicable Law, the Company may by Supermajority Resolution, distribute its Capital Reserve, in whole or in part, by issuing new shares which shall be distributed as bonus shares to its existing Members in proportion to the number of shares being held by each of them or by cash distribution to its Members.

13. Variation of Rights Attaching to Shares

If, at any time, the share capital is divided into different classes of shares, the rights attached to any



class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the sanction of a Supermajority Resolution passed at a general meeting of the holders of the shares of the class. Notwithstanding the foregoing, if any modification or alteration in the Articles is prejudicial to the preferential rights of any class of shares, such modification or alteration shall be adopted by a Special Resolution passed at a general meeting and shall also be adopted by a Supermajority Resolution passed at a separate meeting of Members of that class of shares. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. To any such meeting all the provisions of the Articles relating to general meetings shall apply *mutatis mutandis*.

DIVIDENDS AND CAPITALISATION

14. Dividends

- 14.1** The Board may, subject to approval by the Members by way of Ordinary Resolution or, in the case of Article 12.3(a), Supermajority Resolution and subject to the Articles and any direction of the Company in general meeting, declare a dividend to be paid to the Members in proportion to the number of shares held by them, and such dividend may be paid in cash or shares.
- 14.2** Subject to the Applicable Law, no dividends or other distribution shall be paid except out of profits of the Company, realised or unrealised, out of share premium account or any reserve, fund or account as otherwise permitted by the Act. Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the number of the shares that a Member holds. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividends accordingly.
- 14.3** (Deleted)
- 14.4** Subject to the Act and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profits distribution approved by, in the case of dividend to be paid in cash, a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors or, in the case of Article 12.3(a) or 12.5 (in the case of an issuance of new shares as bonus shares), Supermajority Resolution in the general meeting. After the Board approves the distribution of dividend in cash, the Board shall report such distribution in the next annual general meeting.
- 14.5** Upon the final settlement of the Company's accounts, if there is surplus profit (as defined below), the Company shall set aside no less than zero point one per cent (0.1%) and no more than three per cent (3%) as compensation to employees (the "**Employees' Compensations**") and no more than three per cent (3%) as remuneration for the Directors (excluding the Independent Directors). However, if the Company has accumulated losses, the Company shall reserve an amount thereof for making up the losses.

The Employees' Compensations referred to in the preceding paragraph may be distributed in the form of shares or in the form of cash, and may be distributed to employees of the Company and its Subsidiaries, whose qualification shall be determined by the Board. The Directors' remuneration shall be distributed in the form of cash. The distribution of Employees'



Compensations and remuneration to the Directors shall be determined by a majority of the Directors at a meeting attended by two-thirds or more of the total number of Directors and submitted to the shareholders' meeting for report.

"Surplus profit" referred to above means the net profit before tax and for the avoidance of doubt, such amount is before any payment of compensation to employees and remuneration for the Directors.

- 14.6** The Company is in the growth stage. The Board shall prepare the dividend proposal by taking into account various factors it considers relevant including, but not limited to, the profit of the financial year, overall development, financial plans, capital need, projection of the industry and the Company's prospects and so on and submit the proposal for the Members' approval. For so long as the shares are listed on the TWSE in the ROC, if there are profits, in making the profits distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent (10%) as reserve ("**Statutory Reserve**") (unless the Statutory Reserve has reached the total paid-up capital of the Company); and (iv) a special surplus reserve as required by the applicable securities authority of the ROC under the Applicable Public Company Rules.

The company adopts a residual dividend policy for the distribution of its dividends, and therefore, the remaining balance after setting aside the amount for items (i) to (iv) in the first paragraph of this Article, if any, together with a part or whole of accumulated undistributed profits in the previous years, subject to the Act and the Applicable Public Company Rules and after having considered the Company's current and future investment environment, demand for funds, domestic and international competition, and capital budget, etc. as well as taking into account the interests of the Members and the principle of balancing between dividends and the long-term financial planning of the Company, may be distributed as dividends to Members in proportion to their shareholdings in the amount of no less than thirty per cent (30%) of profit after tax of the relevant year; provided that where there is no distributable profits of the Company, there may be no dividend distribution. In the event that dividends are distributed to Members in a combination of share dividend and cash dividend, cash dividend shall be no less than thirty per cent (30%) of the total cash and share dividends distributed throughout the year.

The distribution portion of the dividends as described in the preceding paragraph of this Article may be adjusted after considering the financial, business and operation factors of the Company.

14.7 (Deleted)

14.8 (Deleted)

- 14.9** The Board shall fix any date as the record date for determining the Members entitled to receive any dividend or other distribution.

- 14.10** For the purpose of determining Members entitled to receive payment of any dividend or other distributions, the Directors may provide that the Register of Members be closed for transfers for five (5) days before the relevant record date or such other period consistent with the Applicable Public Company Rules subject to compliance with the Act.

- 14.11** No unpaid dividend shall bear interest as against the Company.

15. Capital Reserve and Power to Set Aside Profits



- 15.1** The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for meeting the deficiencies for implementing dividend distribution plans or for any other purpose to which those funds may be properly applied. Pending application, such sums may be in the absolute discretion of the Board either be employed in the business of the Company or invested in such investment as the Board may from time to time think fit, and need not be kept separate from other assets of the Company. The Board may also, without placing the same to reserve, carry forward any profit which it decides not to distribute.
- 15.2** Subject to any direction from the Company in general meeting, the Board may on behalf of the Company exercise all the powers and options conferred on the Company by the Act in regard to the Capital Reserve. Subject to compliance with the Act, the Board may on behalf of the Company set off accumulated losses against credits standing in the Capital Reserve and make distributions out of the Capital Reserve.

16. Method of Payment

- 16.1** Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.
- 16.2** In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the holder may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 16.3** For so long as the shares are listed on the TWSE in the ROC, the payment of any dividend shall comply with the Applicable Public Company Rules and the Act.

17. Capitalisation

Subject to the Applicable Law and Article 12.3(a), the Board may capitalise any sum for the time being standing to the credit of the Capital Reserve or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such sum in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.

MEETINGS OF MEMBERS

18. Annual General Meetings

- 18.1** The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, which shall be called by the Board.
- 18.2** Subject to Article 18.1, the general meeting of the Company may be held at such time and place as the Board shall determine. For so long as the shares are listed on the TWSE in the ROC, unless otherwise provided by the Act, the physical general meetings shall be held in the ROC. If the Board resolves to hold a physical general meeting outside the ROC,



Company shall apply for the approval of the TWSE within two (2) days after the Board adopts such resolution. Where a general meeting is to be held outside the ROC, the Company shall engage a professional stock affairs agent in the ROC to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).

- 18.3** For so long as the shares are listed on the TWSE in the ROC, the general meeting may be held by way of Virtual Meeting or in a manner consistent with the Applicable Public Company Rules or other methods announced by Taiwan authorities in charge of the Company Act of Taiwan in relation to the general meeting of a company incorporated thereunder (to be applied mutatis mutandis). So long as the shares are traded on the ESM or listed on the TWSE in the ROC, the conditions, operating procedures and other matters of the general meeting held by way of Virtual Meeting shall be in compliance with the Applicable Public Company Rules.
- 18.4** At any general meeting at which Communication Facilities are permitted in accordance with these Articles and the Applicable Law, including any Virtual Meeting, Members (and any other permitted participants of such meeting, including, without limitation, the chairman of such meeting and any Directors) may participate in such meeting by means of Communication Facilities, and participation in such meeting by means of Communication Facilities shall constitute presence in person at such meeting.

19. Extraordinary General Meetings

- 19.1** General meetings other than annual general meetings shall be called extraordinary general meetings.
- 19.2** The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable.
- 19.3** For so long as the shares are listed on the TWSE in the ROC, the Members may request (as defined in Article 19.4) the Board to proceed to convene an extraordinary general meeting of the Company. Articles 18.2, 18.3 and 18.4 shall apply to extraordinary general meetings.
- 19.4** A Member's requisition set forth in Article 19.3 is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three per cent (3%) of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.
- 19.5** The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor.
- 19.6** If the Board does not within fifteen (15) days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting after applying to and receiving the approval from the competent authority. If it is proposed that the extraordinary general meeting be held outside the ROC, an application shall be submitted by such requisitionists to the TWSE for its prior approval.
- 19.7** For so long as the shares are listed on the TWSE in the ROC, any one or more Member(s) may summon an extraordinary general meeting, provided that such Member or Members shall



hold more than fifty per cent of the total issued shares of the Company for a continuous period of no less than three months. The number of the shares held by a Member and the period of which a Member holds such shares, shall be calculated and determined based on the Register of Members as of the first day of the Book Closure Period. The Book Closure Period has the meaning as defined in Article 20.3.

20. Notice

- 20.1** Before the shares are listed on the TWSE in the ROC, at least five (5) days' notice of a general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of business to be conducted at the meeting, but with the consent of all the Members entitled to receive notice of a general meeting and attend and vote thereat, that meeting may be convened by such shorter notice or without notice and in such manner as those Members may think fit.
- 20.2** For so long as the shares are listed on the TWSE in the ROC, at least thirty (30) days' notice of an annual general meeting, and at least fifteen (15) days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be considered at the meeting. For the Members holding less than one thousand shares, the Company may notice through the announcement. The notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior written consent from the recipient(s) thereof.
- 20.3** For so long as the shares are listed on the TWSE in the ROC, the Board shall fix a record date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules. The Board shall fix the period that the Register of Members shall be closed for transfers (the "**Book Closure Period**").
- 20.4** Subject to Article 23.4, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 20.5** For so long as the shares are listed on the TWSE in the ROC, the Company shall announce to the public the notice of a general meeting, the proxy instrument, agendas and materials relating to the matters to be reported and discussed in the general meetings, including but not limited to, election or discharge of Directors, in accordance with Article 20.2 hereof, and shall transmit the same via the Market Observation Post System in accordance with Applicable Public Company Rules. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document for the Member to exercise his voting power together with the above mentioned materials in accordance with Article 20.2. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be made available to all Members and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules at least twenty-one (21) days prior to any general meeting or at least fifteen (15) days prior to any extraordinary general meeting. If the Company's total paid-in capital exceeds NT\$2 billion at the most recent financial year end date,



or if the shareholding of foreign and PRC investors reaches more than thirty per cent (30%) of the total number of issued shares as recorded in the Register of Members as of the date of the general meeting held in the most recent financial year, the foregoing transmission of information and materials via or to the Market Observation Post System shall be completed at least thirty (30) days prior to an annual general meeting.

- 20.6** For so long as the shares are listed on the TWSE in the ROC, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion:
- (a) election or discharge of Directors,
 - (b) alteration of the Memorandum or Articles,
 - (c) capital deduction,
 - (d) application to terminate the public offering of the shares,
 - (e) (i) dissolution, Merger, Share Swap or Spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
 - (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
 - (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
 - (h) making distributions of new shares or cash out of the Statutory Reserve, the premium received on the issuance of any shares and income from endowments received by the Company to its Members, and
 - (i) Private Placement of any equity-related securities to be issued by the Company.

The major content of the above matters may be announced at the website designated by the ROC securities authority or by the Company, and the Company shall specify the link to the website in the notice of the relevant general meeting.

- 20.7** For so long as the shares are listed on the TWSE in the ROC, the Board shall keep the Memorandum and Articles, minutes of each general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Company's stock affairs agent located in the ROC. Members may request, from time to time, by submitting document(s) evidencing his interests involved and indicating the designated scope of the inspection, access to inspect, review or make copies of the foregoing documents. If the relevant documents are kept by the Company's stock affairs agent, upon the request of any Member, the Company shall order the Company's stock affairs agent to provide such Member with the requested documents.

- 20.8** For so long as the shares are listed on the TWSE in the ROC, the Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten



days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.

- 20.9** If the general meeting is convened by the Board or other person entitled to convene a general meeting in accordance with these Articles or any Applicable Law, the Board and such person may request the Company or the Company's stock affairs agent to provide the Register of Members. Upon the request, the Company shall (and shall order the Company's stock affairs agent to) provide the Register of Members.

21. Giving Notice

- 21.1** Any Notice or document, whether or not to be given or issued under the Articles from the Company to a Member, shall be in writing either by delivering it to such Member in person or by sending it by letter mail or courier service to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address. For the purpose of this Article, a notice may be sent via electronic means if so agreed to by the Members in writing.

- 21.2** Any Notice or other document shall be deemed to be effective when it is sent in accordance with Articles 20 and 21 of these Articles.

Any Notice or document may be given to a Member either in the Chinese language or the English language, subject to due compliance with all Applicable Law, rules and regulations.

This Article shall apply *mutatis mutandis* to the service of any document by a Member to the Company under the Articles.

22. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with the provisions of the Articles provided that notice of postponement is given to each Member before the time for such meeting. A notice stating the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of the Articles provided that in the event that the Members resolve to postpone the general meeting to a specified date which is not more than five days, Articles 20.1, 20.2, 20.3, 20.4, 20.5 and 21 do not apply and notice of the adjournment shall not be required.

23. Quorum and Proceedings at General Meetings

- 23.1** No resolutions shall be adopted unless a quorum is present. Unless otherwise provided for in the Articles, Members present in person or by proxy or in the case of a corporate Member, by corporate representative, representing more than one-half of the total issued shares of the Company entitled to vote, shall constitute a quorum for any general meeting.

- 23.2** For so long as the shares are listed on the TWSE in the ROC, the Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general meetings of the Company for ratification.



by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.

- 23.3** For so long as the shares are on the TWSE in the ROC, unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll.
- 23.4** For so long as the shares are listed on the TWSE in the ROC, if and to the extent permitted under the Act, nothing in the Articles shall prevent any Member from initiating proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the convening of any general meeting or the passage of any resolution in violation of applicable laws or regulations or the Articles, including but not limited to filing a lawsuit for revocation of the resolutions passed at a general meeting within 30 days after passing of such resolution. The Taiwan Taipei District Court, ROC, may be the court for adjudicating any disputes arising out of the foregoing.
- 23.5** Unless otherwise expressly required by the Act, the Memorandum or the Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution.
- 23.6** For so long as the shares are listed on the TWSE in the ROC, member(s) holding one per cent (1%) or more of the Company's total issued shares immediately prior to the relevant book close period, during which the Company closed its Register of Members, may propose to the Company in writing or by any electronic means designated by the Company one matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten (10) days for Members to submit proposals. Proposals submitted for discussion at an annual general meeting shall be included in the agenda of the annual general meeting by the Board unless (a) the proposing Member(s) holds less than one per cent (1%) of the Company's total issued shares, (b) the matter of such proposal may not be resolved by a general meeting or the proposal exceeds 300 Chinese words; (c) the proposing Member(s) has proposed more than one proposal; or (d) the proposal is submitted to the Company outside the period fixed and announced by the Company for accepting Member(s)' proposal(s). If the purpose of the proposal is to urge the Company to promote public interests or fulfil its social responsibilities, the Board may accept such proposal to be discussed in general meeting.
- 23.7** The rules and procedures of general meetings shall be established by the Board and approved by an Ordinary Resolution, and such rules and procedures shall be in accordance with the Act, these Articles and the Applicable Public Company Rules.

24. Chairman to Preside

- 24.1** In the event that the general meeting is convened by the Board, the Chairman shall act as chairman at all meetings of the Members at which such person is present. In the event that the Chairman is on leave, absent or unable to exercise his/her power and authority for any cause, the vice Chairman shall act in lieu of the Chairman. If there is no vice Chairman, or the vice Chairman is also on leave, absent or unable to exercise his/her power and authority for any cause, the Chairman shall designate one of the directors to chair such general meeting in lieu of the Chairman. If the Chairman does not designate a proxy or if such Chairman's proxy cannot exercise his/her power and authority for any cause, the directors who are present at the general meeting shall elect from among themselves to act as the chair at such general meeting.



in lieu of the Chairman. If a general meeting is called by any person(s) other than the board of directors, the person(s) who has called the meeting shall preside at such general meeting; and if there is more than one person who has called a general meeting, such persons shall elect one from among themselves to act as the chair of such general meeting.

- 24.2** For so long as the shares are listed on the TWSE in the ROC, the chairman at all meetings of the Members shall be appointed or elected in accordance with the Applicable Public Company Rules.

25. Voting on Resolutions

- 25.1** Subject to any rights, privileges or restrictions attached to any share, every Member who (being an individual) is present in person or by proxy or (in the case of a corporation or other non-natural person) by duly authorised corporate representative(s) or by proxy shall have one vote for every share of which he is the holder. A Member who holds shares for benefit of others, need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of shares he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other matters with respect to exercising voting power separately shall comply with the Applicable Public Company Rules.
- 25.2** No person shall be entitled to vote at any general meeting or at any separate meeting of the holders of a class of shares unless he is registered as a Member on the record date for such meeting nor unless he has paid all the calls on all shares held by such Member.
- 25.3** Votes may be cast either in person or by proxy. A Member may appoint another person as his proxy by specifying the scope of appointment in the proxy instrument prepared by the Company to attend and vote at a general meeting, provided that a Member may appoint only one proxy under one instrument to attend and vote at such meeting.
- 25.4** Subject to the Act, for so long as the shares are listed on the TWSE in the ROC, the Company shall provide the Members with a method for exercising their voting power by way of a written ballot or by way of electronic transmission. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.
- 25.5** In the event any Member who intended to exercise his voting power by way of a written ballot or electronic transmission and has served his voting decision on the Company pursuant to Article 25.4 hereof later intends to attend the general meetings in person, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice



revoking his previous voting decision. Such separate notice shall be sent to the Company in the same manner (e.g., by courier, registered mail or electronic transmission, as applicable) as the previous voting decision under Article 25.4 was given to the Company. Votes by way of a written ballot or electronic transmission shall remain valid if the relevant Member fails to revoke his voting decision before the prescribed time.

- 25.6** A Member who has served the Company with his voting decision in accordance with Article 25.4 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with the Articles, in which case the vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by such expressly appointed proxy at the meeting.

26. Proxies

- 26.1** The instrument of proxy shall be in the form approved by the Board from time to time and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.
- 26.2** An instrument of proxy shall be in writing, be executed under the hand of the appointor in writing, or, if the appointor is a corporation or other non-natural person, under the hand of an officer or attorney duly authorised for that purpose. A proxy need not be a Member of the Company.
- 26.3** For so long as the shares are listed on the TWSE in the ROC, subject to the Applicable Public Company Rules, except for an ROC trust enterprise or stock affair agents approved pursuant to Applicable Public Company Rules, save with respect to the Chairman being deemed appointed as proxy under Article 25.4, in the event a person acts as the proxy for two or more Members, the total number of issued and voting shares entitled to be voted as represented by such proxy shall be no more than three per cent (3%) of the total number of issued and voting shares of the Company immediately prior to the relevant Book Closure Period, during which the Company close its Register of Member; any vote in respect of the portion in excess of such three per cent (3%) threshold shall not be counted.
- 26.4** In the event that a Member exercises his voting power by way of a written ballot or electronic transmission and has also authorised a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. In the event that any Member who has authorised a proxy to attend a general meeting later intends to attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous appointment of the proxy. Votes by way of proxy shall remain valid if the relevant Member fails to revoke his appointment of such proxy before the prescribed time.
- 26.5** The instrument of proxy shall be deposited at the Registered Office or the office of the Company's stock affairs agent in the ROC or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company not less than five (5) days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, save with respect to the Chairman being deemed appointed as proxy under Article 25.4. Where more than one



instrument to vote are received from the same Member by the Company, the first instrument received shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

27. Proxy Solicitation

For so long as the shares are listed on the TWSE in the ROC, the use and solicitation of proxies shall be in compliance with the Applicable Public Company Rules, including but not limited to "Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies."

28. Dissenting Member's Appraisal Right

28.1 Subject to compliance with the Act, in the event any of the following resolutions is passed at general meetings, any Member who has abstained from voting or voted against in respect of such matter and expressed his dissent therefor, in writing or verbally (with a record) before or during the meeting, may request the Company to purchase all of his shares at the then prevailing fair price:

- (a) the Company proposes to enter into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
- (b) the Company transfers the whole or an essential part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;
- (c) acquires or assumes the whole business or assets of another person, which has a material effect on the operation of the Company;
- (d) the Company proposes to undertake a Spin-off, Merger, Acquisition or Share Swap; or
- (e) the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.

Shares which have been abstained from voting in accordance with this Article 28.1 shall not be counted in determining the number of votes of the Members being cast at a general meeting but shall be counted towards the quorum of the general meeting.

28.2 Without prejudice to the Act, any Member exercising his rights in accordance with Article 28.1 (the "**Dissenting Member**") shall, within twenty (20) days from the date of the resolution passed at the general meeting, give his written notice of objection with the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety (90)-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.

28.3 Without prejudice to the Act, if, within sixty (60) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's shares, then, within thirty (30) days immediately following the date of the expiry of such sixty-day period, the Company



shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the shares held by all the Dissenting Members. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.

Notwithstanding the above provisions under this Article 28, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Act to payment of the fair value of his shares upon dissenting from a merger or consolidation.

29. Shares that May Not be Voted

29.1 Shares held:

- (a) by the Company itself;
- (b) by any entity in which the Company owns, legally or beneficially, more than fifty per cent (50%) of its total issued and voting share or share capital; or
- (c) by any entity in which the Company, together with (i) the holding company of the Company and/or (ii) any Subsidiary of (a) the holding company of the Company or (b) the Company owns, legally or beneficially, directly or indirectly, more than fifty per cent (50%) of its issued and voting share or share capital.

shall not carry any voting rights nor be counted in the total number of issued shares at any given time but only for so long as the circumstances as set out in sub-paragraphs (a) to (c) (as applicable) above continue.

29.2 A Member who has a personal interest in any motion discussed at a general meeting, which interest may be in conflict with and impair those of the Company, shall abstain from voting such Member's shares in regard to such motion and such shares shall not be counted in determining the number of votes of the Members present at the said meeting. However, such shares may be counted in determining the number of shares of the Members present at such general meeting for the purposes of determining the quorum. The aforementioned Member shall also not vote on behalf of any other Member.

29.3 For so long as the shares are listed on the TWSE in the ROC, if the number of shares pledged by a Director at any time amounts to more than 50% of the total shares held by such Director at the time of his latest appointment, such pledged shares exceeding 50% of the total shares held by such Director at the time of his latest appointment shall not carry any voting rights and such above-threshold shares shall not be counted in determining the number of votes of the Members present at a general meeting.

30. Voting by Joint Holders of Shares

In the case of joint holders, the joint holders should appoint among themselves one person to exercise the rights of a Member pursuant to the Applicable Public Company Rules. In case no agreement is reached among the joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. Representation of Corporate Member

31.1 A corporation or non-natural person which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation or such non-natural person which such person represents as that corporation or non-natural person could exercise if it were an individual Member, and that Member shall



be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

- 31.2** Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation or non-natural person which is a Member.

32. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of a majority in number of the Members present at any general meeting at which a quorum is present, and shall if so directed, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, or if the meeting is adjourned for no more than five days, a notice stating the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of the Articles.

33. Directors Attendance at General Meetings

The Directors of the Company shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors

- 34.1** There shall be a Board consisting of no less than seven (7) and no more than nine(9) persons. As required under the Applicable Public Company Rules, more than half of the Directors of the Company shall be domiciled in the ROC. The term of office for each Director shall not exceed a period of three (3) years provided that in the event the expiration of the term of office of such Directors would otherwise leave the Company with no Directors, the term of office of such Directors shall be extended automatically to the date of the general meeting next following the expiration of such term, at which new Directors will be elected to assume office. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the foregoing and the Applicable Law.
- 34.2** For so long as the shares are listed on the TWSE in the ROC, unless otherwise approved by the ROC competent authority, the number of Directors having a spousal relationship or Familial Relationship within the Second Degree of Kinship with any other Directors shall be less than half of the total number of Directors.
- 34.3** In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 34.2 hereof, the non-qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 34.2 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from such violation without any action required on behalf of the Company.
- 34.4** For so long as the shares are listed on the TWSE in the ROC, unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors accounting for not less than one-fifth of the total number of Directors. To the extent required by the Applicable Public Company Rules, at least two of the Independent Directors shall be domiciled in the ROC and at least one of them shall have accounting or



financial expertise. Before the shares are listed on the TWSE in the ROC, the Board may resolve that the Company shall hold an election of Independent Director(s) at the general meeting.

- 34.5** For so long as the shares listed on the TWSE in the ROC, the Directors shall be nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules.
- 34.6** Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

35. Election of Directors

- 35.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 35.2 below. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.
- 35.2** The Director(s) shall be elected by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as "**Cumulative Voting**") in the following manner:
- (a) on an election of Directors, the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors nominated for appointment at the general meeting;
 - (b) the Member(s) may vote all or part of their cumulated votes in respect of one or more Director candidates;
 - (c) such number of Director candidates receiving the highest number of votes in the same category (namely, independent or non-independent) of Directors to be elected shall be appointed; and
 - (d) where two or more Director candidates in the same category receive the same number of votes and as a result the total number of new Directors in such category intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed; the chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.
- 35.3** For so long as the shares are listed on the TWSE in the ROC, if the number of Independent Directors is less than three (3) persons due to the resignation or removal of such Independent Directors for any reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed, the Board shall hold, within sixty (60) days from the date of resignation or removal of last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies. If the Independent Directors domiciled in the ROC have resigned or have been removed or vacated which results in less than two Independent Directors domiciled in the ROC, the Board shall, within sixty (60) days from the date of resignation or removal of the last retiring Independent Director domiciled in the ROC, hold a general meeting to elect succeeding



Independent Directors to fill the vacancies.

- 35.4** For so long as the shares are listed on the TWSE in the ROC, if the number of Directors is less than 5 persons due to the vacancy of Director(s) for any reason, the Company shall call an election of Director(s) at the next following general meeting to fill the vacancies. When the number of vacancies in the Board of the Company equals to one third of the total number of Directors elected, the Board shall hold, within sixty (60) days from the date of the occurrence of vacancies, a general meeting to elect succeeding Directors to fill the vacancies.
- 35.5** Any corporation (or other legal entity) which is a Member shall be entitled to appoint such person or persons as its representative to be elected as a Director.

36. Removal of Directors

- 36.1** The Company may from time to time by Supermajority Resolution remove any Director from office, whether or not appointing another in his stead. Where re-election of all Directors is effected prior to the expiration of the term of office of existing Directors, the term of office of all current Directors is deemed to have expired on the date of the re-election or any other date as otherwise resolved by the Members at the general meeting if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to re-elect all Directors. If the term of office of all Directors expires at the same time and no general meeting was held before such expiry for re-election, their term of office shall continue and be extended to such time when new Directors are elected or re-elected in the next general meeting and they commence their office.
- 36.2** For so long as the shares are listed on the TWSE in the ROC, in case a Director has, in the course of performing his duties, committed any act resulting in material damages to the Company or is in serious violation of applicable laws, regulations and/or the Articles, but has not been removed by a Supermajority Resolution, the Member(s) holding three per cent (3%) or more of the total number of issued shares of the Company may, within thirty (30) days after such general meeting, to the extent permissible under Applicable Law, institute a lawsuit to remove such Director. The Taiwan Taipei District Court, ROC, may be the court of first instance for this matter.

37. Vacation of Office of Director

- 37.1** The office of Director shall be vacated:
- (a) if the Director is removed from office pursuant to the Articles;
 - (b) if the Director dies;
 - (c) if the Director is automatically discharged from his office in accordance with Article 34.3;
 - (d) if the Director resigns his office by notice in writing to the Company;
 - (e) if the Director is the subject of a court order for his removal in accordance with Article 36.2; or
 - (f) with immediate effect without any action required on behalf of the Company if
 - (i) the Director has been adjudicated bankrupt or the court has declared a liquidation process in connection with the Director, and such Director has not been reinstated



- to his rights and privileges;
- (ii) an order is made by any competent court or official on the grounds that the Director has no legal capacity, or his legal capacity is restricted according to Applicable Law;
 - (iii) the Director has been adjudicated of the commencement of assistantship (as defined under the Civil Code of the ROC) or similar declaration and such assistantship/declaration having not been revoked yet;
 - (iv) the Director has committed an offence as specified in the ROC statute of prevention of organizational crimes and subsequently has been adjudicated guilty by a final judgment, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than five years, or (D) was pardoned for less than five years;
 - (v) the Director has committed an offence in terms of fraud, breach of trust or misappropriation and subsequently has been punished with imprisonment for a term of more than one year by a final judgement, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years;
 - (vi) the Director has been adjudicated guilty by a final judgment for committing offenses under the Anti-Corruption Act of the ROC during the time of his public service, and (A) has not started serving the sentence, (B) has not completed serving the sentence, (C) the time elapsed after completion of serving the sentence or expiration of the probation is less than two years, or (D) was pardoned for less than two years; or
 - (vii) the Director has been dishonored for use of credit instruments, and the term of such sanction has not expired yet.

In the event that any of the foregoing events specified in Article 37.1(f) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

37.2 For so long as the shares are listed on the TWSE in the ROC, in case a Director (other than an Independent Director) has, during the term of office as a Director (other than an Independent Director), transferred more than one half of the Company's shares being held by him at the time he was elected, he shall, ipso facto, be removed automatically from the office of Director with immediate effect and in such case no approval from the Members shall be required.

37.3 For so long as the shares are listed on the TWSE in the ROC, the election of a newly elected Director (other than an Independent Director) shall be forthwith invalidated if said Director, before assuming office, transferred more than one half of the Company's shares being held by him at the time of his election as a Director, or if said Director, during the Book Closure Period prior to a general meeting, has transferred more than one half of the Company's shares being held by him.

38. Compensation of Directors

38.1 For so long as the shares are listed on the TWSE in the ROC, the Board shall, in accordance



with the Applicable Public Company Rules, establish a Compensation Committee comprised of at least three (3) members, one of whom shall be an Independent Director. The professional qualifications of the members of the Compensation Committee, the responsibilities, powers and other related matters of the Compensation Committee shall comply with the Applicable Public Company Rules. Upon the establishment of the Compensation Committee, the Board shall, by a resolution, adopt a charter for the Compensation Committee the provisions of which shall be consistent with the Applicable Public Company Rules. Before the shares are listed on the TWSE in the ROC, the Board may resolve to establish a Compensation Committee.

38.2 The compensation referred in the preceding Article shall include the compensation, stock option and other incentive payments of Directors and managers of the Company.

38.3 The compensation of the Directors may be decided by the Board by reference to recommendation made by the Compensation Committee (if established), the standard generally adopted by other enterprises in the same industry, and shall be paid in cash only. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board, any committee appointed by the Board, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally. A Director is also entitled to distribution of profits of the Company if permitted by the Act, the Applicable Public Company Rules, the service agreement or other similar contract that he/she has entered into with the Company.

39. Defect in Election of Director

Subject to Article 23.4 and the Applicable Law, all acts done in good faith by the Board or by a committee of the Board or by any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the election of any Director, or that they or any of them were disqualified, be as valid as if every such person had been duly elected and was qualified to be a Director.

40. Directors to Manage Business

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by the Articles, required to be exercised by the Company in general meeting subject, nevertheless, to the Articles, the provisions of the Act, and to such directions as may be prescribed by the Company in general meeting.

41. Powers of the Board of Directors

Without limiting the generality of Article 40 and subject to the Applicable Law, the Board may:

- (a) appoint, suspend, or remove any manager or secretary of the Company and may fix their compensation and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;



- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney. Such attorney may, if so authorised, execute any deed or instrument in any manner permitted by the Act;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board and every such committee shall conform to such directions as the Board shall impose on them. Subject to any directions or regulations made by the Directors for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of the Articles regulating the meetings and proceedings of the Board;
- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board sees fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any agreement, document or instrument on behalf of the Company.

42. Register of Directors and Officers

42.1 The Board shall cause to be kept in one or more books at the Registered Office a Register of Directors and Officers in accordance with the Act and shall enter therein the following particulars with respect to each Director and Officer:

- (a) first name and surname; and
- (b) address.

42.2 The Board shall, within the period of thirty (30) days from the occurrence of:

- (a) any change among its Directors and Officers; or
- (b) any change in the particulars contained in the Register of Directors and Officers,

cause to be entered on the Register of Directors and Officers the particulars of such change and the date on which such change occurred, and shall notify the Registrar of Companies in accordance with the Act.

43. Officers



The Officers shall consist of a Secretary and such additional Officers as the Board may determine all of whom shall be deemed to be Officers for the purposes of the Articles.

44. Appointment of Officers

The Secretary (and additional Officers, if any) shall be appointed by the Board from time to time.

45. Duties of Officers

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

46. Compensation of Officers

The Officers shall receive such compensation as the Board may determine.

47. Conflicts of Interest

47.1 Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company and such Director or such Director's firm, partner or company shall be entitled to compensation as if such Director were not a Director; provided that this Article 47.1 shall not apply to Independent Directors.

47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. If the Company proposes to enter into any transaction specified in Article 28.1 or effect other forms of mergers and acquisitions in accordance with Applicable Law, a Director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he believes that the transaction is advisable or not advisable at the relevant meeting of the Directors and the general meeting as required by the Applicable Law. The Company shall itemize the essential contents of a Director's personal interest and the cause of such Director's approval of or dissent to the resolution of merger/consolidation or acquisition in the notice to convene a general meeting; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or by the Company, and the address of such website shall be indicated in the above notice. Where the spouse, the person related to a Director by blood and within the second degree, or any company which has a controlling or controlled relation with a Director has interests in the matters under discussion in the meeting of the Board, such Director shall be deemed to have a personal interest in the matter. The terms "controlling" and "controlled" shall be interpreted in accordance with the Applicable Public Company Rules.

47.3 Notwithstanding anything to the contrary contained in this Article 47, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company, shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the Board meeting.



- 47.4 Notwithstanding anything to the contrary contained in this Article 47, a Director who is engaged in anything on his own account or on behalf of another person, which is within the scope of the Company's business, shall explain to the Members in a general meeting the essential contents of such conduct and seek their approval by Supermajority Resolution.

48. Indemnification and Exculpation of Directors and Officers

- 48.1 The Directors and Officers of the Company and any trustee for the time being acting in relation to any of the affairs of the Company and every former director, officer or trustee and their respective heirs, executors, administrators, and personal representatives (each of which persons being referred to in this Article as an "indemnified party") shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud, dishonesty or breach of duties provided under Article 48.4 which may attach to any of the said persons.
- 48.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him in his capacity as a Director or Officer of the Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any Subsidiary thereof.
- 48.3 To the extent permitted under the laws of the Cayman Islands, Members continuously holding one per cent (1%) or more of the total issued shares of the Company for six months or longer may by written request request the Audit Committee to resolve any Independent Director or Independent Directors, acting singly or collectively to file a petition with the Taiwan Taipei District Court for the Company against any of the Directors. If within thirty days after the written request by the Member(s), the Audit Committee fails to make the resolution, or after the relevant resolution was passed by the Audit Committee, the relevant Independent Director(s) fail(s) to file such petition, such Member(s) may, to the extent permitted under the laws of the Cayman Islands, file a petition with the Taiwan Taipei District Court, for and on behalf of the Company against the relevant Directors.
- 48.4 Without prejudice and subject to the general directors' duties that a Director owe to the Company and the Members under common law principals and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator, and shall indemnify the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director.



If a Director has violated any laws or regulations that causes the Company to become liable for any compensation or damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors.

MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings

- 49.1** Board meetings shall be convened by the Chairman, and the Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit.
- 49.2** For so long as the shares are listed on the TWSE in the ROC, the Company shall hold regular meetings of the Board at least on a quarterly basis and such meetings shall be held in compliance with the Applicable Public Company Rules.
- 49.3** A resolution shall be passed by a majority vote of the Directors present at the meeting and entitled to vote on such resolution, and in the case of equality of votes the resolution shall fail. For these purposes, where Directors present and entitled to vote at the meeting do not cast a vote at the meeting, such Directors will be deemed to vote against the resolution.
- 49.4** A Director may be represented at any meetings of the Board by a proxy specified the authorised scope and appointed in writing by him. The proxy shall count towards the quorum and the vote of the proxy shall for all purposes be deemed to be that of the appointing Director.
- 49.5** The instrument appointing a proxy shall be in writing in such form as the Directors may approve and may at any time be revoked in like manner, and notice of every such appointment or revocation in like manner.
- 49.6** A proxy must be a Director and can only act on behalf of one appointing Director at a meeting of the Board.

50. Notice of Board Meetings

- 50.1** The Chairman may, and the Secretary on the requisition of the Chairman shall, at any time summon a meeting of the Board.
- 50.2** Before the shares are listed on the TWSE in the ROC, at least forty-eight (48) hours prior notice shall be given for any meeting of the Board provided that in the case of urgent circumstances as agreed by a majority of the Directors, a meeting of the Board may be convened on short notice, or be held anytime after notice has been given to every Director or be convened without prior notice if all Directors agree. For so long as the shares are listed on the TWSE in the ROC, to convene a meeting of the Board, a notice setting forth therein the matters to be considered and if appropriate, approved at the meeting shall be given to each Director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency as agreed by a majority of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. For the purpose of this Article, a notice may be sent via electronic means if so agreed to by the Directors.



51. Participation in Meetings by Video Conference

Directors may participate in any meeting of the Board by means of video conference or other communication facilities, as permitted by the Applicable Law, where all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

52. Quorum at Board Meetings

Unless otherwise provided herein, the quorum for a meeting of the Board shall be more than one-half of the total number of the Directors.

53. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number.

54. Chairman to Preside

The Chairman, if there be one, shall act as chairman at all meetings of the Board at which such person is present. In case the Chairman is on leave, absent or is unable to exercise his/her power and authority for any cause, the vice Chairman shall act in lieu of the Chairman. In case there is no vice Chairman, or the vice Chairman is also on leave, absent or unable to exercise his/her power and authority for any cause, the Chairman shall designate one of the directors to chair such meeting of the Board in lieu of the Chairman. If the Chairman does not designate a proxy or if such Chairman's proxy is unable to exercise his/her powers and authorities, the directors who are present at the meeting of the Board shall elect one from among themselves to act as the chair at such meeting of the Board in lieu of the chairman.

55. Validity of Prior Acts of the Board

No regulation or alteration to the Articles made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

56. Minutes

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each meeting of the Board and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, meetings of the Board, meetings of managers and meetings of committees appointed by the Board.

57. Register of Mortgages and Charges

57.1 The Directors shall cause to be kept the Register of Mortgages and Charges required by the Act.



57.2 The Register of Mortgages and Charges shall be open to inspection by Members and creditors in accordance with the Act, at the Registered Office on every business day in the Cayman Islands, subject to such reasonable restrictions as the Board may impose, so that not less than two (2) hours in each such business day be allowed for inspection.

58. Form and Use of Seal

58.1 The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf; and, until otherwise determined by the Directors, the Seal shall be affixed in the presence of a Director or the Secretary or an assistant secretary or some other person authorised for this purpose by the Directors or the committee of Directors.

58.2 Notwithstanding the foregoing, the Seal may without further authority be affixed by way of authentication to any document required to be filed with the Registrar of Companies in the Cayman Islands, and may be so affixed by any Director, Secretary or assistant secretary of the Company or any other person or institution having authority to file the document as aforesaid.

58.3 The Company may have one or more duplicate Seals, as permitted by the Act; and, if the Directors think fit, a duplicate Seal may bear on its face of the name of the country, territory, district or place where it is to be issued.

TENDER OFFER AND ACCOUNTS

59. Tender Offer

For so long as the shares are listed on the TWSE in the ROC, within fifteen (15) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its Litigious and Non-Litigious Agent, the Board shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:

- (a) the types and number of the shares held by the Directors and the Members holding more than ten per cent (10%) of the total issued shares in their own names or in the names of other persons.
- (b) the result of the verification on the identity and the financial conditions of the offeror, the fairness of the tender offer conditions and the reasonableness of the offeror's fund source, and recommendations to the Members on the tender offer, which shall specify the Directors' specific consenting or dissenting opinions on the tender offer and the reason(s) therefor.
- (c) whether there is any material change in the financial condition of the Company after the submission of the latest financial report and an explanation of the change, if any.
- (d) the types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Members holding more than ten per cent (10%) of the total number of issued shares held in their own names or in the name of other persons.

60. Books of Account

60.1 The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:



- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
- (b) all sales and purchases of goods by the Company; and
- (c) all assets and liabilities of the Company.

Such books of account shall be kept for at least five (5) years from the date they are prepared.

60.2 Such records of account shall be kept and proper books of account shall not be deemed to be kept with respect to the matters aforesaid if there are not kept, at such place as the Board thinks fit, such books as are necessary to give a true and fair view of the state of the Company's affairs and to explain its transactions.

60.3 The instruments of proxy, documents, forms/statements and information in electronic media prepared in accordance with the Articles and relevant rules and regulations shall be kept for at least one (1) year. However, if a Member institutes a lawsuit with respect to such instruments of proxy, documents, forms/statements and/or information mentioned herein, they shall be kept until the conclusion of the litigation if longer than one (1) year.

61. Financial Year End

Unless the Directors otherwise specify, the financial year of the Company:

- (a) shall end on 31st December in the year of its incorporation and each following year; and
- (b) shall begin when it was incorporated and on 1st January each following year.

AUDIT COMMITTEE

62. Number of Audit Committee Members

For so long as the shares are listed on the TWSE in the ROC, the Board shall set up an Audit Committee. The Audit Committee shall comprise solely of Independent Directors and all Independent Directors shall be members of the Audit Committee. The number of Audit Committee members shall not be less than three (3). One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members. Before the shares are listed on the TWSE in the ROC, the Board may resolve to establish an Audit Committee.

63. Powers of Audit Committee

63.1 The Audit Committee (if established) shall have the responsibilities and powers as specified under the Applicable Public Company Rules. Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board for resolution:

- (a) adoption of or amendment to an internal control system;
- (b) assessment of the effectiveness of the internal control system;



- (c) adoption of or amendment to the handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others;
- (d) any matter relating to the personal interest of the Directors;
- (e) a material asset or derivatives transaction;
- (f) a material monetary loan, endorsement, or provision of guarantee;
- (g) the offering, issuance, or Private Placement of any equity-related securities;
- (h) the hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;
- (i) the appointment or discharge of a financial, accounting, or internal auditing officer;
- (j) approval of annual and second quarter financial reports (if applicable under the Applicable Public Company Rules); and
- (k) any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

With the exception of item (j), any other matter that has not been approved with the consent of one-half or more of all Audit Committee members may be undertaken upon the consent of two-thirds or more of the members of the Board, and the resolution of the Audit Committee shall be recorded in the minutes of the Directors meeting.

63.2 Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Independent Directors of the Audit Committee shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine, review or make copies of the accounting books and documents, and request the Board or officers to report on matters referred to above. Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Audit Committee or any Independent Director thereof may appoint on behalf of the Company, a practicing lawyer and independent auditors to conduct the examination.

63.3 Subject to compliance with the Act, before the meeting of the Directors resolves any matter specified in Article 28.1 or other mergers and acquisitions in accordance with the Applicable Law, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the meeting of the Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the Applicable Law. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the Applicable Law.

Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the securities authority of the ROC and made available to the Members for their inspection and review at the venue of the general meeting.



- 63.4** The Audit Committee shall audit the various financial statements and records prepared by the Board for submission to the general meeting, and shall report their findings and opinions at such meeting.

VOLUNTARY DISSOLUTION AND WINDING-UP

64. Voluntary Dissolution and Winding-Up

- 64.1** The Company may be voluntarily wound-up in accordance with Article 12.4.
- 64.2** If the Company shall be wound up the liquidator may, with the sanction of a Special Resolution, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members subject to the Applicable Law. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

65. Changes to Articles

Subject to the Act and to the conditions contained in its Memorandum and Articles, the Company may, by Special Resolution, alter or add to its Articles or Memorandum.

LITIGIOUS AND NON-LITIGIOUS AGENT

66. Appointment of Litigious and Non-Litigious Agent

For so long as the shares are listed on the TWSE in the ROC, the Company shall appoint a Litigious and Non-Litigious Agent pursuant to the Applicable Law to act as the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC to handle matters stipulated in the Securities and Exchange Law of the ROC and the relevant rules and regulations thereto. The Litigious and Non-Litigious Agent shall be an individual who has a residence or domicile in the ROC. The Company shall report the name, residence, domicile and authorisation document of such Agent to the FSC. In case of any change to the aforesaid information, the Company shall report such change to the FSC as well.

OTHERS

67. Termination of Listing

For so long as the shares are listed on the TWSE in the ROC, if the Company proposes to undertake:

- a) a merger or consolidation which will result in the Company being dissolved or otherwise terminated;
- b) a sale, transfer or assignment of all of the Company's assets and businesses to another entity;



- c) a Share Swap; or
- d) a Spin off,

which would result in the termination of the Company's listing on the TWSE, and where (in the case of (a) above) the shares in the surviving entity, (in the case of (b) above) the shares in the transferee, (in the case of (c) above) the shares in the entity whose shares has been allotted in exchange for the Company's shares or, (in the case of (d) above) the shares in the existing or newly incorporated spun-off company are not listed on the TWSE or traded on the TPEx, then in addition to any requirements to be satisfied under the Applicable Law, such action shall be first approved at a general meeting by a resolution passed by members holding two-thirds or more of the votes of the total number of issued shares with voting right of the Company.

68. ROC Securities Laws and Regulations

For so long as the shares are listed on the TWSE in the ROC, the qualifications, composition, appointment, removal, exercise of functions and other matters with respect to the Directors, Independent Directors, Compensation Committee and Audit Committee which are required to be followed by the Company shall comply with the applicable ROC securities laws and regulations.

69. Social Responsibilities

When the Company conducts the business, the Company shall comply with the laws and regulations as well as business ethics and shall take actions which will promote public interests in order to fulfill its social responsibilities.



	Chung Jye Group	No.	CJ-AM-033		
		Pages	0 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

Annex II

Chung Jye Investment Holding Co., Ltd. Rules of Procedure for Shareholders' Meetings

Article 1

In order to establish a good shareholders' meeting governance system for the Company, improve the supervisory function and strengthen the management function, these Rules are hereby formulated in accordance with Article 5 of the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies for your reference.

Article 2

The Rules of Procedure for Shareholders' Meetings of the Company were established in accordance with the laws and regulations and the Articles of Incorporation before the Company's shares were listed in the Republic of China. After the shares are listed in the Republic of China, they shall be subject to the provisions of these Rules unless otherwise provided by laws or the Articles of Incorporation.

Article 3

Unless otherwise provided by law, the Company's shareholders' meeting shall be convened by the Board of Directors.

The Company shall hold a video conference of shareholders' meeting, unless otherwise provided for in the Regulations Governing the Administration of Shareholder Services of Public Companies, and the same shall be stated in the Articles of Incorporation and approved by the Board of Directors. The video conference of shareholders' meeting shall be conducted with the approval of more than two-thirds of the directors present and the approval of more than half of the directors present.

Any change in the method of convening a shareholders' meeting of the Company shall be subject to a resolution of the Board of Directors and shall be made no later than before the notice of the shareholders' meeting is mailed.

The Company shall, no later than 30 days prior to the convening of an annual shareholders' meeting or 15 days prior to a special shareholders' meeting, prepare electronic files containing the meeting notice, proxy form, and explanatory materials for all proposals including matters for acceptance, discussion, and the election or dismissal of directors, and transmit them to the Market Observation Post System (MOPS). Furthermore, the shareholders' meeting agenda handbook and any supplemental materials shall also be prepared in electronic format and transmitted to MOPS no later than 21 days prior to an annual shareholders' meeting or 15 days prior to a special shareholders' meeting. However, if the Company's paid-in capital reached NT\$10 billion or more as of the end of the most recent fiscal year, or if the combined shareholding ratio of foreign and mainland Chinese investors recorded in the shareholders' register for the most recent annual shareholders' meeting reaches 30% or more, the aforementioned electronic files must be submitted to MOPS no later than 30 days before the date of the annual shareholders' meeting. Fifteen days before the shareholders' meeting, a meeting handbook and supplementary meeting materials shall be prepared for shareholders to review at any time and displayed at the Company and the professional stock affairs agency appointed by the Company.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	1 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

The Company shall provide the meeting handbook and supplementary meeting materials referred to in the preceding paragraph to shareholders for their reference on the day of the shareholders' meeting in the following manner:

- I. When in-person shareholders' meeting is held, the ballots should be distributed at the meeting site.
- II. When a video-assisted shareholders' meeting is held, the notice should be distributed at the shareholders' meeting and transmitted to the video conferencing platform in the form of electronic files.
- III. When a shareholders' meeting is held via videoconference, electronic files should be transmitted to the videoconference platform.

The notice and announcement shall clearly state the reason for the meeting; with the consent of the counterparty, the notice may be made electronically.

The election or dismissal of directors, amendments to the Articles of Incorporation, capital reduction, application for termination of public issuance, approval of directors' engagement in competing businesses, capitalization of earnings, capitalization of legal reserves, dissolution, merger, spin-off, or any matters specified in Article 185, Paragraph 1 of the Company Act, as well as matters under Article 26-1 and Article 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers, must be explicitly listed in the notice of convocation along with explanations of their main content, and may not be proposed as extraordinary motions.

The reason for convening the shareholders' meeting should state the comprehensive re-election of directors and the date of taking office. After the re-election of the shareholders' meeting is completed, the same meeting shall not change the date of taking office by extraordinary motions or other means.

Shareholders holding 1% or more of the total issued shares may submit one proposal to the Company's shareholders' meeting. If there is more than one proposal, none of them will be included in the agenda. In addition, if a proposal put forward by a shareholder falls under any of the circumstances specified in Paragraph 4 of Article 172-1 of the Company Act, the Board of Directors may not list it as a proposal. Shareholders may submit proposals to urge the Company to promote public interests or fulfill its social responsibilities. The procedure shall be limited to one proposal in accordance with the relevant provisions of Article 172-1 of the Company Act. If more than one proposal is submitted, none of them will be included in the agenda.

The Company shall, before the day before the stock transfer is suspended prior to the convening of a regular shareholders' meeting, announce the acceptance of shareholders' proposals, the method of written or electronic acceptance, the place of acceptance, and the period of acceptance; the period of acceptance shall not be less than ten days.

The length of a proposal submitted by a shareholder shall be limited to 300 words. If the proposal exceeds 300 words, it shall not be included in the agenda. The proposing shareholder shall attend the regular shareholders' meeting in person or entrust another person to attend the discussion of the proposal.

Prior to the date of the shareholders' meeting notice, the Company shall notify the proposing shareholder of the outcome of the proposal review and include any proposals that comply with this provision in the meeting notice. For shareholder proposals that are not included in the agenda, the Board of Directors should explain the reasons for not including them at the shareholders' meeting.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	2 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

Article 4

At each shareholders' meeting, shareholders may produce a power of attorney issued by the Company, specifying the scope of authorization, and authorize a proxy to attend the meeting.

A shareholder shall issue one power of attorney and may only entrust one person. It shall be delivered to the Company five days before the shareholders' meeting. If there are duplicate power of attorneys, the one delivered first shall prevail. However, this does not apply to the appointment of proxy cancellation.

After the proxy is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting in person or to exercise voting rights in writing or electronically, he/she shall notify the Company in writing of the cancellation of the proxy two days before the shareholders' meeting. If the cancellation is made after the deadline, the voting rights exercised by the proxy in attendance shall prevail.

After the proxy letter is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting via video conference, he/she shall notify the Company in writing of the cancellation of the proxy two days before the shareholders' meeting. If the cancellation is made after the deadline, the voting rights exercised by the proxy in attendance shall prevail.

Article 5 (Principle for the location and time of the shareholders' meeting)

The meeting of shareholders shall be held at the location of the Company or at a location that is convenient for shareholders to attend and suitable for holding a shareholders' meeting. The meeting shall not start earlier than 9:00 a.m. or later than 3:00 p.m. The location and time of the meeting shall fully consider the opinions of the independent directors.

When the Company holds a video conference of shareholders' meeting, it shall not be subject to the restrictions on the location of the meeting as set forth in the preceding paragraph.

Article 6 (Preparation of attendance books and other documents)

The Company shall specify in the meeting notice the time and location for the registration of shareholders, solicitors, and entrusted agents (hereinafter referred to as shareholders), as well as other matters that should be noted.

The check-in time for shareholders as mentioned in the preceding paragraph shall begin at least 30 minutes prior to the commencement of the meeting. The check-in area shall be clearly marked and staffed with an adequate number of competent personnel. For shareholders' meetings held via video conferencing, check-in shall be conducted on the virtual meeting platform at least 30 minutes before the meeting starts. Shareholders who complete the check-in process shall be deemed to have attended the shareholders' meeting in person.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	3 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

Shareholders shall attend the shareholders' meeting with attendance certificates, an attendance cards or other attendance certificates. The Company shall not arbitrarily add other supporting documents to the supporting documents for shareholders' attendance. The solicitor who is soliciting a proxy letter shall also bring his or her identity document for verification.

The Company shall set up a signature book for the attending shareholders to sign in, or the attending shareholders shall submit an attendance card as a substitute for signing in.

The Company shall deliver the meeting manual, annual report, attendance certificate, speaking slip, voting ballot and other meeting materials to shareholders attending the shareholders' meeting. For those electing directors, an election ballot shall be attached.

When the government or a legal person is a shareholder, the number of representatives attending the shareholders' meeting is not limited to one. When a legal person is entrusted to attend a shareholders' meeting, it may only appoint one person to represent the meeting.

If a shareholders' meeting is held by video conference, shareholders who wish to attend by video conference should register with the Company two days before the meeting.

If a shareholders' meeting is held via video conference, the Company shall upload the meeting handbook, annual report and other relevant materials to the shareholders' meeting video conference platform at least thirty minutes before the meeting begins, and continue to disclose them until the end of the meeting.

Article 6-1

When the Company convenes a shareholders' meeting via video conference, the following items shall be stated in the notice of convening the shareholders' meeting:

- I. Methods for shareholders to participate in video conference and exercise their rights.
- II. The handling of disruptions to the video conferencing platform or participation via video conferencing due to natural disasters, incidents or other force majeure circumstances shall at least include the following matters:
 - (I) The time when the meeting must be postponed or continued if the obstacles to the convening of the meeting cannot be eliminated and, if necessary, the date on which the meeting must be postponed or continued.
 - (II) Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not be allowed to participate in the postponed or continued meeting.
 - (III) For shareholders' meetings held with video conferencing assistance, if the video meeting cannot continue, and after deducting the number of shares represented by shareholders participating via video, the remaining number of shares present still meets the legal quorum for convening the shareholders' meeting, the meeting shall proceed. The shareholding of shareholders who participated via video shall still be counted toward the total number of shares represented at the meeting; however, for all proposals of that shareholders' meeting, such shareholders shall be deemed to have abstained from voting.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	4 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

(IV) How to deal with the situation where the results of all motions have been announced but no extraordinary motions have been made.

III. Convening of shareholders' meeting via video conference, and specifying appropriate alternative measures to be provided for shareholders who have difficulty participating in the shareholders' meeting via video conference. Except for the circumstances prescribed in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with online connection equipment and necessary assistance, and the period during which shareholders may apply to the Company and other relevant matters shall be clearly stated.

Article 7 (Chairperson of shareholders' Meeting, Attendees)

If a shareholders' meeting is convened by the Board of Directors, the chairperson shall be the chairman of the board. If the chairperson is on leave or unable to perform their duties for any reason, the vice chairperson shall act on his/her behalf. If there is no vice chairperson, or the vice chairperson is also on leave or unable to perform his/her duties, the chairperson shall designate one managing director to act on his/her behalf; if there is no managing director, one director shall be designated. If the chairperson does not designate a proxy, the managing director or director shall elect one among themselves to act as the chairperson.

If the chairperson referred to in the preceding paragraph is represented by a managing director or director, the chairperson shall be a managing director or director who has served for more than six months and is familiar with the Company's financial and business conditions. The same shall apply if the chairperson is a representative of corporate director.

The shareholders' meeting convened by the Board of Directors should be presided over by the chairman of the board in person, and should be attended by more than half of the directors of the board of directors and at least one representative from each functional committee, and the attendance should be recorded in the minutes of the shareholders' meeting.

If a shareholders' meeting is convened by a person with the right to convene other than the Board of Directors, the chairperson shall be the person with the right to convene. If there are two or more persons with the right to convene, they shall elect one person from among themselves to serve as the chairperson.

The Company may appoint its appointed lawyers, accountants or relevant personnel to attend shareholders' meetings.

Article 8 (Evidence of audio or video recording of the shareholders' meeting)

The Company shall continuously and uninterruptedly record the entire process of shareholder registration, meeting proceedings and voting and counting in audio and video format from the time the shareholder registration is accepted.

The video and audio materials referred to in the preceding paragraph shall be kept for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the documents shall be preserved until the conclusion of the lawsuit.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	5 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

If a shareholders' meeting is held by video conference, the Company shall record and preserve information such as shareholders' registration, enrollment, check-in, questions, voting and the Company's vote counting results, and shall continuously and uninterruptedly record and videotape the entire video conference.

The Company shall properly preserve the materials and audio and video recordings referred to in the preceding paragraph during their validity period, and shall provide the audio and video recordings to the person entrusted to handle the video conference affairs for preservation.

If the shareholders' meeting is held by video conference, the Company shall record the backend operation interface of the video conference platform in audio and video format.

Article 9

Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares present shall be calculated based on the number of shares registered in the signature book or attendance card submitted and the number of shares reported on the video conference platform, plus the number of shares exercising voting rights in writing or electronically.

When the meeting time has arrived, the chairperson shall call the meeting to order and at the same time announce the number of non-voting rights and the number of shares present, etc.

However, if there are no shareholders representing more than half of the total issued shares present, the chairperson may announce the postponement of the meeting. The number of postponements is limited to two times, and the total postponement time shall not exceed one hour. If there are still insufficient shareholders representing more than one third of the total issued shares present after two postponements, the chairperson shall declare the meeting adjourned. If the shareholders' meeting is held by video conference, the Company shall also announce the adjournment of the meeting on the shareholders' meeting video conference platform.

If, after two postponements as described in the preceding paragraph, a quorum is still not met but shareholders representing more than one-third of the total issued shares are present, a tentative resolution may be adopted in accordance with Article 175, Paragraph 1 of the Company Act. All shareholders shall be notified of the tentative resolution, and another shareholders' meeting shall be convened within one month. For shareholders' meetings held by video conference, shareholders who wish to attend via video conferencing must re-register with the Company in accordance with Article 6.

If, before the end of the meeting, the number of shares represented by the shareholders present reaches a majority of the total issued shares, the chairperson may submit the prepared pseudo resolution to the shareholders' meeting for a new vote in accordance with Article 174 of the Company Act.

Article 10

If a shareholders' meeting is convened by the Board of Directors, its agenda shall be set by the Board of Directors. All relevant proposals (including extraordinary motions and amendments to original proposals) shall be voted on a case by case basis. The meeting shall be conducted in accordance with the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	6 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

If a shareholders' meeting is convened by a person other than the Board of Directors who has the right to convene the meeting, the provisions of the preceding paragraph shall apply mutatis mutandis.

Before the agenda items (including extraordinary motions) scheduled in the preceding two items are concluded, the chairperson shall not declare the meeting adjourned without a resolution; if the chairperson violates the rules of procedure and declares the meeting adjourned, the other members of the Board of Directors shall promptly assist the shareholders present to elect one person as the chairperson in accordance with legal procedures with the consent of more than half of the voting rights of the shareholders present and continue the meeting.

The chairperson shall provide sufficient opportunity for explanation and discussion of proposals and amendments or extraordinary motions proposed by shareholders. When he deems that the proposals have reached the stage where they can be put to a vote, he may announce the end of discussion, put the proposal to a vote, and arrange adequate voting time.

Article 11 (Shareholders' Speech)

Before attending a shareholder meeting to speak, a shareholder must first fill out a speaking slip stating the main points of the speech, shareholder account number (or attendance certificate number) and account name. The chairperson will determine the order of speaking.

Shareholders present at the meeting who merely submit a speaking slip but do not speak shall be deemed to have not spoken. If the content of the speech is inconsistent with the record of the speech, the content of the speech shall prevail.

Each shareholder may speak on the same proposal no more than twice without the chairperson's consent, and each speech may not exceed five minutes. However, if a shareholder's speech violates the rules or goes beyond the scope of the agenda, the chairperson may stop him/her from speaking.

When shareholders are speaking, other shareholders may not interfere by speaking unless they have obtained the consent of the chairperson and the speaking shareholder. The chairperson shall stop any violation. When a corporate shareholder appoints two or more representatives to attend a shareholders' meeting, only one person may speak on the same proposal.

After attending the shareholders' speech, the Chairman may respond personally or designate relevant personnel to respond.

If a shareholders' meeting is held by video conference, shareholders participating by video conference may ask questions in writing on the shareholders' meeting video conference platform after the chairperson announces the opening of the meeting and before the chairperson announces the adjournment of the meeting. The number of questions asked for each proposal may not exceed two times, and each question may be limited to 200 words. The provisions of Paragraphs 1 to 5 shall not apply.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	7 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

If the questions in the preceding paragraph do not violate the regulations or exceed the scope of the proposal, the questions should be disclosed on the shareholders' meeting video conference platform for public disclosure.

Article 12 (Calculation of voting shares and recusal system)

Voting at shareholders' meeting shall be calculated based on number of shares.

The resolution of the shareholders' meeting shall not count the number of shares held by shareholders without voting rights into the total number of issued shares.

If a shareholder has a personal interest in the matters of the meeting that may be detrimental to the interests of the Company, he shall not participate in the voting and shall not exercise the voting rights on behalf of other shareholders.

The number of shares for which voting rights cannot be exercised as referred to in the preceding paragraph shall not be counted in the number of votes of shareholders present at the meeting.

Except for trust enterprises or stock affairs agency institutions approved by the securities regulatory authority, when one person is entrusted by two or more shareholders at the same time, the voting rights that he or she represents shall not exceed 3% of the voting rights of the total number of issued shares. If such voting rights exceed 3% of the total number of issued shares, the excess voting rights shall not be counted.

Article 13

Shareholders are entitled to one vote per share; however, this restriction does not apply to shareholders who are subject to restrictions or who do not have voting rights as listed in Article 179, Paragraph 2 of the Company Act.

When the Company convenes a shareholders' meeting, the voting rights shall be exercised electronically and may be exercised in writing; when the voting rights are exercised in writing or electronically, the method of exercise shall be stated in the notice of convening the shareholders' meeting. A shareholder who exercises his/her voting rights in writing or through electronic means shall be deemed to have attended the shareholders' meeting in person. However, the extraordinary motions and amendments to the original proposals of the shareholders' meeting will be deemed as abstentions, so the Company should avoid proposing extraordinary motions and amendments to the original proposals.

For those who exercise voting rights in writing or electronically as provided in the preceding paragraph, the expression of intention shall be delivered to the Company two days before the shareholders' meeting. In the event of duplicate expressions of intention, the one delivered first shall prevail. However, this limitation does not apply to those who expressed their intention before revoking the statement.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	8 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

After exercising voting rights in writing or electronically, if a shareholder wishes to attend a shareholders' meeting in person or by video conference, he or she shall revoke the intention to exercise voting rights in the preceding paragraph two days before the shareholders' meeting in the same manner as the exercise of voting rights. If the intention to exercise voting rights is revoked after the deadline, the voting rights exercised in writing or electronically shall prevail. If voting rights are exercised in written or electronic form and a proxy is appointed to attend the shareholders' meeting by proxy, the voting rights exercised by the proxy shall prevail.

Unless otherwise provided for in the Company Act and the Company's Articles of Incorporation, the voting on proposals shall be passed by a majority of the voting rights of the shareholders present at the meeting. When voting, the chairperson or his designated personnel shall announce the total number of votes of shareholders present at the meeting on a case by case basis, and then the shareholders shall vote on each case. On the day after the shareholders' meeting is held, the results of shareholders' approval, opposition and abstention shall be transmitted into the MOPS.

When there are amendments or alternative proposals on the same motion, the chairperson shall determine the order of voting on them together with the original proposal. If one of the proposals has been approved, the other proposals will be deemed rejected and there is no need to vote on them again.

The persons who monitor and count the votes for resolutions shall be designated by the chairperson, and the persons who monitor and count the votes shall be shareholders.

The counting of votes for shareholders' meetings or election proposals shall be conducted in an open area within the shareholders' meeting venue, and the voting results, including the number of voting rights, shall be announced on the spot after the counting is completed, and a record shall be made.

When the Company convenes a shareholders' meeting via video conference, shareholders participating via video conference shall vote on various proposals and election proposals through the video conference platform after the chairperson calls the meeting to order, and shall complete the voting before the chairperson announces the end of voting. Those who exceed the time limit shall be deemed to have abstained from voting.

If the shareholders' meeting is convened by video conference, the votes should be counted once and the voting and election results should be announced after the chairperson announces the end of voting.

When the Company holds a shareholders' meeting assisted by video conference, shareholders who have registered to attend the shareholders' meeting by video conference in accordance with Article 6 and wish to attend the physical shareholders' meeting in person shall cancel their registration two days before the shareholders' meeting in the same manner as they registered; if they cancel their registration after the deadline, they may only attend the shareholders' meeting by video conference.

A shareholder who exercises his/her voting rights in writing or electronically, does not revoke his/her expression of intention, and participates in the shareholders' meeting by video conference may not exercise his/her voting rights on the original proposal, propose amendments to the original proposal, or exercise his/her voting rights on amendments to the original proposal, except for extraordinary motions.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	10 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

Article 14

When a shareholders' meeting elects directors, it shall be conducted in accordance with the relevant election regulations established by the Company and the election results shall be announced on the spot, including the list of elected directors and their elected rights and the list of unsuccessful directors and their elected rights.

The ballot papers for the election matters referred to in the preceding paragraph shall be sealed and signed by the scrutineer and kept in a safe place for at least one year. However, if a shareholder files a lawsuit in accordance with Article 189 of the Company Act, the documents shall be preserved until the conclusion of the lawsuit.

Article 15

The resolutions of the shareholders' meeting shall be recorded in minutes and signed or sealed by the chairperson. The minutes shall be distributed to all shareholders within 20 days after the meeting. The preparation and distribution of minutes may be done electronically.

The Company may distribute the minutes of the preceding paragraph by posting them on the MOPS.

The minutes of meeting shall accurately record the year, month, date, location, name of the chairperson, resolution method, key points of the meeting and voting results (including voting rights) of the meeting. When there is an election of directors, the number of votes each candidate received shall be disclosed. It shall be retained for the duration of the existence of the Company.

Where a shareholders' meeting is held by video conference, the minutes shall, in addition to recording the matters required by the preceding paragraph, also record the start and end times of the shareholders' meeting, the method of convening the meeting, the names of the chairperson and the recorder, and the method and circumstances of handling any disruption to the video conference platform or participation by video conference due to natural disasters, incidents, or other force majeure events.

When the Company convenes a shareholders' meeting via video conference, in addition to complying with the provisions of the preceding paragraph, it shall also record in the minutes the alternative measures provided for shareholders who have difficulty participating in the shareholders' meeting via video conference.

Article 16 (Public Announcement)

The number of shares solicited by solicitors, the number of shares represented by proxies, and the number of shares represented by shareholders attending in writing or electronically shall be compiled by the Company into a statistical table in the prescribed format on the date of the shareholders' meeting and clearly disclosed at the meeting venue. If the shareholders' meeting is held via video conference, the Company shall upload the aforementioned information to the virtual meeting platform at least thirty minutes before the meeting begins and continue to disclose it until the meeting concludes.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	11 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

When the Company convenes a video conference of shareholders' meeting, the total number of shares held by shareholders attending the meeting shall be disclosed on the video conference platform when the meeting is announced. The same applies if the total number of shares and voting rights of shareholders present at the meeting are separately counted.

If the resolutions of the shareholders' meeting contain any material information stipulated by laws and regulations or the Taiwan Stock Exchange Corporation, the Company shall transmit the content to the MOPS within the prescribed time.

Article 17: (Maintenance of order of the meeting venue)

Personnel handling shareholders' meetings should wear identification cards or armbands.

The chairperson may direct proctor or security personnel to assist in maintaining order at the meeting. When proctor or security personnel are on site to help maintain order, they should wear an armband or identification card with the word "Proctor" on it.

If the meeting venue is equipped with a loudspeaker, the chairperson may stop a shareholder from speaking using equipment other than that provided by the Company.

If a shareholder violates the rules of procedure and refuses to obey the chairperson's correction, thereby disrupting the progress of the meeting and refuses to comply after being stopped, the chairperson may direct the proctor or security personnel to ask him/her to leave the meeting venue.

Article 18 (Recess, Resumption of the meeting)

During a meeting, the chairperson may announce a break at his discretion. In the event of force majeure, the chairperson may rule to temporarily suspend the meeting and announce the next meeting time depending on the circumstances.

If the meeting venue is no longer available before the agenda (including extraordinary motions) scheduled for the shareholders' meeting is concluded, the shareholders' meeting may resolve to find another venue to continue the meeting.

The shareholders' meeting may be postponed or resumed within five days in accordance with Article 182 of the Company Act.

Article 19 (Disclosure of Information in Video Conference)

If a shareholders' meeting is held by video conference, the Company shall immediately disclose the voting results of each proposal and the election results on the shareholders' meeting video conference platform in accordance with regulations after the voting is completed, and shall continue to disclose them for at least fifteen minutes after the chairperson announces the adjournment of the meeting.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	12 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

Article 20 (Location of chairperson and recorder of shareholders' meeting by video conference)

When the Company convenes a shareholders' meeting via video conference, the chairperson and recorder shall be at the same location in the country, and the chairperson shall announce the address of the location at the meeting.

Article 21 (Processing of disconnection)

If a shareholders' meeting is held by video conference, the Company may provide shareholders with a simple connection test before the meeting and provide relevant services in real time before and during the meeting to assist in resolving technical problems in communications.

If a shareholders' meeting is held via video conference, the chairperson shall, at the time of announcing the commencement of the meeting, also announce that except under circumstances specified in Paragraph 4, Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies where postponement or continuation of the meeting is not required, should a natural disaster, incident, or other force majeure events cause an interruption to the video conferencing platform or participation via video that lasts for more than thirty minutes before the chairperson announces the adjournment, the meeting shall be postponed or continued within five days. The provisions of Article 182 of the Company Act shall not apply.

In the event of a meeting that should be postponed or continued as provided in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting.

Where a meeting is to be postponed or continued pursuant to Paragraph 2, and any shareholder who has registered to participate in the original shareholders' meeting via video conference and has completed registration but does not participate in the postponed or continued meeting, the number of shares he/she attended at the original shareholders' meeting, and the voting rights and electoral rights he/she has exercised, shall be included in the total number of shares, voting rights and electoral rights of the shareholders attending the postponed or continued meeting.

When a shareholders' meeting is postponed or held in conjunction with Paragraph 2, it is not necessary to re-discuss and resolve proposals for which voting and vote counting have been completed and the voting results or the list of elected directors have been announced.

If the Company holds a shareholders' meeting assisted by video conference and the video conference cannot be continued as provided in Paragraph 2, if the total number of shares present still reaches the statutory quota for holding a shareholders' meeting after deducting the number of shares present at the shareholders' meeting via video conference, the shareholders' meeting shall continue without the need to postpone or continue the meeting in accordance with the provisions of Paragraph 2.

In the event of the occurrence of a circumstance requiring the continuation of the meeting as provided in the preceding paragraph, the number of shares held by shareholders participating in the shareholders' meeting via video conference shall be counted as the total number of shares held by shareholders present, but they shall be deemed to have abstained from voting on all resolutions of that shareholders' meeting.

	Chung Jye Group	No.	CJ-AM-033		
		Pages	13 OF 15		
Rules of Procedure for Shareholders' Meetings		Date	May 10, 2024 (Date approved by the Board of Directors)	Version	A/01

If the Company postpones or continues a general meeting pursuant to the provisions of Paragraph 2, it shall carry out the relevant preparatory work in accordance with the provisions of Article 44-20, Paragraph 7 of the Regulations Governing the Administration of Shareholder Services of Public Companies, in accordance with the original date of the meeting and the provisions of such Article.

During the period specified in the second half of Article 12 and Paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and Paragraph 2 of Article 44-5, Article 44-15, and Paragraph 1 of Article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or reschedule the date of the shareholders' meeting in accordance with Paragraph 2.

Article 22

When the Company holds a shareholders' meeting via video conference, it shall provide appropriate alternative measures for shareholders who have difficulty attending the shareholders' meeting via video conference. Except for the circumstances prescribed in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders shall at least be provided with online connection equipment and necessary assistance, and the period during which shareholders may apply to the Company and other relevant matters shall be clearly stated.

Article 23

The Regulations shall be implemented after approval by the shareholders' meeting, and the same applies to amendments.

Shareholding of directors

The following are the shares held by the directors individually and collectively as recorded in the shareholder register as of the transfer suspension date on April 12, 2025:

Title	Name	Number of shares held	Shareholding ratio
Chairman	Liu, An-Che	1,000,030	0.64%
Vice Chairman	Liu, Chiung-Wen	1,000,030	0.64%
Directors	Liu, Yu-Hsuan	1,000,030	0.64%
Independent Director	Cheng, Wen-Cheng	0	-
Independent Director	Ko, Kuan-Cheng	0	-
Independent Director	Tsai, Fu-Chiang	0	-
Independent Director	Hsieh, Ming-Hui	0	-
Number of shares actually held by non-independent directors		3,000,090	1.92%

Note: Total number of shares issued on April 12, 2025: 155,750,000 shares