

--Important Disclaimer--

This is a translation of the Shareholders meeting handbook for the 2024 Annual General Shareholders' Meeting of JINLI GROUP HOLDINGS LIMITED (JINLI). The translation is for reference only. If there is any discrepancy between the English version and Chinese version, the Chinese version shall prevail.

Stock symbol: 8429

JINLI GROUP HOLDINGS LIMITED

2024 Annual General
Shareholders Meeting
Meeting Handbook

June 24, 2024

Location: No.1, Sec. 3, Zhongxiao E. Rd., Da'an Dist., Taipei City, Taiwan
(R.O.C.) (gis Taipei Tech Convention Center 203 Conference Room)

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I. Meeting Procedure

JINLI GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands)

(Hereinafter, “The Company”)

Meeting Procedure of 2024 Annual General Shareholders Meeting

1. Commencement of Meeting

2. Chairman’s Statement

3. Report Items

4. Resolution Items

5. Discussion Items

6. Provisional Motion

7. Adjournment

II. Meeting Agenda

JINLI GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands)

(Hereinafter, “The Company”)

Meeting Agenda of 2024 Annual General Shareholders Meeting

Time: June 24, 2024 (Monday) 9:00 A.M.

Venue: No.1, Sec. 3, Zhongxiao E. Rd., Da'an Dist., Taipei City, Taiwan (R.O.C.)

(gis Taipei Tech Convention Center 203 Conference Room)

Attendance: All representatives of shareholder rights

Chair: Chairman Chong, Chun Lung

Meeting procedure

1. Commencement of meeting

2. Chairman's statement

3. Report items

Item 1 The Company 2023 Business Report

Item 2 Audit Committee's Review Report on 2023 Financial Statement

Item 3 The Company 2023 employees' and directors' remuneration distribution report

Item 4 Amendment of "Rules of Procedure for Board of Directors Meetings"

4. Resolution items

Item 1 Ratification of the Company 2023 Business Report and Consolidated Financial Statements

Item 2 Ratification of the Company 2023 Profit and Deficit Appropriation Statement

5. Discussion items

Item 1 Amendment to the Company's "Rules of Procedure for Shareholders Meetings"

6. Extempore motion

7. Adjournment

Report Items

Item 1 Proposed by the Board of Directors

Brief of case : The Company 2023 annual business report

Description : The Company 2023 annual business report, as shown in Attachment 1,
Page 13 ~ 14.

Item 2 Proposed by the Board of Directors

Brief of case : Audit Committee's review report on 2023 Financial Statement

Description : Review report of audit committee of the Company, as shown in
Attachment 2, Page 15.

Item 3 Proposed by the Board of Directors

Brief of case : The Company 2023 employees' and directors' remuneration distribution
report

Description:

(A) In accordance with the Article 34.1 of the Memorandum and Articles of Association of the Company, the Company shall set aside no less than 0.1% of its annual profits as bonus, distribute to employees in the form of shares and/or cash, to employees of the Company, and set side no more than 2% of its annual profits as bonus to Directors, upon the attendance of more than two-thirds of the Directors of the Board of Directors and the resolution of more than half of the Directors present.

(B) After approval by the Salary and Remuneration Committee, the employee's and Director's remuneration shall not be distributed.

Item 4

Proposed by the Board of Directors

Brief of case : Amendment of "Rules of Procedure for Board of Directors Meetings"

Description:

(A) For the purpose to cope with the revision of laws and regulations, and the need of the Company 's operations, it is proposed to amend "Rules of Procedure for Board of Directors Meetings" of the Company. Please refer to Attachment 6 (Page 35).

Resolution Items

Item 1 Proposed by the Board of Directors

Brief of case : Ratification of the Company 2023 business report and consolidated financial statements.

Description:

(A) The Company 2023 financial statements have been approved by the resolution of the Board of Directors, and have been audited and completed by certified public account Zoe Chen and Alex C. Y. Kuo of ShineWing Taiwan, and submitted to the audit committee for review together with the business report, and the written audited report has been be put on record.

(B) Please refer to Attachment 1 (Page 13~14) and Attachment 3 (Pages 16~28).

Resolution:

Item 2 Proposed by the Board of Directors

Brief of case : Ratification of The Company 2023 profit and deficit appropriation.

Description:

(A) The Company's 2023 net deficit after tax is NT\$ 13,964,667, adding up the beginning retained earnings of NT\$2,787,594,713, less: Special surplus reserve of NT\$123,537,714, and the distributable net profit is NT\$2,650,092,332.

(B) The Company's 2023 Profit and Deficit Appropriation Statement has been submitted to the Audit Committee for review and approval, and has been approved by the Board of Directors.

(C) According to the Articles of Association of the Company, it is proposed not to distribute cash dividends and stock dividends to shareholders. Please refer to Attachment 4 (Page 29).

Resolution:

Discussion Items

Item 1

Proposed by the Board of Directors

Brief of case : Amendment to the Company's "Rules of Procedure for Shareholders Meetings".

Description:

(A) For the purpose to cope with the revision of laws and regulations, and the need of the Company 's operations, it is proposed to amend "Rules of Procedure for Shareholders Meetings" of the Company. Please refer to Attachment 5 (Page 30~34).

(B) Proposed for discussion.

Resolution:

Extempore Motion

Adjournment

III. Attachment

**Jinli Group Holdings Limited
2023 Business Report****1. 2023 Annual operating performance**

In 2023, the overall economic environment in China grew slowly. According to the "2023 National Economic and Social Development Statistical Bulletin" released by the National Bureau of Statistics, the income of urban and rural residents of 2023 continued to increase. The per capita disposable income of residents in the country for the whole year was RMB39,218, an increase of 6.3% from the previous year. After deducting price factors, the actual growth was 6.1%. The per capita consumption expenditure of residents in the country was RMB26,796, which was an increase of 9.2% from the previous year. After deducting price factors, the actual increase was 9.0%. The total retail sales of consumer goods in the society for the whole year of 2023 reached RMB47.1495 trillion, an increase of 7.2% from the previous year. Looking around 2023, due to the new coronavirus epidemic and widespread vaccination, countries have adopted strategies to coexist with the virus, and economic activities around the world have begun to recover. In 2023, various data indicators such as China's economy and people's consumption demand have gradually stabilized due to the recovery of the epidemic. However, they have been unable to get rid of the impact of the epidemic and return to normalcy, which has become a haze hanging over the Chinese economy. The atmosphere of poor operation diffused in China's branded shoes and apparel market. The company's long-term cooperation with offline agents in various provinces and the situation of European and American foreign trade shoe orders have not yet recovered significantly. In financial performance, the Company's consolidated revenue in 2023 was NT\$210 million, a decline of 1.4% from the consolidated revenue of NT\$213 million in 2022. The pre-tax net loss in 2023 was NT\$13 million, a significant decline from the pre-tax net loss of NT\$220 million in 2022. The after-tax loss per share for 2023 was NT\$0.08..

2. 2024 Summary of annual operating plan

In 2024, the global economy will continue to be in a period of deep adjustment, with slow and uneven recovery, increasing uncertainty, new growth momentum to be accumulated, economic growth and confidence urgently to be restored and rebuilt. Looking back in 2023, China's recovery from the epidemic will be slower than expected, and it will still face different challenges in 2024 due to the weakness of the real estate industry, weakening external demand, and trade tensions. The Chinese National People's Congress also mentioned that this year's GDP growth target is set at around 5%, consistent with 2023. CHINA TOP THINK TANKS or international institutions believe that GDP growth will be between 4.6% and 5%. In addition, the International Monetary Fund (IMF)

predicts that global economic growth will continue to remain resilient in 2024. Global economic growth is expected to be 3.1% but China's GDP growth rate is expected to reach 4.6%. It shows that China's economic market will operate smoothly. This year, the company will focus on online e-commerce, while rectifying and adjusting brand sales channels, and strengthening the development of potential agents in order to build up the company's long-term competitiveness.

The Company will uphold a steady pace of sustainable operation and continuously develop new customers, design new products, improve production processes, and create maximum benefits for shareholders. We believe that with the support of our shareholders, our operational performance will surely create new achievements again.

Chairman	: Chong, Chun-Lung
General Manager	: Chen, Honglin
Finance/Accounting supervisor:	Poon, Chit-Lun

Attachment 2

Audit Committee's Review Report

The Company's 2023 Business Report, Consolidated Financial Statements, Profit and Deficit Appropriation have been approved by the Audit Committee and resolved by the Board of Directors. The CPAs Zoe Chen and Alex C. Y. Kuo of ShineWing Taiwan have audited the 2023 financial statements and issued an audit report accordingly. According to Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act, we hereby submit this report.

To:

Jinli Group Holdings Limited

Chairman of Audit committee:



March 12, 2024



Independent Auditors' Report

Jinli Group Holdings Limited

Opinion

We have audited the accompanying consolidated balance sheets of Jinli Group Holdings Limited (the "Company") and its subsidiaries (collectively referred as the "Group") as of December 31, 2023, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years ended December 31, 2023, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, based on our audits, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with the "Regulations Governing the Preparations of Financial Reports by Securities Issuers" and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the "Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants" and auditing standards in the Republic of China. Our responsibilities under those standards are further described in the **Independent auditors' responsibilities for the audit of the consolidated financial statements** section of our report. We are independent of the Group in accordance with the Code of professional Ethics for Certified Public Accountants in the Republic of China (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with this Code. Based on our audits, we believe that our audits provide a reasonable basis for our opinion.

Independent Auditors' Report (Continued)

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and, in forming our opinion thereon, we do not provide a separate opinion on these matters. We determined the key audit matters should be communicated in our audit report are as follows:

Cash and cash equivalents

Please refer to Note 4(6) to the consolidated financial statements for the accounting policies of evaluation of cash and cash equivalents; and please refer to Note 6(1) to the consolidated financial statements for the details of cash and cash equivalents accounts.

As of December 31, 2023, the balance of cash and cash equivalents of the Group is \$4,582,929 thousand, accounting for 68% of the total consolidated assets, due to the significant proportion of balances and the inherent risks; we therefore considered the cash and cash equivalents as the key audit matters for the year.

Our audit procedures included, but are not limited to, obtaining the list of bank deposits balances in the account of the Group, and verifying them to the bank statements; checking the receipt and payment vouchers of major cash and cash equivalents transaction; to check all bank confirmations whether it matches the bank deposit balance in the account, and check whether there are restrictions on bank deposits.

Financial assets at amortized cost

Please refer to Note 4(7) to the consolidated financial statements for the accounting policies of evaluation of financial assets at amortized cost; and please refer to Note 6(2) to the consolidated financial statements for the details of financial assets at amortized cost.

Independent Auditors' Report (Continued)

As of December 31, 2023, the balance of financial assets at amortized cost of the Group is \$1,297,875 thousand, accounting for 19% of the total consolidated assets, due to the significant proportion of balance and the inherent risks; we therefore considered the financial assets at amortized cost as the key audit matter for the year.

Our audit procedures included, but were not limited to, obtaining details of the balance of financial assets amortized at cost (time deposits) in the accounts of the Group, checking to the certificate of deposits, and checking to the bank confirmation; to assess whether it is consistent with the balance of the time deposit in the account, and check whether the time deposit is restricted.

Revenue recognition

Please refer to Note 4(21) to the consolidated financial statements for the accounting policies of revenue recognition; and please refer to Note 6(16) to the consolidated financial statements for the details of revenue.

The main operating income of the Group is manufacturing and selling a range of clothing and footwear in the wholesale market. The Group mainly fulfill the performance obligations at the point of time when the goods are delivered, and the sales revenue will be recognized at that point of time. As of December 31, 2023, the portion of operating income which is outstanding for collection as the key audit matter for the year.

The audit procedures performed by us include the understanding of recognition process of sales revenue transaction of the Group, and the assessment of whether the revenue recognition meets the requirements of the International Financial Reporting Standard No. 15 "Revenue from Contracts with Customer"; and execute the test whether the relevant control points of the sales and collection cycle are valid; obtain the sales details and check the general ledger, and select the vouchers of relevant sales transaction; obtain the audit confirmation letter and review the subsequent collection of payment after balance sheet date, in order to confirm whether there are major abnormalities in sales revenue.

Independent Auditors' Report (Continued)

Other Matters

The consolidated financial statements of Jinli Group Holdings Limited and its subsidiaries in 2022 was audited by other accountants, who issued unqualified opinion on March 30, 2023.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the “Regulations Governing the Preparations of Financial Reports by Securities Issuers” and the International Financial Reporting Standards, International Accounting Standards, IFRIC Interpretations, and SIC Interpretations as endorsed by the Financial Supervisory Commission, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the 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 the Group or to cease operations, or has no realistic alternative but to do so.

Those charges with governance, including members of the Audit Committee, are responsible for overseeing the Group's financial reporting process.

Independent 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 a report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit

Independent Auditors' Report (Continued)

conducted in accordance with the auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and professional skepticism throughout the audit. We also:

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 risks of not detecting a material misstatement resulting from fraud is higher than for the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
2. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 report. However,

Independent Auditors' Report (Continued)

future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the footnote disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentations.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of audit of the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding 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 them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2023 and are therefore the key audit matters. We describe these matters in our 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.



Chen, Kuang-Hui



Kuo, Chenyu

For and on behalf of ShineWing CPAs

April 1, 2024

Taipei, Taiwan

Republic of China

Notice to Readers

The accompanying consolidated financial statements are not intended to present the financial position, results of financial operations and cash flows in accordance with accounting principles and practice generally accepted in countries and jurisdictions other than the Republic of China. The standard, procedures and practices in the Republic of China governing the audit of such financial statements may differ from those generally accepted in countries and jurisdictions other than the Republic of China. Accordingly, the accompanying consolidated financial statements and independent auditors' report are not intended for use by those who are not informed about the accounting principles or auditing standards accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, ShineWing CPAs cannot accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may derive from the translation.

Jinli Group Holdings Limited and Subsidiaries

Consolidated balance sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

Assets	Notes	December 31,			
		2023	%	2022	%
<i>Current assets</i>					
Cash and cash equivalents	6.(1)	\$ 4,582,929	68	\$ 4,655,667	68
Financial assets at amortized cost - current	6.(2)	1,297,875	19	1,322,964	19
Accounts receivable, net	6.(3)	28,639	-	18,929	-
Other receivables	6.(4)	-	-	12,228	-
Other receivables from related parties	6.(4), 7	1,601	-	1,632	-
Current income tax assets		6,466	-	1,533	-
Inventories	6.(5)	-	-	4,393	-
Prepayments		10,409	-	9,937	-
		5,927,919	87	6,027,283	87
<i>Non-current assets</i>					
Property, plant and equipment	6.(6)	2,034	-	3,142	-
Right-of-use assets	6.(7)	150,171	2	160,328	2
Investment property, net	6.(9)	729,317	11	754,118	11
Other non-current assets		33	-	41	-
		881,555	13	917,629	13
Total assets		\$ 6,809,474	100	\$ 6,944,912	100

(Continued on next page)

Jinli Group Holdings Limited and Subsidiaries

Consolidated balance sheets

December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

Liabilities and equity	Notes	December 31,			
		2023	%	2022	%
Current liabilities					
Accounts payable		\$ 8,088	-	\$ 4,648	-
Other payables	6.(10)	69,715	1	64,644	1
Other payables to related parties	7	700	-	700	-
Current income tax liabilities		438	-	122	-
Current lease liabilities	6.(7)	3,996	-	3,896	-
		82,937	1	74,010	1
Non-current liabilities					
Deferred tax liabilities	6.(23)	570,150	8	571,825	8
Non-current lease liabilities	6.(7)	30,788	1	35,457	1
		600,938	9	607,282	9
Total liabilities		683,875	10	681,292	10
Equity attributable to owners of the parent					
Ordinary share	6.(12)	1,857,472	27	1,857,472	27
Capital surplus	6.(13)	1,617,452	24	1,617,452	23
Retained earnings:	6.(14)				
Special reserve		506,082	7	576,637	8
Unappropriated retained earnings		2,773,630	41	2,717,038	39
Other equity interest					
Exchange differences arising from the translation of the financial statements of foreign operation attributable to the total equity of the owners of the parent company	6.(15)	(629,620)	(9)	(506,082)	(7)
		6,125,016	90	6,262,517	90
Non-controlling interests		583	-	1,103	-
Total equity		6,125,599	90	6,263,620	90
Total liabilities and equity		\$ 6,809,474	100	\$ 6,944,912	100

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of comprehensive income
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	Notes	For the year ended December 31,			
		2023	%	2022	%
Operating revenue	6.(16)	\$ 209,995	100	\$ 212,674	100
Operating costs	6.(5)	(201,582)	(96)	(263,057)	(124)
Gross profit (loss)		<u>8,413</u>	<u>4</u>	<u>(50,383)</u>	<u>(24)</u>
Operating expenses					
Selling expenses		(1,428)	(1)	(7,109)	(3)
Administrative expenses		(46,627)	(22)	(148,866)	(70)
Research and development expenses		(2,497)	(1)	(26,290)	(12)
Expected credit losses		<u>-</u>	<u>-</u>	<u>(8,132)</u>	<u>(4)</u>
		<u>(50,552)</u>	<u>(24)</u>	<u>(190,397)</u>	<u>(89)</u>
Net operating loss		<u>(42,139)</u>	<u>(20)</u>	<u>(240,780)</u>	<u>(113)</u>
Non-operating income and expenses					
Interest income	6.(17)	36,068	17	36,875	17
Other income	6.(18)	19,920	10	18,740	9
Other gains and losses	6.(19)	(25,127)	(12)	(32,964)	(15)
Finance costs	6.(22)	(1,626)	(1)	(1,852)	(1)
		<u>29,235</u>	<u>14</u>	<u>20,799</u>	<u>10</u>
Net loss before tax		<u>(12,904)</u>	<u>(6)</u>	<u>(219,981)</u>	<u>(103)</u>
Income tax benefit (expenses)	6.(23)	<u>(1,579)</u>	<u>(1)</u>	<u>18,721</u>	<u>8</u>
Current net loss		<u>(14,483)</u>	<u>(7)</u>	<u>(201,260)</u>	<u>(95)</u>
Other comprehensive income (loss)					
Component of other comprehensive income that will not be reclassified to profit or loss					
Exchange differences arising on translation to the presentation currency		<u>(123,538)</u>	<u>(59)</u>	<u>69,558</u>	<u>33</u>
Total other comprehensive income (loss) for the year		<u>(123,538)</u>	<u>(59)</u>	<u>69,558</u>	<u>33</u>
Total comprehensive loss for the year		<u>(\$ 138,021)</u>	<u>(66)</u>	<u>(\$ 131,702)</u>	<u>(62)</u>
Net loss attributable to					
Owners of the parent company		<u>(\$ 13,965)</u>	<u>(7)</u>	<u>(\$ 201,260)</u>	<u>(95)</u>
Non-controlling interests		<u>(518)</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u>(\$ 14,483)</u>	<u>(7)</u>	<u>(\$ 201,260)</u>	<u>(95)</u>
Total comprehensive loss attributable to					
Owners of the parent company		<u>(\$ 137,501)</u>	<u>(66)</u>	<u>(\$ 130,705)</u>	<u>(61)</u>
Non-controlling interests		<u>(520)</u>	<u>-</u>	<u>(997)</u>	<u>(1)</u>
		<u>(\$ 138,021)</u>	<u>(66)</u>	<u>(\$ 131,702)</u>	<u>(62)</u>
Earnings per share (In New Taiwan dollars)	6.(24)				
Basic earnings per share		<u>(\$ 0.08)</u>		<u>(\$ 1.08)</u>	

Jinli Group Holdings Limited and Subsidiaries
Consolidated statement of changes in equity
For the years ended December 31, 2023 and 2022
(Expressed in thousands of New Taiwan dollars)

	Equity attributable to shareholders of the parent							Non-controlling interests	Total equity										
	Retained earnings		Other equity interest																
	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Total equity attributable to shareholders of the parent																
Ordinary share	Capital surplus	Special reserve	Unappropriated earnings	Exchange differences on translating the financial statements of foreign operations	Total equity attributable to shareholders of the parent	Non-controlling interests	Total equity												
\$	1,857,472	\$	1,617,452	\$	549,614	\$	2,945,321	\$	576,637	\$	6,393,222	\$	2,100	\$	6,395,322				
Balance, January 1, 2022	-	-	27,023	(	27,023	)	-	-	-	-	-	-	-	-	-	-			
Appropriation of prior year's earnings:	1,857,472	1,617,452	576,637	2,918,298	(	576,637	)	6,393,222	2,100	6,395,322	2,100	6,395,322	2,100	6,395,322	2,100	6,395,322			
Special reserve appropriated	-	-	-	(	201,260	)	-	(	201,260	)	-	(	201,260	)	-	(	201,260	)	
Net loss for the year	-	-	-	-	-	70,555	(	70,555	)	70,555	(	70,555	)	997	(	997	)	69,558	
Other comprehensive income for the year	-	-	-	(	201,260	)	70,555	(	130,705	)	997	(	997	)	997	(	131,702	)	
Total comprehensive income (loss) for the year	-	-	-	(	201,260	)	70,555	(	130,705	)	997	(	997	)	997	(	131,702	)	
Balance, December 31, 2022	1,857,472	1,617,452	576,637	2,717,038	(	506,082	)	6,262,517	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	
Appropriation of prior year's earnings:	-	-	(	70,557	)	70,557	-	-	-	-	-	-	-	-	-	-	-	-	
Reversal of special reserve	-	-	2	(	2	)	-	-	-	-	-	-	-	-	-	-	-	-	
Effect of exchange rate changes	-	-	506,082	2,787,595	(	506,084	)	6,262,517	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	1,103	6,263,620	
Net loss for the year	-	-	-	(	13,965	)	-	(	13,965	)	-	(	13,965	)	518	(	14,483	)	14,483
Other comprehensive loss for the year	-	-	-	-	-	(	123,536	)	123,536	(	123,536	)	2	(	2	)	123,538	123,538	
Total comprehensive loss for the year	-	-	-	(	13,965	)	-	(	13,965	)	-	(	13,965	)	518	(	14,483	)	14,483
Balance, December 31, 2023	1,857,472	1,617,452	506,082	2,773,630	(	629,620	)	6,125,016	583	6,125,599	583	6,125,599	583	6,125,599	583	6,125,599	583	6,125,599	

Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

	For the year ended December 31,	
	2023	2022
Cash flows from operating activities		
Loss before income tax for the year	(\$ 12,904)	(\$ 219,981)
Adjustments for:		
Income and expenses having no effect on cash flows		
Depreciation expenses	23,727	32,981
Expected credit loss	-	8,132
Interest expenses	1,626	1,852
Interest income	(36,068)	(36,875)
Gain on disposal of property, plant and equipment	-	(3,213)
Foreign exchange loss	7,109	17,962
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	(9,710)	44,601
Decrease (increase) in other receivables	12,290	(12,229)
Decrease in inventories	4,393	13,424
Increase in prepayments	(472)	(2,408)
Increase (decrease) in accounts payable	3,440	(33,402)
Increase in other payables	5,071	14,813
Cash used in operating activities	(1,498)	(174,343)
Interest received	36,068	36,875
Interest paid	(1,626)	(1,852)
Income taxes paid	(6,196)	(777)
Net cash generated from (used in) operating activities	26,748	(140,097)

(Continued on next page)

Jinli Group Holdings Limited and Subsidiaries

Consolidated statement of cash flows

For the years ended December 31, 2023 and 2022

(Expressed in thousands of New Taiwan dollars)

(Continued from previous page)

	For the year ended December 31,	
	2023	2022
Cash flows from investing activities		
Acquisition of property, plant and equipment	-	(1,037)
Proceeds from disposal of property, plant and equipment	-	9,725
Acquisition of investment properties	(4,763)	-
Decrease (increase) in refundable deposits	8	(35)
Net cash (used in) generated from investing activities	(4,755)	8,653
Cash flows from financing activities		
Payments of lease liabilities	(3,884)	(3,737)
Net cash used in financing activities	(3,884)	(3,737)
Effect of exchange rate changes on cash and cash equivalents	(90,847)	40,418
Net decrease in cash and cash equivalents	(72,738)	(94,763)
Cash and cash equivalents at beginning of year	4,655,667	4,750,430
Cash and cash equivalents at end of year	\$ 4,582,929	\$ 4,655,667

Attachment 4

JINLI GROUP HOLDINGS LIMITED

Profit and Deficit Appropriation Statement

Unit: NT\$

Beginning retained earnings	2,787,594,713
Less: Deficit after tax of 2023	(13,964,667)
Less: Special surplus reserve	(123,537,714)
Unappropriated retained earnings as of the end of the period	2,650,092,332

Chairman : Chong, Chun-Lung

General Manager : Chen, Honglin

Finance/Accounting supervisor: Poon, Chit-Lun

Attachment 5

Jinli Group Holdings Limited
Comparison Table for Rules of Procedure for Shareholders Meetings

Proposed Amendments	Current Provisions	Explanations
6.1.1 The Company's shareholders' meeting shall be convened by the Board of Directors, except as otherwise provided by laws or regulations. The Board of Directors or other persons with the power to convene a meeting may request the Company or its share registrar to provide a list of shareholders. <u>Unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, a Company that will convene a shareholders' meeting by means of video conference call shall expressly provide for such method in its Memorandum and Articles of Association and obtain a resolution of its Board of Directors. Furthermore, convening a shareholders' meeting by means of video conference call shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors.</u>	6.1.1 The Company's shareholders' meeting shall be convened by the Board of Directors, except as otherwise provided by laws or regulations. The Board of Directors or other persons with the power to convene a meeting may request the Company or its share registrar to provide a list of shareholders.	Whenever the Company convenes shareholders' meeting by means of video conference call, it is more restrictive to shareholders' rights and interests because the shareholders can only participate in shareholders' meetings by means of video conference call and physical participation is unavailable. In order to protect shareholders' rights and interests, the second paragraph is added to this Article stipulating that unless otherwise provided in the Regulations Governing the Administration of Shareholder Services of Public Companies, if the Company convenes a shareholders' meeting by means of video conference call, such method shall be expressly provided for in its Memorandum and Articles of Association and obtain a resolution of its Board of Directors. Furthermore, convening a shareholders' meeting by means of video conference call shall require a resolution adopted by a majority vote at a meeting of the Board of Directors attended by at least two-thirds of the total number of directors (namely a special resolution).
6.1.2 Any change in the method of	6.1.2 Any change in the method	1. Considering the shareholders can only take video

Proposed Amendments	Current Provisions	Explanations
convening a regular shareholders' meeting shall be resolved by the Board of Directors and implemented no later than the issuance of the notice of the shareholders' meeting. The Company shall prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials, and transmit them to the Public Information Observation System ("PIOS") no later than 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting manual and supplemental materials and transmit them to the PIOS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, provided that if the Company's paid-in capital as of the end of the most recent fiscal year is NT\$10 billion or more, or the aggregate foreign and Mainland China ownership percentage listed in the shareholder registry for the most recent fiscal year's regular shareholders' meeting is 30% or more, the Company shall complete the transmission of the aforementioned electronic files no later than 30 days before the regular shareholders' meeting. The shareholders' meeting manual and	of convening a regular shareholders' meeting shall be resolved by the Board of Directors and implemented no later than the issuance of the notice of the shareholders' meeting. The Company shall prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials, and transmit them to the Public Information Observation System ("PIOS") no later than 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting manual and supplemental materials and transmit them to the PIOS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, provided that if the Company's paid-in capital as of the end of the most recent fiscal year is NT\$10 billion or more, or the aggregate foreign and Mainland China ownership percentage listed in the shareholder registry for the most recent fiscal year's regular shareholders' meeting is 30% or more, the Company shall complete the transmission of the aforementioned electronic files	conference call to join the shareholders' meeting whenever the Company convenes a shareholders' meeting by means of video conference call and in order to provide the shareholders with appropriate alternative measures and to assist them by using the connecting facilities to join shareholders' meeting by means of video conference call, it is added in the later part of Subparagraph 4, stating that the Company shall at least provide the shareholders with connection facilities and venue, assign related personnel to provide shareholders with necessary assistance, and specify the period during which shareholders may apply to the Company for and other related matters requiring attention. 2. In addition, Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies provides that the Ministry of Economic Affairs may, at the occurrence of a natural disaster, unforeseen event, or other force majeure event, announce that within a certain period of time the Company may hold its shareholders' meetings by means of video conference call. Given it may

Proposed Amendments	Current Provisions	Explanations
supplemental materials for the current meeting shall be made available for shareholders to access at any time and displayed at the Company and its appointed professional share registrar. The aforementioned meeting manual and supplemental materials shall be made available to shareholders on the day of the shareholders' meeting as follows: (1), (2), (3) are omitted <u>(4) Whenever the Company convenes a shareholders' meeting by means of video conference call, it shall further specify appropriate alternative measures available to shareholders who have difficulty taking part in the shareholders' meeting by means of video conference call. Except in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide the shareholders with connection facilities and necessary assistance, and specifying the period during which shareholders may apply to the Company for and other related matters requiring attention.</u> The following is omitted.	no later than 30 days before the regular shareholders' meeting. The shareholders' meeting manual and supplemental materials for the current meeting shall be made available for shareholders to access at any time and displayed at the Company and its appointed professional share registrar. The aforementioned meeting manual and supplemental materials shall be made available to shareholders on the day of the shareholders' meeting as follows: (1), (2), (3) are omitted The following is omitted	be required to provide corresponding measures depending on the situation of that time, it is added in the middle part of Subparagraph 4 of that in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the rule in the later part of Subparagraph 4 does not apply.
6.3.8 When holding a shareholders' meeting via video conference, the Company must include the following information in the notice of the shareholders' meeting: (1) The methods for shareholders to	6.3.8 When holding a shareholders' meeting via video conference, the Company must include the following information in the notice of the shareholders' meeting:	The reason for the amendment is the same as above.

Proposed Amendments	Current Provisions	Explanations
participate in the video conference and exercise their rights. (2) The handling method for obstacles to the video conferencing platform or video conferencing participation caused by natural disasters, incidents, or other force majeure events, including at least the following: (i) If the obstacles cannot be resolved before the meeting, and the meeting needs to be postponed or continued, the date of the postponed or continued meeting. (ii) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting. (iii) If a video-assisted shareholders' meeting cannot continue, after deducting the number of shares represented by shareholders who participated via video conference, if the total number of shares represented at the meeting reaches the statutory quorum required to hold the meeting, the shareholders' meeting should continue, and the shares represented by shareholders participating via video conference should be counted towards the total number of shares represented. For all the resolutions of the shareholders' meeting, the shares represented by shareholders participating via video conference shall be deemed as abstentions. (iv) The handling method if all resolutions have been announced before any temporary motions.	(1) The methods for shareholders to participate in the video conference and exercise their rights. (2) The handling method for obstacles to the video conferencing platform or video conferencing participation caused by natural disasters, incidents, or other force majeure events, including at least the following: (i) If the obstacles cannot be resolved before the meeting, and the meeting needs to be postponed or continued, the date of the postponed or continued meeting. (ii) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting. (iii) If a video-assisted shareholders' meeting cannot continue, after deducting the number of shares represented by shareholders who participated via video conference, if the total number of shares represented at the meeting reaches the statutory quorum required to hold the meeting, the shareholders' meeting should continue, and the shares represented by shareholders participating via video conference should be counted towards the total number of shares represented. For all the resolutions of the shareholders' meeting, the shares represented by shareholders participating via video conference shall be	

Proposed Amendments	Current Provisions	Explanations
(3) The notice of the video conference shareholders' meeting should also include appropriate alternative measures for shareholders who have difficulty participating in the meeting via video conference. <u>Except in the circumstances set out in Paragraph 6 of Article 44-9 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall at least provide the shareholders with connection facilities and necessary assistance specifying the period during which shareholders may apply to the Company for and other related matters requiring attention.</u>	deemed as abstentions. (iv) The handling method if all resolutions have been announced before any temporary motions. (3) The notice of the video conference shareholders' meeting should also include appropriate alternative measures for shareholders who have difficulty participating in the meeting via video conference.	

Attachment 6

Jinli Group Holdings Limited

Comparison Table for Rules of Procedure for Board of Directors Meetings

Proposed Amendments	Current Provisions	Explanations
6.3.6 If one-half of all directors are not in attendance at the appointed meeting time, the chair may announce <u>that the meeting time will be postponed on the same day</u>, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 6.1.2.	6.3.6 If one-half of all directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 6.1.2.	To avoid disputes arising from uncertainty as to when a meeting of the board will be held when postponed, the amended provision expressly provides in the event quorum is not constituted, the chairman may declare the meeting to be postponed on the same day.
6.6.1.4 During the proceedings of a board meeting, if the chair is unable to chair the meeting or fails to declare the meeting closed as provided in Article 6.6.1.2, the provisions of Article 6.3.2 shall apply mutatis mutandis to the selection of the deputy to act in place thereof.	6.6.1.4 N/A	For practical considerations and to avoid disrupting the operation of the board of directors, if the chairman is unable to preside over the board meeting or does not adjourn the board meeting in accordance with the regulations, the newly added provision stipulates the method of selecting a deputy whereby the chairman shall designate one of the managing directors to act as a deputy; if there is no managing director, one of the directors shall be designated to act as a deputy; and if the chairman has not designated a deputy, the managing directors or directors shall select one person from among themselves to serve as a deputy.

IV. Appendix

**THE COMPANIES LAW
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**TWELFTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF
ASSOCIATION
OF**

Jinli Group Holdings Limited

-Incorporated on December 15, 2010-

(as adopted by a Special Resolution dated June 21, 2023)

**THE COMPANIES LAW (REVISION)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**TWELFTH AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION
OF**

Jinli Group Holdings Limited

(as adopted by a Special Resolution dated June 21, 2023)

- 1 The name of the Company is Jinli Group Holdings Limited.
- 2 The registered office of the Company shall be at the offices of Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, or at such other place as the Directors may from time to time decide.
- 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 the Companies Law (Revision) or as the same may be revised from time to time, or any other law of the Cayman Islands.
- 4 When conducting business, the Company shall comply with the laws and regulations as well as business ethics, and may take actions that will promote public interests in order to fulfil its social responsibilities.
- 5 The liability of each Member is limited to the amount from time to time unpaid on such Member's shares.
- 6 The authorised capital of the Company is NT\$3,000,000,000, divided into 300,000,000 shares of NT\$10.00 each, provided always that subject to the provisions of the Companies Law (Revision) as amended and the Articles of Association, the Company shall have power to redeem or purchase any or all of such shares and to sub-divide or consolidate the said shares of any of them and to issue all or any part of its capital whether 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.
- 7 The Company has power to register by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.
- 8 Capitalised terms that are not defined in this Memorandum of Association bear the same meaning as those given in the Articles of Association of the Company.

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**THE COMPANIES LAW (REVISION)
OF THE CAYMAN ISLANDS
COMPANY LIMITED BY SHARES**

**TWELFTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
Jinli Group Holdings Limited**

(as adopted by a Special Resolution dated June 21, 2023)

1 Interpretation

- 1.1 In the Articles Table A in the First Schedule to the Statute does not apply and, unless there is something in the subject or context inconsistent therewith:

**“Applicable Public
Company Rules”**

means the R.O.C. laws, rules and regulations affecting public reporting companies or companies listed on any R.O.C. stock exchange or securities market, including, without limitation, the relevant provisions of the Company Act, Securities and Exchange Act, the Business Mergers and Acquisitions Act, the rules and regulations promulgated by the Ministry of Economic Affairs, the rules and regulations promulgated by R.O.C. securities authority, the rules and regulations promulgated by the TWSE and the Acts Governing Relations Between Peoples of the Taiwan Area and the Mainland Area and its relevant regulations.

“Annual Net Income”

means the audited annual net profit of the Company in respect of the applicable year.

"Articles"

means these articles of association of the Company.

"Company"

means the above named company.

"Directors"

means the directors for the time being of the Company (which, for clarification, includes any and all Independent Director(s)).

"Dividend"

includes an interim dividend.

"Electronic Record"

has the same meaning as in the Electronic Transactions Law.

**"Electronic Transactions
Law"**

means the Electronic Transactions Law (Revised) of the Cayman Islands.

“Independent Directors”	means the Directors who are elected by the Members at a general meeting and designated as “Independent Directors” for the purpose of the Applicable Public Company Rules which are in force from time to time.
"Market Observation Post System"	means the public company reporting system maintained by the TWSE, via http://mops.twse.com.tw/ .
"Member"	has the same meaning as in the Statute.
"Memorandum"	means the memorandum of association of the Company.
“Merger”	means a transaction whereby (i) all of the companies participating in such transaction are dissolved, and a new company is incorporated to generally assume all rights and obligations of the dissolved companies or (ii) all but one company participating in such transaction are dissolved, and the surviving company generally assumes all rights and obligations of the dissolved companies, and in each case the consideration for the transaction being the shares of the surviving or newly incorporated company or any other company, cash or other assets.
"Ordinary Resolution"	means a resolution passed by a simple majority of votes cast by the Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting.
"Private Placement"	means obtaining subscriptions for, or the sale of, Shares, options, warrants, rights of holders of debt or equity securities which enable those holders to subscribe further securities (including Shares), or other securities of the Company, either by the Company itself or a person authorized by the Company, primarily from or to specific investors or approved by the Company or such authorized person, but excluding any employee incentive programme or subscription agreement, warrant, option or issuance of Shares under Article 11 of these Articles.
"Register of Members"	means the register maintained in accordance with the Statute and includes (except where otherwise stated) any duplicate Register of Members.
"Remuneration Committee"	means a committee established by the Directors in accordance with Article 32.8.
"Registered Office"	means the registered office for the time being of the Company.
“R.O.C.”	means the Republic of China.
"Seal"	means the common seal of the Company and includes

	every duplicate seal.
"Share" and "Shares"	means a share or shares in the Company.
"Share Certificate" and "Share Certificates"	means a certificate or certificates representing a Share or Shares.
"Share Exchange"	means the acquired company transfers all its issued shares to the acquiring company in exchange for shares, cash or other assets in that company as the consideration for shareholders of the acquired company.
"Solicitor"	means any Member, a trust enterprise or a securities agent mandated by Member(s) who solicits an instrument of proxy from any other Member to appoint him/it as a proxy to attend and vote at a general meeting instead of the appointing Member pursuant to the Applicable Public Company Rules.
"Special Resolution"	means a resolution passed by a majority of not less than two-thirds of votes cast by such Members as, being entitled so to do, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as special resolution has been duly given.
"Spin-off"	refers to an act wherein a transferor company transfers all of its independently operated business or any single independently operated business to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to give shares, cash or other assets as consideration to the transferor company or to shareholders of the transferor company.
"Statute"	means the Companies Law (2020 Revision) of the Cayman Islands.
"Subsidiary" and "Subsidiaries"	means (i) a subordinate company in which the total number of voting shares or total share equity held by the Company represents more than one half of the total number of issued voting shares or the total share equity of such subordinate company; or (ii) a company in which the total number of shares or total share equity of that company held by the Company, its subordinate companies and its controlled companies, directly or indirectly, represents more than one half of the total number of issued voting shares or the total share equity of such company.
"Supermajority Resolution"	means (i) a resolution adopted by a majority vote of the Members present and entitled to vote on such resolution at a general meeting attended in person or by proxy by Members who represent two-thirds or more of the total

outstanding Shares of the Company or (ii) if the total number of Shares represented by the Members present at the general meeting is less than two-thirds of the total outstanding Shares of the Company, but more than half of the total outstanding Shares of the Company, a resolution adopted at such general meeting by the Members who represent two-thirds or more of the Shares present and entitled to vote on such resolution.

“TPEx”

means the Taipei Exchange.

“TDCC”

means the Taiwan Depository & Clearing Corporation.

“Treasury Shares”

means Shares that have been purchased by the Company and have not been cancelled but have been held continuously by the Company since they were purchased, in accordance with the Statute.

“TWSE”

means the Taiwan Stock Exchange Corporation.

1.2 In the Articles:

- (a) words importing the singular number include the plural number and vice versa;
- (b) words importing the masculine gender include the feminine gender;
- (c) words importing persons include corporations;
- (d) "written" and "in writing" include all modes of representing or reproducing words in visible form, including in the form of an Electronic Record;
- (e) references to provisions of any law or regulation shall be construed as references to those provisions as amended, modified, re-enacted or replaced from time to time;
- (f) any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (g) headings are inserted for reference only and shall be ignored in construing the Articles; and
- (h) Section 8 of the Electronic Transactions Law shall not apply.

2 Commencement of Business

- 2.1 The business of the Company may be commenced as soon after incorporation as the Directors shall see fit.
- 2.2 The Directors may pay, out of the capital or any other monies of the Company, all expenses incurred in or about the formation and establishment of the Company, including the expenses of registration.

3 Issue of Shares

- 3.1 Subject to the provisions, if any, in the Statute, the Memorandum, the Articles and Applicable Public Company Laws (and to any direction that may be given by the Company in general meeting) and without prejudice to any rights attached to any existing Shares, the Directors may allot, issue, grant options over or otherwise dispose of Shares with or without preferred, deferred or other rights or restrictions, whether in regard to Dividend, voting, return of capital or otherwise and to such persons, at such times and on such other terms as they think proper, and the Company shall have power to redeem or purchase any or all of such Shares and to sub-divide or consolidate the said Shares of any of them and to issue all or any part of its capital whether 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.
- 3.2 The Company shall not issue Shares to bearer.
- 3.3 The Company shall not issue any unpaid Shares or partly paid-up Shares. For the avoidance of doubt, a subscriber who fails to pay up the Shares pursuant to Article 3.5 will not be considered as a Member until the Shares to be subscribed for are paid in full, and only if the Shares subscribed for by the subscriber have been paid in full may the subscriber's name be entered in the Register of Members.
- 3.4 The Company shall neither issue Shares without par value nor convert its Shares from Shares with par value to Shares without par value.
- 3.5 When the total number of Shares in every issuance has been subscribed to in full, the Company shall immediately request each of the subscribers for payment. Where the Company issues Shares at a premium, the amount in excess of par value shall be collected at the same time with the payment for Shares. Where a subscriber delays payment for Shares as mentioned above, the Company shall prescribe a period of not less than one (1) month and call upon each subscriber to pay up, declaring that in case of default of payment within that prescribed period the subscriber's right shall be forfeited. After the Company have made the

aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the Shares subscribed to by them shall be otherwise sold. Under such circumstances, the Company may hold the subscriber liable for compensating the damage, if any, resulting from such default in payment.

4 Register of Members

- 4.1 The Directors shall keep, or cause to be kept, the Register of Members at such place as the Directors may from time to time determine and, in the absence of any such determination, the Register of Members shall be kept at the Registered Office.
- 4.2 If the Directors consider it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Directors think fit. The principal register and the branch register(s) shall together be treated as the Register of Members for the purposes of the Articles.
- 4.3 For so long as any Shares are listed on the TWSE, title to such listed Shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the TWSE that are or shall be applicable to such listed Shares and the Register of Members maintained by the Company in respect of such listed Shares may be kept by recording the particulars required by section 40 of the Statute in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the TWSE that are or shall be applicable to such listed Shares.
- 4.4 The board of Directors or any other authorized conveners of general meetings of the Company may request that the Company or the Company's securities agent provide a copy of the Register of Members for inspection.

5 Closing Register of Members or Fixing Record Date

- 5.1 For the purpose of determining Members entitled to notice of, or to vote at any meeting of Members or any adjournment thereof, or Members entitled to receive payment of any Dividend, or in order to make a determination of Members for any other purpose, the Directors shall determine the period that the Register of Members shall be closed for transfers and such period shall not be less than the minimum period of time as prescribed by the Applicable Public Company Rules.
- 5.2 Subject to Article 5.1 hereof, in lieu of, or apart from, closing the Register of Members, the Directors may fix in advance or arrears a date as the record date for any such determination of Members entitled to notice of, or to vote at any meeting of the Members or any adjournment thereof, or for the purpose of determining the Members entitled to receive payment of any Dividend or in order to make a determination of Members for any other purpose. In the event the Directors designate a record date in accordance with this Article 5.2, the Directors shall make a public announcement of such record date via the Market Observation Post System in accordance with the Applicable Public Company Rules.
- 5.3 The rules and procedures governing the implementation of book closed periods, including notices to Members in regard to book closed periods, shall be in accordance with policies adopted by the Directors from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.

6 Share Certificates

- 6.1 Subject to the provisions of the Statute, the Company shall issue Shares without printing Share Certificates for the Shares issued, and the details regarding such issue of Shares shall be recorded by TDCC in accordance with the Applicable Public Company Rules. A Member shall only be entitled to a Share Certificate if the Directors resolve that Share Certificates

shall be issued. Share Certificates, if any, shall be in such form as the Directors may determine. Share Certificates shall be signed by one or more Directors authorised by the Directors. The Directors may authorise Share Certificates to be issued with the authorised signature(s) affixed by mechanical process. All Share Certificates shall be consecutively numbered or otherwise identified and shall specify the Shares to which they relate. All Share Certificates surrendered to the Company for transfer shall be cancelled and subject to the Articles. No new Share Certificate shall be issued until the former Share Certificate representing a like number of relevant Shares shall have been surrendered and cancelled.

- 6.2 In the event that the Directors resolve that Share Certificates shall be issued pursuant to Article 6.1 hereof, the Company shall deliver the Share Certificates to the subscribers within thirty days from the date such Share Certificates may be issued pursuant to the Statute, the Memorandum, the Articles and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such Share Certificates pursuant to the Applicable Public Company Rules.
- 6.3 [intentionally deleted]
- 6.4 If a Share Certificate is defaced, worn out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and on the payment of such expenses reasonably incurred by the Company in investigating evidence, as the Directors may prescribe, and (in the case of defacement or wearing out) upon delivery of the old Share Certificate.

7 Preferred Shares

- 7.1 The Company may issue Shares with rights which are preferential to those of ordinary Shares issued by the Company ("Preferred Shares") with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors and with the approval of a Special Resolution.
- 7.2 Prior to the issuance of any Preferred Shares approved pursuant to Article 7.1 hereof, the Articles shall be amended to set forth the rights and obligations of the Preferred Shares, including but not limited to the following terms, and provided that such rights and obligations of the Preferred Shares shall not contradict the mandatory provisions of Applicable Public Company Rules regarding the rights and obligations of such Preferred Shares, and the same shall apply to any variation of rights of Preferred Shares:
- (a) Order, fixed amount or fixed ratio of allocation of Dividends and bonus on Preferred Shares;
 - (b) Order, fixed amount or fixed ratio of allocation of surplus assets of the Company;
 - (c) Order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of preferred Members;
 - (d) Other matters concerning rights and obligations incidental to Preferred Shares; and
 - (e) The method by which the Company is authorized or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply.

8 Issuance of New Shares

- 8.1 The issue of new Shares of the Company shall be approved by a majority of the Directors present 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 capital of the Company.
- 8.2 Unless otherwise resolved by the Members in general meeting by Ordinary Resolution, where the Company increases its capital by issuing new Shares for cash, the Company shall make a public announcement and notify each Member that he/she/it is entitled to exercise a pre-emptive right to purchase his/her/its pro rata portion of any new Shares issued in the capital increase in cash. A waiver of such pre-emptive right may be approved at the same general meeting where the subject issuance of new Shares is approved by the Members. The

Company shall state in such announcement and notices to the Members that if any Member fails to purchase his/her/its pro rata portion of the newly-issued Shares within the prescribed period, such Member shall be deemed to forfeit his/her/its pre-emptive right to purchase the newly-issued Shares. Subject to Article 6.3, in the event that Shares held by a Member are insufficient for such Member to exercise the pre-emptive right to purchase one newly-issued Share, Shares held by several Members may be calculated together for joint purchase of newly-issued Shares or for purchase of newly-issued Shares in the name of a single Member pursuant to the Applicable Public Company Rules. If the total number of the new Shares to be issued has not been fully subscribed by the Members within the prescribed period, the Company may offer any un-subscribed new Shares to be issued to the public in Taiwan or to specific person or persons according to the Applicable Public Company Rules.

8.3 Where the Company in Taiwan:

- (a) increases its capital in cash by issuing new Shares, the Company shall allocate 10% of the total amount of the new Shares to be issued, for offering in Taiwan to the public unless it is not necessary or appropriate, as determined by the Directors according to the Applicable Public Company Rules and/or the instruction of the R.O.C. securities authority or TWSE, for the Company to conduct the aforementioned public offering. Provided however, if a percentage higher than the aforementioned 10% is resolved by a general meeting to be offered, the percentage determined by such resolution shall prevail.
- (b) issues new Shares, the Company may reserve 10% to 15% of the total amount of the new Shares to be issued for the subscription by the employees of the Company.

8.4 Members' rights to subscribe for newly-issued Shares may be transferred independently from the Shares from which such rights are derived. The rules and procedures governing the transfer of rights to subscribe for newly-issued Shares shall be in accordance with policies established by the Company from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.

8.5 The pre-emptive right provided under Article 8.2 and Article 8.3(b) 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 with another company, or the Spin-off of the Company, or pursuant to any reorganization of the Company save as otherwise provided by the Articles; (b) in connection with meeting the Company's obligations under employee Share subscription warrants and/or options, including those referenced in Article 11; (c) in connection with distribution of compensation to employees of the Company; (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 Share subscription warrants or Preferred Shares vested with rights to acquire Shares; or (f) in connection with issuance of new Shares to the existing Members by capitalisation of the Company's capital reserve in accordance with the Articles.

8.6 (1) Article 8.2 and Article 8.3 shall not apply to any of the following conditions:

- (a) the Company, as the surviving company, issues new Shares for a Merger, or the Company issues new Shares for the Merger between its Subsidiary and other companies;
- (b) all new Shares are issued as consideration for being acquired by the other company with the intention of takeover;
- (c) all new Shares are issued as consideration for the acquisition of issued shares, business, or assets of other companies;
- (d) new Shares are issued for the Share Exchange;
- (e) new Shares are issued for a Spin-off effected by the transferor company;
- (f) new Shares are issued in connection with Private Placement under Article 8.8; or
- (g) new Shares are issued in connection with any other event otherwise prohibited, limited,

restricted or exempted to so apply pursuant to the Statute and/or Applicable Public Company Rules.

(2) New Shares issued for any of the circumstances in the preceding paragraph may be paid up in cash or assets as required for the business of the Company.

- 8.7 The periods of notice and other rules and procedures for notifying Members and implementing the exercise of the Members' pre-emptive rights shall be in accordance with policies established by the Directors from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.
- 8.8 Subject to the Applicable Public Company Rules, the Company may, with the sanction of a Supermajority Resolution, conduct a Private Placement with any of the following persons in the R.O.C.:
- (a) banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other entities or institutions approved by R.O.C. securities authority;
 - (b) persons, entities or funds meeting the conditions prescribed by R.O.C. securities authority;
 - or
 - (c) directors, supervisors, officers and managers of the Company or its affiliated enterprises.

9 Transfer of Shares

- 9.1 Subject to the Statute and the Applicable Public Company Rules, Shares issued by the Company shall be freely transferable, provided that any Shares issued to the employees of the Company in accordance with Article 8.3(b) may be subject to transfer restrictions for a period of not longer than two years, in each case as the Directors may determine in their discretion.
- 9.2 Subject to these Articles and the Applicable Public Company Rules, any Member may transfer all or any of his Shares by an instrument of transfer.
- 9.3 The transferor shall be deemed to remain the holder of a Share until the name of the transferee is entered in the Register of Members.
- 9.4 Notwithstanding Article 9.2 above, transfers of Shares which are listed on the TWSE may be effected by any method of transferring or dealing in securities permitted by the TWSE which is in accordance with the Applicable Public Companies Rules and which has been approved by the board of Directors for such purpose.

10 Repurchase of Shares

- 10.1 Subject to the provisions of the Statute, the Applicable Public Company Rules, the Memorandum and these Articles, the Company may repurchase its own Shares on such terms as are approved by resolutions of the Directors passed at a meeting of the board of Directors attended by more than two-thirds of members of the board and approved by a majority of the Directors present at such meeting, provided that any such repurchase shall be in accordance with the Applicable Public Company Rules. The resolutions of Directors approving a purchase of Shares, the implementation of such resolutions, and the failure of any purchase of Shares as approved by such resolutions (if any) shall be reported to the Members at the next general meeting.
- 10.2 The Company may make a payment in respect of the repurchase of its own Shares in any manner permitted by the Statute and the Applicable Public Company Rules.
- 10.3 Shares that the Company purchases may, at the option of the Company, be immediately cancelled or held as Treasury Shares in accordance with the Statute and Applicable Public Company Rules. In the event that the Directors do not specify that the relevant Shares are to be held as Treasury Shares, such Shares shall be cancelled.
- 10.4 Subject to the Statute, for so long as the Company holds Treasury Shares:
- (a) the Company shall be entered in the Register as holding the Treasury Shares;
 - (b) 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;
- (c) 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 these Articles or the Statute; and
 - (d) 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) may be made to the Company, in respect of a Treasury Share.
- 10.5 For so long as any Shares are listed on the TWSE, subject to the Statute, except purchases of Shares carried out pursuant to Article 10.7(1), the number of Shares to be purchased by the Company from time to time shall not exceed ten percent (10%) of the total number of issued and outstanding Shares; the total amount of the shares to be purchased by the Company shall not exceed the aggregate amount of retained earnings, premium on capital stock, and realized capital reserve.
- 10.6 (1) Where the Company holds Treasury Shares, the Company may, in accordance with the Statute:
- (a) cancel any or all of the Treasury Shares; or
 - (b) transfer any or all of the Treasury Shares to the employees of the Company or its Subsidiaries, the terms of such transfer and qualifications of such employees shall be determined by the Directors, subject to Article 11.6. The Directors may impose a lock-up period restricting the transfer of any Treasury Shares transferred to the employees pursuant to this Paragraph (1) for a term of up to two (2) years.
- (2) A sum equal to the consideration (if any) received by the Company pursuant to the transfer of Treasury Share(s) shall be credited in accordance with the Statute.
- 10.7 (1) Subject to the Statute, the Company may carry out a compulsory purchase and cancellation of its Shares on a pro rata basis (rounded up or down to the nearest whole number) among the Shareholders in proportion to the number of Shares held by each such Shareholder subject to approval by a Special Resolution. The purchase price payable to the Shareholders in connection with a purchase of Shares described in the preceding sentence may be paid in cash or in kind. Any purchase price to be paid in kind shall be subject to approval by a Special Resolution and shall be subject to individual consent by the Shareholder(s) receiving such payment in kind. Prior to convening the general meeting for approving such purchase of Shares, the Directors shall determine the monetary equivalent value of any purchase price to be paid in kind and have such value audited and certified by a certified public accountant in the R.O.C.
- (2) For the avoidance of doubt, where the proposed purchase and cancellation of Shares is not on a compulsory basis, subject to the Statute, the Directors are empowered to authorize and carry out such repurchase without approval by Special Resolution in accordance with the preceding paragraph.

11 Employee Incentive Programme

- 11.1 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 incentive programmes and may issue Shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries. The rules and procedures governing such incentive programme(s) shall be in accordance with policies established by the Directors from time to time in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.
- 11.2 Options, warrants or other similar instruments issued in accordance with Article 11.1 above are not transferable save by inheritance.
- 11.3 The Company may enter into share option agreements with employees of the Company and

the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 11.1 above, whereby employees may subscribe, within a specific period of time, 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 programme.

- 11.4 Directors of the Company and its Subsidiaries shall not be eligible for the employee incentive programmes under this Article 11, provided that directors who are also employees of the Company or its Subsidiaries may participate in an employee incentive programme in their capacity as an employee and not as a director of the Company or its Subsidiaries. For the avoidance of doubt, directors' participation in an employee incentive programme in their capacity as an employee shall be approved by the Remuneration Committee.
- 11.5 The Company may, with the authority of a Supermajority Resolution, issue new Shares to employees of the Company and/or its Subsidiaries subject to any restrictions and conditions as approved by such Supermajority Resolution provided that Article 8.2 and Article 8.3 hereof shall not apply in respect of the issue of such Shares. In respect of the issuance of Shares to employees in the preceding sentence, the number of Shares to be issued, issue price, issue conditions, restrictions and other matters shall be subject to the Applicable Public Company Rules and the Statute.
- 11.6 (1) Subject to Paragraph (2) of this Article, the Company may transfer Treasury Shares to the employees of the Company or its Subsidiaries for a price that is below the average price that the Company has paid to purchase such Treasury Shares (the "Discount Transfer") only with the approval of a Special Resolution passed at the immediate preceding general meeting of the Company, provided that the following matters shall be specified in the notice of such general meeting with the description of their major contents, and shall not be proposed as ad hoc motions:
- (a) the transfer price of the Treasury Shares as determined by the Directors, the discount rate used for the Discount Transfer, and the calculation basis of the Discount Transfer, and the basis of such determination;
 - (b) the amount of the Treasury Shares to be transferred pursuant to, and the purpose of, the Discount Transfer, and the basis of such determination;
 - (c) the qualification and terms of the employees to whom the Treasury Shares are transferred and the amount of Treasury Shares for which such employees may subscribe pursuant to the Discount Transfer;
 - (d) matters that the Directors are of the opinion that may affect Shareholders' rights, including:
 - (i) any expenses that may be incurred and dilution of per share profit, if any, due to the Discount Transfer in accordance with the Applicable Public Company Rules; and
 - (ii) any burden on the Company caused by the Discount Transfer in accordance with the Applicable Public Company Rules.
- (2) The total aggregate amount of the Treasury Shares that are transferred to the employees pursuant to the Discount Transfer in accordance with Paragraph (1) of this Article shall not exceed five percent (5%) of the total number of issued and outstanding Shares of the Company, and the aggregate amount of the Treasury Shares transferred to each employee shall not exceed point five percent (0.5%) of the total number of issued and outstanding Shares of the Company.

12 Variation of Rights of Shares

- 12.1 If at any time the share capital of the Company 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 Special Resolution passed at a general meeting of the holders of the Shares of that 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 and shall also be adopted by a Special Resolution passed at a separate meeting of Members of that class of Shares.

12.2 The provisions of the Articles relating to general meetings shall apply to every class meeting of the holders of the same class of the Shares.

12.3 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.

13 Transmission of Shares

13.1 If a Member dies, the survivor or survivors where he was a joint holder, or his legal personal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest. The estate of a deceased Member is not thereby released from any liability in respect of any Share which had been jointly held by him.

13.2 Any person becoming entitled to a Share in consequence of the death or bankruptcy or liquidation or dissolution of a Member (or in any way other than by transfer) shall give written notice to the Company and, upon such evidence being produced as may from time to time be required by the Directors, may elect, by a notice in writing sent by him, either to become the holder of such Share or to have some person nominated by him become the holder of such Share.

14 Amendments of Memorandum and Articles of Association and Alteration of Capital

14.1 Subject to the provisions of the Statute and the provisions of these Articles as regards the matters to be dealt with by Ordinary Resolution, the Company may by Special Resolution:

- (a) change its name;
- (b) alter or add to these 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; and
- (e) increase its authorised share capital by such sum as the resolution shall prescribe or cancel any Shares that at the date of the passing of the resolution have not been taken or agreed to be taken by any person, provided that in the event of any change to its authorised share capital, the Company shall also procure the amendment of its Memorandum by the Members to reflect such change.

14.2 Subject to the provisions of the Statute and the Applicable Public Company Rules, the Company shall not, without a Supermajority Resolution:

- (a) sell, transfer or lease of whole business of the Company or other matters which has a material effect on the Members' rights and interests;
- (b) discharge or remove any Director;
- (c) approve any action by one or more Director(s) who is engaging in business conduct for him/herself or on behalf of another person that is within the scope of the Company's business;
- (d) effect any capitalization of distributable Dividends and/or bonuses and/or any other amount prescribed under Article 35 hereof;
- (e) effect any Merger, Spin-off or Private Placement, provided that any Merger which falls within the definition of "merger and/or consolidation" under the Statute shall also be subject to the requirements of the Statute;

- (f) enter into, amend, or terminate any agreement for lease of the Company's whole business, or for entrusted business, or for frequent joint operation with others;
 - (g) transfer its business or assets, in whole or in any essential part, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company; or
 - (h) acquire or assume the whole business or assets of another person, which has material effect on the Company's operation;
 - (i) issue new Shares to employees of the Company and/or its Subsidiaries subject to any restrictions and conditions as approved by such Supermajority Resolution;
 - (j) enter into any Share Exchange;
 - (k) apply for the approval of ceasing the status as a public company; and
 - (l) capitalisation of the Company's capital reserve, by issuing new Shares and/or cash to its existing Members in proportion to the number of shares being held by each of them in accordance with Article 34.2 hereunder.
- 14.3 Subject to the provisions of the Statute, the provisions of these Articles, and the quorum requirement under the Applicable Public Company Rules, with regard to the dissolution procedures of the Company, the Company shall pass
- (a) an Ordinary Resolution, if the Company resolves that it be wound up voluntarily because it is unable to pay its debts as they fall due; or
 - (b) a Special Resolution, if the Company resolves that it be wound up voluntarily for reasons other than the reason stated in Article 14.3(a) above.
- 14.4 Notwithstanding anything contained in these Articles, subject to the Statute and the Applicable Public Company Rules, in case the Company is dissolved after participating in the Merger or the Company is delisted from the TWSE due to the general assignment (or the assignment of all rights and delegation of all duties of the Company), the transfer of business or assets of the Company, any Share Exchange or any Spin-off entered into or carried out by the Company while the surviving, transferee, existing or newly incorporated company is not a listed company (including TWSE/TPEX listed company), any such action aforementioned shall be approved by the affirmative vote of at least two-thirds (2/3) of the total votes cast by the Members of the Company.

15 Registered Office

Subject to the provisions of the Statute, the Company may by resolution of the Directors change the location of its Registered Office.

16 General Meetings

- 16.1 All general meetings other than annual general meetings shall be called extraordinary general meetings.
- 16.2 The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, and shall specify the meeting as such in the notices calling it. At these meetings, the report of the Directors (if any) shall be presented.
- 16.3 The Company shall hold an annual general meeting every year.
- 16.4 The general meetings shall be held at such time and place as the Directors shall appoint provided that unless otherwise provided by the Statute or this Article 16.4, the general meetings to be held in physical locations shall be held in Taiwan. For general meetings to be held in physical locations outside Taiwan, the Company shall comply with the relevant procedures and approvals prescribed by the relevant authority in Taiwan. Where a general meeting is to be held outside Taiwan, the Company shall engage a professional securities agent in Taiwan to handle the administration of such general meeting (including but not limited to the handling of the voting of proxies submitted by Members).

- 16.5 The Directors may call general meetings, and they shall on a Members requisition forthwith proceed to convene an extraordinary general meeting of the Company.
- 16.6 A Members requisition is a requisition of Member(s) of the Company holding at the date of deposit of the requisition not less than 3% of the total number of the issued Shares at the time of requisition and whose Shares shall have been continuously held by such Member(s) for at least one year.
- 16.7 The requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor and must be signed by the requisitionists and deposited at the Registered Office, and may consist of several documents in like form each signed by one or more requisitionists.
- 16.8 If the Directors do not within fifteen days from the date of the deposit of the requisition dispatch the notice of an extraordinary general meeting, the requisitionists may themselves convene an extraordinary general meeting.
- 16.9 Any one or more Member(s) continuously holding more than half of the total issued Shares of the Company for a period of no less than three months may convene an extraordinary general meeting. The number of Shares held by such Member or Members and the holding period of which such Member or Members hold such Shares shall be calculated and determined based on the Register of Members as of the first day of the relevant book closed period.

17 Notice of General Meetings

- 17.1 At least thirty days' notice to each Member shall be given of any annual general meeting, and at least fifteen days' notice to each Member shall be given of any extraordinary general meeting. Every notice shall be exclusive of the day on which it is given or deemed to be given and of the day for which it is given and shall specify the place, the day and the hour of the meeting and the general nature of the business and shall be given in the manner hereinafter mentioned, or be given via electronic means if agreed thereon by the Members, or be given in such other manner, if any, as may be prescribed by the Company, provided that a general meeting of the Company shall, whether or not the notice specified in this regulation has been given and whether or not the provisions of the Articles regarding general meetings have been complied with, be deemed to have been duly convened if it is so agreed by all the Members (or their proxies) entitled to attend such general meeting.
- 17.2 The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any Member entitled to receive notice shall not invalidate the proceedings of that general meeting.
- 17.3 The Company shall send materials relating to the matters to be discussed in the meetings together with the notice, in accordance with Article 17.1 hereof, and shall transmit the same via the Market Observation Post System. The Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials, which will be sent to or made available to all Members and shall be transmitted to the Market Observation Post System twenty-one days prior to the scheduled date of the relevant annual general meeting and fifteen days prior to the scheduled date of the relevant extraordinary general meeting in accordance with Applicable Public Company Rules. However, in the event the Company's total paid-in capital as of the close of the most recent financial year reaches NT\$10 billion or more, or when the aggregate number of Shares held by the foreign investors and Mainland Chinese investors reached thirty percent (30%) or more as recorded in the Register of Members at the time of holding of the general meeting in the most recent financial year, the Company shall transmit the electronic files of the abovementioned meeting handbook and relevant materials thirty days prior to the scheduled date of the relevant annual general meeting.
- 17.4 Matters pertaining to (a) election or discharge of Directors, (b) alteration of the Articles, (c) (i)

dissolution, Merger or Spin-off, (ii) entering into, amending, or terminating any contract for lease of the Company's business in whole, or the delegation of management of the Company's business to others or the regular joint operation of the Company with others, (iii) transfer of the whole or any material part of the business or assets of the Company, (iv) acceptance of the transfer of the whole business or assets of another person, which has a material effect on the business operation of the Company, (d) (i) ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company's business, (e) (i) distribution of the whole or a part of the surplus profit of the Company in the form of new Shares, (ii) capitalization of statutory reserve and any share premium account and/or the income from endowments received by the Company in the capital reserve, by issuing new Shares and/or cash to the Members (f) the Private Placement of any equity-type securities issued by the Company, (g) any capital reduction or compulsory purchase and cancellation of Shares pursuant to Article 10.7, (h) applying for the approval of ceasing the status as a public company, and (i) Share Exchange, shall be indicated in the notice of general meeting, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion; the material contents may be posted on the website designated by the R.O.C. securities authorities or the Company, and such website shall be indicated in the notice.

- 17.5 The board of Directors shall keep the Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the office of the Company's registrar (if applicable) and the Company's securities agent located in Taiwan. The Members may request, from time to time, by submitting document(s) evidencing his/her interests involved and indicating the designated scope of the inspection, access to inspect, review, transcribing or make copies of the foregoing documents; the Company shall make its securities agent provide the above documents.
- 17.6 The Company shall make all statements and records prepared by the board of Directors and the report prepared by the audit committee, if any, available at the office of its registrar (if applicable) and its securities agent located in Taiwan in accordance with Applicable Public Company Rules and the Statute. 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 an inspection and review.

18 Proceedings at General Meetings

- 18.1 No business shall be transacted at any general meeting unless a quorum is present. Unless otherwise provided in the Articles, Members present in person or by proxy, representing more than one-half of the total outstanding Shares, shall constitute a quorum for any general meeting.
- 18.2 The board of Directors shall submit business reports, financial statements and proposals for distribution of profits or covering of losses prepared by it for the purposes of annual general meetings of the Company for ratification or approval by the Members as required by the Applicable Public Company Rules. After ratification or approval by the general meeting, the board of Directors shall distribute to each Member copies of the ratified financial statements and the Company's resolutions on the allocation and distribution of profits or covering of loss or make a public announcement of the same in accordance with the Applicable Public Company Rules.
- 18.3 Unless otherwise expressly provided herein and subject to the Applicable Public Company Rules, if a quorum is not present at the time appointed for the general meeting or if during such a general meeting a quorum ceases to be present, the chairman may postpone the general meeting to a later time, provided, however, that the maximum number of times a general meeting may be postponed shall be two and the total time postponed shall not exceed

- one hour. If the general meeting has been postponed for two times, but at the postponed general meeting a quorum is still not present, the chairman shall declare the general meeting is dissolved, and if it is still necessary to convene a general meeting, it shall be reconvened as a new general meeting in accordance with the Articles.
- 18.4 If a general meeting is called by the Directors, the chairman of the Directors shall preside as the chair of such general meeting. In the event that the chairman is on a leave of absence, or is unable to exercise his powers and authorities, the vice chairman of the Directors shall act in lieu of the chairman. If there is no vice chairman of the Directors, or if the vice chairman of the Directors is also on leave of absence, or cannot exercise his powers and authorities, the chairman shall designate a Director to chair such general meeting. If the chairman does not designate a proxy or if such chairman's proxy cannot exercise his powers and authorities, the Directors who are present at the general meeting shall elect one 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 Directors, the person(s) who has called the meeting shall preside as the chair of 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.
- 18.5 A resolution put to the vote of the meeting shall be decided on a poll. No resolution put to the vote of the meeting shall be decided by a show of hands. In computing the required majority when a poll is demanded regard should be had to the number of votes to which each Member is entitled by the Articles.
- 18.6 In the case of an equality of votes, the chairman shall not be entitled to a second or casting vote.
- 18.7 Nothing in the Articles shall prevent any Member from issuing proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the improper convening of any general meeting or the improper passage of any resolution. The Taipei District Court, R.O.C., shall be the court of the first instance for adjudicating any disputes arising out of the foregoing.
- 18.8 Unless otherwise expressly required by the Statute, 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.
- 18.9 Member(s) holding 1% or more of the total number of issued Shares immediately prior to the relevant book closed period may propose to the Company a proposal for discussion at an annual general meeting in writing or by way of electronic transmission to the extent and in accordance with the rules and procedures of general meetings proposed by the Directors and approved by an Ordinary Resolution. The board of Directors shall include a proposal submitted by Member(s) unless: (a) the proposing Member(s) holds less than 1% of the total number of issued Shares, (b) where the matter of such proposal may not be resolved by a general meeting, (c) the proposing Member has proposed more than one proposal, (d) the proposal contains more than three hundred words, or (e) such proposal is submitted on a day beyond the deadline announced by the Company for accepting the Member's proposals. If a proposal submitted by Member(s) is intended to urge the Company to promote public interests or fulfil its social responsibilities, the board of Directors may include the proposal notwithstanding that one of the circumstances set forth in the Paragraphs of this Article applies.
- 18.10 When a general meeting is held, a Member may participate in the general meeting through the medium of video conference call or any other form of communications designated and announced by the competent authority set forth in the Company Act of the R.O.C.; provided that in case of calamities, unforeseen incidents, or force majeure, the competent authority set forth in the Company Act of the R.O.C. may announce and designate that during a prescribed period the Company shall hold a general meeting by means of video conference call or any

other form of communications without regard to lack of express provisions in these Articles. With respect to participation of a general meeting through the medium of video conference call, the Company shall comply with the conditions, operating procedures and other matters prescribed by the Applicable Public Company Rules. A Member participating in the way prescribed hereunder is deemed to be present in person at the general meeting.

19 Votes of Members

- 19.1 Subject to any rights or restrictions attached to any Shares, every Member who is present in person or by proxy shall have one vote for every Share of which he is the holder.
- 19.2 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 all calls or other monies then payable by him in respect of Shares have been paid.
- 19.3 Any objection raised to the qualification of any voter by a Member having voting rights shall be referred to the chairman whose decision shall be final and conclusive.
- 19.4 Votes may be cast either personally or by proxy. A Member may appoint only one proxy under one instrument to attend and vote at a meeting.
- 19.5 A Member holding more than one Share is required to cast the votes in respect of his Shares in the same way on any resolution. Provided that a Shareholder who holds Shares for the 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 share he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other requirements for the casting of votes in such circumstances shall be in compliance with the Applicable Public Company Rules.
- 19.6 For so long as any Shares are listed on the TWSE, subject to the provisions of the Statute, the Company shall adopt the electronic transmission as one of the methods for exercising the voting power of a Member unless R.O.C. securities authority requires otherwise. Where these methods of exercising voting power are to be available at a general meeting, they shall be described in the general meeting notice given to the Members in respect of the relevant general meeting. A Member exercising voting power by way of a written ballot or by way of an electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document; provided, however, that such appointment shall be deemed not to constitute the appointment of a proxy for the purposes of the Applicable Public Company Rules. The chairman, acting as proxy of a Member, shall not exercise the voting right of such Member in any way not stipulated in the written or electronic document, nor exercise any voting right in respect of any resolution revised at the meeting or any impromptu proposal at the meeting. A Member voting in such manner shall be deemed to have waived notice of, and the right to vote in regard to, any ad hoc resolution or amendment to the original agenda items to be resolved at the said general meeting; provided that if such member is present in person at the said general meeting, he shall be entitled to vote on any such ad hoc resolutions or amendment to the original agenda items.
- 19.7 A Member who has submitted a vote by written ballot or electronic transmission pursuant to Article 19.6 may, at least two (2) days prior to the date of the relevant general meeting, revoke such vote by written ballot or electronic transmission and such revocation shall constitute a revocation of the proxy deemed to be given to the chairman of the general meeting pursuant to Article 19.6. If a Member who has submitted a written ballot or electronic transmission pursuant to Article 19.6 does not submit such a revocation before the prescribed time, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 19.6 shall not be revoked and the chairman of the general meeting shall exercise the voting right of such Member in accordance with that proxy.

19.8 A Shareholder who elects to exercise voting power by way of a written ballot or an electronic transmission shall submit his vote to the Company in the manner specified in the notice of that meeting at least two (2) days prior to the meeting date. Whereas if two (2) or more such written ballot or electronic transmission are submitted to the Company, the first written ballot or transmission shall prevail unless it is expressly stated in the subsequent written ballot or electronic transmission that the original vote submitted by written ballot or electronic transmission be revoked.

20 Proxies

20.1 An instrument of proxy shall be in writing, be executed under the hand of the appointor or of his attorney duly authorised in writing, or, if the appointor is a corporation under the hand of an officer or attorney duly authorised for that purpose. A proxy need not be a Member of the Company.

20.2 Obtaining an instrument of proxy for attendance of general meetings shall be subject to the following conditions:

(a) the instrument of proxy shall not be obtained in exchange for money or any other interest, provided that this provision shall not apply to souvenirs for a general meeting distributed on behalf of the Company or reasonable fees paid by the Solicitor to any person mandated to handle proxy solicitation matters;

(b) the instrument of proxy shall not be obtained in the name of others; and

(c) an instrument of proxy obtained through solicitation shall not be used as a non-solicited instrument of proxy for attendance of a general meeting.

20.3 Except for the securities agent, a person shall not act as the proxy for more than thirty Members. Any person acting as proxy for three or more Members shall submit to the Company or its securities agent (a) a statement of declaration declaring that the instruments of proxy are not obtained for the purpose of soliciting on behalf of himself/herself or others; (b) a schedule showing details of such instruments of proxy; and (c) the signed or sealed instruments of proxy, in each case, five days prior to the date of the general meeting.

20.4 The Company may mandate a securities agent to act as the proxy for the Members for any general meeting provided that no resolution in respect of the election of Directors is proposed to be voted upon at such meeting. Matters authorized under the mandate shall be stated in the instructions of the instruments of proxy for the general meeting concerned. A securities agent acting as the proxy shall not accept general authorisation from any Member, and shall, within five days after each general meeting of the Company, prepare a compilation report of general meeting attendance by proxy comprising the details of proxy attendance at the general meeting, the status of exercise of voting rights under the instrument of proxy, a copy of the contract, and other matters as required by the R.O.C. securities competent authorities, and maintain the compilation report available at the offices of the securities agent.

20.5 Except for Member appointing the chairman as his or her attorney through written ballot or electronic transmission in the exercise of voting power pursuant to Article 19.6 or for trust enterprises organized under the laws of the R.O.C. or a securities agent approved by R.O.C. securities authority, in the event a person acts as the proxy for two or more Members, the sum of Shares entitled to be voted as represented by such proxy shall be no more than 3% of the total outstanding voting Shares immediately prior to the relevant book closed period; any vote in respect of the portion in excess of such 3% threshold shall not be counted. For the avoidance of doubt, the number of the Shares to be represented by a securities agent mandated by the Company in accordance with Article 20.4 shall not be subject to the limit of 3% of the total number of the outstanding voting Shares set forth herein.

20.6 The Shares represented by a person acting as the proxy for three or more Members shall not be more than four times of the number of Shares held by such person and shall not exceed 3% of the total number of the outstanding Shares.

- 20.7 In the event that a Member exercises his/her/its voting power by means of a written ballot or by means of electronic transmission and has also authorized a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail; provided however that if a Member who has submitted an instrument of proxy to the Company and then intends to attend the general meeting in person or to exercise voting power by way of a written ballot or an electronic transmission, he must at least two (2) days prior to the meeting date, revoke his previous appointment of proxy by serving a written notice to the Company; otherwise, the votes cast by proxy at the general meeting shall prevail.
- 20.8 The instrument of proxy shall be deposited at the Registered Office 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 days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote where more than one instrument to vote 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.
- 20.9 The instrument of proxy shall be in the form approved by the Company 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.
- 20.10 In the event that a resolution in respect of the election of Directors is proposed to be voted upon at a general meeting, each instrument of proxy for such meeting shall be tallied and verified by the Company's securities agent or any other mandated securities agent prior to the time for holding the general meeting. The following matters should be verified:
- (a) whether the instrument of proxy is printed under the authority of the Company;
 - (b) whether the instrument of proxy is signed or sealed by the appointing Member; and
 - (c) whether the Solicitor or proxy (as the case may be) is named in the instrument of proxy and whether the name is correct.
- 20.11 The material contents required to be stated in the instruments of proxy, the meeting handbook or other supplemental materials of such general meeting, the written documents and advertisement of the Solicitor for proxy solicitation, the schedule of the instruments of proxy, the proxy form and other documents printed and published under the authority of the Company shall not contain any false statement or omission.
- 20.12 Votes given in accordance with the terms of an instrument of proxy shall be valid unless notice in writing was received by the Company at the Registered Office before the commencement of the general meeting, or adjourned meeting at which it is sought to use the proxy. The notice must set out expressly the reason for the revocation of the proxy, whether due to the incapacity or the lack in authority of the principal at the time issuing the proxy or otherwise.
- 20.13 A Member who has appointed a proxy shall be entitled to make a request to the Company or its securities agent for examining the way in which his instrument of proxy has been used, within seven days after the relevant general meeting.

21 Proxy Solicitation

Subject to the provisions of the Statute, matters regarding the solicitation of proxies shall be handled in accordance with the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies of the R.O.C.

22 Dissenting Member's Appraisal Right

- 22.1 Subject to the provisions of the Statute, in the event any of the following resolutions is adopted at general meetings, any Member who has notified the Company in writing of his objection to such a resolution prior to the meeting and has raised again his/her objection at the meeting, may request the Company to buy back all of his/her Shares at the then prevailing fair price:
- (a) The Company enters into, amends, or terminates any agreement for any contract for lease of the Company's business in whole, or the delegation of management of the Company's business to other or the regular joint operation of the Company with others;
 - (b) The Company transfers the whole or a material part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company; or
 - (c) The Company accepts the transfer of the whole business or assets of another person, which has a material effect on the Company's business operations.
- 22.2 Subject to the provisions of the Statute, in the event the Company carries out Spin-off, Merger, acquisition or Share Exchange (collectively, the "**Merger and Acquisition**") with any other company, the Member expressing his dissent in accordance with the Applicable Public Company Rules may request the Company to buy back all of his/her Shares at the then prevailing fair price. A Member making a request pursuant to Article 22.1 and this Article shall make such request in writing within twenty (20) days after the date of the general meeting adopting resolutions in respect thereto, and specify the repurchase price. If the Member and the Company reach an agreement on the repurchase price, the Company shall pay for the Shares to be repurchased within ninety (90) days after the date of the general meeting adopting such resolutions. In case no agreement is reached, the Company shall pay the fair repurchase price determined at its discretion to the Dissenting Members with whom the Company fail to reach an agreement within ninety (90) days after the date of the general meeting adopting such resolutions. If the Company fails to pay the price, it shall be considered to have accepted the repurchase price proposed by such Dissenting Members.
- 22.3 Subject to the provisions of the Statute, in the event a Member making a request pursuant to Article 22.2 and the Company fail to reach an agreement on the repurchase price within sixty (60) days following the date of the resolution, the Company shall, within thirty (30) days after such sixty-day (60) period, file a petition against all Members who fail to reach such an agreement (collectively, the "Dissenting Members") with any competent court of the R.O.C. for a ruling on the appraisal price, and may designate ROC Taipei District Court as the court of first instance.
- 22.4 The payment of appraisal price shall be made at the same time as the delivery of Share Certificates, and transfer of such Shares shall be effective at the time when the transferee's name is entered on the Register of Members.
- 22.5 Notwithstanding Article 22.2 and Article 22.3 hereof, nothing aforementioned shall restrict or prohibit a Member from exercising his right under section 238 of the Statute to payment of the fair value of his Shares upon dissenting from a Merger.

23 Corporate Members

Any corporation or entity which is a Member may in accordance with its constitutional documents, or in the absence of such provision by resolution of its directors or other governing body, authorise such person as it thinks fit to act as its representative at any meeting of the Company or of any class of Members, and the person so authorised shall be entitled to exercise the same powers on behalf of the such corporate Member which he represents as the corporation could exercise if it were an individual Member. For the avoidance of doubt, authorised representatives of a corporate Member may be appointed as Directors in accordance with the Articles.

24 Shares that May Not be Voted

- 24.1 Shares in the Company that are beneficially owned by the Company (including Subsidiaries) shall not be voted, directly or indirectly, at any general meeting and shall not be counted in determining the total number of outstanding Shares at any given time.
- 24.2 A Member who has a personal interest in any motion discussed at a general meeting, which interest may be in conflict with those of the Company, shall abstain from voting such Member's Shares in regard to such motion but such Shares may be counted in determining the number of Shares of the Members present at the such general meeting for the purposes of determining the quorum. The aforementioned Member shall also not vote on behalf of any other Member.
- 24.3 Where any Director, who is also a Shareholder of the Company, creates or has created any charge, mortgage, encumbrance or lien in respect of Shares held by such Director (the "Charged Shares") exceeding fifty percent (50%) of the total Shares held by such Director at the time of his/her appointment as Director, such Director shall not be entitled to exercise its voting rights on the Shares representing the difference between the Charged Shares and fifty percent (50%) of total Shares held by such Director at the time of his/her appointment as Director, and such Shares shall not be counted toward the number of votes represented by the Shareholders present at a general meeting nor the quorum at such general meeting.

25 Directors

- 25.1 There shall be a board of Directors consisting of no less than seven persons and no more than thirteen persons, including Independent Directors, each of whom shall be appointed to a term of office of three (3) years. Directors may be eligible for re-election. The Company may from time to time by Ordinary Resolution increase or reduce the number of Directors subject to the above number limitation provided that the requirements by relevant laws and regulations (including but not limited to any listing requirements) are met.
- 25.2 Unless otherwise approved by TWSE, not more than half of the total number of Directors can have a spousal relationship or familial relationship within the second degree of kinship with any other Directors.
- 25.3 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 25.2 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 in Article 25.2 hereof. Any person who has already served as Director but is in violation of the aforementioned requirements shall vacate the position of Director automatically.
- 25.4 Unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors. To the extent required by the Applicable Public Company Rules, at least two of the Independent Directors shall be domiciled in the R.O.C. and at least one of the same shall have accounting or financial expertise.
- 25.5 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 governed by the Applicable Public Company Rules.
- 25.6 (1) Without prejudice to the duties owed by a Director to the Company under common law of the Cayman Islands and subject to the Law, the Directors shall assume duties to the Company and without limitation duty of care, exercise due care, skill and act in the best interest of the Company when conducting the business operation of the Company, including matters in connection with Spin-off, Merger, or acquisition of the Company. A Director may be liable to the Company if he acts contrary to his duties. Without prejudice to any actions

which may be taken by the Company under common law, in circumstances where a Director breaches any of such duties and acts for his/her or other Person's interest, the Company may, with the sanction of an Ordinary Resolution, require the disgorgement of any and all earnings derived from such act.

(2) If a Director violates any law in the course of conducting the business of the Company, he shall be jointly and severally liable with the Company for the damages resulting from such violation.

(3) The preceding two Paragraph of this Article shall apply, *mutatis mutandis*, to the officers of the Company who are authorised to act on its behalf in a senior management capacity.

- 25.7 Subject to the Statute, one or more Members holding one percent (1%) or more of the total number of the issued Shares continuously for a period of six months or a longer time may request in writing any Independent Director to file, on behalf of the Company, an action against a Director who has, in the course of performing his/her duties, committed any act resulting in damage to the Company or in violation of the Statute, the Applicable Public Company Rules or these Articles, with a competent court, including the ROC Taipei District Court, and for the avoidance of doubt, any one Independent Director is authorised to act in such manner, notwithstanding that there is no Directors' meeting or resolution in writing signed by all of the Directors expressly approving the same. In case such Independent Director fails to file such action within thirty (30) days after receipt of such request, the Members making such request may file the action for the Company.
- 25.8 The qualifications, election, removal, power, authority and other requirements for Directors (including Independent Directors), which are not covered by the Articles, shall be in compliance with the Applicable Public Company Rules.
- 25.9 If the board of Directors fails to comply with the Applicable Public Company Rules, the Articles and any resolutions passed in a general meeting in dealing with matters in connection with Spin-off, Merger, or acquisition of the Company, as a result of which the Company suffers damages, any Director involved in decision-making related thereto shall be liable to the Company in respect of the damages suffered by the Company. However, a Director may be exempted from the liability if the minutes of the Directors meeting or written statement demonstrates such Director's dissent.

26 Powers of Directors

- 26.1 Subject to the provisions of the Statute, the Memorandum and the Articles and to any directions given by Ordinary Resolution, Special Resolution or Supermajority Resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Directors which would have been valid if that alteration had not been made or that direction had not been given. A duly convened meeting of Directors at which a quorum is present may exercise all powers exercisable by the Directors.
- 26.2 All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed or otherwise executed as the case may be in such manner as the Directors shall determine by resolution.
- 26.3 The Directors may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital or any part thereof and to issue debentures, debenture stock, mortgages, bonds and other such securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.
- 26.4 The Company may purchase liability insurance for Directors and the Directors shall determine terms of such insurance by resolution, taking into account the standards of the industry within the R.O.C. and overseas.

27 Appointment and Removal of Directors

- 27.1 (1) The Company may by a majority or, if less than a majority, the most number of votes, at any general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 27.2 below. The Company may by Supermajority Resolution remove any Director. Members present in person or by proxy, representing more than one-half of the total outstanding Shares shall constitute a quorum for any general meeting to elect one or more Directors.
- (2) Without prejudice to other provisions of these Articles, the Company may put up all Directors for re-election before the expiration of the term of office of such Directors in accordance with Article 27.2. In this event, if it is not specified in such resolution that the existing Directors will not retire until the expiration date of their terms of office or other specified date, they shall be deemed to have retired on the date of such resolution, subject to the successful election of new Directors at the same meeting.
- 27.2 Directors shall be elected pursuant to a cumulative voting mechanism pursuant to a poll vote, the procedures for which has been approved and adopted by the Directors and also by an Ordinary Resolution, where the number of votes exercisable by any Member shall be the same as the product of the number of Shares held by such Member and the number of Directors to be elected (“Special Ballot Votes”), and the total number of Special Ballot Votes cast by any Member may be consolidated for election of one Director candidate or may be split for election amongst multiple Director candidates, as specified by the Member pursuant to the poll vote ballot. There shall not be votes which are limited to class, party or sector, and any Member shall have the freedom to specify whether to concentrate all of its votes on one or any number of candidate(s) without restriction. A candidate to whom the ballots cast represent a prevailing number of votes shall be deemed a Director elect, and where more than one Director is being elected, the top candidates to whom the votes cast represent a prevailing number of votes relative to the other candidates shall be deemed directors elect. The rule and procedures for such cumulative voting mechanism shall be in accordance with policies proposed by the Directors and approved by an Ordinary Resolution from time to time, which policies shall be in accordance with the Memorandum, the Articles and the Applicable Public Company Rules.
- 27.3 A candidate nomination mechanism which is in compliance with the Applicable Public Company Rules shall be adopted for election of all Directors. The Directors and Independent Directors shall be elected by the Members at a general meeting from among the nominees listed in the respective rosters of director candidates and independent director candidates. The rules and procedures for such candidate nomination shall be in accordance with policies proposed by the Directors and approved by an Ordinary Resolution from time to time, which policies shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules.
- 27.4 The use and solicitation of proxies not provided for in the Articles shall be governed by the internal rules of the Company, as adopted and amended by the board of Directors from time to time, which shall be in compliance with the Statute and the Applicable Public Company Rules (in particular, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Taiwan Public Companies (as amended, supplemented or otherwise modified from time to time)).

28 Vacation of Office of Director

- 28.1 In the event of any of the following events having occurred in relation to any Director, such Director shall be vacated automatically:
- (a) he gives notice in writing to the Company that he resigns the office of Director;
 - (b) he dies, becomes bankrupt, is adjudicated of commencement of liquidation proceeding by

- a court under the laws of any jurisdiction, and has not been reinstated to his rights and privileges, or makes any arrangement or composition with his creditors generally;
- (c) an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his affairs and such order has not been revoked, or his/her legal capacity is restricted according to the applicable laws;
 - (d) he commits a felony (including but not limiting to an offence under Statute for Prevention of Organizational Crimes of the R.O.C.) and has been convicted thereof, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than five years;
 - (e) he has been imposed a final sentence involving imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two years;
 - (f) he has been imposed a final sentence due to violation of the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two years;
 - (g) he is dishonoured for unlawful use of credit instruments, and the term of such sanction has not expired yet;
 - (h) he (other than Independent Director) has transferred some or all his Shares, during the term of office as a Director, such that the remaining Shares are less than one half of the Shares being held by him at the time he is elected;
 - (i) the Members resolve by a Supermajority Resolution that he should be removed as a Director; or
 - (j) in the event that he has, in the course of performing his duties, committed any act resulting in material damage to the Company or in serious violation of applicable laws and/or regulations or the Memorandum and the Articles, but has not been removed by the Company pursuant to a Supermajority Resolution vote, then any Member(s) holding 3% or more of the total number of issued Shares shall have the right, within thirty days after that general meeting, to petition any competent court for the removal of such Director, at the Company's expense and such Director shall be removed upon the final judgement by such court. For clarification, if a relevant court has competent jurisdiction to adjudicate all of the foregoing matters in a single or a series of proceedings, then, for the purpose of this paragraph (i), final judgement shall be given by such competent court (including the ROC Taipei District Court).

In the event that the foregoing events described in any of clauses (b), (c), (d), (e), (f) or (g) has occurred in relation to a Director elect, such Director elect shall be disqualified from being elected as a Director.

- 28.2 If a Director (other than Independent Director), after having been elected and before his inauguration of the office of a Director, has transferred some or all his Shares such that the remaining Shares are less than one half of the Shares be held by such Director at the time of his election or, within the closing period determined by the Directors in accordance with Article 5.1 prior to the general meeting, has transferred some or all his Shares such that the remaining Shares are less than one half of the Shares be held at the commencement of such closing period, his election as a Director shall be deemed invalid and void.

29 Proceedings of Directors

- 29.1 The quorum for the transaction of the business of the Directors may be fixed by the Directors

and unless so fixed shall be more than one half of the total number of Directors. If a Director ceases to be a Director for any reason, the Company shall hold an election of Director(s) at the next following general meeting. If the number of vacancies in the board of Directors of the Company is equal to one third or more of the total number of Directors elected fixed by Ordinary Resolution in accordance with Article 25.1, the Company shall hold, within sixty days, a general meeting of Members to elect Directors to fill the vacancies.

- 29.2 Unless otherwise permitted by the Applicable Public Company Rules, if the number of Independent Directors is less than three persons due to the vacation of Independent Directors for any reason, the Company shall hold an election of Independent Directors at the next following general meeting. Unless otherwise permitted by the Applicable Public Company Rules, if all of the Independent Directors are vacated, the board of Directors shall hold, within sixty days, a general meeting to elect succeeding Independent Directors to fill the vacancies.
- 29.3 Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. Any motions shall be decided by a majority of votes. In the case of an equality of votes, the chairman shall not have a second or casting vote.
- 29.4 A person may participate in a meeting of the Directors or committee of Directors by video conference. Participation by a person in a meeting in this manner is treated as presence in person at that meeting. The time and place for a meeting of the Directors or committee of Directors shall be at the office of the Company and during business hours or at a place and time convenient to the Directors and suitable for holding such meeting.
- 29.5 A Director may, or other officer of the Company authorized by a Director shall, call a meeting of the Directors by at least seven days' notice in writing (which may be a notice delivered by facsimile transmission or electronic mail) to every Director which notice shall set forth the general nature of the business to be considered. In the event of an urgent situation, a meeting of Directors may be held at any time after notice has been given in accordance with the Applicable Public Company Rules.
- 29.6 The continuing Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the number fixed by or pursuant to the Articles as the necessary quorum of Directors, the continuing Directors or Director may act for the purpose of summoning a general meeting of the Company, but for no other purpose.
- 29.7 The Directors shall, by a resolution, establish rules governing the procedure of meeting(s) of the Directors and report such rules to a meeting of Members, and such rules shall be in accordance with the Articles and the Applicable Public Company Rules.
- 29.8 All acts done by any meeting of the Directors or of a committee of Directors 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 qualified to be a Director as the case may be.
- 29.9 A Director may be represented at any meetings of the board of Directors by a proxy 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.

30 Directors' Interests

- 30.1 A Director may hold any other office or place of profit under the Company in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine. For the avoidance of doubt, any remuneration paid to a Director for his service of any other office or place of profit under the Company shall be approved by the Remuneration Committee.
- 30.2 The Directors may be paid remuneration only in cash. The amount of such remuneration shall be determined by the Directors and take into account the extent and value of the services provided for the management of the Corporation and the standards of the industry within the

R.O.C. and overseas.

- 30.3 Unless prohibited by the Statute or by the Applicable Public Company Rules, a Director may himself or through his firm act in a professional capacity on behalf of the Company and he or his firm shall be entitled to such remuneration for professional services as if he were not a Director.
- 30.4 A Director who engages in conduct either for himself or on behalf of another person within the scope of the Company's business, shall disclose to Members, at a general meeting prior to such conduct, a summary of the major elements of such interest and obtain the ratification of the Members at such general meeting by a Supermajority Resolution vote. In case a Director engages in business conduct for himself or on behalf of another person in violation of this provision, the Members may, by an Ordinary Resolution, require the disgorgement of any and all earnings derived from such act, except when at least one year has lapsed since the realization of such associated earnings.
- 30.5 Notwithstanding anything to the contrary contained in this Article 30, a Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with the interest of the Company, shall declare the nature of his interest and its essential contents at the relevant meeting, and 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. When the Company conducts any Spin-off, Merger, or acquisition, a Director who bears any interest in the transaction shall explain the essential contents of such personal interest and the reason of approval or disapproval of the resolution in connection with the transaction at the board meeting and the general meeting. Where the spouse, a blood relative within the second degree of kinship of a Director as defined under the Civil Code of Taiwan, or any company which has a controlling or subordinate relation with a Director bear any interest in the matter under discussion at a board meeting, such Director shall be deemed to bear a personal interest in the matter.

31 Minutes

The Directors shall cause minutes to be made in books kept for the purpose of all appointments of officers made by the Directors, all proceedings at meetings of the Company or the holders of any class of Shares and of the Directors, and of committees of Directors including the names of the Directors present at each meeting.

32 Delegation of Directors' Powers

- 32.1 Subject to the Applicable Public Company Rules, the Directors may delegate any of their powers to any committee consisting of one or more Directors. They may also delegate to any managing director or any Director holding any other executive office such of their powers as they consider desirable to be exercised by him provided that the appointment of a managing director shall be revoked forthwith if he ceases to be a Director. Any such delegation may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee of Directors shall be governed by the Articles regulating the proceedings of Directors, so far as they are capable of applying.
- 32.2 The Directors may establish any committees or appoint any person to be a manager or agent for managing the affairs of the Company and may appoint any person to be a member of such committees. Any such appointment may be made subject to any conditions the Directors may impose and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of any such committee shall be governed by the Articles regulating the proceedings of Directors, so far as they are

capable of applying.

- 32.3 The Directors may by power of attorney or otherwise appoint any person to be the agent of the Company on such conditions as the Directors may determine, provided that the delegation is not to the exclusion of their own powers and may be revoked by the Directors at any time.
- 32.4 The Directors may by power of attorney or otherwise appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or authorised signatory of the Company for such purpose and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under the Articles) and for such period and subject to such conditions as they may think fit, and any such powers of attorney or other appointment may contain such provisions for the protection and convenience of persons dealing with any such attorneys or authorised signatories as the Directors may think fit and may also authorise any such attorney or authorised signatory to delegate all or any of the powers, authorities and discretions vested in him.
- 32.5 The Directors shall appoint a chairman and may appoint such other officers as they consider necessary on such terms, at such remuneration and to perform such duties, and subject to such provisions as to disqualification and removal as the Directors may think fit. Unless otherwise specified in the terms of his appointment an officer may be removed by resolution of the Directors.
- 32.6 Notwithstanding anything to the contrary contained in this Article 32, unless otherwise permitted by the Applicable Public Company Rules, the Directors shall establish an audit committee comprised of all of the Independent Directors, one of whom shall be the chairman, and at least one of whom shall have accounting or financial expertise to the extent required by the Applicable Public Company Rules. A resolution of the audit committee shall be passed by one-half or more of all members of such committee. The rules and procedures of the audit committee shall be in accordance with policies proposed by the members of the audit committee and passed by the Directors from time to time, which shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules and the instruction of R.O.C. securities authority or TWSE, if any. The Directors shall, by a resolution, adopt a charter for the audit committee in accordance with these Articles and the Applicable Public Company Rules.
- 32.7 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 of Directors for resolution:
- (a) Adoption or amendment of an internal control system of the Company;
 - (b) Assessment of the effectiveness of the internal control system;
 - (c) Adoption or amendment of handling procedures for significant financial or operational actions, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees on behalf of others;
 - (d) A matter where a Director has a personal interest;
 - (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-type securities;
 - (h) The hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;
 - (i) The appointment or removal of a financial, accounting, or internal auditing officer;
 - (j) Annual and semi-annual financial reports;
 - (k) Any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

Except for item (j) above, any matter under subparagraphs (a) through (k) of the preceding paragraph that has not been approved with the consent of one-half or more of the audit committee members may be undertaken only upon the approval of two-thirds or more of all Directors, without regard to the restrictions of the preceding paragraph, and the resolution of

the audit committee shall be recorded in the minutes of the Directors meeting.

- 32.8 The Directors shall establish a remuneration committee in accordance with the Applicable Public Company Rules. The number of members of the remuneration committee, professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to the members of the remuneration committee shall comply with the Applicable Public Company Rules. The remuneration committee shall consist of no less than three persons, a majority of whom shall be the Independent Directors. The rules and procedures of the remuneration committee shall be in accordance with policies proposed by the members of the remuneration committee and passed by the Directors from time to time, which shall be in accordance with the Statute, the Memorandum, the Articles and the Applicable Public Company Rules and the instruction of R.O.C. securities authority or TWSE. The Directors shall, by a resolution, adopt a charter for the remuneration committee in accordance with these Articles and the Applicable Public Company Rules. The aforementioned remuneration shall include the salary, stock options and other mechanisms of rewards for the directors and managers of the Company. The managers of the Company for the purposes of this Article 32.8 shall be the persons defined in the charter of the remuneration committee.
- 32.9 For so long as any Shares are listed on the TWSE, prior to any resolution of the Merger and Acquisition by the board of Directors:
- (a) The audit committee shall review the fairness and reasonableness of the plan and transaction of the Merger and Acquisition, and then submit review results to the board of Directors and the general meeting. However, the audit committee may elect not to submit the aforesaid review results to the Members at a general meeting if the Statute provides that the Merger and Acquisition to be resolved requires no approval by the Members.
 - (b) When reviewing the abovementioned matters, the audit committee shall seek opinions from an independent expert on the reasonableness of the swap ratio or the distribution of cash or other assets.
 - (c) The Company shall send the review results of the audit committee and opinions of independent experts to all Members together with the notice of the general meeting in which the Merger and Acquisition is to be resolved. However, the Company shall report the Merger and Acquisition to the Members at the most recent general meeting if the Statute provides that the Merger and Acquisition to be resolved requires no approval by the Members.
 - (d) If the Company posted the aforesaid review results and opinions of independent experts on a website designated by R.O.C. securities authority and arranged for the same documents to be made available at the venue of the general meeting for inspection by Members, those documents shall be deemed as having been sent to all Members.

33 Seal

- 33.1 The Company may, if the Directors so determine, have a Seal. The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors. The use of Seal shall be in accordance with the use of Seal policy adopted by the Directors from time to time.
- 33.2 The Company may have for use in any place or places outside the Cayman Islands a duplicate Seal or Seals, each of which shall be a facsimile of the common Seal of the Company and kept under the custody of a person appointed by the Directors, and if the Directors so determine, with the addition on its face of the name of every place where it is to be used.
- 33.3 A person authorized by the Directors may affix the Seal over his signature alone to any document of the Company required to be authenticated by him under seal or to be filed with the Registrar of Companies in the Cayman Islands or elsewhere wheresoever.

34 Compensations, Dividends, Distributions and Reserve

- 34.1 (1) Subject to the Statute, the Memorandum, the Articles and the Applicable Public Company Rules, where the Company has annual profits at the end of a financial year, upon the approval of a majority of the Directors present at a meeting attended by at least two-thirds or more of the total number of the Directors, the Company may distribute 1% or more of the profits for such year to the employees of the Company as the compensation in the form of shares and/or in cash, which may be distributed under an incentive programme approved pursuant to Article 11.1, above and may distribute not more than 2% hereof to the Directors as the compensation, provided, however, that the total amount of accumulated losses of the Company (including adjusted undistributed profits) shall be reserved from the said profits in advance, and the Company shall distribute the remaining balance thereof to the Employees and Directors in the proportion set out above. A report of such distribution of employee and Directors' compensation shall be submitted to the general meeting of the Company. Except otherwise set forth by the Applicable Public Company Rules, any compensation distributed to the Directors shall not be paid in the form of shares. The term "annual profits" as used herein shall mean the annual profits for such year before tax without deducting the amount of compensation distributed to the Directors and employees of the Company as prescribed in this Article. A Director who also serves as an executive officer of the Company may receive a compensation in his capacity as an employee.
- (2) Any balance left over after paying all relevant taxes, offsetting losses (including losses of previous years that have not been previously offset and adjusted undistributed profits, if any), and setting aside the special capital reserve, if one is required, in accordance with the Applicable Public Company Rules or as requested by the authorities in charge may be distributed to the Members as Dividends in accordance with a proposal for distribution of profits prepared by the Directors and approved by the Members by an Ordinary Resolution pursuant to the Statute and the Applicable Public Company Rules, and after taking into consideration of the profits of the then current year and the capital structure of the Company. Unless otherwise resolved by the Members in general meeting by an Ordinary Resolution, the amount of profits distributed to Members shall not be lower than 10% of the remaining profits (after tax) of the then current year and the amount of cash dividends distributed shall not be less than 10% of the profits proposed to be distributed of the then current year.
- 34.2 Subject to the Statute and this Article, the Directors may declare Dividends and distributions on Shares in issue and authorise payment of the Dividends or distributions out of the funds of the Company lawfully available therefor. No Dividend or distribution shall be paid except out of the realised or unrealised profits of the Company, or out of the share premium account or as otherwise permitted by the Statute.
- 34.3 Except as otherwise provided by the rights attached to Shares, all Dividends shall be declared and paid in proportion to the number of 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 Dividend accordingly.
- 34.4 The Directors may deduct from any Dividend or distribution payable to any Member all sums of money (if any) then payable by him to the Company on any account.
- 34.5 The Directors may, after obtaining an Ordinary Resolution, declare that any distribution other than a Dividend be paid wholly or partly by the distribution of specific assets and in particular of shares, debentures, or securities of any other company or in any one or more of such ways and where any difficulty arises in regard to such distribution, the Directors may settle the same as they think expedient and fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any Members upon the basis of the value so fixed in order to adjust the rights of all Members and may vest any such specific assets in trustees as may seem expedient to the Directors.
- 34.6 Any Dividend, distribution, interest or other monies payable in cash in respect of Shares may

be paid by wire transfer to the holder or by cheque or warrant sent through the post directed to the registered address of the holder. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

34.7 No Dividend or distribution shall bear interest against the Company.

34.8 Any Dividend which cannot be paid to a Member and/or which remains unclaimed after six months from the date of declaration of such Dividend may, in the discretion of the Directors, be paid into a separate account in the Company's name, provided that the Company shall not be constituted as a trustee in respect of that account and the Dividend shall remain as a debt due to the Member. Any Dividend which remains unclaimed after a period of six years from the date of declaration of such Dividend shall be forfeited and shall revert to the Company.

35 Capitalisation

Subject to Article 14.2(d), the Directors may capitalise any sum standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve fund) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to Members in the proportions in which such sum would have been divisible amongst them had the same been a distribution of profits by way of Dividend and to apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event the Directors shall do all acts and things required to give effect to such capitalisation, with full power to the Directors to make such provisions as they think fit such that Shares shall not become distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the Members interested into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

36 Tender Offer

Subject to the Statute and the Applicable Public Company Rules, within fifteen days after receipt of the copy of the public tender offer report form, the public tender offer prospectus, and relevant documents, the Company shall make a public announcement of the following:

1. The types and amount of the Shares held by the Directors and the Members holding more than 10% of the outstanding Shares in its own name or in the name of other persons.
2. Recommendations made by the board of Directors to the Members on such tender offer, which shall set forth the identity and financial status of the tender offeror, fairness of the tender offer conditions, verification on rationality of source of fund for tender offer, and the names of the Directors who abstain or object to the tender offer and the reason(s) therefor.
3. Whether there is any material change in the financial condition of the Company after the submission of the latest financial report and the contents of such change, if any.
4. 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 10% of the outstanding Shares held in its own name or in the name of other persons.
5. Other relevant significant information.

37 Books of Account

37.1 The Directors shall cause proper books of account to be kept with respect to all sums of money received and expended by the Company and the matters in respect of which the receipt or expenditure takes place, all sales and purchases of goods by the Company and the assets and liabilities of the Company. Proper books shall not be deemed to be kept if there are not kept such books of account as are necessary to give a true and fair view of the state of the

Company's affairs and to explain its transactions.

- 37.2 The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by Statute or authorised by the Directors or by the Company in general meeting.
- 37.3 The Directors may from time to time cause to be prepared and to be laid before the Company in general meeting profit and loss accounts, balance sheets, group accounts (if any) and such other reports and accounts as may be required by law.
- 37.4 (Delete).
- 37.5 If the Company keeps its records of account at any place outside the Cayman Islands in accordance with Article 37.3, it shall, upon service of an order or notice pursuant to the Tax Information Authority Law and any amendment or other statutory modification thereof, make available, in electronic form or any other medium at its Registered Office copies of its records of account, or any part or parts thereof, as are specified in such order or notice.
- 37.6 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 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 year.

38 Notices

- 38.1 Notices shall be in writing and may be given by the Company to any Member either personally or by sending it by courier, post, cable, telex, fax or e-mail to him or to his address as shown in the Register of Members (or where the notice is given by e-mail by sending it to the e-mail address provided by such Member). Any notice, if posted from one country to another, is to be sent airmail.
- 38.2 Where a notice is sent by courier, service of the notice shall be deemed to be effected by delivery of the notice to a courier company, and shall be deemed to have been received on the first day (not including Saturdays or Sundays or public holidays) following the day on which the notice was delivered to the courier. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, pre paying and posting a letter containing the notice, and shall be deemed to have been received on the first day (not including Saturdays or Sundays or public holidays) following the day on which the notice was posted. Where a notice is sent by cable, telex or fax, service of the notice shall be deemed to be effected by properly addressing and sending such notice and shall be deemed to have been received on the same day that it was transmitted. Where a notice is given by e-mail service shall be deemed to be effected by transmitting the e-mail to the e-mail address provided by the intended recipient and shall be deemed to have been received on the same day that it was sent, and it shall not be necessary for the receipt of the e-mail to be acknowledged by the recipient.
- 38.3 A notice may be given by the Company to the person or persons which the Company has been advised are entitled to a Share or Shares in consequence of the death or bankruptcy of a Member in the same manner as other notices which are required to be given under the Articles and shall be addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description at the address supplied for that purpose by the persons claiming to be so entitled, or at the option of the Company by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 38.4 Notice of every general meeting shall be given in any manner hereinbefore authorised to

every person shown as a Member in the Register of Members on the record date for such meeting and every person upon whom the ownership of a Share devolves by reason of his being a legal personal representative or a trustee in bankruptcy of a Member of record where the Member of record but for his death or bankruptcy would be entitled to receive notice of the meeting, and no other person shall be entitled to receive notices of general meetings.

39 Winding Up

- 39.1 If the Company shall be wound up, and the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the number of the Shares held by them. If in a winding up the assets available for distribution amongst the Members shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst the Members in proportion to the number of the Shares held by them at the commencement of the winding up subject to a deduction from those Shares in respect of which there are monies due, of all monies payable to the Company. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
- 39.2 If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Statute and in compliance with the Applicable Public Company Rules, divide amongst the Members in proportion to the number of Shares they hold the whole or any part of the assets of the Company in kind (whether they shall consist of property of the same kind or not) and may for that purpose value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the Members as the liquidator, with the like sanction, shall think fit, but so that no Member shall be compelled to accept any asset upon which there is a liability.

40 Financial Year

Unless the Directors otherwise prescribe, the financial year of the Company shall end on 31st December in each year and, following the year of incorporation, shall begin on 1st January in each year.

41 Transfer by way of Continuation

If the Company is exempted as defined in the Statute, it shall, subject to the provisions of the Statute and with the approval of a Special Resolution, have the power to register by way of continuation as a body corporate under the laws of any jurisdiction outside the Cayman Islands and to be deregistered in the Cayman Islands.

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Jinli Group Holdings Limited

Rules of Procedure for Shareholders Meetings

(Before Amendment)

1. Purpose

To establish a sound corporate governance system, strengthen the supervision function, and enhance management capabilities of the Company, this rule is formulated for compliance.

2. Scope

The rules of procedure for the Company's shareholders' meeting shall be governed by these rules, unless otherwise provided by laws or regulations.

3. Rights and responsibilities

1.1 The Company shall handle matters related to the shareholders' meeting in accordance with these rules.

4. Definition

None

5. Process

None

6. Content of operation

1.1 Shareholders meeting convening and notice

1.1.1 The Company's shareholders' meeting shall be convened by the Board of Directors, except as otherwise provided by laws or regulations. The Board of Directors or other persons with the power to convene a meeting may request the Company or its share registrar to provide a list of shareholders.

1.1.2 Any change in the method of convening a regular shareholders' meeting shall be resolved by the Board of Directors and implemented no later than the issuance of the notice of the shareholders' meeting.

The Company shall prepare electronic files of the notice of the shareholders' meeting, proxy forms, relevant recognition cases, discussion items, election or removal of directors and supervisors, and other agenda items and explanatory materials, and transmit them to the Public Information Observation System ("PIOS") no later than 30 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting. The Company shall also prepare electronic files of the shareholders' meeting manual and supplemental materials and transmit them to the PIOS no later than 21 days before a regular shareholders' meeting or 15 days before a special shareholders' meeting, provided that if the Company's paid-in capital as of the end of the most recent fiscal year is NT\$10 billion or more, or the aggregate foreign and Mainland China ownership percentage listed in the shareholder registry for the most recent fiscal year's regular shareholders' meeting is 30% or more, the Company shall complete the transmission of the aforementioned electronic files no later than 30 days before the regular shareholders' meeting. The shareholders' meeting manual and supplemental materials for the current meeting shall be made available for shareholders to access at any time and displayed at the Company and its appointed professional share registrar.

The aforementioned meeting manual and supplemental materials shall be made available to shareholders on the day of the shareholders' meeting as follows:

- (1) For physical shareholders' meetings, they shall be distributed at the meeting.
- (2) For video-assisted shareholders' meetings, they shall be distributed at the meeting and transmitted to the video conferencing platform in electronic file format.

(3) For video shareholders' meetings, they shall be transmitted to the video conferencing platform in electronic file format.

If the convening purposes of the shareholders' meeting have already been stated to include the full election of directors and supervisors, including the date of appointment, the date of appointment may not be changed during the same meeting by ad hoc motion or other means.

- 1.1.3 The notice and announcement shall state the convening purposes, and with the consent of the relevant parties, may be made electronically.
- 1.1.4 Matters related to (a) the election or removal of directors, (b) the amendment of the Articles of Association, (c) (i) dissolution, merger, or split, (ii) the establishment, modification, or termination of contracts relating to the lease of all of the Company's business, or entrusting operations, or joint operations with others, (iii) the transfer of all or a significant part of the Company's business or assets, or (iv) the transfer of all or a significant part of the Company's business or assets to another party that will have a significant impact on the Company's operations, (d) the authorization of directors to engage in activities within the Company's business scope for themselves or others, (e) the distribution of statutory surplus reserves, share premium accounts, and/or capital surplus received by the Company as gifts by issuing new shares or in cash to original shareholders in proportion to their shareholdings, (f) the private placement of securities with equity-like features by the Company, (g) a reduction in capital or the buyback and cancellation of the Company's shares in accordance with Article 10.7 of the Company's Articles of Association, (h) an application to suspend public issuance, (i) the distribution of dividends, bonuses, or other distributions related to shares in whole or in part by issuing new shares and (j) matters related to Article 56-1 and Article 60-2 of the Securities and Exchange Act Guidelines for the Offering and Issuance of Securities by Issuers shall be stated in the notice of the shareholders' meeting and the main contents shall be explained, and may not be proposed by ad hoc motion. The main contents may be placed on the website designated by the Taiwan Securities and Futures Bureau or the Company, and the website address shall be included in the notice of convocation.
- 1.1.5 Shareholders holding more than one percent of the total issued shares of the Company may propose a motion for the shareholders' meeting, limited to one proposal. If there are more than one proposal, they will not be included in the agenda. However, proposals that (a) have not been resolved by the shareholders' meeting, (b) are proposed by shareholders who hold less than one percent of the total issued shares before the stock transfer suspension period, (c) are proposed outside the announcement acceptance period, (d) exceed three hundred words or involve more than one proposal, must be included in the agenda by the Board of Directors. Shareholders may propose constructive proposals to urge the Company to enhance public interest or fulfill social responsibility, limited to one proposal in accordance with relevant provisions of Article 172-1 of the Company Act. If there are more than one proposal, they will not be included in the agenda.
- 1.1.6 The Company shall announce before the suspension of stock transfer prior to the shareholders' meeting, the method of accepting proposals in writing or electronically, the place and period of acceptance, which shall not be less than ten days.
- 1.1.7 Proposal shareholders shall attend the shareholders' meeting in person or by proxy and participate in the discussion of the proposal.
- 1.1.8 Before the shareholders' meeting, the Company shall notify the proposal shareholders

of the processing results and include the proposals that comply with the provisions of this article in the meeting notice. The Board of Directors shall explain the reasons for not including proposals from shareholders who are not on the agenda at the shareholders' meeting.

- 1.1.9 The shareholders' meeting shall be held at the time and place designated by the Board of Directors. Unless otherwise provided by laws or the Articles of Association, the shareholders' meeting shall be held in the Republic of China. If the shareholders' meeting is held outside Taiwan, the relevant procedures and approvals shall be processed in accordance with the regulations of the relevant competent authority in the Republic of China. When the shareholders' meeting is held outside the Republic of China, the Company shall appoint a professional shareholder service agency in the Republic of China to handle the administrative affairs of the shareholders' meeting (including but not limited to handling voting matters entrusted by shareholders). The start time of the shareholders' meeting shall not be earlier than 9 a.m. or later than 3 p.m., and the location and time of the meeting shall fully consider the opinions of the independent directors.

When the company holds a video shareholders' meeting, it is not subject to the location restrictions of the preceding paragraph.

1.2 Proxy Attendance

- 1.2.1 Shareholders may issue a proxy, specifying the scope of authorization and the person authorized to attend the shareholders' meeting, using the proxy form provided by the Company.
- 1.2.2 A shareholder may issue only one proxy, and appoint only one proxy holder. The proxy form must be delivered to the Company's registration office, the location designated in the notice of the shareholders' meeting, or the location specified in the proxy form sent by the Company, no later than five days before the shareholders' meeting. If there are duplicate proxy forms, the one received first shall prevail. However, the prior proxy is not affected by a subsequent revocation notice.
- 1.2.3 After the proxy form is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting in person or exercise voting rights in writing or electronically, the shareholder should notify the Company of the revocation of the proxy in writing at least two days before the shareholders' meeting. If the revocation notice is made after the deadline, the proxy holder's exercise of voting rights shall prevail.
- 1.2.4 After the proxy form is delivered to the Company, if the shareholder wishes to attend the shareholders' meeting via video conferencing, the shareholder should notify the Company of the revocation of the proxy in writing at least two days before the shareholders' meeting. If the revocation notice is made after the deadline, the proxy holder's exercise of voting rights shall prevail.

1.3 Holding of shareholders' meetings

- 1.3.1 The Company must include in the notice of the shareholders' meeting the time and location for shareholder registration, as well as any other matters that need to be brought to the attention of the shareholders. Shareholders, proxies, and authorized agents (hereinafter referred to as "shareholders") must register at least thirty minutes before the meeting begins. The registration location should be clearly marked, and staffed by competent personnel. For shareholders attending a video conference, they must register on the video conferencing platform at least thirty minutes before the

meeting starts. Shareholders who complete registration will be deemed to have attended the shareholders' meeting in person.

Shareholders must present an attendance certificate, an attendance card, or other proof of attendance to attend the shareholders' meeting. Solicitors who hold solicitation letters must also bring identification documents for verification. The company should provide a sign-in book for shareholders to sign or allow shareholders to submit their attendance card for signature by proxy.

For shareholders' meetings held via video conference, shareholders who wish to attend via video conferencing must register with the company two days before the shareholders' meeting.

For shareholders' meetings held via video conference, the company must upload the meeting agenda, annual report, and other related materials to the video conferencing platform at least thirty minutes before the meeting starts, and continue to disclose them until the meeting ends.

- 1.3.2 The Company must deliver the meeting agenda, annual report, attendance certificate, speech slips, ballot papers, and other conference materials to the attending shareholders. For elections of directors or supervisors, an election ballot should also be included.
- 1.3.3 When a government agency or legal person is a shareholder, the representative attending the shareholders' meeting is not limited to one person. When a legal person is authorized to attend the shareholders' meeting, only one person may be appointed to represent them.
- 1.3.4 If the shareholders' meeting is convened by the Board of Directors, the Chairman shall be the Chairman of the Board of Directors. If the chairman of the Board of Directors is absent or unable to perform his duties for any reason, the vice chairman shall act as his agent. If there is no vice chairman or the vice chairman is absent or unable to perform his duties for any reason, the Chairman of the Board of Directors shall appoint one director to act as his agent. If the Chairman of the Board of Directors does not appoint a proxy or the appointed proxy is unable to exercise his proxy rights for any reason, the attending directors shall elect one person to act as his agent.
- 1.3.5 For shareholders' meetings convened by the Board of Directors, at least half of the Board of Directors should attend.
- 1.3.6 If the shareholders' meeting is convened by someone other than the Board of Directors, the Chairman shall be the person who convened the meeting. If there are two or more conveners, they should mutually select someone to be the Chairman.
- 1.3.7 The Company may appoint a lawyer, accountant, or other relevant personnel to attend the shareholders' meeting.
- 1.3.8 When holding a shareholders' meeting via video conference, the Company must include the following information in the notice of the shareholders' meeting:
 - (1) The methods for shareholders to participate in the video conference and exercise their rights.
 - (2) The handling method for obstacles to the video conferencing platform or video conferencing participation caused by natural disasters, incidents, or other force majeure events, including at least the following:
 - (a) If the obstacles cannot be resolved before the meeting, and the meeting needs to be postponed or continued, the date of the postponed or continued meeting.

- (b) Shareholders who did not register to participate in the original video conference may not participate in the postponed or continued meeting.
 - (c) If a video-assisted shareholders' meeting cannot continue, after deducting the number of shares represented by shareholders who participated via video conference, if the total number of shares represented at the meeting reaches the statutory quorum required to hold the meeting, the shareholders' meeting should continue, and the shares represented by shareholders participating via video conference should be counted towards the total number of shares represented. For all the resolutions of the shareholders' meeting, the shares represented by shareholders participating via video conference shall be deemed as abstentions.
 - (d) The handling method if all resolutions have been announced before any temporary motions.
- (3) The notice of the video conference shareholders' meeting should also include appropriate alternative measures for shareholders who have difficulty participating in the meeting via video conference.

1.4 Shareholders' meeting begins

- 1.4.1 Shareholders' attendance shall be based on the number of shares held. The number of shares present shall be calculated based on the signature book or the signed attendance card, plus the number of shares voted in writing or electronically.
- 1.4.2 Unless otherwise provided in the Articles of Association, if the number of shares represented by the attending shareholder representatives does not reach the legally required quorum at the time designated for the shareholders' meeting to begin, the chairman may announce a postponement of the meeting. However, the number of postponements shall not exceed two times, and the total postponement time shall not exceed one hour. If the shareholders' meeting is postponed twice but the number of shares represented by the attending shareholder representatives still does not reach the legally required quorum, the chairman shall announce that the shareholders' meeting is disbanded. If it is still necessary to convene a shareholders' meeting, a new one shall be convened in accordance with the provisions of the Articles of Association; if the shareholders' meeting is held by video conference, the Company shall also announce the disbandment on the shareholders' video conference platform.

If the above-mentioned two postponements still do not meet the quorum, but more than one-third of the issued shares have been represented by attending shareholders, a resolution may be adopted in accordance with Article 175, Paragraph 1 of the Company Law, and the false resolution shall be notified to all shareholders for another shareholders' meeting to be convened within one month. If the shareholders' meeting is held by video conference and a shareholder wishes to attend by video, the shareholder shall register with the company in accordance with Article 6.

During the meeting, if the number of shares represented by the attending shareholders reaches more than half of the total issued shares, the Chairman may resubmit the false resolution for voting in accordance with Article 174 of the Company Law.

1.5 Discussion of agenda items

- 1.5.1 If the shareholders' meeting is convened by the Board of Directors, the agenda shall be determined by the Board of Directors. Relevant agenda items (including ad hoc motions and amendments to the original proposal) shall be voted on separately, and the meeting shall proceed in accordance with the scheduled agenda, which shall not be

changed without the approval of the shareholders' meeting.

- 1.5.2 If the shareholders' meeting is convened by someone other than the Board of Directors, the provisions of the preceding paragraph shall apply.
 - 1.5.3 Before the agenda items scheduled in the preceding two paragraphs are concluded, the Chairman shall not announce the adjournment of the meeting without the approval of the shareholders' meeting (including ad hoc motions). If the Chairman violates the rules of procedure and announces the adjournment of the meeting, other members of the Board of Directors shall promptly assist the attending shareholders in accordance with the legal procedures to elect a person as Chairman with the agreement of more than half of the voting rights of the attending shareholders and continue the meeting.
 - 1.5.4 The Chairman shall give sufficient explanation and discussion opportunities for the agenda items, amendments or ad hoc motions proposed by the shareholders, and when it is deemed ready for a vote, the Chairman may announce the end of the discussion, the vote, and arrange sufficient voting time.
 - 1.5.5 If the shareholders' meeting is convened by the Board of Directors, the Chairman shall be the Chairman of the board. If the Chairman of the board is absent or unable to perform his or her duties for any reason, he or she shall designate a director to act as the Chairman, and if the Chairman of the board does not designate a representative, the directors shall elect one from among themselves. The Chairman referred to in the preceding paragraph shall be a director who has served for more than six months and has a good understanding of the Company's financial and business conditions. The same applies if the Chairman is the legal representative of a corporate director.
- 1.6 Shareholder speech
- 1.6.1 Before speaking at the shareholders' meeting, the shareholder must fill out a speech slip stating the main points of the speech, the shareholder's account number (or attendance certificate number), and the account name. The chairman will determine the order of the speeches.
 - 1.6.2 Shareholders who attend but only submit a speech slip without actually speaking will be considered as not speaking. If the content of the speech does not match what is written on the speech slip, the content of the speech will prevail.
 - 1.6.3 Each shareholder may speak on the same agenda item only twice with the approval of the chairman, and each time may not exceed five minutes. However, if a shareholder's speech violates the rules or goes beyond the scope of the agenda, the chairman may stop the speech.
 - 1.6.4 When a shareholder is speaking, other shareholders may not speak without the consent of the Chairman and the speaking shareholder, and the Chairman should stop any disruption.
 - 1.6.5 If a corporate shareholder assigns more than two representatives to attend the shareholders' meeting, only one representative may speak on the same agenda item.
 - 1.6.6 After a shareholder speaks, the Chairman may answer personally or designate relevant personnel to respond.
 - 1.6.7 If the shareholders' meeting is held by video conference, shareholders who participate through video may ask questions in writing on the video conference platform from the time the Chairman announces the start of the meeting until the announcement of adjournment. Each question on the same agenda item may not exceed two hundred words and may be asked up to two times, and this provision does not apply to the

provisions of paragraphs one to five above.

If the question does not violate the rules or go beyond the scope of the agenda, it should be disclosed on the video conference platform for everyone's knowledge.

1.7 Calculation and avoidance system for voting shares

- 1.7.1 The voting at the shareholders' meeting should be based on the number of shares.
- 1.7.2 The total number of issued shares shall not include the shares of shareholders without voting rights in the resolution of the shareholders' meeting.
- 1.7.3 Shareholders who have a personal interest in the matters of the meeting and whose interests may conflict with the interests of the company shall not participate in the vote and shall not act as a proxy to exercise their voting rights.
- 1.7.4 The shares that cannot be used for voting due to the provisions of the preceding paragraph shall not be included in the voting rights of the attending shareholders.
- 1.7.5 Except for trust companies organized under the laws of the Republic of China or share transfer agencies approved under the regulations of the Company Act for publicly traded companies, a person who is appointed as a proxy by two or more shareholders may not exercise voting rights exceeding 3% of the total voting rights of the issued shares. If the voting rights exceed this limit, the excess voting rights shall not be counted.

1.8 Voting

- 1.8.1 Each shareholder shall have one voting right per share; however, those restricted or without voting rights under the company's Articles of Association are not subject to this rule.
- 1.8.2 When the Company convenes a shareholders' meeting, electronic means and written forms shall be used to exercise voting rights. However, when the shareholders' meeting is held outside the territory of the Republic of China, the Company shall provide shareholders with the option to exercise voting rights in writing or electronically. When exercising voting rights in writing or electronically, the method of exercise shall be specified in the notice of the shareholders' meeting. Shareholders who exercise voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, for temporary resolutions and amendments to the original proposal at that shareholders' meeting, they shall be deemed to have abstained. Therefore, the Company should avoid proposing temporary resolutions and amendments to the original proposal.
- 1.8.3 Shareholders who exercise voting rights in writing or electronically shall deliver their expression of intent to the Company two days before the shareholders' meeting. If there are multiple expressions of intent, the earliest one shall prevail. However, those who have expressed their intent to revoke their previous expression of intent are not subject to this rule.
- 1.8.4 Shareholders who have exercised their voting rights in writing or electronically and wish to attend the shareholders' meeting in person shall revoke their expression of intent in the same manner as exercising their voting rights no later than two days before the shareholders' meeting. If they fail to do so, the voting rights exercised in writing or electronically shall prevail. If they exercise their voting rights in writing or electronically and appoint an agent to attend the shareholders' meeting, the voting rights exercised by the agent shall prevail.
- 1.8.5 Unless otherwise specified by the Company Act or the company's Articles of

Association, resolutions shall be passed with the approval of more than half of the voting rights of the attending shareholders. The total number of voting rights of the attending shareholders shall be announced by the Chairman or the person designated by the chairman for each resolution.

- 1.8.6 Any other proposal or amendment or alternative proposal to the original proposal presented by a shareholder, except those listed on the agenda, shall be seconded by another shareholder.
- 1.8.7 When there are amendments or alternative proposals for the same proposal, the Chairman shall determine the order of voting along with the original proposal. If one of them has been passed, the others shall be deemed to have been rejected and no further vote is necessary.
- 1.8.8 The Chairman shall appoint the scrutineers and vote counters for the voting of proposals, but the scrutineers shall be shareholders.
- 1.8.9 The vote counting for the voting of proposals or elections shall be conducted openly at the shareholders' meeting venue, and the voting results, including the vote count, shall be announced on the spot after the vote counting is completed and recorded.
- 1.8.10 When the Company convenes a video conference for a shareholders' meeting, shareholders participating via video conference shall vote on various proposals and election proposals through the video conference platform after the chairman announces the start of the meeting and shall complete the voting before the chairman announces the end of the voting. Those who fail to do so shall be deemed to have abstained.

For a shareholders' meeting held via video conference, the voting and election results shall be announced after the chairman announces the end of the voting.

When the Company convenes a video-assisted shareholders' meeting in accordance with Article 6, shareholders who have registered to attend the shareholders' meeting via video conference shall revoke their registration in the same manner as their registration two days before the shareholders' meeting if they wish to attend the physical shareholders' meeting in person. If they fail to do so, they may only attend the shareholders' meeting via video conference.

Shareholders who have exercised their voting rights in writing or electronically and participate in the shareholders' meeting via video conference shall not exercise their voting rights again on the original proposal or propose amendments or exercise their voting rights on the amendments to the original proposal, except for temporary resolutions.

1.9 Election matters

- 1.9.1 When electing directors or supervisors at a shareholder meeting, relevant election regulations established by the Company should be followed, and the election results, including the list of elected directors and supervisors and the number of votes they received, should be announced on the spot.
- 1.9.2 The ballots for the aforementioned election matters should be sealed and signed by the scrutineers, and kept properly for at least one year. However, if there are any lawsuit matters related to improper shareholder meeting procedures or improper passed resolutions, they should be kept until the end of the lawsuit.
- 1.9.3 When the reason for convening a shareholder meeting is for the complete election of directors and the date of assumption of office is specified, the date of assumption of office cannot be changed at the same meeting by temporary motion or other means

after the election is completed.

1.10 Meeting records

- 1.10.1 The resolutions of the shareholder meeting should be recorded in the minutes, signed or stamped by the Chairman, and distributed to each shareholder within 20 days after the meeting. The minutes can be produced and distributed electronically.
- 1.10.2 For shareholders holding less than 1,000 registered shares, the distribution of the minutes mentioned in the previous paragraph may be made through the announcement on the website of the Public Information Observation System.
- 1.10.3 The minutes should accurately record the year, month, day, venue, name of the Chairman, decision-making method, summary of the proceedings, and the voting results (including the weighted vote) of the meeting. When electing directors, the number of votes received by each candidate should be disclosed. The minutes should be preserved permanently during the existence of the company.
- 1.10.4 For shareholder meetings held via video conference, in addition to the items required to be recorded in the preceding paragraph, the meeting start and end time, the method of convening the meeting, the names of the chairperson and recorder, and the handling and status of any obstacles encountered during the video conference due to natural disasters, emergencies, or other force majeure events should also be recorded in the minutes. When the company holds a video shareholder meeting, it should also record in the minutes the alternative measures provided to shareholders who have difficulty participating in the meeting via video.
- 1.10.5 The Company should continuously record the entire process of shareholder registration, meeting proceedings, and vote counting through audio and video recording from the time of shareholder registration. The audio and video data should be saved for at least one year. However, if a lawsuit is filed by shareholders under Article 189 of the Company Law, it should be saved until the end of the lawsuit. For shareholder meetings held via video conference, the Company should record and save the registration, registration, inquiry, voting, and vote counting results of the shareholders, and continuously record the entire video conference through audio and video recording. The Company should properly preserve the data and audio and video recordings during its existence and provide the entrusted party responsible for handling video conference affairs with the audio and video recordings of the back-end operating interface of the video conference platform.

1.11 Public announcements

- 1.11.1 The number of shares solicited, the number of shares represented by the proxy, and the number of shares attended in writing or electronically by shareholders should be compiled into a statistical table in the prescribed format and clearly displayed at the meeting venue on the day of the shareholder meeting. For shareholder meetings held via video conference, the Company should upload the above information to the video conference platform at least thirty minutes before the meeting starts and continue to disclose it until the end of the meeting. When announcing the start of the video conference shareholder meeting, the company should disclose the total number of shares represented by attending shareholders on the video conference platform. If there are other statistics on the total number of shares represented by attending shareholders and voting rights during the meeting, they should be disclosed as well.
- 1.11.2 If a resolution of a shareholder meeting constitutes a material information under the laws and regulations or the regulations of the Taiwan Stock Exchange Corporation, the

Company should transmit the content to the Public Information Observation System within the prescribed time limit.

- 1.11.3 For shareholder meetings held via video conference, the Company should disclose the voting results of each agenda item and the election results on the video conference platform immediately after the voting ends, and continue to disclose them for at least fifteen minutes after the chairperson announces the adjournment of the meeting.
- 1.11.4 When the Company holds a video conference shareholder meeting, the chairperson and recorder should be at the same location in the Republic of China, and the chairperson should announce the address of the location at the beginning of the meeting.

1.12 Maintenance of Meeting Order

- 1.12.1 The personnel in charge of the shareholder meeting should wear identification cards or armbands.
- 1.12.2 The Chairman may direct the inspector or security personnel to assist in maintaining order at the meeting venue. When the inspector or security personnel are present to assist in maintaining order, they should wear an armband or identification card bearing the words "Inspector".
- 1.12.3 If there is a sound amplification device at the meeting venue, the Chairman may prohibit shareholders from speaking with equipment other than that provided by the Company
- 1.12.4 Shareholders who violate the rules of procedure and refuse to comply with the Chairman's correction, obstruct the progress of the meeting, and do not comply with the prohibition may be directed by the Chairman to leave the meeting venue with the assistance of the inspector or security personnel.
- 1.12.5 For shareholder meetings held via video conference, the Company may provide shareholders with a simple connection test before the meeting and provide relevant services in real-time during the meeting to assist with technical communication issues.

When a shareholder meeting is held via video conference, the Chairman should announce separately at the beginning of the meeting, except for the matters specified in the Fourth item of Article 44-2, Item 20 of the Guidelines for Handling Stock Affairs of Public Companies, that in the event of a natural disaster, an incident, or other force majeure that causes a disruption of the video conference platform or participation by video conference for more than thirty minutes continuously before the Chairman announces the adjournment of the meeting, the date of the adjourned or resumed meeting shall be postponed or continued within five days, and the provisions of Article 182 of the Company Act shall not apply.

Shareholders who did not register to participate in the original shareholder meeting via video conference shall not participate in the adjourned or resumed meeting.

For shareholders who registered to participate in the original shareholder meeting via video conference and completed the check-in but did not participate in the adjourned or resumed meeting as required by the second paragraph, their shares represented at the original shareholder meeting, the voting rights exercised, and the election rights shall be counted as part of the total shares, voting rights, and election rights of the attending shareholders at the adjourned or resumed meeting.

For the adjourned or resumed shareholder meeting held in accordance with the second paragraph, the agenda that has already been voted on and counted, and the announcement of the voting results or the list of elected directors or supervisors, do not

need to be re-discussed and voted on.

When the Company holds a video-assisted shareholder meeting, in the event that it is unable to continue the video conference meeting as stipulated in the second paragraph, if the total shares represented by attending shareholders still meet the legal threshold for the shareholder meeting after deducting the shares represented by attending shareholders via video conference, the shareholder meeting shall continue without being postponed or resumed in accordance with the provisions of the second paragraph.

For shareholders who participate in the shareholder meeting via video conference as stipulated in the preceding paragraph, their attendance shall be counted as part of the total shares represented by attending shareholders, but they shall be deemed to have waived their voting rights for all agenda items of the shareholder meeting.

When the Company postpones or resumes the meeting in accordance with the provisions of the second paragraph, it shall carry out the relevant preparatory work in accordance with the provisions of Item 7 of paragraph 20 of Article 44-2 of the Guidelines for Handling Stock Affairs of Public Companies and the original date of the shareholder meeting.

For the period specified in the latter half of paragraph 12 and paragraph 13, Item 3 of the Rules for the Use of Proxy at Shareholder Meetings of Public Companies and Item 2, Item 15, and Item 17, paragraph 1 of Article 44 of the Guidelines for Handling Stock Affairs of Public Companies, the Company shall hold the adjourned or resumed shareholder meeting in accordance with the date of the adjourned or resumed shareholder meeting as stipulated in the second paragraph.

- 1.12.6 When the Company holds a video conference for shareholders' meetings, appropriate alternative measures shall be provided for shareholders who have difficulty attending the meeting by video.

1.13 Recess, adjournment

- 1.13.1 During the meeting, the Chairman may announce a recess at his or her discretion. In the event of uncontrollable circumstances, the Chairman may temporarily suspend the meeting and announce a resumption time depending on the situation.
- 1.13.2 If the meeting venue cannot continue to be used before the scheduled agenda (including ad hoc motions) is completed, the shareholders' meeting may resolve to find another venue to continue the meeting.
- 1.13.3 The shareholders' meeting may resolve to postpone or adjourn the meeting within five days.
- 1.13.4 After the meeting is adjourned, shareholders may not elect another chairman to continue the meeting at the original location or another venue.

- 1.14 These rules shall be effective after being passed by the shareholders' meeting and shall also apply to any amendments. After the establishment of these rules, if there are changes to relevant laws and regulations, these rules shall be revised in a timely manner and shall be passed by the Board of Directors and shareholders' meeting in accordance with the laws and regulations.

- 1.15 The date of the establishment of these shareholders' meeting rules is November 29, 2011.

The first amendment was made on March 15, 2013 by the board of directors and on June 10, 2013 by the shareholders' meeting

The second amendment was made on May 7, 2019 by the board of directors and on June 27, 2019 by the shareholders' meeting.

The third amendment was made on March 27, 2020 by the board of directors and on June 23, 2020 by the shareholders' meeting.

The fourth amendment was made on August 12, 2020 by the Board of Directors and on June 23, 2021 by the shareholders' meeting.

The fifth amendment was made on May 12, 2022 by the Board of Directors and on June 23, 2022 by the shareholders' meeting.

Jinli Group Holdings Limited

Rules of Procedure for Board of Directors Meetings

(Befor Amendment)

1. Purpose

To establish a strong governance system and sound supervisory capabilities for The Company's Board of Directors and to strengthen management capabilities, these Rules are adopted pursuant to Article 2 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies (hereinafter referred to as "these Rules").

2. Scope

With respect to the Board of Directors meetings of The Company, the main agenda items, working procedures, required content of meeting minutes, public announcements, and other compliance requirements shall be handled in accordance with the provisions of these Rules.

3. Rights and responsibilities

- 3.1 The Company shall conduct relevant matters of the Board of Directors in accordance with these Rules.

4. Definition

None

5. Procedure

None

6. Content of operation

- 6.1 Convening, notice of the Board of Directors meeting
 - 6.1.1 The Board of Directors of The Company shall meet at least quarterly.
 - 6.1.2 A notice of the reasons for convening a Board of Directors meeting shall be given to each director before 7 days before the meeting is convened. In emergency circumstances, however, a Board of Directors meeting may be called any time after a notice for convening has been sent in accordance with the act of public company. The notice to be given aforesaid may be effected by electronic means with the prior consent of the recipients.
 - 6.1.3 All matters set forth under each paragraph of Article 6.5 of these Rules shall be specified in the notice of the reasons for convening a Board of Directors meeting. None of those matters may be raised by an extempore motion except in the case of an emergency or for other legitimate reason.
 - 6.1.4 The designated unit responsible for the Board of Directors meetings of The Company shall be the group office which shall draft agenda items and prepare sufficient meeting materials, and shall deliver them together with the notice of the meeting.
 - 6.1.5 A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for the Board of Directors meetings. If a director is

of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the Board of Directors.

6.1.6 A Board of Directors meeting shall be held at the premises and during the business hours of The Company, or at a place and time convenient for all directors to attend and suitable for holding the Board of Directors meetings.

6.2 Preparation of “Attendance Book of the Board of Directors Meeting” and attendance of directors by proxy

6.2.1 When a Board of Directors meeting is held, an “Attendance Book of the Board of Directors Meeting” shall be provided for signing-in by attending directors, which shall be made available for future reference.

6.2.2 Directors shall attend the Board of Directors meetings in person. A director unable to attend in person may appoint another director to attend the meeting in his or her place in accordance with the articles of The Company. Attendance by videoconference will be deemed attendance in person.

6.2.3 A director who appoints another director to attend a Board of Directors meeting shall in each instance issue a proxy form stating the scope of authorization with respect to the reasons for convening the meeting.

6.2.4 The proxy referred to in Article 6.2.2 may be the appointed proxy of only one person.

6.3 The convening of Board of Directors meeting

6.3.1 When a meeting of the Company’s board of directors is convened by the chairman, the chairman shall be the chair of the meeting. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders' meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting. Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the Company Act, the directors shall choose one person by and from among themselves to chair the meeting.

6.3.2 When the chairman is on leave or for any reason unable to exercise the powers of chairman, the vice chairman shall act in place of the chairman; if there is no vice chairman or the vice chairman is also on leave or for any reason unable to exercise the powers of vice chairman, the chairman shall appoint one of the managing directors to act, or, if there are no managing directors, one of the directors shall be appointed to act as chair. If no such designation is made by the chairman, the managing directors or directors shall select one person from among themselves to serve as

chair.

6.3.3 When a Board of Directors meeting is held, the management (or the designated unit responsible for the Board of Directors meetings) shall furnish the attending directors with relevant materials for ready reference.

6.3.4 As merited by the content of a proposal to be put forward at a Board of Directors meeting, personnel from a relevant department or a subsidiary may be notified to attend the meeting as non-voting participants. When necessary, certified public accountants, attorneys, or other professionals may also be invited to attend the meeting as non-voting participants and to make explanatory statements, provided that they shall leave the meeting when deliberation or voting takes place.

6.3.5 The chair shall call the Board of Directors meeting to order at the appointed meeting time and when more than one-half of all the directors are in attendance.

6.3.6 If one-half of all directors are not in attendance at the appointed meeting time, the chair may announce postponement of the meeting time, provided that no more than two such postponements may be made. If the quorum is still not met after two postponements, the chair shall reconvene the meeting in accordance with the procedures in Article 6.1.2.

6.3.7 The number of “all directors” as used in these Rules shall be counted as the actual number of persons currently holding the positions.

6.4 Agenda project of regular Board of Directors meeting

6.4.1 Matters to be reported: Minutes of the last meeting and action taken, important financial and business matters, internal audit activities, other important matters to be reported.

6.4.2 Matters for discussion: Items for continued discussion from the last meeting, items for discussion at this meeting.

6.4.3 Extempore motions.

6.5 Agenda project of Board of Directors meeting

6.5.1 The matters listed below shall be raised for discussion at a Board of Directors meeting of The Company:

1. The business plan of The Company.
2. Annual and semi-annual financial reports that are required under relevant laws and regulations to be audited and attested by a certified public accountant.
3. Adoption or amendment of an internal control system pursuant to Article 14-1 of the Securities and Exchange Act and assessment of the effectiveness of the internal control system.
4. Adoption or amendment of any handling procedures for material financial or business transactions,

such as the acquisition or disposal of assets, derivatives trading, loans of funds to others, and endorsements or guarantees for others.

5. The offering, issuance, or private placement of equity-type securities.
6. The appointment or discharge of a financial, accounting, or internal audit officer.
7. A donation to a related party or a major donation to a non-related party, provided that a public-interest donation of disaster relief that is made for a major natural disaster may be submitted to the following Board of Directors meeting for retroactive recognition.
8. Any matter that, under the laws or regulations or articles, must be approved by resolution at a shareholders' meeting or Board of Directors meeting, or any material matter prescribed by the competent authority.

The term "related party" in Subparagraph 7 of the preceding paragraph means a related party as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers. The term "major donation to a non-related party" means an individual donation, or cumulative donations within a 1-year period to a single recipient, at an amount of NT\$100 million or more, or at an amount equal to or greater than 1 percent of net operating revenue or 5 percent of paid-in capital as stated in the CPA-attested financial report for the most recent year. The term "within a 1-year period" in the preceding paragraph means a period of 1 year calculated retroactively from the date on which the current Board of Directors meeting is convened. Amounts already submitted to and passed by a resolution of the Board of Directors are exempted from inclusion in the calculation.

In the case of a foreign issuer whose shares have no par value or a par value other than NT\$10, 2.5 percent of shareholders' equity shall be substituted for the calculation of the amount equal to 5 percent of paid-in capital required under Paragraph 2.

- 6.5.2 At least one independent director shall attend the Board of Directors meeting in person. With respect to the matters which shall be approved by resolutions at a Board of Directors meeting as provided in Paragraph 1, all independent directors shall attend the meeting. Where an independent director is unable to attend the meeting, that independent director shall appoint another independent director to attend the meeting as proxy. If an independent director objects to or expresses reservations about such a matter, it shall be recorded in the Board of Directors meeting minutes; if an independent director intends to express an objection or reservation but is unable to attend the Board of Directors meeting in person, then unless there is a legitimate reason to do otherwise, that director shall issue a written opinion in advance, which shall be recorded in the Board of Directors meeting minutes.

6.6 Discussion and voting of proposal

6.6.1 Discussion of proposal

- 6.6.1.1 A Board of Directors meeting of The Company shall follow the agenda given in the meeting notice. However, the agenda may be changed with the approval of a majority of directors in attendance at the Board of Directors meeting.
- 6.6.1.1 The chair may not declare the meeting closed without the approval of a majority of the directors in attendance at the meeting.
- 6.6.1.1 At any time during the course of a Board of Directors meeting, if the number of directors sitting at the meeting does not constitute a majority of the attending directors, then upon the motion by a director sitting at the meeting, the chair shall declare a suspension of the meeting, in which case Article 6.3.6 shall apply mutatis mutandis.
- 6.6.2 Voting
 - 6.6.2.1 When the chair at a Board of Directors meeting is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed and call a vote.
 - 6.6.2.2 When a proposal comes to a vote at a Board of Directors meeting, if no attending director voices an objection following an inquiry by the chair, the proposal will be deemed approved. If there is an objection following an inquiry by the chair, the proposal shall be brought to a vote.
 - 6.6.2.3 One voting method for proposals shall be selected by the chair from among those below, provided that when an attending director has an objection, the chair shall seek the opinion of the majority to make a decision:
 - 1. A show of hands or a vote by voting machine.
 - 2. A roll call vote.
 - 3. A vote by ballot.
 - 4. A vote by a method selected at The Company's discretion.
 - 6.6.2.4 "Attending directors," as used in Article 6.6.2.2 and Article 6.6.2.3, does not include directors that may not exercise voting rights pursuant to Article 6.6.4.1.
- 6.6.3 Methods for vote monitoring and counting
 - 6.6.3.1 Except as otherwise provided by relevant laws or regulations or the articles of incorporation, the passage of a proposal at a Board of Directors meeting shall require the approval of a majority of the directors in attendance at a Board of Directors meeting attended by a majority of all directors.
 - 6.6.3.2 When there is an amendment or alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any one proposal among them is passed, the other proposals shall then be deemed rejected, and no further voting on them shall be required.

6.6.3.3 If a vote on a proposal requires monitoring and counting personnel, the chair shall appoint such personnel, providing that all monitoring personnel shall be directors.

6.6.3.4 Voting results shall be made known on-site immediately and recorded in writing.

6.6.4 Recusal

6.6.4.1 If a director is an interested party and his or her interest may conflict with the interest of the company in relation to an agenda item, the director shall state the important aspects of the interested party relationship at the respective meeting. A director shall be deemed to be an interested party in relation to the agenda item if his/her spouse, his/her blood relatives as defined in the Taiwan Civil Law, or a company which has a controlling subordinate relationship with the director has an interested party relationship in relation to the matter of the Board of Directors meeting. When the relationship is likely to prejudice the interest of the company, that director may not participate in discussion or voting on that agenda item and shall recuse himself or herself from the discussion or the voting on the item, and may not exercise voting rights as proxy for another director.

6.6.4.2 Where a director is prohibited by the preceding paragraph from exercising voting rights or exercising voting rights by proxy with respect to a resolution at a Board of Directors meeting, the voting rights shall not be counted in the amount of voting rights of the directors in attendance of the Board of Directors meeting.

6.7 Meeting minutes and sign-in matters

6.7.1 Discussions at a Board of Directors meeting shall be recorded in the meeting minutes, and the minutes shall fully and accurately state the matters listed below:

1. The meeting session (or year) and the time and place of the meeting.
2. The name of the chair.
3. The directors' attendance at the meeting (including the names and the number of directors in attendance, excused, and absent).
4. The names and titles of those attending the meeting as non-voting participants.
5. The name of the minute taker.
6. The matters reported at the meeting.
7. Agenda items: The method of resolution and the result for each proposal; a summary of the comments made by directors, experts, or other persons; the name of any director that is an interested party as referred to in Article 6.6.4.1, an explanation of the important aspects of the relationship of interest, the reasons why the director was required or not required to enter recusal, and the status of their recusal; opinions expressing objections or reservations at the meeting that were included in records or stated in writing; and any opinion issued in writing by an independent director pursuant to Article 6.5.2

8. Extempore motions: The name of the mover, the method of resolution and the result, a summary of the comments of any director, expert, or other person, opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
9. Other matters required to be recorded.
- 6.7.2 The occurrence of any of the following circumstances, with respect to a resolution passed at a Board of Directors meeting, shall be stated in the meeting minutes and shall be publicly announced and filed on the website of the Market Observation Post System within 2 days from the date of the Board of Directors meeting:
- 6.7.2.1 Any opinions expressing objections or reservations at the meeting that were included in records or stated in writing.
- 6.7.2.2 Matters adopted with the approval of two-thirds or more of all directors, without having been passed by the audit committee of The Company.
- 6.7.3 The attendance book constitutes part of the minutes for each Board of Directors meeting and shall be retained forever.
- 6.7.4 The minutes of a Board of Directors meeting shall bear the signature or seal of both the chair and the minute taker, and shall be distributed to each director within 20 days after the meeting. The minutes shall be deemed important corporate records and appropriately preserved forever. The meeting minutes may be produced and distributed by electronic means.
- 6.7.5 The Board of Directors shall designate a specific person to sort out the summary of the Board of Directors minutes into the “Board of Directors minute catalogue” so as to implement the contents of each resolution and strengthen corporate governance.
- 6.7.6 The Company shall record the proceedings of a Board of Directors meeting in their entirety in audio or video, and the recording shall be retained for a minimum of 5 years. The record may be retained by electronic means.
- 6.7.7 If any litigation arises with respect to a resolution of a Board of Directors meeting before the end of the retention period of the preceding paragraph, the relevant audio or video record shall be retained until the conclusion of the litigation.
- 6.7.8 Where a Board of Directors meeting is held by videoconference, the audio or video documentation of the meeting constitutes part of the meeting minutes and shall be retained for the duration of the existence of the company.
- 6.8 With the exception of matters required to be discussed at a Board of Directors meeting under Article 6.5.1, when the Board of Directors appoints a party to exercise the powers of the Board of Directors in accordance with laws or regulations or the articles of The Company, the levels of such delegation and the content or matters it covers shall be specified in the list of rights for determination and submitted to the Board of Directors for resolution.

- 6.9 These Rules shall be adopted by the approval of the Board of Directors meeting of The Company and shall be reported to the shareholders' meeting. The Board of Directors may be authorized to adopt by resolution any future amendments to these Rules. Upon the stipulation of these Rules, in case of any change of relevant laws or regulations, these Rules shall be amended in due time and shall be approved by the resolution of the Board of Directors (audit committee) in accordance with laws or regulations.
- 6.10 The affairs for public announcement in accordance with relevant laws and regulations shall only apply after The Company's shares are listed and traded in Taiwan Stock Exchange.
- 6.11 These Rules was stipulated on November 29, 2011 by the Board of Directors.
- The first amendment was made on October 26, 2012 by the Board of Directors.
- The second amendment was made on December 29, 2017 by the Board of Directors.
- The third amendment was made on May 7, 2019 by the Board of Directors.
- The fourth amendment was made on Aug 12, 2020 by the Board of Directors.

Appendix 4

JINLI GROUP HOLDINGS LIMITED Shareholding Status of All Directors

1. The number of shares issued by the Company is 185,747,151.
2. The statutory minimum number of shares held by all directors is 11,144,829.
3. The Company has established the audit committee, so there are no supervisors for shareholding status.
4. Up to the book closure date for the Annual General Meeting (April 26, 2024), the shareholding status of individual director and all directors is recorded in the shareholders' list as follows (the percentage criteria set out in Article 26 of the Securities and Exchange Act is met):

Book closure date: April 26, 2024

Title	Name	Number of share holding	Ratio of share holding
Director	Chong Chun Lung	33,349,883	17.95%
Director	Chen Honglin	0	0
Director	Tsai Yunglung	0	0
Director	Shiue You-Wei	0	0
Independent director	Chen, Jinde	0	0
Independent director	Yeh, Ming	0	0
Independent director	Luo Ping	0	0
Total sum		33,349,883	17.95%

Note 1: Chong, Chun Lung hold 10,824,408 shares of the Company through his own company, Dragon Million (Asia) Limited.