Patec Precision Industry Co., Ltd.

2022Annual General Meeting

Meeting Agenda

(Translation)

June 20, 2022

**(The English version is a translation based on the original Chinese version.
Where any discrepancy arises between the two versions, the Chinese version shall prevail.)**

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2022 Annual General Meeting Procedure

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II. Meeting Agenda

Patec Precision Industry Co., Ltd.

2022 Annual General Meeting Agenda

Time：09:00 a.m. on 20th June 2022 (Monday)

Place：Primasia Conference & Business Center (Address: 15F., No.99, Fuxing N. Rd., Songshan Dist., Taipei City 105403, Taiwan (R.O.C.))

Attendants：All shareholders or their proxy holders

Agenda：1.Call the meeting to order（Report of the total number of shares represented at this AGM）

2.Chairman Remarks

3.Matters to Report

(1) 2021 Business Report.
(2) 2021 Audit Committee's Review Report.
(3) 2021 compensation of directors and employees.
(4) 2021 earnings distribution.
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(2) Adoption of the Proposal for Distribution of 2021 Earnings.

5.Discussion Matters

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(2) Amendment to the Rules of Procedure for Shareholders Meetings.
(3) Amendment to the Management of Acquisition and Disposal of Assets.
(4) Amendment to the Endorsements Management.
(5) Issuance of Restricted Stock Awards.

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Matters to Report

1. To report the business of 2021.
   Description：
   2021 Business Report, please refer to Attachment I.

2. Audit Committee's review report。
   Description：
   2021 Audit Committee's Review Report, please refer to Attachment II.

3. To report 2021 compensation of directors and employees.
   Description：
   (1) According to Article 99 of the company's Memorandum and Articles of Association, the company has profits at the end of a financial year, not more than three percent (3%) of Profits before tax for bonuses of the Directors, and during zero-point one percent (0.1%) to three percent (3%) of Profits before tax for bonuses of the Employees.
   (2) 2021 employees' bonus is NTD 250,000 and directors' bonus is NTD 287,720.

4. Proposal：Proposal to apply for medium-term credit lines with banks is submitted for resolution.
   Description：
   (1) Due to Company's business development needs, a necessity has arisen to apply for medium-term bank facilities, and agree to use the Company's assets as guarantee. The required bank facilities as follows:

Bank Name	Period	Facility
Cathay Bank	Medium-term 5 years	EUR 2,500,000

   (2) The above applications for credit may be adjusted according to the respective banks' decisions. The Chairman, Wee Liang Kiang, or General Manager, Wee Hong Jie shall be authorized to approve all applications for credit lines as well as the signing of all related contracts within the original amount.

5. Proposal：The company and its subsidiaries have setup the total amount of the overall endorsement and guarantee as 100% of the company's net equity, and the necessity and rationality should be submitted to the AGM.
   Description：
   According to the " Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies", if the total amount of the overall endorsement guarantees set by the public company and its subsidiaries are more than 50% of the net equity of the public company, the necessity and rationality shall be explained at the AGM, as follows:
   (1) Necessity:
   Subsidiaries of the Company are currently entering new energy vehicle components and expanding the autonomous robot market, to create a better growth for the Company in the future. Therefore, the company or its subsidiaries with credit foundations shall endorse and guarantee each other, so that they can smoothly obtain favorable financing conditions from financial institutions, reduce financing costs, and enhance their bargain power. Therefore, it is necessary to revise and relax the total limit of endorsement guarantees.
   (2) Rationality:
   i. In December 2021, the amount of endorsement guarantees made by the Company and its subsidiaries was NTD 511,320 thousand. Most of the guarantees for the Singapore subsidiary approximately 65%, the endorsement guarantee for the Indonesian subsidiary approximately

8%, and the subsidiary was Parent company endorsement guarantees for 27%.

ii. New energy vehicles and autonomous robots are currently growth market and it's the future industry. Therefore, the company explores this market, and makes use of its excellent reputation over the years since its listing, and the company or its subsidiaries can successfully use local financial resources in endorsement guarantees to further need and create a higher return to all shareholders.

Proposed Resolutions

1. To accept 2021 Business Report and Consolidated Financial Statements. (Proposed by the board of directors)

Description：

(1) PATEC's Financial Statements were audited by independent auditors, Mr. Chin-Chang Chen and Mr. Yi-Fan Lin of PricewaterhouseCoopers. Also, Business Report and Financial Statements have been approved by the Board and examined by the Audit Committee.

(2) The 2021 Business Report, independent auditors' audit report, and the above-mentioned Financial Statements please refer to Attachment I and Attachment III.

Resolution：

2. Adoption of the Proposal for Distribution of 2021 Profits. (Proposed by the board of directors)

Description：

(1) The Board has adopted a Proposal for Distribution of 2021 Profits in accordance with the Company Act and Articles of Incorporation.

(2) The Company's final earnings for fiscal 2021 are calculated at NT$ 67,300,770, please refer to The Chart of 2021 Earnings Appropriation in Exhibit 8. As to the share dividends for the shareholders, it is proposed to distribute NT$ 3.0 per share of cash dividends. The BOD may make the required adjustments to the actual earnings distribution ration based on the number of issued and outstanding stocks registered in the Common Stockholders' Roster as at the date of record.

(3) For the distribution of cash dividends, upon approval by this General Shareholders Meeting, the board of directors will be authorized to adopt a date of record for the distribution of dividends and carry out the relevant dividend distribution matters.

(4) In the event that, before the distribution record date, the proposed profit distribution is affected by an amendment to relevant laws or regulations, a request by the competent authorities, or a buyback of shares or issuance of new shares for transferring treasury shares to employees or for equity conversion in connection with domestic or overseas convertible corporate bonds or other convertible securities or employee stock options, it is proposed that the Chairman be authorized to adjust the cash to be distributed to each share based on the number of actual shares outstanding on the record date for distribution.

(5) Profit Distribution Table please refer to Attachment IV.

Resolution：

Discussion Matters

1. Adoption of the Eleventh Amended and Restated Memorandum and Articles of Association of the Company.

(Proposed by the board of directors)
Description：

(1) To comply with the provision of the Company Act and Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies.
(2) The comparison of the provisions before and after the amendments please see Attachment Ⅴ.

Resolution：

2. Amendment to the “Rules of Procedure for Shareholders Meetings”. Please proceed to discuss.
(Proposed by the board of directors)
Description：
In order to conform to the needs of commercial practice and amendments to related commercial laws, the company hereby proposes to amend the “Rules of Procedure for Shareholders Meetings”, the Comparison Table for the “Rules of Procedure for Shareholders Meetings” Before and After Revision please refer to Attachment VI.

Resolution：

3. Amendment to the “Management of Acquisition and Disposal of Assets”. Please proceed to discuss.
(Proposed by the board of directors)
Description：
In order to conform to the needs of commercial practice and amendments to related commercial laws, the company hereby proposes to amend the “Management of Acquisition and Disposal of Assets”, the Comparison Table for the “Endorsements Management” Before and After Revision please refer to Attachment VII.

Resolution：

4. Amendment to the “Endorsements Management”. Please proceed to discuss.
(Proposed by the board of directors)
Description：
In order to conform to the needs of commercial practice and amendments to related commercial laws, the company hereby proposes to amend the “Endorsements Management”, the Comparison Table for the “Endorsements Management” Before and After Revision please refer to Attachment VIII.

Resolution：

5. Proposal to issue new shares with restricted employee rights; please discuss.
(proposed by the board of directors of directors)
Description:

(1) The contents of the new shares with restricted employee rights to be issued are as follows:
 i. Total issuance: 593,667 ordinary shares.
 ii. Issuing conditions:
  A. Issuing price: The new shares with restricted employee rights are issued free of charge.

B. B.Vesting conditions: Employees who meet the personal performance target or the Company's operating objectives set out in the "Measures for the First Tranche of New Shares with Restricted Employee Rights in 2022" formulated by the Company, without violating these issuance measures in the year; please see Annex XIII for details.

C. C.Handling method for employees who fail to meet the vesting conditions or inheritance: In case the employee fails to meet the vesting conditions, the Company shall withdraw the shares free of charge and cancel them. Other matters shall be handled in accordance with the issuance measures formulated by the Company.

(2) Qualifications of employees and the number of shares to be allocated or subscribed to

i. Limited to the full-time regular employees of the Company and employees of domestic and foreign controlled or subordinate companies who have been on duty on the date of issuance of such new shares.

ii. For the number of new shares with restricted employee rights to be allocated, the seniority, rank, overall contribution, operating conditions and other factors, as well as the needs of the Company's operating needs and business development strategies shall be taken into account. After being approved by the Chairman, it shall be submitted to the board meeting for approval. However, those who have the status of manager shall first obtain the consent of the Remuneration Committee.

iii. The number of new shares with restricted employee rights granted by the Company to any employee shall be handled in accordance with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.

(3) Rights subject to restrictions after subscription of new shares and before the vesting conditions are met

i. During the vested period, the employee shall not sell, pledge, transfer, gift, set a lien or otherwise dispose of the new shares with restricted employee rights.

ii. For the new shares with restricted employee rights allocated to employees in accordance with these measures, before the vesting conditions are met, other rights including but not limited to dividends, bonuses, rights to allocation of capital reserves, stock options for cash capital increase, etc. shall be the same as the ordinary shares issued by the Company.

(4) The necessary reason for the new shares with restricted employee rights: To attract and retain professionals required by the Company, and improve employees' loyalty and sense of belonging to the Company, so as to create the joint interests of the Company and shareholders, and ensure the integration of employees' interests and shareholders' interests.

(5) The amount of possible expenses, the dilution of earnings per share of the Company and other matters affecting shareholders' equity: Based on the Company's closing price of NT$25.9 per share on March 25, 2022, if the vesting conditions are met in full, the maximum amount of possible expenses is NT$15,375,975; according to the vesting conditions, the possible annual expensed amounts from 2022 to 2025 are about NT$2,990 thousand, NT$7,432 thousand, NT$3,588 thousand and NT$1,366 thousand respectively.

Based on the 45,759,703 outstanding shares of the Company on March 25, 2022, the possible reduction in earnings per share of the Company from 2022 to 2025 is about NT$0.07, NT$0.16, NT$0.08 and NT$0.03 respectively. The dilution of earnings per share of the Company is therefore limited, and has no significant impact on shareholders' equity.

(6) Other major items:

i. Within one year from the date of the resolution of the shareholders' meeting, the new shares with restricted employee rights to be issued by the Company shall be reported to the competent authority in tranches. Within one year from the date of the arrival of the notice from the competent authority on the effectiveness upon declaration, the Company may issue the shares in one go or in tranches according to actual needs.

ii. Before the employee meets the vesting conditions, the attendance, proposal, speech, voting rights and other matters related to shareholders' rights and interests at the shareholders' meeting of the Company shall be entrusted to the trust custodian institution to exercise on his/her behalf.

iii. After this proposal is submitted to the shareholders' meeting for resolution, the board meeting is authorized to apply with the competent authority for issuance in accordance with relevant laws and regulations. For matters not covered, unless otherwise provided by laws and regulations, the board meeting shall be fully authorized to amend or implement them in accordance with relevant laws and regulations.

Resolution：

Questions and Motions

Adjournment

Attachment I
2021 business report
Dear Shareholders:
Thank you for the encouragement and the support to the Company in the past year. Thank you for your time to participate in the Company's 2022 general shareholders meeting during your busy schedule. Here, we would like to present the operating result in 2021; and a summary of the business plan for 2022.

2021 operating results

Global automobile sales volume was 81.05 million in 2021, which increased 4.4% from 2020. Since global car sales volume peaked at 95.6 million in 2018. Affected by the COVID-19 pandemic and car chips shortages, which has severely impacted the entire car market and has become a huge challenge to the Company operations.

The Company's main markets are in China and Europe. Our new energy automobile parts (electric vehicle and hydrogen energy vehicle) already achieved 10% of total sales in 2021. The Company's operating conditions in 2021 are as fallowing. A. The components for cars and motorcycles: affected by the COVID-19 pandemic and chip shortages, the sales amount were NTD 1.142 billion and NTD 81 million, respectively; B. Machinery equipment: the sales amount increase due to electronics industry customer's required. The sales amount was NTD 138 million. After considering the entire economic environment, the Company continued to optimize the costs and implemented the cost-saving policy and declined low-profit orders, so there was still profit throughout the entire year. In summary, the Company's overall performance was NTD 1.368 billion, increases of 15.8% from 2020.

Unit: NT$'000; %

Year / Analysis			2020	2021	Increase (Decrease) %
P&L	Sales		1,181,611	1,368,325	15.80%
	Gross Profit		293,338	356,356	21.48%
	Income after tax		27,288	70,421	158.06%
Profitability	Return on assets (%)		1.47	3.52	139.45%
	Return on equity (%)		2.08	5.70	174.03%
	Ratio of register capital (%)	Operating profit	11.91	19.61	64.65%
		Income before tax	11. 61	24.11	107.66%
	Net profit rate (%)		2.31	5.15	122.94%
	Basic EPS (dollar)		0.69	1.47	113.04
	Diluted EPS (dollar)		0.69	1.47	113.04

2022 business plan

Despite the impact of COVID-19 pandemic is still impact on the global economy, Russian-Ukrainian War drive the raw materials price increase. Automobile factories are still facing shortage of chips. It will result in low profits, because of customer requested all the supply chain to share the burden.

We are negotiating the prices with customers to maintain the profits and developing new markets. At the same time, we entered the Tesla, Ideal, BYD and Changan electric car through tier 1 supplies of automobile industry. Our autonomy robot has been deployed in Singapore Changi Airport and shopping malls. Regarding our autonomy robot can replace the foreign labor who cannot move due to the COVID-19 pandemic. No one can doubt the autonomy robot market is growing in the future.

Thanks again to all shareholders for the support and encouragement. Honesty and integrity, quality first, and sustainable management are the Company's tenet. Looking forward to 2022, the COVID-19 vaccine has gradually become available in the market, and the global economy is expected to recover gradually. The management teams and all colleagues will Continue to work hard, actively implement the above-mentioned operation plan and improving. We will confine to increase the Company’s value, and create good profits for shareholders.

We wish you all prosperity and every success in the future.

CHAIRMAN	Wee Liang Kiang
CEO	Wee Hong Jie
CFO	Sean Hsu

Attachment II

Patec Precision Industry Co., Ltd.

2021 Audit Committee's Review Report

The Board of Directors has prepared the Company's 2021 Business Report, Financial Statements, and proposal for allocation of earnings. The CPA firm of PricewaterhouseCoopers was retained to audit PATEC's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statements, and earnings allocation proposal have been reviewed and determined to be correct and accurate by Audit Committee members of the Company. According to relevant requirements of the Securities and Exchange Act and Company Law, we hereby submit this report.

Patec Precision Industry Co., Ltd.

Chairman of the Audit Committee

Yen Chun-Te

30th March, 2022

Attachment III

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To The Board of Directors and Shareholders of PATEC PRECISION INDUSTRY CO., LTD.

Opinion

We have audited the accompanying consolidated balance sheets of Patec Precision Industry Co., Ltd. and its subsidiaries (the "Group") as at December 31, 2021 and 2020, and the related consolidated statements of comprehensive income, of changes in equity and of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation 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 audit of the consolidated financial statements as of and for the year ended December 31, 2021 in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and generally accepted auditing standards in the Republic of China. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Group's 2021 consolidated financial statements. 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.

Key audit matters for the Group's 2021 consolidated financial statements are stated as follows:

Recognition of overseas warehouse operating revenue

Description

Refer to Note 4(25) and Note 6(15) for accounting policy on revenue recognition.

The Group's Mainland China subsidiary, Wuxi Jingxin Precision Machining Co. Ltd. (referred herein as "Wuxi Jingxin"), stored inventories in warehouses which were under the custody of foreign third parties and checked and accepted by custodians in order to meet the requirements of overseas sales customers. The custodians regularly send inventory reports to Wuxi Jingxin to verify the quantities, and Wuxi Jingxin recognises operating revenue based on actual used inventories by customers which are shown in the inventory reports provided by custodians.

As a result of the multi-location of the Company's warehouses in Europe, which involves manual verification, we considered the recognition of overseas warehouse operating revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures on the above key audit matter:

1. Obtained an understanding and evaluated Wuxi Jingxin's procedures on overseas warehouse operating revenue, and selected samples to check the accuracy of operating revenue recognition.
2. Obtained the inventory reports as at the balance sheet date, and checked whether the timing of revenue recognition was reasonable.
3. Performed confirmation procedures for significant warehouse locations.

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 Preparation 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 charged with governance, including the audit committee, are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the generally accepted auditing standards in the Republic of China 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 generally accepted auditing standards in the Republic of China, we exercise professional judgement and maintain 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 risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
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 a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause 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 disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships 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 of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Chen, Chin-Chang

Lin, Yi-Fan

For and on behalf of PricewaterhouseCoopers, Taiwan
March 31, 2022

The accompanying consolidated financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles generally accepted in countries and jurisdictions other than the Republic of China. The standards, 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 report of independent accountants are not intended for use by those who are not informed about the accounting principles or auditing standards generally accepted in the Republic of China, and their applications in practice.

As the financial statements are the responsibility of the management, PricewaterhouseCoopers 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.

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Assets	Notes	December 31, 2021 AMOUNT	%	December 31, 2020 AMOUNT	%
	Current assets					
1100	Cash and cash equivalents	6(1)	$ 633,682	30	$ 740,600	33
1110	Current financial assets at fair value through profit or loss	6(2)	41,728	2	-	-
1136	Financial assets at amortised cost-current	6(1) and 8	66,848	3	146,012	6
1150	Notes receivable, net	6(3) and 8	4,940	-	-	-
1170	Accounts receivable, net	6(3)	372,244	17	414,609	18
1200	Other receivables		14,636	1	13,070	1
130X	Inventories	6(4)	423,268	20	332,254	15
1410	Prepayments		51,014	2	47,398	2
11XX	Total current assets		1,608,360	75	1,693,943	75
	Non-current assets					
1600	Property, plant and equipment, net	6(5) and 8	254,197	12	266,663	12
1755	Right-of-use assets	6(6) and 8	255,299	12	260,831	11
1780	Intangible assets		6,055	-	4,701	-
1840	Deferred tax assets		8,014	-	23,689	1
1990	Other non-current assets	6(7)	24,816	1	14,035	1
15XX	Total non-current assets		548,381	25	569,919	25
1XXX	Total assets		$ 2,156,741	100	$ 2,263,862	100

(Continued)

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Liabilities and Equity	Notes	December 31, 2021 AMOUNT	%	December 31, 2020 AMOUNT	%
	Current liabilities					
2100	Short-term borrowings	6(8) and 8	$ 216,166	10	$ 336,069	15
2130	Contract liabilities-current	6(15)	16,892	1	3,725	-
2150	Notes payable		27,583	1	-	-
2170	Accounts payable		161,065	8	154,426	7
2200	Other payables	6(9)	59,970	3	51,775	2
2230	Current income tax liabilities		2,652	-	7,231	-
2280	Lease liabilities-current		29,650	1	22,973	1
2320	Long-term liabilities, current portion	6(10) and 8	37,882	2	6,846	-
2399	Other current liabilities		7,095	-	8,193	1
21XX	Total current liabilities		558,955	26	591,238	26
	Non-current liabilities					
2540	Long-term borrowings	6(10)	128,588	6	112,175	5
2570	Deferred tax liabilities		6,764	-	22,138	1
2580	Lease liabilities-non-current		176,742	8	187,471	8
2670	Other non-current liabilities	6(11)	56,783	3	52,077	3
25XX	Total non-current liabilities		368,877	17	373,861	17
2XXX	Total liabilities		927,832	43	965,099	43
	Equity					
	Equity attributable to owners of the parent					
	Share capital					
3110	Ordinary share	6(12)	457,597	21	457,597	20
	Capital surplus	6(13)				
3200	Capital surplus		358,335	16	342,507	15
	Retained earnings	6(14)				
3320	Special reserve		163,070	8	134,066	6
3350	Unappropriated retained earnings		315,201	15	365,964	16
	Other equity interest					
3400	Other equity interest		(148,836)	(7)	(163,070)	(7)
31XX	Total equity attributable to owners of the parent		1,145,367	53	1,137,064	50
36XX	Non-controlling interest		83,542	4	161,699	7
3XXX	Total equity		1,228,909	57	1,298,763	57
	Significant events after the balance sheet date	11				
3X2X	Total liabilities and equity		$ 2,156,741	100	$ 2,263,862	100

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

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars, except for earnings per share accounts)

			Year ended December 31			
			2021		2020	
	Items	Notes	AMOUNT	%	AMOUNT	%
4000	Operating revenue	6(15)	$ 1,368,325	100	$ 1,181,611	100
5000	Operating costs	6(4)(18)	(1,011,969)	(74)	(888,273)	(75)
5900	Gross profit		356,356	26	293,338	25
	Operating expenses	6(18)				
6100	Selling expenses		(53,396)	(4)	(45,474)	(4)
6200	Administrative expenses		(180,429)	(13)	(157,838)	(14)
6300	Research and development expenses		(28,018)	(2)	(35,333)	(3)
6450	Impairment loss determined in accordance with IFRS 9		(4,770)	-	(212)	-
6000	Total operating expenses		(266,613)	(19)	(238,857)	(21)
6900	Operating profit		89,743	7	54,481	4
	Non-operating income and expenses					
7100	Interest income		9,103	1	15,208	1
7010	Other income		26,427	2	10,881	1
7020	Other gains and losses	6(16)	(4,592)	(1)	(18,711)	(1)
7050	Finance costs	6(17)	(10,362)	(1)	(8,748)	(1)
7000	Total non-operating income and expenses		20,576	1	(1,370)	-
7900	Profit before income tax		110,319	8	53,111	4
7950	Income tax expense	6(19)	(39,898)	(3)	(25,823)	(2)
8200	Profit for the year		$ 70,421	5	$ 27,288	2
	Other comprehensive income (loss)					
	Components of other comprehensive income (loss) that will not be reclassified to profit or loss					
8311	Loss on remeasurements of defined benefit plans		($ 6,977)	-	($ 9,730)	(1)
8349	Income tax related to components of other comprehensive income that will not be reclassified to profit or loss	6(19)	1,744	-	1,356	-
	Components of other comprehensive income (loss) that will be reclassified to profit or loss					
8361	Exchange differences on translation of foreign financial statements		15,637	1	(38,559)	(3)
8300	Other comprehensive income (loss) for the year		$ 10,404	1	($ 46,933)	(4)
8500	Total comprehensive income (loss)		$ 80,825	6	($ 19,645)	(2)
	Profit attributable to:					
8610	Owners of parent		$ 67,300	5	$ 31,528	2
8620	Non-controlling interest		$ 3,121	-	($ 4,240)	-
	Comprehensive income (loss) attributable to:					
8710	Owners of parent		$ 77,871	6	($ 3,338)	(1)
8720	Non-controlling interest		$ 2,954	-	($ 16,307)	(1)
	Earnings per share (in dollars)	6(20)				
9750	Basic earnings per share		$	1.47	$	0.69
9850	Diluted earnings per share		$	1.47	$	0.69

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

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2021AND 2020
(Expressed in thousands of New Taiwan dollars)

		Equity attributable to owners of the parent											
			Capital Reserves				Retained Earnings						
	Notes	Ordinary share	Additional paid-in capital	Changes in ownership interests in subsidiaries	Stock warrants	Capital surplus, others	Special reserve	Unappropriated retained earnings	Exchange difference on translation of financial statements	Treasury shares	Total	Non-controlling interest	Total
2020													
Balance at January 1, 2020		$ 448,268	$ 363,699	$ 208	$ 8,337		$ 81,706	$ 411,037	($ 134,066)	($ 36,097)	$ 1,143,092	$ 185,715	$ 1,328,807
Profit for the year		-	-	-	-		-	31,528	-	-	31,528	(4,240)	27,288
Other comprehensive loss for the year		-	-	-	-		-	(5,862)	(29,004)	-	(34,866)	(12,067)	(46,933)
Total comprehensive income (loss)		-	-	-	-		-	25,666	(29,004)	-	(3,338)	(16,307)	(19,645)
Appropriations of 2019 earnings:	6(14)												
Special reserve		-	-	-	-		52,360	(52,360)	-	-	-	-	-
Cash dividends		-	-	-	-		-	(2,690)	-	-	(2,690)	-	(2,690)
Stock dividends		15,689	-	-	-		-	(15,689)	-	-	-	-	-
Changes in non-controlling interest-cash dividends		-	-	-	-		-	-	-	-	-	(7,709)	(7,709)
Treasury stock retired	6(14)	(6,360)	(29,737)	-	-		-	-	-	36,097	-	-	-
Balance at December 31, 2020		$ 457,597	$ 333,962	$ 208	$ 8,337		$ 134,066	$ 365,964	($ 163,070)	$ -	$ 1,137,064	$ 161,699	$ 1,298,763
2021													
Balance at January 1, 2021		$ 457,597	$ 333,962	$ 208	$ 8,337		$ 134,066	$ 365,964	($ 163,070)	$ -	$ 1,137,064	$ 161,699	$ 1,298,763
Profit for the year		-	-	-	-		-	67,300	-	-	67,300	3,121	70,421
Other comprehensive income (loss) for the year		-	-	-	-		-	(3,663)	14,234	-	10,571	(167)	10,404
Total comprehensive income		-	-	-	-		-	63,637	14,234	-	77,871	2,954	80,825
Appropriations of 2020 earnings:	6(14)												
Special reserve		-	-	-	-		29,004	(29,004)	-	-	-	-	-
Cash dividends		-	-	-	-		-	(16,848)	-	-	(16,848)	-	(16,848)
Appropriations of first half of 2021 earnings:	6(14)												
Cash dividends		-	-	-	-		-	(68,548)	-	-	(68,548)	-	(68,548)
Recognition of changes in ownership equity in subsidiaries		-	-	15,828	-		-	-	-	-	15,828	(15,828)	-
Subsidiary capital reduction		-	-	-	-		-	-	-	-	-	(64,903)	(64,903)
Disposal of ownership of subsidiary		-	-	-	-		-	-	-	-	-	(374)	(374)
Liquidation of subsidiary		-	-	-	-		-	-	-	-	-	(6)	(6)
Balance at December 31, 2021		$ 457,597	$ 333,962	$ 16,036	$ 8,337		$ 163,070	$ 315,201	($ 148,836)	$ -	$ 1,145,367	$ 83,542	$ 1,228,909

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

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		$ 110,319	$ 53,111
Adjustments			
Adjustments to reconcile profit (loss)			
Expected credit loss	12(2)	4,770	212
Loss on disposal of property, plant and equipment	6(16)	2,192	294
Depreciation	6(5)	31,378	50,654
Depreciation of right-of-use assets	6(6)	30,953	27,612
Amortization expense	6(18)	1,206	208
Interest income		(9,103)	(15,208)
Interest expense	6(17)	10,362	8,748
Gain on disposal of subsidiaries	6(16)	(374)	(467)
Net gain on financial assets at fair value through profit or loss	6(2)(16)	(296)	-
Changes in operating assets and liabilities			
Changes in operating assets			
Accounts receivable		37,324	93,039
Notes receivable		(4,940)	-
Other receivables		(1,566)	(11,550)
Inventories		(91,014)	24,700
Prepayments		(3,616)	18,765
Other non-current assets		(10,781)	3,216
Changes in operating liabilities			
Contract liabilities-current		13,167	(4,963)
Accounts payable		6,639	(13,006)
Notes payable		27,583	-
Other payables		15,896	(25,037)
Other current liabilities		(1,098)	(23,406)
Other non-current liabilities		4,706	39,329
Cash inflow generated from operations		173,707	226,251
Interest received		9,103	15,208
Interest paid		(10,362)	(8,748)
Income tax paid		(44,177)	(24,294)
Net cash flows from operating activities		128,271	208,417
CASH FLOWS FROM INVESTING ACTIVITIES			
Increase in financial assets at fair value through profit or loss-current		(41,432)	-
Decrease in financial assets at amortised cost-current		79,164	72,653
Acquisition of property, plant and equipment		(30,383)	(7,907)
Proceeds from disposal of property, plant and equipment		5,490	3,223
Proceeds from disposal of subsidiaries		-	12,948
Net cash flows from investing activities		12,839	80,917

(Continued)

PATEC PRECISION INDUSTRY CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2021 AND 2020
(Expressed in thousands of New Taiwan dollars)

	Notes	Year ended December 31 2021	2020
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short-term borrowings		$ 645,015	$ 685,464
Repayment of short-term borrowings		(745,610)	(759,287)
Repayment of lease liability	6(22)	(25,548)	(28,958)
Cash dividends paid	6(22)	(93,474)	(1,597)
Payments for acquisition of equity of non-controlling interest		-	(17,201)
Proceeds from long-term borrowings		53,397	118,933
Repayment of long-term borrowings		(4,711)	-
Cash dividends paid to non-controllong shareholders		(7,806)	-
Return of capital to subsidiary related to non-controlling shareholders		(64,903)	-
Net cash flows used in financing activities		(243,640)	(2,646)
Effect of exchange rate changes on cash and cash equivalents		(4,388)	(18,286)
Net (decrease) increase in cash and cash equivalents		(106,918)	268,402
Cash and cash equivalents at beginning of year	6(1)	740,600	472,198
Cash and cash equivalents at end of year	6(1)	$ 633,682	$ 740,600

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

Attachment IV

Patec Precision Industry Co., Ltd

2021 Earnings Distribution Table

Unit: NT$

Items	Amount
Unappropriated Retained Earnings of Previous Years	$320,111,734)
Plus：2021 Net Income	67,300,770)
Less：2021 Adjustments of Retained Earnings (Note1)	(3,663,216)
Retained Earnings Available for Distribution for the current year	$383,749,288)
Distribution Item:	
Cash Dividends in the first half of the 2021 (Note2) （NT$1.498 per common share）	(68,548,035)
Cash Dividends in the latter half of the 2021 （NT$3.000 per common share）	(137,279,109)
The Ending Balance of Accumulated Retained Earnings	$177,922,144)

Note：

1. Adjustments due to adoption ：
   (1) Actuarial loss on defined benefit plan NT$ 3,663,216.
2. The distribution proposed cash dividends in the first half of the 2021 has been approved by the Board, and be submitted to the Shareholders' Meeting of the Company for admission.

Chairman：Wee Liang Kiang　　GM：Wee Hong Jie　　CFO：Sean Hsu

Attachment V

PATEC PRECISION INDUSTRY CO., LTD.

COMPARISON TABLE FOR MEMORANDUM AND ARTICLES OF ASSOCIATION BEFORE AND AFTER REVISION

Article Number	Existing Article	Amended Article	Explanations
ARTICLES OF ASSOCIATION	TENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION	~~TENTH~~ ELEVENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION	Amend the name of the article. Article amended to revise the number of amendments times.
Article28	The Company shall in each year hold a general meeting as its annual general meeting within six months after close of each financial year or such other period as may be permitted by the Emerging Market, the GTSM or the TWSE (where applicable). The annual general meeting shall be convened by the Board.	The Company shall in each year hold a general meeting as its annual general meeting within six months after close of each financial year or such other period as may be permitted by the Emerging Market, the GTSM or the TWSE (where applicable). The annual general meeting shall be convened by the Board. The shareholder's meeting may be held through a video conference or other methods promulgated by the R.O.C. competent authorities.	Article 172-2 of the Company Law was amended on December 29, 2021, allowing public companies to hold shareholder's meetings by means of video conferences. This paragraph is added, to provide a channel for shareholders to facilitate their participation in meetings in accordance with the policies promoted by competent authorities and the needs of the digital age.
Article31	(1) Any one or more Member(s) holding at least three percent (3%) of the issued and outstanding Shares of the	(1) Any one or more Member(s) holding at least three percent (3%) of the issued and outstanding Shares of the	This paragraph is deleted in accordance with the

Article Number	Existing Article	Amended Article	Explanations
	Company for a period of one year or a longer time may, by depositing the requisition notice specifying the proposals to be resolved and the reasons, request the Board to convene an extraordinary general meeting. If the Board does not give notice to Members to convene such meeting within fifteen (15) days after the date of the requisition notice, the proposing Member(s) may convene a general meeting. (2) Any one or more Member(s) holding at least one-half of the issued and outstanding Shares of the Company for a period of three months or a longer time may, convene an extraordinary general meeting. The calculation of the holding period and the number of Shares held by the abovementioned Member(s) shall be based on the holding at the time when the Register is closed for transfers. (3) Subject to the condition that the Board fails to or cannot convene a general meeting, the Independent Director of the Audit Committee may, for the benefit of the Company, convene a general meeting when it is deemed necessary.	Company for a period of one year or a longer time may, by depositing the requisition notice specifying the proposals to be resolved and the reasons, request the Board to convene an extraordinary general meeting. If the Board does not give notice to Members to convene such meeting within fifteen (15) days after the date of the requisition notice, the proposing Member(s) may convene a general meeting. (2) Any one or more Member(s) holding at least one-half of the issued and outstanding Shares of the Company for a period of three months or a longer time may, convene an extraordinary general meeting. The calculation of the holding period and the number of Shares held by the abovementioned Member(s) shall be based on the holding at the time when the Register is closed for transfers. ~~(3) Subject to the condition that the Board fails to or cannot convene a general meeting, the Independent Director of the Audit Committee may, for the benefit of the Company, convene a general meeting when it is deemed necessary.~~	Checklist for Protecting Shareholders of Foreign Issuers amended on May 14,2021.
Article36	During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the	During the Relevant Period, the Company shall prepare a manual for each general meeting, and <u>electronic files of</u> such manual and relevant materials shall be published on the website	This paragraph is revised in accordance with the Checklist for Protecting

Article Number	Existing Article	Amended Article	Explanations
	Commission and the Emerging Market, the GTSM or the TWSE (where applicable) twenty-one (21) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules.	designated by the Commission and the Emerging Market, the GTSM or the TWSE (where applicable) ~~twenty-one~~ thirty (~~21~~30) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules.	Shareholders of Foreign Issuers amended on March 11,2022.
Article38 章程第 38 條	No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, at least two Members present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing more than one-half of the total issued and outstanding Shares with voting rights shall be a quorum of Members for all purposes.	No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. In case the general meeting proceeds via video conference, the shareholders taking part in such a meeting shall be deemed to have attended the meeting in person. Save as otherwise provided by these Articles, at least two Members present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing more than one-half of the total issued and outstanding Shares with voting rights shall be a quorum of Members for all purposes.	This paragraph is added in accordance with the Checklist for Protecting Shareholders of Foreign Issuers amended on March 11,2022.
Article56	To the extent permitted by the Law and subject to the Applicable Listing Rules, the Board may resolve that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission. The method for exercising such voting power	To the extent permitted by the Law and subject to the Applicable Listing Rules, the Board may resolve that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission. The way of electronic transmission shall be	This paragraph is added in accordance with the Checklist for Protecting Shareholders of Foreign Issuers amended on

Article Number	Existing Article	Amended Article	Explanations
	shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his Shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document, impromptu proposal and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any	<u>one of the voting methods at the general meeting.</u> The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his Shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document, impromptu proposal and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members	March 11,2022.

Article Number	Existing Article	Amended Article	Explanations
	extemporary matters or amendment to resolution(s) proposed at the general meeting.	voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.	

Attachment VI

PATEC PRECISION INDUSTRY CO., LTD.

COMPARISON TABLE FOR RULES OF PROCEDURE FOR SHAREHOLDERS MEETINGS BEFORE AND AFTER REVISION

Existing Article	Amended Article	Explanation
Article 3 Unless otherwise provided by laws or regulations, the shareholders' meeting of the Company shall be convened by the board of directors. The Company shall, 30 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the notice of the shareholders' meeting, the form of the power of attorney, and reasons and explanations of the proposals of recognition cases, discussion cases and election or dismissal of directors and supervisors, and transmit it to the MOPS. The Company shall also, 21 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the handbook and supplementary information of the shareholders' meeting, and transmit it to the MOPS. 15 days before the shareholders' meeting, the Company shall make available the handbook and supplementary information of the meeting for the shareholders to read at any time; the	Article 3 Unless otherwise provided by laws or regulations, the shareholders' meeting of the Company shall be convened by the board of directors. <u>The change of the convening method of the shareholders' meeting of the Company shall be decided by the board meeting and shall be made at the latest before the notice of the shareholders' meeting is sent.</u> The Company shall, 30 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the notice of the shareholders' meeting, the form of the power of attorney, and reasons and explanations of the proposals of recognition cases, discussion cases and election or dismissal of directors and supervisors, and transmit it to the MOPS. The Company shall also, 21 days before the general shareholders' meeting or 15 days before the extraordinary shareholders' meeting, prepare an electronic file containing the handbook and supplementary information of the shareholders' meeting, and transmit it to the MOPS. <u>However, if the paid-in capital of the Company reaches NT$10 billion at the end of the most recent fiscal year, or the total shareholding ratio of foreign capital and mainland capital</u>	I. Paragraph 1 and the original paragraphs 3 to 10 are not amended. II. In order to enable shareholders to know the change of the convening method of the shareholders' meeting, the change of the convening method of the shareholders' meeting shall be decided by the board meeting, and shall be carried out at the latest before the notice of the shareholders' meeting is sent. Therefore, paragraph 2 is added. III. Paragraph 3 is amended in accordance with Article 6 of the Regulations Governing Content and Compliance Requirements for Shareholders' Meeting Agenda Handbooks of Public Companies amended and issued on December 16, 2021. IV. In response to the opening that public companies may hold shareholders' meetings by video, the Company has physical shareholders' meetings and shareholders' meetings held by video conference. Paragraph 2 is amended and paragraph 4 is added to facilitate the

Existing Article	Amended Article	Explanation
Company shall also have them displayed at the Company and the professional stock affairs agency appointed by the Company, and distribute them at the shareholders' meeting. Paragraphs 5 to 8 are omitted.	recorded in the shareholders' register reaches 30% in the most recent fiscal year, the electronic file transmission shall be completed 30 days before the general shareholders' meeting. 15 days before the shareholders' meeting, the Company shall make available the handbook and supplementary information of the meeting for the shareholders to read at any time; the Company shall also have them displayed at the Company and the professional stock affairs agency appointed by the Company. The proceedings manual and supplementary information of the meeting referred to in the preceding paragraph shall be provided for the shareholders' reference in the following ways: I. When convening a physical shareholders' meeting, they shall be distributed at the venue of the shareholders' meeting. II. When holding a video assisted shareholders' meeting, they shall be distributed at the venue of the shareholders' meeting and transmitted to the video conference platform in electronic files. III. When holding a video shareholders' meeting, they shall be transmitted to the video conference platform in electronic files. Paragraphs 5 to 8 are omitted.	shareholders to refer to the proceedings manual and supplementary information of the shareholders' meeting on the day of the shareholders' meeting, regardless whether they participate in the physical shareholders' meeting or the shareholders' meeting by video.

Existing Article	Amended Article	Explanation
Article 4 Paragraphs 1 to 3 are omitted.	Article 4 Paragraphs 1 to 3 are omitted. <u>After the power of attorney is delivered to the Company, if a shareholder wishes to attend the shareholders' meeting by video, he/she shall give a written notice to the Company to cancel the power of attorney two days before the shareholders' meeting. In case of cancellation after the deadline, the voting rights of the agent present shall prevail.</u>	I. Paragraphs 1 to 3 are not amended. II. If a shareholder appoints an agent to attend the shareholders' meeting, but after the power of attorney is delivered to the Company, the shareholder wishes to attend the shareholders' meeting by video, then he/she shall give a written notice to the Company to cancel the power of attorney two days before the shareholders' meeting. Paragraph 4 is therefore added.
Article 5 (The principle of the place and time of the shareholders' meeting) The place of the meeting shall be the place where the company is located or where it is convenient for the shareholders to attend. The meeting time shall not be before 9 a.m. or after 3 p.m., and the opinions of the independent directors shall be taken into full account when considering the meeting place and time.	Article 5 (The principle of the place and time of the shareholders' meeting) The place of the meeting shall be the place where the company is located or where it is convenient for the shareholders to attend. The meeting time shall not be before 9 a.m. or after 3 p.m., and the opinions of the independent directors shall be taken into full account when considering the meeting place and time. <u>When the Company holds a video shareholders' meeting, it is not subject to the restrictions above on the place of holding the shareholders' meeting.</u>	I. The existing provisions are moved to paragraph, and the contents remain unchanged. II. Paragraph 2 is added to stipulate that when the Company holds a video shareholders' meeting, it is not subject to the restrictions on the place of holding the shareholders' meeting.

Existing Article	Amended Article	Explanation
Article 6 (Setup of sign-in book and other documents) The Company shall specify in the meeting notice the time and place for shareholders' registration and other matters needing attention. The time for the shareholder's registration referred to in the preceding paragraph shall be at least 30 minutes before the meeting; the registration office shall be clearly marked, and sufficient qualified personnel shall be sent to handle the registration. The shareholder himself or his agent (hereinafter referred to as the shareholder) shall attend the shareholders' meeting based on the attendance card, sign-in card or other attendance certificates. The Company shall not arbitrarily add other supporting documents to these supporting documents based on which shareholders attend the meeting.The solicitor of the power of attorney for attending the meeting shall carry an identity certificate for verification. Paragraphs 4 to 6 are omitted.	Article 6 (Setup of sign-in book and other documents) The Company shall specify in the meeting notice the time and place for shareholders'. solicitors' and entrusted agents' (hereinafter referred to as shareholders) registration and other matters needing attention. The time for the shareholder's registration referred to in the preceding paragraph shall be at least 30 minutes before the meeting; the registration office shall be clearly marked, and sufficient qualified personnel shall be sent to handle the registration. For a video conference of the shareholders' meeting, the acceptance of registration shall start 30 minutes before the meeting at the video conference platform of the shareholders' meeting. The shareholders who complete the registration shall be deemed to be present at the shareholders' meeting in person. The shareholder shall attend the shareholders' meeting based on the attendance card, sign-in card or other attendance certificates. The Company shall not arbitrarily add other supporting documents to these supporting documents based on which shareholders attend the meeting.The solicitor of the power of attorney for attending the meeting shall carry an identity certificate for verification. Paragraphs 4 to 6 are omitted.	I. Paragraphs 4 to 6 are not amended. II. Paragraph 2 is amended to stipulate the registration time and procedure for shareholders attending by video. III. Paragraph 3 is amended to comply with the short name of shareholders in paragraph 1. IV. Paragraph 7 is added to stipulate that shareholders who wish to attend the shareholders' meeting by video shall register with the Company two days before the shareholders' meeting. V. Paragraph 8 is added to stipulate that the Company shall upload the proceedings manual, annual report and other relevant materials to the video conference platform of the shareholders' meeting to facilitate the reference by shareholders who attend the meeting by video.

Existing Article	Amended Article	Explanation
	If the shareholders' meeting is held in the form of video conference, shareholders who wish to attend by video shall register with the Company two days before the shareholders' meeting. If the shareholders' meeting is held in the form of video conference, the Company shall upload the proceedings manual, annual report and other relevant materials to the video conference platform of the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose them until the end of the meeting.	
	Article 6-1 (matters to be contained in the notice of convening if the shareholders' meeting is to be held by video conference) When the Company holds the shareholders' meeting in the form of video conference, the following matters shall be specified in the notice of convening the shareholders' meeting: I. Methods for shareholders to participate in video conferences and exercise their rights. II. The handling methods in case of obstacles to the video conference platform or participation by video due to natural disasters, incidents or other force majeure shall at least include the following matters: (I) The time when the meeting needs to be postponed or resumed	I. The article is new. II. In order to make the shareholders aware of the relevant rights and restrictions of participating in the shareholders' meeting before the meeting, it is stipulated that the contents of the notice of convening the shareholders' meeting shall include the methods for shareholders to participate in the video meeting and exercise relevant rights, the handling methods of obstacles to the video meeting platform or participation by video due to natural disasters, incidents or other force majeure, at least including the date when the meeting needs to be continued or resumed,

Existing Article	Amended Article	Explanation
	due to the continuous failure to remove the obstacles before the occurrence, and the date when the meeting needs to be continued or resumed. (II) Shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the continued or resumed meeting. (III) If the video assisted shareholders' meeting cannot be resumed, the shareholders' meeting shall be continued if, after deducting the number of shares attending the shareholders' meeting by video, the total number of shares attending the shareholders' meeting reaches the quorum of the shareholders' meeting. The number of shares attending the shareholders' meeting by video shall be included in the total number of shares of the shareholders attending the meeting, but shall be deemed to abstain on the voting on all proposals at the shareholders' meeting. (IV) The handling method in the event that the results of all proposal have been announced, but no extempore	and how long after the interruption occurs, the meeting should be postponed or resumed. The provisions of paragraphs 1, 2, 4, and 5 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, stipulate the handling of all proposals that have been announced without extempore motions, and when the company holds a video shareholders' meeting, it shall also specify appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video.

Existing Article	Amended Article	Explanation
	motion has been processed. III. When convening a shareholders' meeting in the form of video conference, the convening notice shall specify appropriate alternative measures for shareholders who have difficulties in participating in the shareholders' meeting by video.	
Article 8 (audio or video recording of the shareholders' meeting process for record) Paragraphs 1 and 2 are omitted. If the shareholders' meeting is held by video conference, the Company shall keep records of the enrollment, registration, check-in, questioning, voting and vote counting results of the shareholders, and continuously audio and video record the whole process of the video meeting. The information and audio and video recordings referred to in the preceding paragraph shall be properly kept by the Company during its existence, and the audio and video recordings shall be provided to those entrusted to handle video conference affairs for preservation.	Article 8 (audio or video recording of the shareholders' meeting process for record) Paragraphs 1 and 2 are omitted. If the shareholders' meeting is held by video conference, the Company shall keep records of the enrollment, registration, check-in, questioning, voting and vote counting results of the shareholders, and continuously audio and video record the whole process of the video meeting. The information and audio and video recordings referred to in the preceding paragraph shall be properly kept by the Company during its existence, and the audio and video recordings shall be provided to those entrusted to handle video conference affairs for preservation.	I. Paragraphs 1 and 2 are not amended. II. Paragraphs 3 and 4 are added with reference to Article 183 of the Company Act and Article 18 of the Regulations Governing Procedure for Board of Directors Meetings of Public Companies.
Article 9 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares present shall be calculated according to the number of shares registered in the signature book or the sign-in cards submitted and on the	Article 9 Attendance at shareholders' meetings shall be calculated based on the number of shares. The number of shares present shall be calculated according to the number of shares registered in the signature book or the sign-in cards submitted and on the	I. Paragraphs 2 and 5 are not amended. II. Paragraph 1 is amended to stipulate that when the shareholders' meeting of the Company is held by video conference, the number of shares of shareholders attending

Existing Article	Amended Article	Explanation
video conference platform, plus the number of shares exercising voting rights in writing or electronically. Paragraph 2 is omitted. When the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour. If the attending shareholders still do not represent one third of the total number of issued shares after two postponements, the chairman shall declare the meeting aborted. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.	video conference platform, plus the number of shares exercising voting rights in writing or electronically. Paragraph 2 is omitted. When the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour. If the attending shareholders still do not represent one third of the total number of issued shares after two postponements, the chairman shall declare the meeting aborted. If the shareholders' meeting is held in the form of video conference, the Company shall also announce the meeting being aborted on the video conference platform of the shareholders' meeting. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to paragraph 1, Article 175 of the Company Act, and all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month. If the shareholders' meeting is to be held in the form of video conference, shareholders who wish to attend by video shall re-register with the Company in accordance with Article 6.	by video shall be added to the total number of shares present. III.Paragraph 3 is amended to stipulate that when the shareholders' meeting of the Company is held by video conference, if the chairman announces the abortion of the meeting, the Company shall announce the abortion of the meeting on the video conference platform of the shareholders' meeting to inform the shareholders immediately, IV.Paragraph 4 is amended to stipulate that if the Company makes a tentative resolution to convene another shareholders' meeting and the shareholder intends to attend the meeting by video, he/she shall register with the Company.

Existing Article	Amended Article	Explanation
Paragraph 5 is omitted.	Paragraph 5 is omitted.	
Article 11 (shareholder's speech) Paragraphs 1 to 6 are omitted.	Article 11 (shareholder's speech) Paragraphs 1 to 6 are omitted. <u>If the shareholders' meeting is held in the form of video conference, the shareholders participating by video may ask questions in writing on the video conference platform of the shareholders' meeting after the chairman calls the meeting to order and before the adjournment of the meeting. The number of questions for each proposal shall not be more than two, and each question shall be limited to 200 words. The provisions of paragraphs 1 to 5 shall not apply.</u> <u>If the question referred to in the preceding paragraph does not violate the provisions or does not exceed the scope of the proposal, it is advisable to disclose the question on the video conference platform of the shareholders' meeting for public knowledge.</u>	I. Paragraphs 1 to 6 are not amended. II. Paragraph 7 is amended to stipulate the methods, procedures and restrictions of questioning for shareholders who participate in the shareholders' meeting by video. III. To help other shareholders understand the contents of the questions raised by shareholders, in addition to screening the questions irrelevant to the topics of the shareholders' meeting, the other questions raised by shareholders should be disclosed on the video platform. Paragraph 8 is therefore added.
Article 13 Paragraphs 1 to 3 are omitted. After the shareholder exercises the voting right in writing or by electronic means, if he wants to attend the shareholders' meeting in person, he shall make a revocation of the intention previously delivered in the same manner as the revocation of the voting intention in the previous paragraph two days before the shareholders' meeting; if the revocation is made after the deadline, the voting right	Article 13 Paragraphs 1 to 3 are omitted. After the shareholder exercises the voting right in writing or by electronic means, if he wants to attend the shareholders' meeting in person <u>or by video</u>, he shall make a revocation of the intention previously delivered in the same manner as the revocation of the voting intention in the previous paragraph two days before the shareholders' meeting; if the revocation is made after the deadline, the voting right	I. Paragraphs 1 to 3 and 5 to 8 are not amended. II. Paragraph 4 is amended to stipulate that if the shareholder wishes to attend the shareholders' meeting by video after the voting right is exercised in writing or by electronic means, he shall cancel the registration in the same process as that for exercising the voting right. III. Paragraphs 9 and 10 are added to stipulate that if

Existing Article	Amended Article	Explanation
exercised in writing or by electronic means shall prevail. If the voting right is exercised in writing or by electronic means, and an agent is entrusted via a power of attorney to present at the shareholders' meeting, the voting right of the entrusted agent shall prevail. Paragraphs 5 to 8 are omitted.	exercised in writing or by electronic means shall prevail. If the voting right is exercised in writing or by electronic means, and an agent is entrusted via a power of attorney to present at the shareholders' meeting, the voting right of the entrusted agent shall prevail. Paragraphs 5 to 8 are omitted. If the Company holds the shareholders' meeting in the form of video conference, after the chairman calls the meeting to order, the shareholders participating by video shall vote on various proposals and election proposals through the video conference platform, and shall complete the voting before the chairman announces the end of the voting. If the voting is delayed, they shall be deemed to have abstained. If the shareholders' meeting is convened in the form of video conference, the votes shall be counted in one go after the chairman announces the end of voting, and the voting and election results shall be announced. When the Company holds a video-assisted shareholders' meeting, shareholders who have registered to attend the shareholders' meeting by video in accordance with Article 6 and want to attend the physical shareholders' meeting in person shall cancel their registration in the same process as that for their registration two days before the shareholders' meeting; if the cancellation is overdue, they may only attend the shareholders' meeting by video.	the shareholders' meeting is held by video conference, in order to enable the shareholders participating by video to have sufficient voting time, the voting of each original proposal can be carried out from the time when the chairman announces the start of the meeting to the time when the voting is over. The vote counting operation must be a one-time vote counting and matches the voting time of shareholders participating by video. IV. Paragraph 11 is added o stipulate that if the shareholders of a video assisted shareholders' meeting have registered to attend the shareholders' meeting by video but want to attend the physical shareholders' meeting in person, they shall cancel the registration in the same way of as that for the registration two days before the shareholders' meeting. If they cancel after the deadline, they can only participate in the shareholders' meeting by video, V. Referring to the letter of the Ministry of Economic Affairs referenced Jin-Shang No. 10102404740 on February 24, 2012 and the letter of interpretation referenced Jin-Shang

Existing Article	Amended Article	Explanation
	For those who exercised their voting rights in writing or electronically, but did not revoke their expression of intention and participated in the shareholders' meeting by video, then except for temporary motions, they shall not exercise their voting rights on the original motions, propose amendments to the original motions, or exercise their voting rights on the amendments to the original motions.	No.10102414350 on May 3 of the same year, it is stipulated in paragraph 12 that shareholders who exercise their voting rights in writing or electronically may still register to participate in the shareholders' meeting by video; however, other than proposing and exercising their voting rights on extempore motions, they cannot vote on the original motions or amendments to the original motions, or propose amendments to the original motions.
Article 15 Paragraphs 1 to 3 are omitted.	Article 15 Paragraphs 1 to 3 are omitted. If the shareholders' meeting is held in the form of video conference, in addition to the items required to be recorded in accordance with the preceding paragraph, the minutes shall record the start and end time of the shareholders' meeting, the method of holding the meeting, the name of the chairman and the recorder, and the handling methods and results in case of obstacles to the video conference platform or participation by video due to force majeure. If convening a shareholders' meeting in the form of video conference, the Company shall, in addition to the provisions of the preceding paragraph, specify in the minutes the alternative measures provided to shareholders who have	I. Paragraphs 1 to 3 are not amended. II. In order to facilitate shareholders to understand the results of the video conference, as well as for the alternative measures for shareholders with a digital gap and the handling methods and circumstances of interruption of information, the Company is required to record the beginning and end time of the meeting, the convening method of the meeting, the name of the chairman and the recorder, as well as the dealing methods and dealing status when there are obstacles to the video conference platform or participation

Existing Article	Amended Article	Explanation
	difficulties in participating in the shareholders' meeting by video.	by video due to natural disasters, accidents or other force majeure. Paragraph 4 is therefore added, III.If a video shareholders' meeting is held, it shall specify in the convening notice that appropriate alternative measures shall be provided for shareholders who have difficulties in participating in the shareholders' meeting by video. Therefore, paragraph 5 is added to stipulate that it shall be specified in the minutes of the meeting the alternative measures provided to such shareholders with a digital gap.
Article 16 (External announcements) The Company shall clearly disclose in the meeting venue and in the prescribed format the number of shares acquired by solicitors and the number of shares represented by entrusted agents on the day of the meeting.	Article 16 (External announcements) The Company shall clearly disclose in the meeting venue and in the prescribed format the number of shares acquired by solicitors, the number of shares represented by entrusted agents and the number of shares of shareholders attending in writing or electronically on the day of the meeting. If the shareholders' meeting is held by video conference, the Company shall upload the information above to the video conference platform for the shareholders' meeting at least 30 minutes before the meeting, and continue to disclose it until the end of the meeting. When the shareholders' meeting is held in the form of	I. To facilitate the shareholders' knowledge of the number of shares acquired by solicitors, the number of shares represented by entrusted agents and the number of shares of shareholders attending in writing or electronically, the Company shall clearly disclose in the meeting venue and in the prescribed format on the day of the meeting. When the shareholders' meeting is held in the form of video conference, the Company shall upload such information on the video conference platform; paragraph 1 is

Existing Article	Amended Article	Explanation
If the resolution of the shareholders' meeting contains any material information stipulated by law and provided by the Taiwan Stock Exchange Co., Ltd. (or the Taipei Exchange), the Company shall transmit the contents to the MOPS before the specified deadline.	video conference, the Company shall disclose on the video conference platform the number of shareholders' rights present when the meeting is called to order. The same applies if there are other statistics on the number of rights present at the meeting. If the resolution of the shareholders' meeting contains any material information stipulated by law and provided by the Taiwan Stock Exchange Co., Ltd. (or the Taipei Exchange), the Company shall transmit the contents to the MOPS before the specified deadline.	therefore amended. II. In order to enable the shareholders participating in the video shareholders' meeting to simultaneously know whether the number of shareholders' attending rights has reached the threshold of the shareholders' meeting, it is stipulated that the Company shall disclose the total number of shareholders' shares present at the meeting on the video conference platform when announcing the start of the meeting; if there are statistics on the total number of shares and voting rights of shareholders attending the meeting, they shall also be disclosed on the video conference platform. Paragraph 2 is therefore added.
	Article 19 (Information disclosure at the video conference) If the shareholders' meeting is held in the form of video conference, the Company shall immediately disclose the voting results of various proposals and election results on the video conference platform of the shareholders' meeting after the voting is completed, and shall continue to disclose them for at least 15 minutes after the chairman announces the adjournment of the meeting.	I. The article is new. II. This article is added in order to enable shareholders participating in the video shareholders' meeting to immediately know the voting status and election results of various proposals, and regulate sufficient information disclosure time.

Existing Article	Amended Article	Explanation
	Article 20 (Location of the chairman and recorder of a video shareholders' meeting) If the Company holds the shareholders' meeting in the form of video conference, the chairman and the recorder shall be in the same place in Taiwan, and the chairman shall announce the address of the place at the meeting.	I. The article is new. II. When the shareholders' meeting is held by video conference and there is no physical meeting place, the chairman and recorder shall be in the same place in Taiwan. In addition, in order to make the shareholders know the location of the chairman, the chairman shall announce at the meeting the address of his location. The addition is therefore made.
	Article 21 (Dealing with information disruption) If the shareholders' meeting is held by video conference, the Company may provide shareholders with a simple connection test before the meeting, and provide relevant services immediately before and during the meeting to assist in dealing with technical problems of communication. If the shareholders' meeting is held in the form of video conference, the chairman shall, when calling the meeting to order, announce that there is no need to postpone or continue the meeting per paragraph 4 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies. Before the chairman announces the adjournment of the meeting, if there is any obstacle to the video conference platform or participation by video for more than 30 minutes due to any natural disaster, accident or other force majeure,	I. The article is new. II. In order to reduce the communication problems of video conference and with reference to foreign practices, the Company may provide a connection test before the conference, and provide relevant services immediately before and during the conference to help deal with the technical problems of communication. Paragraph 1 is therefore added. III. When the Company holds a video shareholders' meeting, the chairman shall announce at the start of the meeting the date of the continuing or resuming the meeting within five days if any obstacles to the video conference platform or participation by video

Existing Article	Amended Article	Explanation
	the provisions of Article 182 of the Company Act shall not apply if the meeting should be postponed or resumed within five days. In the event of a continued or resumed meeting referred to in the preceding paragraph, shareholders who have not registered to participate in the original shareholders' meeting by video shall not participate in the continued or resumed meeting. If the meeting should be postponed or resumed in accordance with paragraph 2, for the shareholders who have registered to participate in the original shareholders' meeting by video and have completed their registration but have not participated in the continued or resumed meeting, their number of shares present, voting rights and election rights exercised at the original shareholders' meeting shall be included in the total number of shares, voting rights and election rights of shareholders attending the continued or resumed meeting. When handling the postponed or resumed shareholders' meeting in accordance with paragraph 2, there is no need to re-discuss and adopt resolutions on the proposals for which the voting and vote counting have been completed and the voting results or the list of directors and supervisors elected has been announced. When the Company holds a video-assisted shareholders' meeting and it is impossible to resume the video meeting in	can not be removed for more than 30 minutes due to natural disasters, incidents or other force majeure. The provision of Article 182 of the Company Act that a resolution of the shareholders' meeting for the above is required is not applicable. Paragraph 2 is therefore added. This article does not apply if the video conference is unable to be convened or participated in by the Company, video conference platform, shareholders, solicitors or entrusted agents due to either their individual willful intent or negligence. IV. In the event that the meeting should be postponed or resumed under paragraph 2, in accordance with paragraph 2 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, shareholders (including solicitors and entrusted agents) who are not registered to participate in the original shareholders' meeting by video shall not participate in the continued or resumed meeting. Paragraph 3 is therefore added. As for the convening of a video assisted shareholders'

Existing Article	Amended Article	Explanation
	paragraph 2, if the total number of shares present at the shareholders' meeting by video is still meets the quorum of the shareholders' meeting after deducting the number of shares present at the shareholders' meeting by video, the shareholders' meeting shall continue without postponing or resuming the meeting in accordance with paragraph 2. In the event that the meeting should be continued in accordance with the preceding paragraph, the number of shares represented by shareholders participating in the shareholders' meeting by video shall be included in the total number of shares represented by shareholders, but such shares shall be deemed to have abstained from all proposals at the shareholders' meeting. When the Company postpones or resumes the meeting in accordance with paragraph 2, relevant pre-processing operations shall be handled in accordance with the provisions of paragraph 7 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, and in accordance with the date of the original shareholders' meeting and the various provisions of the same Article. During the periods specified in the latter paragraph of Article 12 and paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2 of Article 44-5,	meeting, the shareholders who originally participated in the physical shareholders' meeting may continue to participate in the continued or resumed meeting in a physical manner. V. If the meeting should be postponed or resumed in accordance with paragraph 2, for the shareholders who have registered to participate in the original shareholders' meeting by video and have completed their registration but have not participated in the continued or resumed meeting, in accordance with paragraph 3 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, their number of shares present, voting rights and election rights exercised at the original shareholders' meeting shall be included in the total number of shares, voting rights and election rights of shareholders attending the continued or resumed meeting. Paragraph 4 is therefore added. VI. When the shareholders' meeting cannot be resumed due to communication

Existing Article	Amended Article	Explanation
	paragraph 15 of Article 44, and paragraph 1 of article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the Company shall postpone or resume the date of the shareholders' meeting in accordance with paragraph 2 above.	problems, and it is necessary to postpone or resume the convening of the shareholders' meeting, the proposal that the voting and counting of votes that have been completed at the previous meeting, and the voting results or the list of directors and supervisors have been announced may be regarded as a resolution that has been completed without further discussion or resolution, so as to reduce the meeting time and cost of the resumed meeting. Paragraph 5 is therefore added. VII.Considering that for a video assisted shareholders' meeting ere are a physical meeting and a video meeting held at the same time, if there are obstacles to the video conference platform or participation by video due to force majeure, and if the total number of shares present after deducting the number of shares attending by video still reaches the quorum of the shareholders' meeting, the shareholders' meeting shall continue without postponing or resuming the meeting in accordance with paragraph 2. Paragraph 6 is therefore added. VIII.In the event that the

Existing Article	Amended Article	Explanation
		Company is required to continue the meeting as in paragraph 2 without postponing or resuming the meeting, in accordance with paragraph 5 of Article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies, the number of shareholders (including solicitors and entrusted agents) participating in the shareholders' meeting by video shall be included in the total number of shares of shareholders attending the meeting. However, they shall be deemed to abstain from all proposals of the shareholders' meeting. Paragraph 7 is therefore added. IX. Considering that the continued or resumed meeting due to the previous interruption is the same as the original shareholders' meeting, it is not necessary to re-handle the relevant pre-processing operations of the shareholders' meeting in accordance with paragraph 7 of article 44-20 of the Regulations Governing the Administration of Shareholder Services of Public Companies on the date of the continued or resumed shareholders' meeting. Paragraph 8 is therefore added.

Existing Article	Amended Article	Explanation
		X. Paragraph 9 is added considering the fact that the matters to be disclosed on the day of the shareholders' meeting as specified in the latter paragraph of Article 12 and paragraph 3 of Article 13 of the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of Public Companies, and paragraph 2 of Article 44-5, paragraph 15 of Article 44, and paragraph 1 of article 44-17 of the Regulations Governing the Administration of Shareholder Services of Public Companies shall still be disclosed to the shareholders on the day of the continued or resumed meeting.
	Article 22 (Handling of digital gap) When convening a shareholders' meeting by video conference, appropriate alternative measures shall be provided for shareholders who have difficulties in participating in the shareholders' meeting by video.	I. The article is new. II. When the Company holds a video shareholders' meeting, considering that the shareholders with digital gap may have problems, the Company shall provide shareholders with appropriate alternative measures, such as exercising voting rights in writing or providing shareholders with necessary equipment for rent to participate in the meeting.

Existing Article	Amended Article	Explanation
Article 19 These Rules shall come into force after being adopted by the shareholders' meeting, and the same shall apply to their amendments.	Article 23 These Rules shall come into force after being adopted by the shareholders' meeting, and the same shall apply to their amendments.	The article number is changed in compliance with the numbers of added articles.

Attachment VII

PATEC PRECISION INDUSTRY CO., LTD.
COMPARISON TABLE FOR THE MANAGEMENT OF ACQUISITION AND DISPOSAL OF ASSETS BEFORE AND AFTER REVISION

Existing Article	Amended Article	Explanation
Article 4: The valuation reports or opinions of accountants, lawyers or securities underwriters obtained by the Company shall be in conformity with the following provisions: 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the company is required to obtain valuation reports from two or more professional evaluators, the different professional evaluators or appraisal officers may not be related parties or de facto related parties of each other. The term "professional evaluator " refers to a real estate evaluator or other person who is legally engaged in real estate and equipment appraisal business. The term "related party" as defined in the Regulations	Article 4: The valuation reports or opinions of accountants, lawyers or securities underwriters obtained by the Company shall be in conformity with the following provisions: 1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received. 2. May not be a related party or de facto related party of any party to the transaction. 3. If the company is required to obtain valuation reports from two or more professional evaluators, the different professional evaluators or appraisal officers may not be related parties or de facto related parties of each other. The term "professional evaluator " refers to a real estate evaluator or other person who is legally engaged in real estate and equipment appraisal business. The term "related party" as defined in the Regulations	Regulate professional appraisers and their appraisers, accountants, lawyers or securities underwriters shall issue valuation reports or opinions, they shall also be handled in accordance with the self-discipline of their respective trade associations.

Existing Article	Amended Article	Explanation
Governing the Preparation of Financial Reports by Securities Issuers.	Governing the Preparation of Financial Reports by Securities Issuers. When issuing an appraisal report or opinion, the personnel referred to in the preceding paragraph shall comply with the self-regulatory rules of the industry associations to which they belong and with the following provisions: 1. Prior to accepting a case, they shall prudently assess their own professional capabilities, practical experience, and independence. 2. When conducting a case, they shall appropriately plan and execute adequate working procedures, in order to produce a conclusion and use the conclusion as the basis for issuing the report or opinion. The related working procedures, data collected, and conclusion shall be fully and accurately specified in the case working papers. 3. They shall undertake an item-byitem evaluation of the appropriateness and reasonableness of the sources of data used, the parameters, and the information, as the basis for issuance of the appraisal report or the opinion. 4. They shall issue a statement attesting to the professional competence and independence of the personnel who prepared the report or opinion, and that they have evaluated and found that the information used is appropriate and reasonable, and that they have complied with applicable laws and regulations.	
Article 14： If the company acquires or disposes of real estate, equipment	Article 14： If the company acquires or disposes of real estate, equipment	Item 3, subparagraph 1, should be deleted. Accountants should follow

Existing Article	Amended Article	Explanation
or other right of use assets, in addition to the machinery and equipment traded with domestic government agencies, built by local commissions, leased by land commissions, or acquired or disposed of machinery and equipment and its right of use assets for business use, and the transaction amount amounts to 20% of the company's paid-in capital or more than NT$300 million, it shall first obtain the valuation report issued by the professional evaluator and comply with the following provisions: 1. For special reasons, when a fixed price, a specific price or a special price is required as a reference basis for the transaction price, the transaction shall first be approved by a resolution of the Board of Directors, and the same shall be true when the transaction conditions change thereafter. 2. If the transaction amount is more than NT$1 billion, two or more professional evaluators should be invited to evaluate it. 3. If a professional evaluator's valuation results are in one of the following circumstances, the Company shall consult an accountant to comply with the provisions of Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation, and express his or her specific opinions on the causes of the discrepancies and the fairness of the transaction price: （1）The difference between the valuation result and the transaction amount is more than 20% of the transaction amount. （2）The difference between the valuation results of two or more	or other right of use assets, in addition to the machinery and equipment traded with domestic government agencies, built by local commissions, leased by land commissions, or acquired or disposed of machinery and equipment and its right of use assets for business use, and the transaction amount amounts to 20% of the company's paid-in capital or more than NT$300 million, it shall first obtain the valuation report issued by the professional evaluator and comply with the following provisions: 1. For special reasons, when a fixed price, a specific price or a special price is required as a reference basis for the transaction price, the transaction shall first be approved by a resolution of the Board of Directors, and the same shall be true when the transaction conditions change thereafter. 2. If the transaction amount is more than NT$1 billion, two or more professional evaluators should be invited to evaluate it. 3. If a professional evaluator's valuation results are in one of the following circumstances, the Company shall consult ~~an accountant to comply with the provisions of Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation, and~~ express his or her specific opinions on the causes of the discrepancies and the fairness of the transaction price: （1）The difference between the valuation result and the transaction amount is more than 20% of the transaction amount. （2）The difference between the valuation results of two or more	the accounting research and development of the Republic of China. The text of the Auditing Standards Bulletin No. 20 issued by the Foundation.

Existing Article	Amended Article	Explanation
professional valuators is more than 10% of the transaction value. 4. The date of issuance of the report and the date of establishment of the contract shall not exceed three months for the valuator before the date of establishment of the contract. However, if the present value of the same announcement does not exceed six months, the original professional evaluator may issue an opinion.	professional valuators is more than 10% of the transaction value. 4. The date of issuance of the report and the date of establishment of the contract shall not exceed three months for the valuator before the date of establishment of the contract. However, if the present value of the same announcement does not exceed six months, the original professional evaluator may issue an opinion.	
Article 16： The following information shall be agreed by the Audit Committee and submitted to the Board of Directors for adoption before the Company acquires real estate or its right of use assets from related party: 1. The purpose, necessity and expected benefits of acquiring or disposing of real estate. 2. Reasons for choosing related party as the object of transaction. 3. Relevant information for assessing the reasonableness of the intended terms of transaction in accordance with subparagraph 1 and 2 of paragraph 1 of Article 17. 4. The original acquisition date and price of the related party, the object of the transaction and its relationship with the company and the related party, etc. 5. Forecast of cash receipts and expenditures for each month of the coming year from the beginning of the contracting month, and assess the necessity of transactions and the rationality of capital utilization. 6. The valuation report issued by the professional evaluator obtained in accordance with the	Article 16： The following information shall be agreed by the Audit Committee and submitted to the Board of Directors for adoption before the Company acquires real estate or its right of use assets from related party: 1. The purpose, necessity and expected benefits of acquiring or disposing of real estate. 2. Reasons for choosing related party as the object of transaction. 3. Relevant information for assessing the reasonableness of the intended terms of transaction in accordance with subparagraph 1 and 2 of paragraph 1 of Article 17. 4. The original acquisition date and price of the related party, the object of the transaction and its relationship with the company and the related party, etc. 5. Forecast of cash receipts and expenditures for each month of the coming year from the beginning of the contracting month, and assess the necessity of transactions and the rationality of capital utilization. 6. The valuation report issued by the professional evaluator obtained in accordance with the	Considering the overall business planning needs of the public offering company and its parent company, subsidiaries, or its subsidiaries, and taking into account the exemption specifications of major international capital markets in advance, the proviso to relax the hands-free transaction between such companies Shareholders' meeting resolution.

Existing Article	Amended Article	Explanation
provisions of the preceding article or the opinions of the accountant. 7. Restrictions on this transaction and other important agreements. The Board of Directors may authorize the Chairman of the Board of Directors to make the following transactions between the Company and its subsidiaries or their subsidiaries directly or indirectly holding 100% of the total issued equity or capital, and then report them to the latest Board of Directors for approval： 1. Acquire or dispose of equipment or its right of use assets for business use. 2. Acquire or dispose of real estate or its right of use assets for business use。	provisions of the preceding article or the opinions of the accountant. 7. Restrictions on this transaction and other important agreements. The Board of Directors may authorize the Chairman of the Board of Directors to make the following transactions between the Company and its subsidiaries or their subsidiaries directly or indirectly holding 100% of the total issued equity or capital, and then report them to the latest Board of Directors for approval： 1. Acquire or dispose of equipment or its right of use assets for business use. 2. Acquire or dispose of real estate or its right of use assets for business use。 If the company or its subsidiaries that have transactions in the first paragraph, and the transaction amount is more than 10% of the company's total assets, the company should submit the materials listed in the second paragraph to the shareholders' meeting. After the agreement is reached, the transaction contract can be signed and the payment can be made. However, the transaction between the company and its subsidiaries, or its subsidiaries, is not limited to this.	
Article 24: If the Company acquires or disposes of assets in the following circumstances, it shall, by nature and in accordance with the prescribed format, submit relevant information to the website designated by the Financial Supervisory Commission for public announcement and declaration within two days from the date of	Article 24: If the Company acquires or disposes of assets in the following circumstances, it shall, by nature and in accordance with the prescribed format, submit relevant information to the website designated by the Financial Supervisory Commission for public announcement and declaration within two days from the date of	1. Amended to relax the issuance rating of their trading of bonds that are not lower than my country's sovereign rating of foreign public bonds, and they are also exempted. Make announcements. 2. Amended to relax the Investments made by professionals to subscribe

Existing Article	Amended Article	Explanation
the occurrence of the facts: 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Investment in the mainland China area: Refers to the investment in the mainland pursuant to the provisions of the Investment Commission, Ministry of Economic Affairs for Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China. 3. Merger, demerger, acquisition, or transfer of shares. 4. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 5. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: (1) When the Company' s paid-in capital is less than NT$10	the occurrence of the facts: 1. Acquisition or disposal of real property or right-of-use assets thereof from or to a related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. 2. Investment in the mainland China area: Refers to the investment in the mainland pursuant to the provisions of the Investment Commission, Ministry of Economic Affairs for Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China. 3. Merger, demerger, acquisition, or transfer of shares. 4. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company. 5. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria: (1) When the Company' s paid-in capital is less than NT$10	for foreign government bonds, purchase or sell back index investment securities in the primary market are also exempt from public announcement and declaration.

Existing Article	Amended Article	Explanation
billion, the transaction amount reaches NT$500 million or more. (2) When the Company's whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. 6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT$500 million. 7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution reaches 20 percent or more of paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds. (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or	billion, the transaction amount reaches NT$500 million or more. (2) When the Company's whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more. 6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT$500 million. 7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution reaches 20 percent or more of paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances: (1) Trading of domestic government bonds<u> or foreign government bonds with a rating that is not lower than the sovereign rating of Taiwan</u>. (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or <u>subscription of foreign government bonds</u>, or of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary	

Existing Article	Amended Article	Explanation
redemption of securities investment trust funds or futures trust funds.	market, <u>or subscription or redemption of securities investment trust funds or futures trust funds, or subscription or redemption of exchange traded notes.</u>	
(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. The amount of the transaction mentioned in paragraph 7 above shall be calculated as follows, and "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount. 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.	(3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises. The amount of the transaction mentioned in paragraph 7 above shall be calculated as follows, and "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount. 1. The amount of any individual transaction. 2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year. 3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year. 4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.	

Attachment VIII

PATEC PRECISION INDUSTRY CO., LTD.
COMPARISON TABLE FOR THE ENDORSEMENTS MANAGEMENT BEFORE AND AFTER REVISION

Existing Article	Amended Article	Explanation
Article 4額不得超過本公司當 1. The total amount of the Company's endorsements/guarantees shall not exceed 40% of the Company's net worth of the current period, and the amount of the endorsements/guarantees provided by the Company for any single entity shall not exceed 20% of the Company' s net worth of the current period. However, if the single entity is a company in which the Company directly or indirectly holds 100% of the voting shares, the amount of endorsement shall not exceed 30% of the company's net worth in the latest financial statement. 2.The endorsement and guarantee guarantors due to business relationship shall not exceed last year total transactions with the Company's (purchases or sales between the parties, the higher amount). 3.The Company has directly and indirectly voting power and held more than 90% of the Company shares, the endorsement and guarantee of whom shall not exceed 10% of the Company's net worth. 4. The total amount of the endorsement and guarantee of the Company and its subsidiaries shall not exceed 50% of the Company's current net worth, of which the endorsement and	Article 4 1. The total amount of the Company's endorsements/guarantees shall not exceed 40% of the Company's net worth of the current period, and the amount of the endorsements/guarantees provided by the Company for any single entity shall not exceed 20% of the Company' s net worth if the entity which is directly or indirectly holds by the company which the Company directly or indirectly holds 100%, the amount of endorsement should not limited by the above proportions, however, the maximum amount shall not exceed 100% of the company's net worth in the latest financial statement. 2.The endorsement and guarantee guarantors due to business relationship shall not exceed last year total transactions with the Company's (purchases or sales between the parties, the higher amount). 3.The Company has directly and indirectly voting power and held more than 90% of the Company shares, the endorsement and guarantee of whom shall not exceed 10% of the Company's net worth. 4. The total amount of the endorsement and guarantee of the Company and its subsidiaries shall not exceed 100% of the Company's current net worth, of which the endorsement and	Adjust the limit of endorsement/guarantee in response in regard to which the to the Company's directly or indirectly holds 100% of the voting shares business needs.

Existing Article	Amended Article	Explanation
guarantee amount of a single enterprise shall not exceed <u>30%</u> of the Company's current net worth. 5.Net worth should be based on the most recent audited or reviewed financial statements.	guarantee amount of a single enterprise shall not exceed <u>100%</u> of the Company's current net worth. 5.Net worth should be based on the most recent audited or reviewed financial statements.	

THE CAYMAN ISLANDS
THE COMPANIES LAW (AS REVISED)
COMPANY LIMITED BY SHARES

EIGHTH AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION

OF

Patec Precision Industry Co., Ltd.

(as adopted by a Special Resolution passed on 25th August 2021)

1. The name of the Company is Patec Precision Industry Co., Ltd.

2. The Registered Office of the Company shall be situated at the offices of Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay , Grand Cayman KY1-9005, Cayman Islands or such other place within the Cayman Islands as the Board may from time to time decide, being the registered office of the Company.

3. Subject to the following provisions of this Memorandum of Association, the objects for which the Company is established are unrestricted, and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (As Revised).

4. Subject to the following provisions of this Memorandum of Association, the Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit, as provided by Section 27(2) of the Companies Law (As Revised).

5. Nothing in this Memorandum of Association shall permit the Company to carry on a business of a bank or trust company without being licensed in that behalf under the Banks and Trust Companies Law (As Revised) or to carry on insurance business from within the Cayman Islands or the business of an insurance manager, agent, sub-agent or broker without being licensed in that behalf under the Insurance Law (As Revised) or to carry on the business of company management without being licensed in that behalf under the Companies Management Law (As Revised).

6. The Company shall not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Cayman Islands; provided that nothing in this clause shall be construed as to prevent the Company effecting and concluding contracts in the Cayman Islands, and exercising in the Cayman Islands all of its powers necessary for the carrying on of its business outside the Cayman Islands.

7. The liability of each member is limited to the amount from time to time unpaid on such member's shares.

8. The share capital of the Company is NT$1,000,000,000 divided into 100,000,000 ordinary shares of a nominal or par value of NT$10 each with power for the Company, subject to the provisions of the Companies Law (As Revised) and the Articles of Association, to redeem or purchase any of its shares and to sub-divide, increase or reduce the said capital and to issue any part of its capital, original, redeemed, increased or reduced, with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions and so that, unless the condition of issue shall otherwise expressly declare, every issue of shares, whether declared to be ordinary, preference or otherwise, shall be subject to the power hereinbefore contained.

9. 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.

10. 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 and the interpretations section of the Articles of Association of the Company shall apply to this Memorandum of Association.

THE CAYMAN ISLANDS
THE COMPANIES LAW (AS REVISED)
COMPANY LIMITED BY SHARES

SEVENTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

Patec Precision Industry Co., Ltd.

(a s adopted by a Special Resolution pas sed on 25th August 2021)

INTERPRETATION

1. The Regulations contained or incorporated in Table A of the First Schedule of the Companies Law (As Revised) of the Cayman Islands (as amended, supplemented or otherwise modified from time to time) shall not apply to this Company.

2. (1) In these Articles the following terms shall have the meanings set opposite unless the context otherwise requires:

Applicable Listing Rules	the relevant laws, regulations, rules and codes as amended, from time to time, applicable as a result of the original and continued trading or listing of any shares on any Taiwan stock exchange or securities market, including, without limitation the relevant provisions of the Securities and Exchange Act of the R.O.C., the Company Act of the R.O.C., the Act Governing Relations Between Peoples of the Taiwan Area and the Mainland Area, and any similar laws, statutes and the rules and regulations of the R.O.C. authorities thereunder, and the rules and regulations promulgated by the Financial Supervisory Commission, the GTSM and the TWSE (where applicable);
Articles	these Articles of Association of the Company in their present form, as amended, substituted or supplemented from time to time by a Special Resolution;
Auditors	the certified public accountant (if any) retained by the Company to audit the accounts of the Company, to audit and/or certify the financial statements of the Company or to perform other similar duties as assigned or requested by the Company for the time being;

Audit Committee	has the meaning set out in Article81-1;
Board	the board of Directors of the Company comprising all the Directors;
Capital Reserve	means (1) the Share Premium Account, (2) income from endowments received by the Company and (3) other items required to be treated as Capital Reserve pursuant to the Applicable Listing Rules;
Chairman	has the meaning given thereto in Article 68;
Class or Classes	any class or classes of Shares as may from time to time be issued by the Company in accordance with these Articles;
Commission	the Financial Supervisory Commission of the R.O.C. or any other authority for the time being administering the Securities and Exchange Act of the R.O.C.;
Company	Patec Precision Industry Co., Ltd.;
M&A	referred to the merger, acquisition or division of a company within the meaning of the Law and the Applicable Listing Rules;
Consolidation	the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies in the consolidated company within the meaning of the Law and the Applicable Listing Rules;
Acquisition	referred to a company obtaining shares, business or property of other companies and using shares, cash or other property as consideration within the meaning of the Law and the Applicable Listing Rules;
Director	a director of the Company or an Independent Director (if any) for the time being who collectively form the Board, and "Directors" means 2 or more of them (including any and all Independent Director(s));
Discount Transfer	has the meaning set out in Article 23(3);
Electronic	shall have the meaning given to it in the Electronic Transactions Law (as revised) of the Cayman Islands and any amendment thereto or re-enactments thereof for the time being in force including every other law incorporated therewith or substituted therefore;

Emerging Market	the emerging market board of the GTSM in Taiwan;
Employees	employees of the Company and/or any of the Subordinate Companies of the Company, as determined by the Board from time to time in its sole discretion, and “Employee” shall mean any one of them;
Financial Statements	has the meaning set out in Article 103;
GTSM	the GreTai Securities Market in Taiwan;
Independent Directors	those Directors designated as "Independent Directors" who are elected by the Members at a general meeting and appointed as "Independent Directors" for the purpose of these Articles and the requirements of the Applicable Listing Rules, and “Independent Director” means any one of them;
Juristic Person	a firm, corporation or other organization which is recognised by the Law and the Applicable Listing Rules as a legal entity;
Law	the Companies Law (As Revised) of the Cayman Islands and any amendment or other statutory modification thereof and every other act, order, regulation or other instrument having statutory effect (as amended from time to time) for the time being in force in the Cayman Islands applying to or affecting the Company, the Memorandum and/or these Articles, and where in these Articles any provision of the Law is referred to, the reference is to that provision as modified by any law for the time being in force;
Member or Shareholder	a Person who is duly registered as the holder of any Share or Shares in the Register for the time being, including persons who are jointly so registered and “Members” or “Shareholders” means 2 or more of them;
Memorandum	the memorandum of association of the Company, as amended or substituted from time to time;
Merger	the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company within the meaning of the Law and the Applicable Listing Rules;
Month	a calendar month;

NTD	New Taiwan Dollars;
Ordinary Resolution	a resolution:- (a) passed by a simple majority of votes cast by such Members as, being entitled to do so, vote in person or, in the case of any Members being Juristic Persons, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles; and (b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being Juristic Persons by their duly authorized representatives); and (c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the resolution so adopted shall be the date on which the instrument is executed;
Person	any natural person, firm, company, joint venture, partnership, corporation, association or other entity (whether or not having a separate legal personality) or any of them as the context so requires;
Preferred Shares	has the meaning given thereto in Article 4;
Private Placement	an offer by the Company of its Shares, bonds and other securities approved by the Commission to specific persons pursuant to the Applicable Listing Rules;
Register	the register of Members of the Company maintained in accordance with the Law at such place within or outside the Cayman Islands;
Registered Office	the registered office of the Company for the time being as required under the Law;
Relevant Period	the period commencing from the date on which any of the securities of the Company first become public offering or registered or listed on the Emerging Market, the GTSM, the TWSE or any Taiwan stock

	exchange or securities market to and including the date immediately before the day on which none of such securities are so registered or listed (and so that if at any time registration or listing of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as registered or listed);
R.O.C. or Taiwan	the Republic of China, its territories, its possessions and all areas subject to its jurisdiction;
R.O.C. Courts	the Taiwan Taipei District Court or any other competent courts in the R.O.C.;
Seal	the common seal of the Company;
Secretary	any Person for the time being appointed by the Directors to perform any of the duties of the secretary of the Company and including any assistant, deputy, acting or temporary secretary;
Share	a share in the capital of the Company. All references to "Shares" herein shall be deemed to be Shares of any or all Classes as the context may require. For the avoidance of doubt in these Articles the expression "Share" shall include a fraction of a Share;
Share Premium Account	the share premium account of the Company established in accordance with these Articles and the Law;
Shareholder Service Agent	the agent licensed by the R.O.C. authorities and having its offices in the R.O.C. to provide shareholder services, in accordance with the Applicable Listing Rules and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C., to the Company;
signed	bearing a signature or representation of a signature affixed by mechanical means or an electronic symbol or process attached to or logically associated with an electronic communication and executed or adopted by a Person with the intent to sign the electronic communication;
Special Reserve	has the meaning set out in Article 94;

Special Resolution	a special resolution of the Company passed in accordance with the Law, being a resolution: (a) passed by a majority of at least two-thirds of votes cast by such Members as, being entitled to do so, vote in person or, in the case of any Members being Juristic Persons, by their respective duly authorised representatives or, where proxies are allowed, by proxy, present at a general meeting of the Company held in accordance with these Articles, of which notice, specifying (without prejudice to the power contained in these Articles to amend the same) the intention to propose the resolution as a Special Resolution, has been duly given; and (b) at any time other than during the Relevant Period, approved in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being Juristic Persons by their duly authorized representatives); and (c) where the Company has only one Member, approved in writing by such Member signed by such Member and the effective date of the special resolution so adopted shall be the date on which the instrument is executed. A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these Articles;
Spin-off	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 issue new shares to the transferor company or to shareholders of the transferor company;
Subordinate Company	any company (i) of which a majority of the total outstanding voting shares or the total amount of the capital stock is held by the Company; (ii) in which the Company has a direct or indirect control over the management of the personnel, financial or business operation of that company; (iii) of which a majority of

directors in such company are contemporarily acting as directors in the Company; or (iv) of which a majority of the total outstanding voting shares or the total amount of the capital stock of such companies and that of the Company are held by the same Members;

TDCC	the Taiwan Depository & Clearing Corporation;
Treasury Shares	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 Law; and
TWSE	the Taiwan Stock Exchange Corporation.

(2) Unless the context otherwise requires, expressions defined in the Law and used herein shall have the meanings so defined.

(3) In these Articles unless the context otherwise requires:

(a) words importing the singular number shall include the plural number and vice-versa;

(b) words importing the masculine gender shall include the feminine gender and neuter genders;

(c) a notice provided for herein shall be in writing unless otherwise specified and all reference herein to "in writing" and "written" shall include printing, lithography, photography and other modes of representing or reproducing words in permanent visible form; and

(d) "may" shall be construed as permissive and "shall" shall be construed as imperative.

(4) Headings used herein are intended for convenience only and shall not affect the construction of these Articles.

SHARES

3. Subject to the Law and these Articles and any resolution of the Members to the contrary, the Board may, in respect of all Shares for the time being unissued:

(a) offer, issue and allot of such Shares to such Persons, in such manner, on such terms and having such rights and being subject to such restrictions as they may from time to time determine, but so that no Share shall be issued at a discount, except in accordance with the provisions of the Law and the Applicable Listing Rules; and

(b) grant options with respect to such Shares and issue warrants or similar instruments with respect thereto, in accordance with the provisions of the Law and Applicable Listing Rules; and, for such purposes, the Board may reserve an appropriate number of Shares for the time being unissued.

4. Subject to Article 5 and the sufficiency of the authorised share capital of the Company, the Company may issue Shares of different Classes with rights which are preferential or inferior 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.

5. (1)Where the Company is to issue Preferred Shares, the following shall be expressly set out in these Articles:

   (a) the total number of Preferred Shares that have been authorised to be issued and the numbers of the Preferred Shares already issued;

   (b) the order, fixed amount or fixed ratio of allocation of dividends, bonus and other distribution on such Preferred Shares;

   (c) the order, fixed amount or fixed ratio of allocation of surplus assets of the Company, upon its liquidation, to the holders of the Preferred Shares;

   (d) the order of or restrictions on the voting right(s) (including, where applicable, a statement that such Preferred Shares have no voting rights whatsoever) of the holders of such Preferred Shares;

   (e) other matters concerning rights and obligations incidental to the Preferred Shares; and

   (f) the method by which the Company is authorised or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply.

   (2) Subject to the Law, the Memorandum and these Articles shall be amended with the sanction of a Special Resolution to stipulate the rights, benefits and restrictions of such Preferred Shares and the number of the Preferred Shares the Company is authorised to issue.

6. (1) Subject to the sufficiency of the authorised share capital of the Company and these Articles, the issue of new ordinary Shares in 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.

   (2) The Company shall not convert the Shares into par value shares if the Company chooses to issue no par value shares.

7. (1) The Company shall issue Shares without printing share certificates, provided that the Register shall be conclusive evidence of the entitlement of a Person to Shares recorded against his/her/its name. During the Relevant Period, whenever the Company issues Shares, the Company shall deliver or cause the Shareholder Service Agent to deliver Shares by advising TDCC to record the number of Shares against the name of each subscriber within thirty (30) days from the date such Shares may be delivered, pursuant to the Law. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.

(2) The Company shall not issue bearer Shares.

(3) The Company shall not issue any unpaid Shares or partial paid-up Shares to any Person.

7-1. (1) When the company issuing new shares, where subscriber delays payment for Shares as provided in the preceding article , the Company shall fix a period of not less than one month and call upon each subscriber to pay up, declaring that in case of default of payment within the stipulated period their right shall be forfeited.

(2) After the Company has made the aforesaid call under the preceding paragraph , the subscribers who fail to pay accordingly shall forfeit their rights and the Shares subscribed to by them shall be otherwise sold. Under the aforesaid circumstances, compensation for loss or damage, if any, may still be claimed against such defaulting subscribers.

8. During the Relevant Period:

(a) upon each issuance of new Shares (other than resulting from or in connection with any Merger or Consolidation of the Company, Spin-off of the Company's business, any reorganisation of the Company, asset acquisition, share swap, the Shares issued for being acquired, exercise of share options or warrants granted to the Employees, conversion of convertible securities or debt instruments, exercise of subscription warrants or rights to acquire Shares vested with preferential or special rights, where the Company issues new Shares to the existing Members by capitalisation of its reserves in accordance with these Articles, Private Placement or other issuance of Shares for consideration other than cash), the Board may reserve not more than fifteen percent (15%) of the new Shares for subscription by the Employees pursuant to the Law and the Applicable Listing Rules; and

(b) where the Company issues new Shares for cash consideration, after the Board reserving certain percentage of the new Shares for subscription by the Employees pursuant to subsection (a) of this Article, the Company shall allocate ten percent (10%) (or such greater percentage as the Company by an Ordinary Resolution determines) of the total number of the new Shares to be issued for offering in the R.O.C. to the public unless the Commission, the Emerging Market, the GTSM and/or the TWSE (where applicable) considers such public offering unnecessary or inappropriate.

9. During the Relevant Period, subject to an Ordinary Resolution, upon each issuance of new Shares for cash consideration, the Company shall, after reserving the portion of new Shares for subscription by the Employees and public offering in the R.O.C. pursuant to Article 8, first offer such remaining new Shares, by a public announcement and a written notice to each existing Member respectively, stating that in case any such existing Member fails to confirm his/her/its subscription within the prescribed period his/her/its subscription right shall be forfeited, for the subscription of each such existing Member in proportion to the number of Share(s) held by him/her/it, provided that:

(a) where any fractional Share held by a Member is insufficient to subscribe for one new Share, the fractional Shares being held by several Members may be combined for joint subscription of one or more integral new Shares or for subscription of new Shares in the name of a single Member;

(b) the existing Member(s) may assign and transfer his subscription right to other Persons independently of his original Shares; and

(c) new Shares left unsubscribed may be offered to the public or to specific Persons through negotiation.

10. The preceding Article shall not apply whenever the new Shares are issued for the following purpose:

(a) in connection with a Merger or a Consolidation of the Company or a Spin-off of the Company's business, or pursuant to any reorganisation of the Company;

(b) in connection with meeting the Company's obligation under Share subscription warrants and/or options granted to the Employees;

(c) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;

(d) in connection with meeting the Company's obligation under share subscription warrant or Preferred Shares vested with rights to acquire Shares;

(e) in connection with any share swap arrangement entered into by the Company;~~, or~~

(f) in connection with any acquisition of issued Shares, business, or assets of another company;

(g) in connection with any Shares issued for being acquired;

(h) in connection with any Private Placement conducted pursuant to Article 13; or

(i) in connection with any other event otherwise prohibited, limited, restricted or exempted to so apply pursuant to the Law and/or the Applicable Listing Rules.

10-1. Any new Shares issued under preceding article may be paid up in cash or assets required in the business of the Company.

11. During the Relevant Period, subject to the Applicable Listing Rules, the Company may, upon adoption of a resolution passed by a majority of the Directors present at a meeting of the Board attended by two-thirds or more of the total number of Directors, enter into a share subscription right agreement with the Employees whereby such Employees may subscribe, within a specific period of time, for a specific number of Shares of the Company at an agreed subscription price. Upon execution of the said agreement, the Company shall issue to each of such Employees a share subscription warrant. Such issued share subscription warrant shall be non-assignable, except for transfer by inheritance or intestacy.

12. During the Relevant Period, the Company may, subject to approval of Shareholders by way of Special Resolution, issue new Shares with restricted rights as approved by such Special

Resolution to Employees of the Company and/or its Subordinate Companies, provided that Articles 8 and 9 shall not apply. 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 Listing Rules and the Law.

13. (1) During the Relevant Period and subject to the Applicable Listing Rules, the Company may, with the sanction of a Special 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 Juristic Persons or institutions approved by the Commission;

    (b) natural persons, Juristic Persons, or funds meeting the conditions prescribed by the Commission; or

    (c) directors, supervisors, officers and managers of the Company or its affiliated enterprises.

    (2) Subject to the preceding paragraph, the Board may resolve, by a majority of the Directors presents at a meeting attended by two-thirds or more of the total numbers of the Directors, that a Private Placement of ordinary corporate bonds be carried out by installments within one year of the date of such resolution.

14. The Company may by a Special Resolution reduce its share capital in the manner authorised, and subject to any conditions prescribed, by the Law and the Applicable Listing Rules.

15. During the Relevant Period, any issuance, conversion or cancellation of the Shares or any other equity securities (including but not limited to warrants, options or bonds), capitalisation and shareholder services, shall comply with the Law, the Applicable Listing Rules and the Regulations Governing the Administration of Shareholder Services of Public Companies of the R.O.C..

MODIFICATION OF RIGHTS

16. Whenever the share capital of the Company is divided into different Classes of Shares, including where Preferred Shares are issued, subject to Article 45 and in addition to a Special Resolution, the special rights attached to any Class shall be varied or abrogated with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of such Class. To every such separate general meeting and all adjournments thereof, all the provisions of these Articles relating to general meetings of the Company and to the proceedings thereat shall mutatis mutandis apply.

17. 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 materially adversely varied or abrogated by, inter alia, the creation, allotment or issue of further Shares ranking pari passu with or subsequent to them or the redemption or purchase of Shares of any Class by the Company.

REGISTER

18. Subject to the Law, the Board shall cause to be kept the Register at such place within or outside the Cayman Islands as it deems fit. During the Relevant Period, the Register shall be entered therein the particulars required under the Law and the Applicable Listing Rules, and shall be made available at its Shareholder Service Agent's office in the R.O.C.

19. Notwithstanding anything contained in these Articles and subject to the Law, during the Relevant Period, the relevant information of the Members shall be recorded by TDCC, and the Company shall recognize each person identified in the records provided by TDCC to the Company as a Member and such records shall form part of the Register as at the date of receipt of such records by the Company.

REDEMPTION AND REPURCHASE OF SHARES

20. All Preferred Shares may be redeemed in accordance with the provisions of the Law, provided that the privileges accorded to holders of the Preferred Shares by these Articles shall not be impaired under the Law and the Applicable Listing Rules.

21. (1) Subject to the Law, the Applicable Listing Rules and Paragraph (3) of this Article, upon the approval of a majority of the Directors present at a Board meeting attended by two-thirds or more of Directors, the Company may purchase its own Shares, for cancellation, upon such terms and manner and subject to such conditions as the Board thinks fit, and such Shares shall be treated as cancelled immediately on purchase.

(2) Subject to the Law, the Applicable Listing Rules and Paragraph (3) of this Article, upon the approval of a majority of the Board present at a Board meeting attended by two-thirds or more of Directors, the Company may purchase its own Shares, to be held as Treasury Shares, upon such terms and manner and subject to such conditions as the Board thinks fit, PROVIDED ALWAYS that such purchase is effected in accordance with the provisions of the Law.

(3) During the Relevant Period, the resolutions of Board approving a purchase of Shares, how such resolutions are implemented, and the failure of any purchase of Shares as approved by such resolutions (if any) shall be reported to the Shareholders at the next general meeting.

(4) Subject to the Law, 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 Law; 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.

(5) During the Relevant Period, subject to the Law, except purchases of Shares carried out pursuant to Article 22(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 and 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.

22. (1) Subject to the Law and the Applicable Listing Rules, the Company may carry out a 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. Where any purchase price is paid in kind, the type of such payment in kind and the corresponding amount of such substitutive distribution shall be subject to approval by a Special Resolution as well as individual consent by the Shareholder(s) receiving such payment in kind. Prior to convening the general meeting for approving such purchase of Shares, the Board 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 pro rata basis, subject to the Law and the Applicable Listing Rules, the Board is empowered to authorize and carry out such repurchase without approval by Special Resolution in accordance with the preceding paragraph.

23. (1) Where the Company holds Treasury Shares, the Company may, in accordance with the Law:

(a) cancel any or all of the Treasury Shares; or

(b) transfer any or all of the Treasury Shares to the Employees, the terms of such transfer and qualifications of such employees shall be determined by the Board, subject to Paragraph (3) of this Article. The Board 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 Law.

(3) Subject to Paragraph (4) of this Article and the Law, the Company may, by way of a Special Resolution passed at the immediate preceding general meeting of the Company, transfer the Treasury Shares to the Employees for a price that is below the average price that the Company has paid to purchase such Treasury Shares (the "**Discount Transfer**"), 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 Board, 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 Board is 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 Listing Rules; and

(ii) any burden on the Company caused by the Discount Transfer in accordance with the Applicable Listing Rules.

(4) The total aggregate amount of the Treasury Shares that are transferred to the Employees pursuant to the Discount Transfer in accordance with Paragraph (3) 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.

TRANSFER AND TRANSMISSION OF SHARES

24. Subject to the Law and Applicable Listing Rules and unless otherwise provided by these Articles, the Shares shall be freely transferable.

25. The Company shall not be obligated to recognize any transfer or assignment of Shares unless the name/title and residence/domicile of the transferor and transferee have been recorded in the Register. The registration of transfers may be suspended when the Register is closed in accordance with Article 27.

NON-RECOGNITION OF TRUSTS

26. Except as required by Law, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not, unless required by Law, be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or actual interest in any Share (except only as otherwise provided by these Articles, the Law or law otherwise requires or under an order of a court of competent jurisdiction) or any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder.

CLOSING REGISTER OR FIXING RECORD DATE

27. (1) The Board may fix in advance the record date(s) for (a) determining the Members entitled to receive any dividend, distribution or issue; (b) determining the Members entitled to receive notices of, attend or vote at any general meeting or any adjournment thereof in person, by proxy or by way of electronic transmission; and (c) any other purposes as determined by the Board.

In the event the Board designates the record date(s) for (b) in accordance with this Article, such record date(s) shall be date(s) prior to the general meeting.

(2) During the Relevant Period, subject to the Law, for the purposes of (a) determining the Members entitled to receive any dividend, distribution or issue; and (b) determining the Members entitled to receive notices of, attend or vote at any general meeting or any adjournment thereof, the Board shall fix the period that the Register shall be closed for transfers at least for a period of sixty (60) days before the date of each annual general meeting, thirty (30) days before the date of each extraordinary general meeting and five (5) days before the target date for a dividend, bonus or other distribution. For the purpose of calculating the abovementioned period, the respective convening date of the general meeting or the relevant target date shall be included.

GENERAL MEETINGS

28. The Company shall in each year hold a general meeting as its annual general meeting within six months after close of each financial year or such other period as may be permitted by the Emerging Market, the GTSM or the TWSE (where applicable). The annual general meeting shall be convened by the Board.

29. All general meetings other than annual general meetings shall be called extraordinary general meetings. The Board may, whenever they think fit, convene an extraordinary general meeting of the Company.

30. During the Relevant Period, all general meetings shall be held in the R.O.C. At any time other than during the Relevant Period, the Board may convene any general meeting at such place as it deems fit.

31. (1) Any one or more Member(s) holding at least three percent (3%) of the issued and outstanding Shares of the Company for a period of one year or a longer time may, by depositing the requisition notice specifying the proposals to be resolved and the reasons, request the Board to convene an extraordinary general meeting. If the Board does not give notice to Members to convene such meeting within fifteen (15) days after the date of the requisition notice, the proposing Member(s) may convene a general meeting.

(2) Any one or more Member(s) holding at least one-half of the issued and outstanding Shares of the Company for a period of three months or a longer time may, convene an extraordinary general meeting. The calculation of the holding period and the number of Shares held by the abovementioned Member(s) shall be based on the holding at the time when the Register is closed for transfers.

(3) Subject to the condition that the Board fails to or cannot convene a general meeting, the Independent Director of the Audit Committee may, for the benefit of the Company, convene a general meeting when it is deemed necessary.

32. (1) The Board or other Persons calling a general meeting may require the Company or its Shareholder Service Agent to provide the Register.

(2) During the Relevant Period, the Company shall engage a Shareholder Service Agent within the R.O.C. to handle the administration of general meetings, including but not limited to, the voting matters.

NOTICE OF GENERAL MEETING

33. (1) During the Relevant Period, at least thirty (30) days notice of an annual general meeting and fifteen (15) days notice of an extraordinary general meeting shall be given to each Member, and the Company may make a public announcement of a notice of general meeting to Members holding less than 1,000 Shares instead of delivering the same to each Member. The period of notice shall be exclusive of the day on which it is served and of the day on which the general meeting is to be held. Such notice shall be in writing, shall specify the place, the day and the time of meeting and the agenda and the proposals to be resolved at the general meeting and shall be given in the manner hereinafter described or be given via electronic communications if previously consented by the Members and permitted by the Law and the Applicable Listing Rules.

(2) At any time other than the Relevant Period, at least five (5) days notice in writing shall be given of an annual general meeting or any other general meeting PROVIDED HOWEVER that notice may be waived by all the Member either at or before the meeting is held PROVIDED FURTHER that notice or waiver thereof may be given by telex or telefax. At any time other than the Relevant Period, a general meeting may be convened by such shorter notice or without notice with the consent of a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than ninety-five percent (95%) in nominal value of the Shares giving that right.

34. (1) During the Relevant Period, the Company shall make public announcements with regard to notice of general meeting, proxy form, summary information and details about items to be proposed at the meeting for approval, discussion, election or dismissal of Directors at least thirty (30) days prior to any annual general meeting or at least fifteen (15) days prior to any extraordinary general meeting.

(2) During the Relevant Period, if the Company allows the Shareholders to exercise the votes and cast the votes in writing or by way of electronic transmission in accordance with Article 56, the Company shall also send to the Shareholders the information and documents as described in the preceding paragraph, together with the voting right exercise forms.

35. The following matters shall not be considered, discussed or proposed for approval at a general meeting unless they are specified in the notice of general meeting with the description of their major contents; the major content may be published on the website designated by the Commission, the Emerging Market, the GTSM or the TWSE (where applicable) or the Company, and such website shall be indicated in the above notice:

(a) any election or removal of Director(s);

(b) any alteration of the Memorandum and/or these Articles;

(c) capital reduction;

(d) application for the approval of ceasing the Shares to be publicly offered;

(e) any dissolution, voluntary winding-up, Merger, share swap, Consolidation or Spin-off of the Company;

(f) entering into, amending, or terminating any contract for lease, management or regular joint operation of the Company's whole business;

(g) the transfer of the whole or any material part of the Company's business or assets;

(h) the acquisition of the whole business or assets of a Person, which has a material effect on the operation of the Company;

(i) carrying out a Private Placement of any equity-type securities issued by the Company;

(j) granting a waiver to a Director's non-competition obligation or approving a Director to engage in activities in competition with the Company;

(k) distributing dividends, bonus or other distributions in whole or in part by way of issuance of new Shares; and

(l) capitalisation of the Company's Special Reserve, the 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 its existing Members.

36. During the Relevant Period, the Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be published on the website designated by the Commission and the Emerging Market, the GTSM or the TWSE (where applicable) twenty-one (21) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Listing Rules.

37. 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.

PROCEEDINGS AT GENERAL MEETINGS

38. No business, other than the appointment of a chairman of the meeting, shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Save as otherwise provided by these Articles, at least two Members present in person or by proxy or (in the case of a Member being a corporation) by its duly authorised representative representing more than one-half of the total issued and outstanding Shares with voting rights shall be a quorum of Members for all purposes.

39. (1)During the Relevant Period, one or more Member(s) holding one percent (1%) or more of the total issued and outstanding Shares of the Company may submit to the Company not more than one proposal in writing or by way of electronic transmission for resolution at an annual general meeting; provided that only one matter shall be allowed in a single proposal, the number of words therein contained shall not be more than three hundred (300), and the matter of such proposal may be resolved by a general meeting, or otherwise such proposal shall not be included in the agenda.

(2) During the Relevant Period, prior to the commencement of the period in which the Register is closed for transfers before an annual general meeting, the Company shall make a public announcement of the place and the period for Members to submit proposals; provided that the period for submitting such proposals shall not be less than ten (10) days.

(3) The Member who has submitted a proposal shall attend, in person or by a proxy, such general meeting whereat his proposal is to be discussed and shall take part in the discussion of such proposal.

(4) The Board shall include a proposal submitted by Member(s) unless any of the following circumstances is satisfied:

(a) the proposal involves matters which cannot be settled or resolved at a general meeting under the Law, the Applicable Listing Rules and these Articles;

(b) the number of Shares held by the proposing Member(s) is less than one percent (1%) of the total issued and outstanding Shares in the Register upon commencement of the period in which the Register is closed for transfers before the relevant annual general meeting of the Company;

(c) the proposal is submitted after the expiration of the specified period announced by the Company for submitting proposals; or

(d) the proposal contains more than three hundred (300) words or more than one matters in a single proposal.

(5) The proposal proposed pursuant to the preceding paragraph (1) for urging the Company to promote public interests or fulfil the Company's social responsibilities may still be included in the agenda by the Board.

(6) The Company shall, prior to the despatch of a notice of the relevant annual general meeting, inform all the proposing Members of whether their proposals are accepted or not, and shall list in the notice of the relevant annual general meeting all the accepted proposals. The Board shall explain at the relevant annual general meeting the reasons for excluding any proposal submitted by Members.

40. The Chairman shall preside as chairman at every general meeting of the Company convened by the Board. For a general meeting convened by any Person other than the Board, such Person shall act as the chairman of that meeting; provided that if there are two or more Persons jointly convening such meeting, the chairman of the meeting shall be elected from those Persons.

41. If at any general meeting the Chairman is not present or is unwilling to act as chairman, he shall appoint one of the Directors to act on his behalf. In the absence of such appointment, the Directors present may choose one of them to be the chairman of that general meeting.

42. A general meeting may be adjourned by the Company by an Ordinary Resolution from place to place within five (5) days, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a general meeting is adjourned for more than five (5) days, notice of the time and location of the adjourned meeting shall be given as in the case of an original meeting.

43. At any general meeting, a resolution put to the vote of the meeting shall be decided on a poll.

44. Unless otherwise expressly required by the Law, the Applicable Listing Rules or these Articles, any matter proposed for approval by the Members at a general meeting shall be passed by an Ordinary Resolution.

45. Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution:

(a) enter into, amend, or terminate any contract for lease, management or regular joint operation of its whole business;

(b) transfer the whole or any material part of its business or assets;

(c) acquire the whole business or assets of a Person, which has a material effect on the operation of the Company;

(d) distribute dividends, bonus or other distributions in whole or in part by way of issuance of new Shares;

(e) effect any Spin-off of the Company;

(f) authorise a plan of Merger or Consolidation involving the Company;

(g) resolve that the Company be wound up voluntarily;

(h) carry out a Private Placement;

(i) grant a waiver to a Director’s non-competition obligation, or approve a Director to engage in activities in competition with the Company;

(j) change its name;

(k) change the currency denomination of its share capital;

(l) increase the share capital by such sum, to be divided into new Shares of such Classes of such par value, as the resolution shall prescribe;

(m) consolidate and divide all or any of its share capital into Shares of a larger par value than its existing Shares;

(n) subdivide its existing Shares, or any of them, into Shares of a smaller par value than is fixed by the Memorandum;

(o) cancel any Shares that, at the date of the resolution, have not been taken or agreed to be taken by any Person and diminish the amount of its share capital by the amount of the Shares so cancelled;

(p) subject to these Articles (including without limitation Articles 16 and 17), alter or amend the Memorandum or these Articles, in whole or in part;

(q) reduce its share capital and any fund of the capital redemption reserve in any manner authorised by the Law and the Applicable Listing Rules; and

(r) appoint an inspector to examine the affairs of the Company under the Law; and

(s) issue new Shares to Employees of the Company and/or its Subordinate Companies subject to any restrictions and conditions in accordance with Article 12.

45-1. Subject to the Statute, the resolution of the general meeting shall be adopted by two-thirds or more of the votes of the shareholders who represent the total number of issued shares of the Company:

(a) if the Company participates in the merger/consolidation and is dissolved thereafter while the surviving company is not a listed or OTC company;

(b) if the trading of shares on TSE market is terminated because the Company carries on the general transfer so that the transferee company is not a listed or OTC company anymore;

(c) if the trading of shares on TSE market is terminated because the Company is acquired by any other surviving or newly incorporated company as a 100% held subsidiary company by means of share exchange while the surviving or newly incorporated company is not a listed or OTC company; or

(d) if the company carries on a division and the trading of the shares then traded on TSE market shall be terminated while the surviving or newly incorporated transferee company after the division is not a listed or OTC company.

46. Subject to the Law and the Applicable Listing Rules, the Company may by a Special Resolution resolve that the Company be wound up voluntarily if the Company is unable to pay its debts as they fall due.

47. (1) Subject to the Law, in the event any of the resolutions with respect to the matter(s) as set out in Paragraphs (a), (b) or (c) of Article 45 is adopted at a general meeting, a Member who has notified the Company in writing of his objection to such proposal prior to that meeting and subsequently raised his objection at the meeting may request the Company to purchase all of his Shares at the then prevailing fair price; provided, however, that no Member shall have the abovementioned appraisal right if the resolution to be adopted is in relation to the matter(s) set out in Paragraph (b) of Article 45 and at the same meeting the resolution for the winding up of the Company is also adopted.

(2) In the event any part of the Company's business is involved in any Spin-Off, Merger or

Consolidation, a Member, who has forfeited his right to vote on such matter and expressed his dissent therefor, in writing before the relevant vote, may request the Company to purchase all of his Shares at the then prevailing fair price in accordance with the Law.

(3) Without prejudice to the Law, if the Shareholder filing a request under the preceding paragraph (1) and (2) of this Article 47, the Shareholder shall make such request in writing within twenty(20) days since the resolution of the general meeting was made, specify the price for buying back. If the Company and the Shareholder reach an agreement about the price of buying back, the Shareholder may request the price from the company within ninety(90) days since the resolution of the general meeting was made. In case no agreement is reached, the Shareholder may request the fair price in accordance with the Law from the company within ninety(90) days since the resolution of the general meeting was made. If the Company did not pay, the Shareholder may request the price requested by the Shareholder from the company.

(4) Without prejudice to the Law, in the event the Company and a Member making a request pursuant to Article 45-1 (c) listed in Paragraphs (1), or Paragraphs (2) of this Article fail to reach agreement on the purchase price within sixty (60) days following the date of the resolution, the Member may, within thirty (30) days after such sixty (60) days period, file a petition to the Taiwan Taipei District Court of the R.O.C. if and to the extent permitted under the Law, for a ruling on the appraisal price.

48. In case the procedure for convening a general meeting in which a resolution is adopted or the method of adopting a resolution is in violation of the Law, the Applicable Listing Rules or these Articles, a Member may, if and to the extent permitted under the Law, within thirty (30) days from the date of the resolution, submit a petition to the Taiwan Taipei District Court, as applicable, for an appropriate remedy, including but not limited to, requesting the court to invalidate and cancel the resolution adopted therein.

49. Notwithstanding anything to the contrary provided for in these Articles, at any time other than during the Relevant Period, a resolution (including a Special Resolution) in writing (in one or more counterparts) signed by all Members for the time being entitled to receive notice of and to attend and vote at general meetings (or being Juristic Persons by their duly authorized representatives) shall be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held.

50. The proceedings regarding general meetings and the voting in general meetings not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Company by an Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular the Rules Governing the Conduct of Shareholders Meetings of R.O.C. Public Companies).

VOTES OF MEMBERS

51. Subject to any rights and restrictions as to voting for the time being attached to any Share by or in accordance with these Articles, at any general meeting, every Member present in person (or in the case of a Member being a corporation, by its duly authorised representative) or by proxy shall have one vote for each Share registered in his/her/its name in the Register.

52. In the case of joint Members, the joint Members shall select a representative among them to exercise their voting powers and the vote cast by such representative, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Members.

53. 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 separate votes shall be in compliance with the Applicable Listing Rules.

54. Any corporation which is a Member of the Company may, by resolution of its board or other governing body, authorise such natural person as it thinks fit to act as its representative at any general meeting or at any meeting of a Class of Members of the Company.

55. (1) Subject to the Law and the Applicable Listing Rules, Shares held by the following persons shall not be counted in the total number of issued Shares of the Company which are entitled to vote for when calculating the quorum at a general meeting and Members belonging to the following persons shall abstain from voting in respect of all Shares held by them:

(a) the Company itself (if such holding is permitted by the Law);

(b) any entity in which the Company is legally or beneficially interested in more than fifty percent (50%) of its issued and voting share capital or equity capital; or

(c) any entity in which the Company and (i) its holding company, and (ii) its Subordinate Company are legally or beneficially, directly or indirectly, interested in more than fifty percent (50%) of its issued and voting share capital or equity capital.

(2) Any Member who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a general meeting shall abstain from voting in respect of all the Shares that such Member should otherwise be entitled to vote, on his behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Member(s) shall not be counted in determining the number of votes for or against such matter.

(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 total Shares held by such Director at the time of his/her latest appointment as Director, such Director shall refrain from exercising 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 latest appointment as Director, and such Shares shall not carry the voting rights and shall not be counted toward the number of votes represented by the Shareholders present at a general meeting but shall be included in the quorum.

56. To the extent permitted by the Law and subject to the Applicable Listing Rules, the Board may resolve that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic

transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his Shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document, impromptu proposal and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.

57. In case a Member who has cast his votes by a written instrument or by way of electronic transmission intends to attend the relevant general meeting in person, he shall, at least two (2) day prior to the date of the general meeting, revoke such votes by serving a notice in the same manner as he cast such votes. In the absence of a timely revocation of such votes, such votes shall prevail. Nonetheless, a Member who attends and votes at a general meeting in person would be deemed to have revoked his prior voting instructions by a written instrument or by way of electronic transmission, notwithstanding that such shareholder has not submitted a revocation notice in accordance with this Article 57.

PROXY

58. (1) A Member may appoint a proxy to attend a general meeting on his behalf by executing a proxy form produced by the Company stating therein the scope of power authorized to the proxy. A proxy need not be a Member.

(2) Subject to the Law and unless otherwise provided in these Articles, forms of instrument of proxy for use at a general meeting shall be produced by the Company specifying therein (a) the instructions for filling out the form, (b) the signature requirements, (c) the matters to be voted upon pursuant to such proxy and basic identification information of the Member as appointor, the proxy solicitor (if any) and the proxy, and shall be sent out together with the notice of general meeting to all Members on the same day.

59. A Member may only appoint one proxy for each general meeting irrespective of how many Shares he holds and shall serve an executed proxy in compliance with the preceding Article to the Company or its Shareholder Service Agent as the case may be no later than five (5) days prior to the date of the general meeting. In case the Company receives two or more proxies from one Member, the one received first by the Company shall prevail unless an explicit statement by the Member to revoke such proxy is made in the subsequent proxy, provided this subsequent proxy is received no later than five (5) days prior to the date of the general meeting.

60. In case a Member who has served a proxy intends to attend the relevant general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two (2) days prior to the date of the general meeting, revoke such proxy by serving a separate written notice to the Company or Shareholder Service Agent; otherwise, the votes cast by the proxy at the general meeting shall prevail.

61. A Member who has served the Company with his voting decision in accordance with Article 56 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with these Articles, in which case the vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by such expressly appointed proxy at the meeting.

62. During the Relevant Period, except for trust enterprises or shareholder service agencies duly licensed under the R.O.C. competent authorities or the chairman of a general meeting who is deemed appointed as proxy pursuant to Article 56, where a Person acts as a proxy for two or more Members, the number of voting Shares that the proxy may vote in respect thereof shall not exceed three percent (3%) of the total number of issued and outstanding voting Shares; otherwise, such number of voting Shares in excess of the aforesaid threshold shall not be counted towards the number of votes cast for or against the relevant resolution or the number of voting Shares present at the relevant general meeting but shall be included in the quorum. Upon such exclusion, the number of voting Shares being excluded and attributed to each Member represented by the same proxy shall be determined on a pro-rata basis based on the total number of voting Shares being excluded and the number of voting Shares that such Members have appointed the proxy to vote for.

63. The use and solicitation of proxies not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Board from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular, the Regulations Governing the Use of Proxies for Attendance at Shareholder Meetings of R.O.C. Public Companies (as amended, supplemented or otherwise modified from time to time)).

DIRECTORS AND THE BOARD

64. (1) The Board shall consist of not less than five (5) Directors (including Independent Directors). Subject to the foregoing, the number of Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Directors will be held.

(2) A Director can be a natural person or a Juristic Person. Where a Director is a Juristic Person, it shall designate a natural person as its authorized representative to exercise, on its behalf, the powers of a Director and may replace such representative from time to time so as to fulfil its remaining term of the office. A Director shall not be required to hold any Shares in the Company.

(3) Directors shall be elected by Members at general meetings. Any Juristic Person which is a Member shall be entitled to appoint a natural person or natural persons as its representative to be nominated for election as a Director in accordance with these Articles. Notwithstanding any other provision of these Articles, the principle of cumulative voting shall apply in any election of Directors pursuant to this Article. Each Member entitled to vote in such election shall have a number of votes equal to the product of (i) the number of votes conferred by such Member's Shares and (ii) the number of Directors to be elected at the general meeting. Each Member may divide and distribute such Member's votes, as so calculated, among any one or more candidates for the directorships to be filled, or such Member may cast such Member's votes for a single candidate. At such election, the candidates receiving the highest number of votes, up to the number of Directors to be elected, shall be elected.

(4) The proceedings and the voting regarding the election of Directors not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by an Ordinary Resolution from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular, the Methods of Election of Directors and Supervisors of R.O.C. Public Companies).

65. The Company adopt and apply a candidate nomination mechanism for election of all the Directors. Notwithstanding the foregoing, during the Relevant Period, a candidate nomination mechanism shall be adopted for election of Independent Directors. Subject to the Law and the Applicable Listing Rules, the Board may establish detailed rules and procedures for such candidate nomination.

66. Subject to these Articles, each Director shall be appointed to a term of office of three (3) years and is eligible for re-election. In case no election of new Directors is effected prior to the expiration of the term of office of existing Directors, the term of office of such existing Directors shall be extended until the time such Directors are re-elected or new Directors are duly elected and assume their office subject to these Articles. In the event of any vacancy in the Board, the new Director elected in the general meeting shall fill the vacancy for the residual term of office.

67. (1) Notwithstanding the preceding Article, a Director may be removed from office at any time by a Special Resolution adopted at a general meeting.

(2) Without prejudice to other provisions of these Articles, the Company may put all Directors for re-election before the expiration of the term of office of such Directors. In this event, if it is not specified in a 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 re-election, subject to the successful election of the new Directors at the same meeting.

68. A chairman of the Board (the "Chairman") shall be elected from among the Directors and appointed in term by a majority of the Directors present at a Board meeting attended by at least two-thirds of all of the Directors then in office. The Chairman shall externally represent the Company and internally preside as the chairman at every Board meeting and at every general meeting convened by the Board. In the event the Chairman is not present at a meeting or cannot or will not exercise his power and authority for any cause, he shall designate one of the Directors to act on his behalf. In the absence of such designation, the Directors present at the meeting shall elect from among themselves an acting chairman.

69. The remuneration of a Director may differ from other Directors, and shall be determined by the Board, regardless of the Company profits or losses of respective years, based on (i) the extent of a Director's involvement with the operations of the Company, (ii) the contribution of a Director to the Company, (iii) the prevailing industry standard and (iv) such other relevant factors.

70. When the number of Directors then in office falls below five (5) due to any Director(s) vacating his office for any reason, the Company shall hold an election for such number of Directors at the next general meeting to fill the vacancy for the remainder of the term of such outgoing Director(s). When the number of Directors then in office falls short by one-third of the total number of Directors initially constituting the existing Board, the Company shall convene an extraordinary general meeting within sixty (60) days of the occurrence of that fact for the purposes of electing such number of Directors to fill the casual vacancy.

71. Subject to these Articles, a Director other than an Independent Director may hold any other office (except that of Auditor) 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 Board may determine, and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relation thereby established.

72. (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 fiduciary duties to the Company and without limitation, the due care of a good administrator, and exercise due care and skill in conducting the business operation of the Company. A Director may be liable to the Company if he acts contrary to his duties. 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, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover any and all earnings derived from such act as if such misconduct is done for the benefit of the Company.

(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.

73. Subject to these Articles, a Director other than an Independent Director may act by himself or his firm in a professional capacity for the Company (except that of Auditor), and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

74. To the extent permitted by the Law, the Company may pay, or agree to pay, a premium in respect of a contract insuring each of the following persons against risks determined by the directors, other than liability arising out of that person's negligence and/or dishonestly: an existing or former director (including alternate director), secretary or officer or Auditor of: the Company; a company which is a subsidiary of the Company; and a company in which the Company has or had an interest (whether direct or indirect).

(j)

75. During the Relevant Period, the qualifications, election ,removal, power, authority and other requirements for Directors (including Independent Directors), which are not covered by these Articles, shall be in compliance with the Applicable Listing Rules.

INDEPENDENT DIRECTORS

76. During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or one-fifth of the total number of Directors at any time, whichever is greater. One (1) of the Independent Directors shall have resident status of the R.O.C. (such resident status being registered with local government authorities). Subject to the foregoing, the number of

Independent Directors to be elected and hold the office shall be stated in the notice of the general meeting in which an election of Independent Directors will be held. When an Independent Director ceases to act, resulting in a number of Independent Directors then in office lower than the prescribed minimum number, an election for an Independent Director shall be held at the next general meeting. When all Independent Directors cease to act, the Company shall convene an extraordinary general meeting to hold an election of Independent Directors within sixty (60) days from the date on which the situation arose.

77. Independent Directors shall possess professional knowledge and shall maintain independence within the scope of their directorial duties, and may not have any direct or indirect interest in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions held by the Independent Directors shall be as prescribed by the Applicable Listing Rules, and the assessment of independence of such Independent Directors shall be in compliance with the Applicable Listing Rules. The Board or other Persons calling a general meeting at which an election for Independent Directors is proposed shall ensure that the requirements of this Article have been satisfied and complied with in relation to any candidate for Independent Director.

POWERS AND DUTIES OF THE BOARD

78. Subject to the Law, these Articles, the Applicable Listing Rules and any resolutions passed in a general meeting, the business of the Company shall be managed by the Board in such manner as it shall think fit, which may pay all reasonable expenses in connection with business management, including but not limited to expenses incurred in forming and registering the Company and may exercise all powers of the Company.

79. The Board may from time to time appoint any Person to hold such office in the Company as the Board may think necessary for the management of the Company, including but not limited to officers and managers, and for such term and at such remuneration as the Board may think fit. Any Person so appointed by the Board may be removed by the Board.

80. The Board may appoint a Secretary (and if need be an assistant Secretary or assistant Secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as the Board thinks fit. Any Secretary or assistant Secretary so appointed by the Board may be removed by the Board. The Secretary shall attend all general meetings and shall keep correct minutes of such meetings. Subject to the Applicable Listing Rules, the Secretary shall also perform such other duties as are prescribed by the Law or as may be prescribed by the Board.

COMMITTEES

81. Subject to the Law and the Applicable Listing Rules, the Board may, or the Company may by an Ordinary Resolution, establish any committee(s) and delegate any of their powers, authorities and discretions to such committee(s) (including but not limited to an audit committee and a remuneration committee) consisting of such member or members of their body or any other Persons as the Board thinks fit. Any committee(s) so formed shall, in the exercise of the powers, authorities and discretions so delegated, and in conducting its proceedings, conform to any regulations that may be imposed on it by the Board pursuant to the Applicable Listing Rules. If no regulations are imposed by the Board, the proceedings of a committee with two (2) or more

members shall be, as far as is practicable, governed by these Articles regulating the proceedings of the Board.

81-1. The Company shall establish an Audit Committee. The Audit Committee shall comprise of all the Independent Directors and the number of committee members shall not be less than three. One of the Audit Committee members shall be appointed as the convener and at least one of the Audit Committee members shall have accounting or financial expertise. A resolution of the Audit Committee shall be approved by one-half or more of all Audit Committee Members. The qualification, formation, appointment, discharge, exercise of authority and other compliance of the Audit Committee shall be subject to and governed by the Applicable Listing Rules.

81-2. (1) The following matters shall be subject to the approval of one-half or more of all Audit Committee members and be submitted to the Board for a resolution:

(a) the adoption or amendment of an internal control system;

(b) the assessment of the effectiveness of the internal control system;

(c) the adoption of or amendment to handling procedures for financial or operational actions of material significance, such as the acquisition or disposal of assets, derivatives trading, monetary loans to others, or endorsements or guarantees for others;

(d) a matter bearing on the personal interest of a Director;

(e) a transaction relating to material asset or derivatives trading;

(f) the granting or provision of a material monetary loan, endorsement, or provision of guarantee;

(g) the offering, issuance, or Private Placement of any equity-type securities;

(h) the engagement or dismissal of the Auditors, or the compensation given thereto;

(i) the appointment or discharge of a financial, accounting, or internal auditing officer;

(j) annual and semi-annual financial reports; and

(k) any other matter so determined by the Company or required by the R.O.C. competent authorities.

(2) With the exception of subparagraph (j), any other matters under the preceding paragraph (1) of this Article that has not been approved by the Audit Committee may be undertaken upon the approval of two-thirds or more of all Directors, and the resolution of the Audit Committee shall be recorded in the minutes of the meeting of the Board.

81-3. Before the Board of Directors is held to resolve matters of the Merger and acquisition, the Audit Committee shall review the fairness and reasonableness of the plan and transaction of the Merger or acquisition and then report the review results to the Board of Directors and the general meeting. When the Audit Committee reviews the fairness and reasonableness of the plan and transaction of the Merger and acquisition, the Audit Committee shall seek opinions from an independent expert on the reasonableness of the share swap ratio or distribution of cash or other assets. The review results of the Audit Committees and opinions of independent experts shall be delivered to the Shareholders together with the notice of a general meeting for the Merger or acquisition. If the Company has made a public announcement publishing the same content as in the aforementioned documents, which shall be delivered to the Shareholders, on the website designated by TWSE and the aforementioned documents are prepared at the venue of the general meeting, those documents shall be deemed as having been sent to the Shareholders.

DISQUALIFICATION AND VACATION OF OFFICE OF DIRECTORS

82. (1) A person who is under any of the following circumstances shall not act as a Director of the Company; if he has already held office of a Director, he shall cease to act as a Director and be removed from the position of Director automatically:

(a) 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 five (5) years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(b) has been sentenced to 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 two (2) years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(c) has been convicted for committing an offence under the Anti-Corruption Act of the R.O.C. during the time of his public service, and has not started serving the sentence, has not completed serving the sentence, or two (2) years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;

(d) becomes bankrupt under the laws of any jurisdiction or has been adjudicated of the commencement of the liquidation procedure by the court and has not been reinstated to his rights and privileges;

(e) has allowed cheques and other negotiable instruments to be dishonoured and the records thereof have not been cancelled or expunged by the relevant regulatory authorities;

(f) dies or has no or is limited in legal capacity according to the Law and/or Applicable Listing Rules;

(g) has been adjudicated the commencement of assistantship and such assistantship has not been revoked yet;

(h) ceases to be a Director by virtue of, or becomes prohibited from being a Director by reason of, an order made under any provisions of the Law and/or Applicable Listing Rules;

(i) ceases to be a Director by virtue of Article 83;

(j) resigns his office by notice in writing to the Company;

(k) is removed from office pursuant to these Articles; or

(l) has been ordered to be removed from office by the R.O.C. Courts on the grounds that such Director, in the course of performing his duties, committed serious violations of the Law, Applicable Listing Rules or these Articles, or acts resulting in material damage to the Company, upon a petition by the Company or Member(s) to the R.O.C. Courts.

(2) During the Relevant Period, in case a Director has transferred his Shares, during the term of office as a Director, more than one half of the Shares being held by him at the time he is elected, he shall, ipso facto, cease to act as a Director and be removed from the position of Director automatically; unless otherwise, he is the Independent Director..

(3) During the Relevant Period, if a Director has transferred more than one half of the total number of Shares be held by such Director at the time of his election after having been elected and before his inauguration of the office of a Director or had transferred more than one half of the total number of Shares be held within the closing period fixed by the Board in accordance with Article 27(2) prior to the general meeting, his election as a Director shall be deemed invalid and void; unless otherwise, he is the Independent Director.

83. Except as approved by the Emerging Market, the GTSM, the TWSE or the Commission (where applicable), the following relationships shall not exist among half or the majority of the Directors: (1) a spousal relationship; or (2) a familial relationship within the second degree of kinship as defined under the Civil Code of Taiwan. If any of the foregoing relationships exists among half or the majority of the elected Directors, the election with respect to the one who received the lowest number of votes among those related Directors shall be deemed invalid and void; and if he has already held office of a Director, he shall cease to act as a Director and be removed from the position of Director automatically. For the remaining Directors, if the foregoing requirements are still not satisfied, the same procedure set out above shall be applied again to the remaining related Directors, until such time as the foregoing requirements can be complied with.

84. In case a Director has, in the course of performing his/her/its duties, committed any act resulting in material damage to the Company or in serious violation of the Law, the Applicable Listing Rules or these Articles, but has not been removed from office by a resolution in a general meeting, one or more Members holding three percent (3%) or more of the total number of issued and outstanding Shares of the Company may, within thirty (30) days after that general meeting, submit a petition to a competent court, including the Taiwan Taipei District Court of the R.O.C., but only if and to the extent permitted under the Law and the Applicable Listing Rules, for removing such Director from office.

85. Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the outstanding Shares continuously for a period of more than six months may request in writing any Independent Director of the Audit Committee 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 Law, the Applicable Listing Rules or these Articles, with a competent court, including the Taiwan Taipei District Court of the R.O.C.. In case the Independent Director of the Audit Committee fails to file such action within thirty (30) days after receipt of such request, to the extent permitted under the laws of the Cayman

Islands, the Members making such request may file the action for the Company and may choose Taiwan Taipei District Court of the R.O.C. as the court of first instance.

PROCEEDINGS OF THE BOARD

86. The Board may meet for the despatch of business, adjourn and otherwise regulate its meetings as it considers appropriate and shall from time to time establish internal rules in this regard, which shall be in compliance with the Law and the Applicable Listing Rules. Board meetings shall be held at least once in each quarter or within such period and frequency as may be prescribed by the Applicable Listing Rules. The quorum necessary for the transaction of the business of the Board shall be a majority of the Directors. Subject to the Law, the Applicable Listing Rules and these Articles, any matter proposed for consideration and approval at a Board meeting shall be decided by a majority of votes entitled so to do.

87. A Director may, and the Secretary on the requisition of a Director shall, summon a Board meeting by, during the Relevant Period, at least seven (7) days' notice in writing, or at any time other than during the Relevant Period, at least forty eight hours' notice in writing, to every Director which notice shall set forth the general nature of the business to be considered PROVIDED HOWEVER, without prejudice to the prescribed notice, in the event of emergency, as determined by the Board in its sole discretion, a Board meeting may be called at any time if this has been agreed to by a majority of the Directors at such meeting. Notwithstanding the forgoing, at any time other than during the Relevant Period, a notice of Board meeting may be waived by all the Directors at, before or retrospectively after the relevant Board meeting is held PROVIDED FURTHER that notice or waiver thereof may be given by telex or telefax.

88. A Director may participate in a meeting of Board, or of any committee appointed by the Board of which such Director is a member, by means of visual communication facilities which permit all Persons participating in the meeting to see and communicate with each other simultaneously and instantaneously, and such participation shall be deemed to constitute presence in person at the meeting.

89. A Director may appoint another Director as his proxy to attend a meeting of the Board in writing with regard to a particular meeting, and state therein the scope of authority with reference to the subjects to be discussed at such meeting, in which event the presence and vote of the proxy shall be deemed to be that of the Director appointer. No Director may act as proxy for two (2) or more other Directors. Subject to these Articles, if a Director attends a Board meeting on his behalf and as the proxy of another Director, he is entitled to vote both as a proxy and for his own.

90. A Director who is in any way, whether directly or indirectly, interested in a matter discussed, considered or proposed in a meeting of the Board shall declare the nature of his interest and its essential contents at such relevant meeting. In the M&A by a company, a Director who has a personal interest in the transaction of Merger and acquisition shall disclose to the Board of Directors and general meeting the material contents regarding such personal interest and the reason of approval or dissent to the resolution of Merger or acquisition. Where the spouse, a blood relative within the second degree of kinship of a Director, or any holding/subordinate company of a Director is interested in the matters under discussion in the abovementioned meeting of the Board, such Director shall be deemed to bear a personal interest in the matter. Any Director who bears a personal interest that may conflict with and impair the interest of the Company in respect of any matter proposed for consideration and approval at a meeting of Board

shall abstain from voting, on his own behalf or as a proxy or corporate representative, with respect to the said matter. Any and all votes cast by such Director(s) shall not be counted in determining the number of votes for or against such matter.

91. Subject to these Articles, the continuing Directors may act notwithstanding any vacancy in their body.

92. Notwithstanding anything to the contrary provided for in these Articles, at any time other than during the Relevant Period, a resolution in writing signed by all of the Directors then in office or all of the members of a committee of Directors, including a resolution signed in counterpart or by way of signed telefax transmission, shall be as valid and effectual as if it had been passed at a Board meeting or of a committee of Directors duly called and constituted.

93. The proceedings regarding Board meetings not provided for in these Articles shall be governed by the internal rules of the Company, as adopted and amended by the Board and reported to the Members at a general meeting from time to time, which shall be in compliance with the Law and the Applicable Listing Rules (in particular, the Regulations Governing Procedure for Board of Directors Meetings of R.O.C. Public Companies).

RESERVES AND CAPITALISATION

94. During the Relevant Period, the Company shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; and (ii) an amount to offset losses incurred in previous year(s); and after the aforesaid sums as set aside from the profits for such relevant financial year, the Board may, before recommending any dividend, set aside the remaining profits of the Company for the relevant financial year as a reserve or reserves (the "Special Reserve") which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied.

95. Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, the Capital Reserve set aside during the Relevant Period shall not be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless any Special Reserve set aside for purposes of loss offset is insufficient to offset such losses.

96. (1) During the Relevant Period, subject to the Law, where the Company incurs no loss, it may, by a Special Resolution, distribute its Special Reserve, the Share Premium Account and/or the income from endowments received by the Company, which are in the Capital Reserve which are available for distribution, in whole or in part, by issuing new, fully paid Shares and/or by cash to its Members.

(2) At any time other than during the Relevant Period, subject to the Law, the Board may capitalise any sum for the time being standing to the credit of the Share Premium Account or any of the other Company's reserve accounts which are available for distribution or any sum standing to the credit of the profit and loss account or otherwise available for distribution and to appropriate such sums 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.

97. Where any difficulty arises in regard to any declaration of dividends or bonuses or other distributions under these Articles due to any fraction held by Member(s), the Board may determine that cash payments should be made to any Members in full, or part thereof, as may seem expedient to the Board. Such decision of the Board shall be effective and binding upon the Members..

DIVIDENDS AND BONUSES

98. At any time other than during the Relevant Period, subject to the Law and these Articles and except as otherwise provided by the rights attaching to any Shares, the Board may from time to time declare dividends to be paid to the Members according to their rights and interests, including such interim dividends as appear to the Board to be justified by the position of the Company.

99. As the Company is in the growing stage, the dividend of the Company may be distributed in the form of cash dividends and/or stock dividends and shall take into consideration the Company's capital expenditures, future expansion plans, and financial structure, funds requirement and other plans for sustainable development needs. During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles and except as otherwise provided by the rights attaching to any Shares:

(1) where the Company has earnings surplus at the end of a financial year, after paying all relevant taxes, offsetting losses (including losses of previous years), setting aside the Special Reserve (if any), the Company may distribute the balance left **("Distributable Earnings Surplus")** by an Ordinary Resolution passed at an annual general meeting of the Company duly convened and held in accordance with these Articles as follows:

(a) not more than three percent (3%) of Profits before tax for bonuses of the Directors;

(b) during zero point one percent (0.1%) to three percent (3%) of Profits before tax for bonuses of the Employees; and/or

(c) not less than five percent (5%) of Distributable Earnings Surplus to the Members as dividends in proportion to the number of Shares held by them respectively pursuant to these Articles, provided that, cash dividends shall not be less than three percent (3%) of the total amount of dividends to Members; and

(2) dividends, bonuses or other forms of distributions payable to the Members shall only be paid in NTD.

99-1.(1) Subject to the Law and the Applicable Listing Rules, the Company may distribute its earnings surplus and offset losses at the end of each half fiscal year. The business report, the financial statements and the proposal relating to profit distribution and/or loss offsetting for the half fiscal year shall be submitted to the Board for a resolution after being audited by the Audit Committee.

(2) When distributing earnings surplus pursuant to the preceding paragraph, the Company shall pay all relevant taxes, offset losses (including losses of previous years), set aside the Special Reserve (if any).

(3) When the Company distributes its earnings surplus or offsets its losses pursuant to the

preceding two paragraphs of this Article, such profit distribution or loss offsetting shall be based on financial statements audited or reviewed by the Auditors.

100. During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles, the Company may by a Special resolution distribute any part or all of the dividends to the Members or bonuses to the Employees declared in accordance with these Articles by way of applying such sum in paying up in full unissued Shares for allocation and distribution to the Employees and/or the Members. The whole or a part of the distributable dividends or bonuses, may, upon the approval of the Board, be distributed in the form of cash.

101. No dividend, bonus or other distribution shall be paid otherwise than out of profits or out of monies otherwise available for dividend, bonus or other distribution in accordance with the Law. No dividend, bonus or other distribution or other money payable by the Company on or in respect of any Share shall bear interest against the Company.

ACCOUNTS, AUDIT, AND ANNUAL RETURN AND DECLARATION

102. The Directors shall cause to be kept accounting records and books of account sufficient to give a true and fair view of the state of the Company's affairs and to show and explain the transactions of the Company and otherwise in accordance with the Law, at the Registered Office or at such other place(s) in such manner as may be determined from time to time by the Board and shall always be open to the inspection by the Directors.

103. During the Relevant Period, at the end of each financial year, the Board shall prepare: (1) the business report; (2) the financial statements which include all the documents and information as required by the Law and the Applicable Listing Rules (the "Financial Statements"); and (3) any proposal relating to the distribution of net profit and/or loss offsetting in accordance with these Articles, for adoption by the annual general meeting of the Company. Upon adoption at the annual general meeting of the Company, the Board shall distribute to each Member copies of the Financial Statements and the resolutions relating to profit distribution and/or loss offsetting. However, during the Relevant Period, the Company may make a public announcement of the abovementioned statements and resolutions instead of distributing those to each Member.

104. During the Relevant Period, the documents prepared by the Board in accordance with the preceding Article shall be made available at the Shareholder Service Agent's office in the R.O.C. for inspection during normal business hours by the Members, ten (10) days prior to the annual general meeting.

105. Subject to the Law and the Applicable Listing Rules, the Board may determine (or revoke, alter or amend any such determination) that the accounts of the Company be audited and the appointment of the Auditors.

106. The Board shall keep copies of the Memorandum, these Articles, the minutes of every general meeting, the Financial Statements, the Register and the counterfoil of corporate bonds issued by the Company at its Shareholder Service Agent's office in the R.O.C.. Any Member may request at any time, by submitting evidentiary document(s) to show his interests involved and indicating the scope of requested matters, access to inspect, transcribe and to make copies of the above documents and the Company shall make its Shareholder Service Agent to provide with the access.

107. The Board in each year shall prepare, or cause to be prepared, an annual return and declaration setting forth the particulars required by the Law and deliver a copy thereof to the Registrar of Companies in the Cayman Islands.

TENDER OFFER

108. Subject to the Law and the Applicable Listing Rules, during the Relevant Period, within seven (7) days after the receipt of the notice of a public tender offer to purchase the Shares by the Company or the designated representative for litigious and non-litigious matters of the Company in the R.O.C. appointed pursuant to the Applicable Listing Rules, the Board shall resolve to recommend the Members to either accept or object to the tender offer and make a public announcement of the following:

(a) the types, number and amount of the Shares held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares in its own name or in the name of other Persons;

(b) the recommendations to the Members on the tender offer with respect to the status of verification of the identity and financial condition of the Offeror, fairness of the tender offer conditions, and reasonableness of the sources of the tender offer funds and, the specific assenting and dissenting opinions of the directors and the reason(s) therefore;

(c) whether there is any material change in the financial condition of the Company after the delivery of its most recent financial report and an explanation of the change, if any; and

(d) the types, number and amount of the shares of the tender offer or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares held in its own name or in the name of other Persons.

108-1. The Board must fully disclose the verification measures adopted and the related procedures with respect to the verification conducted under Article 108(b) and if an expert is engaged to issue a written opinion, it shall be made public along with the disclosure.

WINDING UP

109. Subject to the Law, the Company may be wound up by a Special Resolution passed by the Members. If 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. This Article is without prejudice to the rights of the holders of Shares issued upon special terms and conditions.

110. Subject to the Law, if the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution and any other sanction required by the Law, divide amongst the Members in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be

carried out as between the Members or different Classes. 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 shall think fit, but so that no Member shall be compelled to accept any asset whereon there is any liability.

111. The Company shall keep all statements, records of account and documents for a period of ten (10) years from the date of the completion of liquidation, and the custodian thereof shall be appointed by the liquidator or the Company by an Ordinary Resolution.

NOTICES

112. Subject to the Law and except as otherwise provided in these Articles, any notice or document may be served by the Company to any Member either personally, or by facsimile, or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to such Member at his address as appearing in the Register, or, to the extent permitted by the Law and the Applicable Listing Rules, by posting it on a website designated by the Commission, the Emerging Market, the GTSM or the TWSE (where applicable) and/or the Company's website, or by electronic means by transmitting it to any electronic mail number or address such Member may have positively confirmed in writing for the purpose of such service of notices. In the case of joint Members, all notices shall be given to that one of the Members whose name stands as their representative in the Register in respect of the joint holding.

113. Any Member present, either personally or by proxy, at any meeting of the Company shall for all purposes be deemed to have received due notice of such meeting including the purpose for which such meeting was convened.

114. Any notice or other document, if served by:

(a) post, shall be deemed to have been served on the day following that on which the letter containing the same is posted or delivered to the courier;

(b) facsimile, shall be deemed to have been served upon production by the transmitting facsimile machine of a report confirming transmission of the facsimile in full to the facsimile number of the recipient;

(c) courier service, shall be deemed to have been served forty-eight (48) hours after the time when the letter containing the same is delivered to the courier service; or

(d) electronic mail, shall be deemed to have been served immediately upon the time of the transmission by electronic mail, subject to the Law.

115. Any notice or document served to the registered address of any Member in accordance with these Articles shall notwithstanding that such Member be then dead or bankrupt, and whether or not the Company has notice of his death or bankruptcy, be deemed to have been duly served in respect of any Share registered in the name of such Member as sole or joint Member.

REGISTERED OFFICE OF THE COMPANY

116. The Registered Office of the Company shall be at such address in the Cayman Islands as the Board shall from time to time determine.

FINANCIAL YEAR

117. Unless the Board otherwise prescribes, the financial year of the Company shall end on December 31st in each year and shall begin on January 1st in each year.

SEAL

118. The Seals of the Company shall be determined, used and affixed subject to a resolution of the Directors (including authorisation made by the Board) and/or any regulation governing use and management of seals of the Company that may be imposed by the Board pursuant to the Applicable Listing Rules.

LITIGATION AND NON-LITIGATION AGENT IN THE R.O.C.

119.(1) Subject to the provisions of the Applicable Listing Rules, the Company shall, by a resolution of the Directors, appoint or remove a person as its litigation and non-litigation agent and such agent will be deemed as the responsible person of the Company in the R.O.C. under the Applicable Listing Rules.

(2) The preceding agent shall have residence or domicile in the R.O.C.

(3) The Company shall report the name, residence/domicile of the preceding agent and power of attorney to the competent authority in the R.O.C. This reporting requirement shall also apply if there is any change.

CHANGES TO CONSTITUTION

120. Subject to the Law and the Applicable Listing Rules, the Company may, by Special Resolution, alter or amend the Memorandum or these Articles, in whole or in part.

CORPORATE SOCIAL RESPONSIBILITY

121. The Company shall comply with the laws and regulations as well as business ethics and may take actions which will promote public interests in order to fulfill its social responsibilities when conducting business.

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Appendix II

Patec Precision Industry Co., Ltd.
Rules of Procedure for Shareholders Meetings

Article 1 To establish a strong governance system and sound supervisory capabilities for this Corporation's shareholders meetings, and to strengthen management capabilities, these Rules are adopted pursuant to Article 5 of the Corporate Governance Best-Practice Principles for TWSE/GTSM Listed Companies.

Article 2 The rules of procedures for this Corporation's shareholders meetings, except as otherwise provided by law, regulation, or the articles of incorporation, shall be as provided in these Rules.

Article 3 (Convening shareholders meetings and shareholders meeting notices)
Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors.
This Corporation shall prepare electronic versions of the shareholders meeting notice and proxy forms, and the origins of and explanatory materials relating to all proposals, including proposals for ratification, matters for deliberation, or the election or dismissal of directors or supervisors, and upload them to the Market Observation Post System (MOPS) before 30 days before the date of a regular shareholders meeting or before 15 days before the date of a special shareholders meeting. This Corporation shall prepare electronic versions of the shareholders meeting agenda and supplemental meeting materials and upload them to the MOPS before 21 days before the date of the regular shareholders meeting or before 15 days before the date of the special shareholders meeting. In addition, before 15 days before the date of the shareholders meeting, this Corporation shall also have prepared the shareholders meeting agenda and supplemental meeting materials and made them available for review by shareholders at any time. The meeting agenda and supplemental materials shall also be displayed at this Corporation and its shareholder services agent as well as being distributed on-site at the meeting place.
The reasons for convening a shareholders meeting shall be specified in the meeting notice and public announcement. With the consent of the addressee, the meeting notice may be given in electronic form.
Election or dismissal of directors or supervisors, amendments to the articles of incorporation, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act or Articles 26-1 and 43-6 of the Securities and Exchange Act shall be set out in the notice of the reasons for convening the shareholders meeting. None of the above matters may be raised by an extraordinary motion.
A shareholder holding 1 percent or more of the total number of issued shares may submit to this Corporation a written proposal for discussion at a regular shareholders meeting. Such proposals, however, are limited to one item only, and no proposal containing more than one item will be included in the meeting agenda. In addition, when the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the board of directors may exclude it from the agenda.
Prior to the book closure date before a regular shareholders meeting is held, this Corporation shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for

submission of shareholder proposals may not be less than 10 days. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders meeting and take part in discussion of the proposal.
Prior to the date for issuance of notice of a shareholders meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders meeting the board of directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 For each shareholders meeting, a shareholder may appoint a proxy to attend the meeting by providing the proxy form issued by this Corporation and stating the scope of the proxy's authorization.
A shareholder may issue only one proxy form and appoint only one proxy for any given shareholders meeting, and shall deliver the proxy form to this Corporation before 5 days before the date of the shareholders meeting. When duplicate proxy forms are delivered, the one received earliest shall prevail unless a declaration is made to cancel the previous proxy appointment.
After a proxy form has been delivered to this Corporation, if the shareholder intends to attend the meeting in person or to exercise voting rights by correspondence or electronically, a written notice of proxy cancellation shall be submitted to this Corporation before 2 business days before the meeting date. If the cancellation notice is submitted after that time, votes cast at the meeting by the proxy shall prevail.

Article 5 (Principles determining the time and place of a shareholders meeting)
The venue for a shareholders meeting shall be the premises of this Corporation, or a place easily accessible to shareholders and suitable for a shareholders meeting. The meeting may begin no earlier than 9 a.m. and no later than 3 p.m. Full consideration shall be given to the opinions of the independent directors with respect to the place and time of the meeting.

Article 6 (Preparation of documents such as the attendance book)
This Corporation shall specify in its shareholders meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters for attention.
The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.
Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Solicitors soliciting proxy forms shall also bring identification documents for verification.
This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
This Corporation shall furnish attending shareholders with the meeting agenda

book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 (The chair and non-voting participants of a shareholders meeting)
If a shareholders meeting is convened by the board of directors, the meeting shall be chaired by the chairperson of the board. When the chairperson of the board is on leave or for any reason unable to exercise the powers of the chairperson, the vice chairperson shall act in place of the chairperson; if there is no vice chairperson or the vice chairperson also is on leave or for any reason unable to exercise the powers of the vice chairperson, the chairperson shall appoint one of the managing directors to act as chair, or, if there are no managing directors, one of the directors shall be appointed to act as chair. Where the chairperson does not make such a designation, the managing directors or the directors shall select from among themselves one person to serve as chair.
When a managing director or a director serves as chair, as referred to in the preceding paragraph, the managing director or director shall be one who has held that position for six months or more and who understands the financial and business conditions of the company. The same shall be true for a representative of a juristic person director that serves as chair.
It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors.
If a shareholders meeting is convened by a party with power to convene but other than the board of directors, the convening party shall chair the meeting. When there are two or more such convening parties, they shall mutually select a chair from among themselves.
This Corporation may appoint its attorneys, certified public accountants, or related persons retained by it to attend a shareholders meeting in a non-voting capacity.

Article 8 (Documentation of a shareholders meeting by audio or video)
This Corporation, beginning from the time it accepts shareholder attendance registrations, shall make an uninterrupted audio and video recording of the registration procedure, the proceedings of the shareholders meeting, and the voting and vote counting procedures.
The recorded materials of the preceding paragraph shall be retained for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the recording shall be retained until the conclusion of the litigation.

Article 9 Attendance at shareholders meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in plus the number of shares whose voting rights are exercised by correspondence or electronically.
The chair shall call the meeting to order at the appointed meeting time and

announce the relevant information such as the number of non-voting rights and the number of shares present. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than 1 hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned.

If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders meeting shall be convened within 1 month.

When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders meeting pursuant to Article 174 of the Company Act.

Article 10 (Discussion of proposals)

If a shareholders meeting is convened by the board of directors, the meeting agenda shall be set by the board of directors. The meeting shall proceed in the order set by the agenda, which may not be changed without a resolution of the shareholders meeting.

The provisions of the preceding paragraph apply mutatis mutandis to a shareholders meeting convened by a party with the power to convene that is not the board of directors.

The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the board of directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.

The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair 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 for a vote.

Article 11 (Shareholder speech)

Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.

A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.

Except with the consent of the chair, a shareholder may not speak more than

twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12 (Calculation of voting shares and recusal system)
Voting at a shareholders meeting shall be calculated based the number of shares.
With respect to resolutions of shareholders meetings, the number of shares held by a shareholder with no voting rights shall not be calculated as part of the total number of issued shares.
When a shareholder is an interested party in relation to an agenda item, and there is the likelihood that such a relationship would prejudice the interests of this Corporation, that shareholder may not vote on that item, and may not exercise voting rights as proxy for any other shareholder.
The number of shares for which voting rights may not be exercised under the preceding paragraph shall not be calculated as part of the voting rights represented by attending shareholders.
With the exception of a trust enterprise or a shareholder services agent approved by the competent securities authority, when one person is concurrently appointed as proxy by two or more shareholders, the voting rights represented by that proxy may not exceed 3 percent of the voting rights represented by the total number of issued shares. If that percentage is exceeded, the voting rights in excess of that percentage shall not be included in the calculation.

Article 13 A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
When this Corporation holds a shareholder meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence). When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting; it is therefore advisable that this Corporation avoid the submission of extraordinary motions and amendments to original proposals.
A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before 2 days before the date of the shareholders meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel

the earlier declaration of intent.
After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders meeting in person, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before 2 business days before the date of the shareholders meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders meeting, the voting rights exercised by the proxy in the meeting shall prevail.
Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.
When there is an amendment or an 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. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.
Vote counting for shareholders meeting proposals or elections shall be conducted in public at the place of the shareholders meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

<u>Article 14</u> (Election of directors and supervisors)
The election of directors or supervisors at a shareholders meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.
The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least 1 year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

<u>Article 15</u> Matters relating to the resolutions of a shareholders meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and

distributed in electronic form.
This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their results, and shall be retained for the duration of the existence of this Corporation.

Article 16 (Public disclosure)
On the day of a shareholders meeting, this Corporation shall compile in the prescribed format a statistical statement of the number of shares obtained by solicitors through solicitation and the number of shares represented by proxies, and shall make an express disclosure of the same at the place of the shareholders meeting.
If matters put to a resolution at a shareholders meeting constitute material information under applicable laws or regulations or under Taiwan Stock Exchange Corporation (or GreTai Securities Market) regulations, this Corporation shall upload the content of such resolution to the MOPS within the prescribed time period.

Article 17 (Maintaining order at the meeting place)
Staff handling administrative affairs of a shareholders meeting shall wear identification cards or arm bands.
The chair may direct the proctors or security personnel to help maintain order at the meeting place. When proctors or security personnel help maintain order at the meeting place, they shall wear an identification card or armband bearing the word "Proctor."
At the place of a shareholders meeting, if a shareholder attempts to speak through any device other than the public address equipment set up by this Corporation, the chair may prevent the shareholder from so doing.
When a shareholder violates the rules of procedure and defies the chair's correction, obstructing the proceedings and refusing to heed calls to stop, the chair may direct the proctors or security personnel to escort the shareholder from the meeting.

Article 18 (Recess and resumption of a shareholders meeting)
When a meeting is in progress, the chair may announce a break based on time considerations. If a force majeure event occurs, the chair may rule the meeting temporarily suspended and announce a time when, in view of the circumstances, the meeting will be resumed.
If the meeting venue is no longer available for continued use and not all of the items (including extraordinary motions) on the meeting agenda have been addressed, the shareholders meeting may adopt a resolution to resume the meeting at another venue.
A resolution may be adopted at a shareholders meeting to defer or resume the meeting within 5 days in accordance with Article 182 of the Company Act.

Article 19 These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings.

Appendix III

Patec Precision Industry Co., Ltd.
Management of Acquisition and Disposal of Assets

Chapter 1 General Provision

Article 1: Objective

These regulations are promulgated in order to manage assets in compliance with related regulations and to reach company's optimal efficiency. Based on the management's view of risk management, these regulations are promulgated for handling the acquisition, usage, safekeeping, maintenance, impairment, and disposal of assets, as well as investment strategy.

Article 2: Scope of application

1. Investments in stocks, government bonds, corporate bonds, financial bonds, securities representing interest in a fund, depositary receipts, call (put) warrants, beneficial interest securities, and asset-backed securities.
2. Real property (including land, houses and buildings, investment property, rights to use land, and construction enterprise inventory) and equipment.
3. Memberships.
4. Patents, copyrights, trademarks, franchise rights, and other intangible assets.
5. Right of use assets.
6. Creditor's rights of financial institutions (including receivables, discounts on foreign exchange, loans and remittances).
7. Derivatives.
8. Assets acquired or disposed of in connection with mergers, demergers, acquisitions, or transfer of shares in accordance with law.
9. Other major assets.

Article 3: The Company acquisition or disposal of assets should be in compliance with processing procedure or other regulations approval by the board of directors. If any director has dissent and there is a record or a written statement, the company should send the board's dissent statement to supervisors.

If company had set the independent directors, in compliance with previous regulations the acquisition or disposal of assets transaction should submit to the board of directors for discussion, it should fully consider the opinions of independent directors. If independent directors have any objection or reservation, it should be stated and record on the Board meeting note.

If company had set the Audit Committee to establish or amend the process of acquisition or disposal of assets, it should gain more than half of the Audit Committee members' approval, and submitted to the board for resolution.

If the issue did not gain more than half of the Audit Committee members' approval, it may be authorized by two-thirds of all directors' consent thereof, the resolution of Audit Committee should be stated and record on the Board meeting note.

The third term of all of the Audit Committee members and former all of directors referred to actually incumbent members.

Article 4: The valuation reports or opinions of accountants, lawyers or securities underwriters obtained by the Company shall be in conformity with the following provisions:

1. May not have previously received a final and unappealable sentence to imprisonment for 1 year or longer for a violation of the Securities Exchange Act, the Company Act, the Banking Act of The Republic of China, the Insurance Act, the Financial Holding Company Act, or the Business Entity Accounting Act, or for fraud, breach of trust, embezzlement, forgery of documents, or occupational crime. However, this provision does not apply if 3 years have already passed since completion of service of the sentence, since expiration of the period of a suspended sentence, or since a pardon was received.
2. May not be a related party or de facto related party of any party to the transaction.
3. If the company is required to obtain valuation reports from two or more professional evaluators, the different professional evaluators or appraisal officers may not be related parties or de facto related parties of each other.

The term "professional evaluator " refers to a real estate evaluator or other person who is legally engaged in real estate and equipment appraisal business.
The term "related party" as defined in the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Article 5: If the Company assets obtained by court auction or disposal, the court documents could replace the valuation report or accountant submissions.

Chapter 2 Investment process

Article 6:Quota for investing in non-commercial real estate and securities The quota for individual acquisition of the above-mentioned assets shall be as follows：

1. The total amount of purchase of non-operating real estate, right of use, and short-term securities is limited to 40% of the shareholders' equity in the Company's latest financial statements. The investment amount of individual short-term securities is limited to 20% of the previous shareholders' equity.
2. The total amount of investment in long-term securities is limited to the registered capital of the Company, but the amount of investment in a single company (actual investment) is limited to 50% of the registered capital.
3. The total amount of long-term and short-term portfolio investment shall be limited to 100% of shareholders' equity in the Company's latest financial statements.

The term "latest financial statements" refers to the financial statements of the Company which are publicly audited by an accountant before it acquires or disposes of assets.

Article 7: The assessment and operating procedures of acquisition or disposal of negotiable securities are as follows:

1. For the Company purchasing and sale of long and short-term negotiable securities, executive department should set up an investment assessment team to conduct a feasibility assessment. It should follow the provisions of "internal approval rights approach" and gain the approval before execution.
2. The assets of long and short-term negotiable securities investment should be in accordance with general accounting principles for reasonable evaluation, and list the likely losses. The negotiable securities investment certificates should be record by financial department and placed in a safe deposit box. If they are listed company stocks, they will be deposited into the central depository account.
3. If the equity investment and convertible bonds or warrants were belonged to original stock holders or investors, the company that issued the stocks or corporate bond within 30 days should make our company to negotiable securities investor in

accordance with the Company Law. In the case of the transferee, it should have equity transfer procedures.

Article 8: The Company transaction condition of acquisition or disposal of negotiable securities investment and determining procedures of authorized amount are as follows:

1. The negotiable securities that traded in centralized trading market or Stock Exchange Corporation should be based on the time of the equity decision or equity prices.
2. The negotiable securities that did not trade in centralized trading market or Stock Exchange Corporation should obtain the subject company's most recent audited or reviewed financial statements for transaction price assessment reference. It should consider the value per share, profitability, future growth potential, market interest rates, bond coupon rate and the debtor's credited and refer to current transaction price to make the decision.
3. The purchase and sale of long-term equity investments should have the approval of board chairman. The purchase and sale of short-term equity investments, the financial department can administer within the amount authorized by board chairman.

Article 9: The Company long-term and short-term securities investment should have approval in accordance with former authorization; the financial department is responsible for administration.

Article 10: The Company acquisition or disposal of securities should have the subject company's most recent audited or reviewed financial statements for transaction price assessment reference. If transaction amount is more than 20% of actual capital or NT $ 300 million, the reasonableness of transaction price should be checked with accountants. However, if the securities have active market price or are supervised by the Financial Supervisory Commission, Executive Yuan, it is not to subject to the limits.

Chapter 3 Processing procedures for real estate and its right of use assets and other important assets

Article 11：The procedures for assessing and operating the acquisition or disposal of real estate assets, and other important assets are as follows:

1. The acquisition or disposal of real estate and its right-to-use assets and other important assets by the Company shall be subject to approval in accordance with the provisions of the authorization control matrix.
2. Those who acquire real estate and its right of use assets and other important assets shall draw up capital expenditure plans beforehand by each unit, make capital expenditure budgets and implement and control them in accordance with the contents of the plans after carrying out feasibility evaluation; those who dispose of real estate and its right of use assets and other important assets shall fill out application forms or special signatures by the user unit, stating the reasons for the disposal and the ways of disposal, etc., and only after approval can it be done.
3. All real estate and its right of use assets and other important assets shall be insured as soon as they are acquired in order to prevent the loss of the company.

Article 12：The procedures for determining the terms of transaction and the amount of authorization for acquiring or disposing of real estate and its right of use assets and other important assets are as follows:

1. To acquire or dispose of real estate, the competent property authorities shall refer to the announcement of the present value, assess the present value and the actual

transaction price of the adjacent real estate, decide the terms of transaction and the transaction price, make an analysis report to the Chairman, and only submit it to the Board of Directors for approval can be done.

2. The acquisition or disposal of other important assets shall be made by inquiry, comparison, negotiation or tendering, and shall be subject to approval in accordance with the provisions of the authorization control matrix.

Article 13：The acquisition or disposal of real estate and its right of use assets and other important assets shall be subject to approval in accordance with the provisions of the authorization control matrix, and shall be responsible for the implementation by user department and relevant authorities and responsible units.

Article 14：If the company acquires or disposes of real estate, equipment or other right of use assets, in addition to the machinery and equipment traded with domestic government agencies, built by local commissions, leased by land commissions, or acquired or disposed of machinery and equipment and its right of use assets for business use, and the transaction amount amounts to 20% of the company's paid-in capital or more than NT$300 million, it shall first obtain the valuation report issued by the professional evaluator and comply with the following provisions:

1. For special reasons, when a fixed price, a specific price or a special price is required as a reference basis for the transaction price, the transaction shall first be approved by a resolution of the Board of Directors, and the same shall be true when the transaction conditions change thereafter.
2. If the transaction amount is more than NT$1 billion, two or more professional evaluators should be invited to evaluate it.
3. If a professional evaluator's valuation results are in one of the following circumstances, the Company shall consult an accountant to comply with the provisions of Auditing Standards Bulletin No. 20 issued by the Accounting Research and Development Foundation, and express his or her specific opinions on the causes of the discrepancies and the fairness of the transaction price:
   （1）The difference between the valuation result and the transaction amount is more than 20% of the transaction amount.
   （2）The difference between the valuation results of two or more professional valuators is more than 10% of the transaction value.
4. The date of issuance of the report and the date of establishment of the contract shall not exceed three months for the valuator before the date of establishment of the contract. However, if the present value of the same announcement does not exceed six months, the original professional evaluator may issue an opinion.

Chapter 4 Procedure for obtaining real estate or its right of use assets from a related party

Article 15：The Company acquires real estate or its right of use assets by purchasing or exchanging with its related party, in addition to dealing with the procedures for dealing with real estate or its right of use assets and other important assets in accordance with Chapter III and dealing with the relevant resolution procedures and evaluating the reasonableness of transaction conditions in accordance with the provisions of this Chapter, if the transaction amount reaches more than 10% of the Company's total assets, the Company shall also obtain the valuation report or the opinions of the accountant issued by the professional evaluator in accordance with the provisions.

In addition, in judging whether the trading object is a related party, besides paying attention to its legal form, the substantive relationship should be considered.

Article 16：The following information shall be agreed by the Audit Committee and submitted to the Board of Directors for adoption before the Company acquires real estate or its right of use assets from related party:

1. The purpose, necessity and expected benefits of acquiring or disposing of real estate.
2. Reasons for choosing related party as the object of transaction.
3. Relevant information for assessing the reasonableness of the intended terms of transaction in accordance with subparagraph 1 and 2 of paragraph 1 of Article 17.
4. The original acquisition date and price of the related party, the object of the transaction and its relationship with the company and the related party, etc.
5. Forecast of cash receipts and expenditures for each month of the coming year from the beginning of the contracting month, and assess the necessity of transactions and the rationality of capital utilization.
6. The valuation report issued by the professional evaluator obtained in accordance with the provisions of the preceding article or the opinions of the accountant.
7. Restrictions on this transaction and other important agreements.

The Board of Directors may authorize the Chairman of the Board of Directors to make the following transactions between the Company and its subsidiaries or their subsidiaries directly or indirectly holding 100% of the total issued equity or capital, and then report them to the latest Board of Directors for approval：

1. Acquire or dispose of equipment or its right of use assets for business use.
2. Acquire or dispose of real estate or its right of use assets for business use。

Article 17：The rationality of transaction costs shall be assessed by the following methods when the company acquires real estate from related parties:

1. The necessary capital interest and the cost that the buyer should bear according to law are added to the transaction price of the related party. The said cost of interest on capital shall be calculated on the basis of the weighted average interest rate of the borrowed items in the year when the company purchases assets, but it shall not be higher than the maximum borrowing interest rate of the non-financial industry announced by the Ministry of Finance.
2. If the relevant person has set up a mortgage borrower to the financial institution with the subject matter, the total value of the loan evaluation of the subject matter shall be reached by the financial institution, but the actual cumulative value of the loan of the subject matter shall be more than 70% of the total value of the loan evaluation and the period of the loan over one year. However, if a financial institution and one of the parties to the transaction are related parties, it is not applicable.

When purchasing land and housing under the same subject matter, the transaction costs of land and housing may be assessed by any of the methods listed in the preceding paragraph, respectively.

The company obtains real estate from related parties, evaluates the cost of real estate in accordance with the subparagraph 1 and 2 of previous paragraph, and shall consult the accountant for review and express specific opinions.

If the company acquires real property from related parties in any of the following circumstances, it shall comply with the provisions of Article 16 and shall not apply the first three paragraph:

1. Related parties acquire real estate or its right of use assets by inheritance or gift.
2. It has been more than five years since the date of the contract of this transaction that

the real estate or its right of use asset is acquired by the related parties concerned.

3. Sign a contract of joint construction with the related party, or invite the related party to build the real estate and acquire the real estate from the local commission or the leasehold commission.
4. With subsidiaries or their subsidiaries directly or indirectly holding 100% of issued equity or total capital, they acquire real estate usufruct assets for business use.

Article 18：When the company obtains real estate from its related parties at a lower price than the transaction price in accordance with the subparagraph 1 and 2 of paragraph 1 of Article 17, the company shall deal with it in accordance with the provisions of Article 19. This is not the case, however, where objective evidence is provided and specific reasonableness opinions of real estate professional evaluators and accountants are obtained in the following circumstances:

1. Where the related party acquired undeveloped land or leased land for development, it may submit proof of compliance with one of the following conditions:
   (1) Where undeveloped land is appraised in accordance with the means in the preceding Article, and structures according to the related party's construction cost plus reasonable construction profit are valued in excess of the actual transaction price. The "Reasonable construction profit" shall be deemed the average gross operating profit margin of the related party's construction division over the most recent 3 years or the gross profit margin for the construction industry for the most recent period as announced by the Ministry of Finance, whichever is lower.
   (2) Transactions by unrelated parties within the preceding year involving other floors of the same property or neighboring or closely valued parcels of land, where the land area and transaction terms are similar after calculation of reasonable price discrepancies in floor or area land prices in accordance with standard property market sale or leasing practices.
2. The Company evidences that the acquisition of real estate assets <u>or its right of use assets</u> by purchasing <u>or leasing</u> from the related parties, and the terms of the transaction are similar to those of other non-related parties' transactions in the nearby area within one year.

The aforementioned nearby area transaction cases are based on the principle that the square circle of the same or adjacent street is less than 500 meters or the present value of the announcement is close to the subject matter of the transaction; if the area of the said transaction cases is close, the principle is that the area of other non-related persons is not less than 50% of the object area of the transaction; the aforementioned one-year period is based on the date on which the real estate facts were acquired. A year's retrospective calculation.

Article 19：If the Company acquires real property from related parties and the results of the evaluation are lower than the transaction price according to the first and second points of Article 17, the following matters shall be dealt with:

1. The company shall, in accordance with the first paragraph of Article 41 of the Securities and Exchange Act., set out the special surplus reserve for the difference between the transaction price of real estate <u>or its right of use assets</u> and the evaluation cost, and shall not assign or transfer capital to allocate shares. If the investor who evaluates the Company's investment in the equity method is a public traded company, it shall also set aside the special surplus reserve in accordance with the first provision of Article 41 of the Securities and Exchange Act. in proportion to the amount of its

shares.
2. The Audit Committee shall act in accordance with Article 218 of the Company Act..
3. The first two subparagraph shall be submitted to the shareholders' meeting, and the details of the transaction shall be disclosed in the annual report and the prospectus.

If the Company makes a special surplus reserve in accordance with the provisions of the preceding paragraph, it shall not use the special surplus reserve until the assets purchased or leased at a high price have been recognized as loss of depreciation or disposal or termination of the lease or have been properly compensated or restored to their original state, or if there is other evidence to determine that there is no unreasonable situation, and after the consent of the Financial Supervisory Commission.

If the Company acquires real estate or its right of use assets from related parties, and if there is any other evidence that the transaction does not conform to the business rules, it shall also act in accordance with the provisions of the preceding two paragraphs.

Chapter 5 Procedures for obtaining or dealing with membership certificates or intangible assets or their right of use assets

Article 20：In principle, the Company does not engage in the transaction of obtaining or dealing with membership certificates or intangible assets or their right of use assets. Subsequently, if it wants to engage in the transaction of acquiring or dealing with membership certificates or intangible assets or their right of use assets, it will submit it to the board of directors for approval before it finalizes its evaluation and operation procedures.

Chapter 6 The process of financial institutions debts acquisition or disposal

Article 21: In principle, the company will not engage in transactions of financial institutions debts acquisition or disposal. If there are transactions of financial institutions debts acquisition or disposition, it should submit to Board of Directors for the approval, than to precede evaluation and following matters.

Chapter 7 The process derivative products acquisition or disposal

Article 22: When the company engages in financial derivative transactions, it shall apply the regulations of the company's " Procedures for Financial Derivatives Transactions ".

Chapter 8. For merger, division, stock acquisition, or transferee procedures

Article 23: In general principle, the Company will not acquire or dispose assets due to merger, division, purchase, or stock transfer, for subsequent merge, split, purchase, or stock transfer to acquire or the dispose assets, it should submit to the Board for the approval, and to set the assessment and operating procedures.

Chapter 9 Public information disclosure procedures

Article 24: If the Company acquires or disposes of assets in the following circumstances, it shall, by nature and in accordance with the prescribed format, submit relevant information to the website designated by the Financial Supervisory Commission for public announcement and declaration within two days from the date of the occurrence of the facts:
1. Acquisition or disposal of real property or right-of-use assets thereof from or to a

related party, or acquisition or disposal of assets other than real property or right-of-use assets thereof from or to a related party where the transaction amount reaches 20 percent or more of paid-in capital, 10 percent or more of the company's total assets, or NT$300 million or more; provided, this shall not apply to trading of domestic government bonds or bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

2. Investment in the mainland China area: Refers to the investment in the mainland pursuant to the provisions of the Investment Commission, Ministry of Economic Affairs for Regulations Governing the Approval of Investment or Technical Cooperation in Mainland China.
3. Merger, demerger, acquisition, or transfer of shares.
4. Losses from derivatives trading reaching the limits on aggregate losses or losses on individual contracts set out in the procedures adopted by the company.
5. Where equipment or right-of-use assets thereof for business use are acquired or disposed of, and furthermore the transaction counterparty is not a related party, and the transaction amount meets any of the following criteria:
   (1) When the Company’s paid-in capital is less than NT$10 billion, the transaction amount reaches NT$500 million or more.
   (2) When the Company’s whose paid-in capital is NT$10 billion or more, the transaction amount reaches NT$1 billion or more.
6. Where land is acquired under an arrangement on engaging others to build on the company's own land, engaging others to build on rented land, joint construction and allocation of housing units, joint construction and allocation of ownership percentages, or joint construction and separate sale, and furthermore the transaction counterparty is not a related party, and the amount the company expects to invest in the transaction reaches NT$500 million.
7. Where an asset transaction other than any of those referred to in the preceding six subparagraphs, a disposal of receivables by a financial institution reaches 20 percent or more of paid-in capital or NT$300 million; provided, this shall not apply to the following circumstances:
   (1) Trading of domestic government bonds.
   (2) Where done by professional investors—securities trading on securities exchanges or OTC markets, or subscription of ordinary corporate bonds or general bank debentures without equity characteristics (excluding subordinated debt) that are offered and issued in the primary market, or subscription or redemption of securities investment trust funds or futures trust funds.
   (3) Trading of bonds under repurchase and resale agreements, or subscription or redemption of money market funds issued by domestic securities investment trust enterprises.

The amount of the transaction mentioned in paragraph 7 above shall be calculated as follows, and "Within the preceding year" refers to the year preceding the date of occurrence of the current transaction. Items duly announced in accordance with these Regulations need not be counted toward the transaction amount.

1. The amount of any individual transaction.
2. The cumulative transaction amount of acquisitions and disposals of the same type of underlying asset with the same transaction counterparty within the preceding year.
3. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of real property or right-of-use assets thereof within the same development project within the preceding year.

4. The cumulative transaction amount of acquisitions and disposals (cumulative acquisitions and disposals, respectively) of the same security within the preceding year.

Article 25: The Company acquires or disposes assets; it should be complying with Article 24 item 1 each point. For announced application matters, it should apply within two days from the occurrence day.

Occurrence day refers to contract signing day, day of payment, day of commission, day of transferring, day of Board resolution or the day have sufficient information to determine the transaction object and amount. However, the investment should be approval by authority, based on the authority approval day.

Article 26: The Company information should be declared to Financial Supervisory Commission, Executive Yuan designated website.

The Company should report the Company and its non-domestic public subsidiary derivative transactions, up to the end of last month. in accordance with the prescribed form submit the data to Financial Supervisory Commission, Executive Yuan specified information reporting website, by the 10th of each month. The subsidiary means in accordance with the Financial Accounting Standards No. and 7 of the Act released by the Accounting Research Development Foundation.

The Company announces the project, if there is an error or omission to be corrected, the whole project should be re-declared and announced.

The Company acquires or disposes assets should prepare related contracts, proceedings, reference books, valuation reports, accountants, lawyers or underwriters of securities, beside other laws provision, it should be kept five years at least.

The company transaction reports should be in accordance with the provisions of Article 24, if there has one of the following circumstances, it declares to the Financial Supervisory Commission designated website within two days from the occurrence day:

1. The original transaction contract has been changed, termination or dissolution.
2. The merge, split, purchase, or stock transfer did not complete within intended contract schedule.
3. Change to the originally publicly announced and reported information.

Chapter 10 The controlling program for Subsidiaries acquisition or disposal of assets

Article 27: The Company Subsidiary should be accordance with " Regulations Governing the Acquisition and Disposal of Assets by Public Companies " the relevant provisions setting " Management of Acquisition and Disposal of Assets ".

The Company subsidiary purchase non-profit real estate and securities total amount and individual to the company's most recent financial statements of shareholders' equity is upper limit to 100%.

Acquisition or disposal of assets is more than NT $ 10 million should be reported parent company.

The Company subsidiary is not domestic public offering company, the subsidiary has to be announced this way sections of the report of the matters by the Company.

Chapter 11 Penalties

Article 28: Relevant personnel of the company shall follow the provisions of these Regulations when handling matters related to the acquisition or disposal of assets, so as to prevent the company from suffering losses due to improper operation. If there are any violations of relevant laws and regulations or the provisions of these regulations, it shall be handled in accordance with the relevant personnel regulations of the company.

Chapter 12 Implementation and revision

Article 29: These Rules, and any amendments hereto, shall be approved by the Audit Committee, approved by the Board of Directors, and submitted to the shareholders' meeting for approval.

Appendix IV

Patec Precision Industry Co., Ltd.
Endorsements Management

Article 1 In order to establish regulation for the company external endorsement transaction, integrate financial management and reduce operational risk, this approach was developed.

Article 2 The company endorsement objects are as follow:

1. The company that has business deals with our company.
2. Our company has directly and indirectly voting right and has share holds more than 50% of the company.
3. The Company has directly and indirectly voting right and has share holds more than 50% of our company.
4. Due to joined investment relationship that was funded by common shareholders, according to their respective shareholding ratio to investment companies' endorsement should not be unrestricted from the preceding paragraph, could be endorsement. The funding means the company directly funded or funded by having the company's voting right and one hundred percent of shares held investors.

The company has directly and indirectly voting right and has share holds more than 90% of the company, could be endorsement.

Article 3 The endorsement scopes are as follow:

1. Financing endorsement: ticket discount financing, for the purpose of endorsement or guarantee for other corporation financing, and for the purpose of Company financing to draw up bill to guarantee non-financial business.
2. Custom endorsement: for the Company or other company custom endorsement or guarantee.
3. Other endorsement: for those cannot be classified to prior two endorsement or guarantee items.
4. The Company provides movable property or real estate to serve as a guarantor for other company quality, mortgage setting.

Article 4 Endorsement/ limits:

1. The total amount of the Company's endorsements/guarantees shall not exceed 40% of the Company's net worth of the current period, and the amount of the endorsements/guarantees provided by the Company for any single entity shall not exceed 20% of the Company's net worth of the current period. However, if the single entity is a company in which the Company directly or indirectly holds 100% of the voting shares, the amount of endorsement shall not exceed 30% of the company's net worth in the latest financial statement.
2. The endorsement and guarantee guarantors due to business relationship shall not exceed last year total transactions with the Company's (purchases or sales between the parties, the higher amount).
3. The Company has directly and indirectly voting power and held more than 90% of the Company shares, the endorsement and guarantee of whom shall not exceed 10% of the Company's net worth.
4. The total amount of the endorsement and guarantee of the Company and its subsidiaries shall not exceed 50% of the Company's current net worth, of which the endorsement and guarantee amount of a single enterprise shall not exceed 30% of the Company's current net worth.

5.Net worth should be based on the most recent audited or reviewed financial statements.

Article 5 The Company endorsement should be based on Finance Department review and evaluation and comments, including:

1. To state endorsement object, amount, reason, release conditions and dates.
2. To analyze and evaluate the necessity and reasonableness of endorsement.
3. To analyze and evaluate the credit and operating conditions of endorsement object.
4. To analyze and evaluate the impact on the Company's operations risks, financial condition and shareholders' equity.
5. To obtain the collateral and the collateral appraised value.

The company handling personnel should synthesize item 1 related information and assessment results, and submit to the Board of Directors for the approval, operating department should record each endorsement event in the computer monthly, and declare endorsement data to Financial Supervisory Commission, Executive Yuan monthly before deadline.

Article 6 The Company and the Company directly and indirectly hold more than 90% of the voting shares of the subsidiaries before the endorsement is guaranteed, and should be submitted to the board of directors for approval. If the independent directors have been set up, the endorsement for others is guaranteed. The opinions of the independent directors should be fully considered. If the independent directors have any objections or reservations, they should be stated in the minutes of the board of directors.

The major endorsement guarantee shall be approved by the Audit Committee in accordance with relevant regulations and the resolution of the board of directors shall be submitted.

The company or its subsidiaries endorsement guarantees that the subsidiaries whose net worth is less than one-half of the paid-in capital shall clarify their subsequent relevant control measures. For the above-mentioned subsidiaries that are the object of endorsement, if the shares are not denominated or the denomination is not NT$10, the total amount of the capital plus the “additional paid-in capital in excess of par-common stock” shall be regarded as the amount of the actual capital.

Article 7 Custody and procedures of chops:

1. The company chops should have assigned custodian, and followed company operating procedures for chop sealing or issuance of notes. The seal custodian for endorsement should be reported to the board of directors for approval, changes likewise. The endorsement chop means the company chops that only use for registration to competent authority.
2. If the company have endorsement for foreign companies, the issued guarantee letter should be signed by Board authorized person.

Article 8 Announcement and reporting procedures standards, deadline and contents：

1. Announcement and reporting procedures standards：
   (1) The aggregate balance of endorsements/guarantees by the Company and its subsidiaries reaches 50% or more of the Company's net value as stated in its latest financial statement.
   (2) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches 20% or more of the Company's net value as stated in its latest financial statement.

(3) The balance of endorsements/guarantees by the Company and its subsidiaries for a single enterprise reaches NT$10 million or more and the aggregate amount of all endorsements/guarantees for, carrying value of equity method investment in, and balance of loans to, such enterprise reaches 30% or more of the Company's net value as stated in its latest financial statement. ◦

(4) The amount of new endorsements/guarantees made by the Company or its subsidiaries reaches NT$30 million or more, and reaches 5% or more of the public company's net value as stated in its latest financial statement.

(5) After the company has filed an announcement in accordance with the (1) to (4) subparagraphs of the previous paragraph, each of its balances increased by more than 5% of the company's latest financial statements, and should be reported again.

2. Announcement and reporting period:

(1) The outstanding guarantee amount at the end of month shall announce and report before 10th of each month.

(2) The outstanding guarantee amount by the Company reach the subparagraph (1) to (5) of the paragraph 1 of Article 8 of this Operating Procedure shall announce and report within 2 days from the date of occurrence.

The term "announce and report" means the process of entering data to the information reporting website designated by the Financial Supervisory Commission (FSC).

3. Announcement content:

(1) The total outstanding guarantee endorsed amount reach the subparagraph (1) of the paragraph 1 of Article 8 of this Operating Procedure, the following matters shall be announced:

a. Name of company, relationship with the Company, the ceilings on the guarantee endorsed amount, guarantee endorsed amount and reason from the date of occurrence, original guarantee endorsed amount, and amount and reason for this new guarantee endorsed when the outstanding guarantee amount reach NTD 100 million or reach 5% or more of the Company's net value as stated in its latest financial statements.

b. The ratio of the guarantee amount of the Company’s net value as stated in its latest financial statements from the date of occurrence.

(2) When the amount of guarantee endorsed by a single party meets the subparagraph of (3), (4) and (5) of Article 8, paragraph 1, of this Operating Procedure, the following matters shall be announced:

a. Name of company, relationship with the Company, the ceilings on the guarantee endorsed amount, guarantee endorsed amount and reason from the date of occurrence, original guarantee endorsed amount, and amount and reason for this new guarantee endorsed.

b. The content and value of the collateral provided by the endorsed guarantee company.

c. The endorsed guarantees the capital and accumulated profit and loss amount of the company's latest financial statements.

d. Conditions or dates for rescission of endorsement guarantee liability.

e. Up to the date of occurrence, the ratio of the amount of endorsement guarantee to the net value of the company's latest financial statements.

f. Up to the date of occurrence, the amount of endorsement guarantee accounts for the ratio of the total business transactions between the company and the endorsed guarantee company in the last year.

g. Up to the date of occurrence, the ratio of the total amount of long-term investment, endorsement guarantee and loan to the net value of the company's latest financial statements.

Article 9 Other considerations

1. In accordance with the provisions of Enterprise Accounting Standards No. 9, the Company shall assess or recognize the contingent loss of the endorsement guarantee and properly disclose the information of the endorsement guarantee in the financial report, and provide relevant information to the certified public accountant to carry out the necessary checking procedures.
2. If the object of the endorsement guarantee of the company is not in conformity with the provisions of Article 2, or if the amount of the endorsement guarantee exceeds the prescribed amount due to the change of the basis on which the limit is calculated, the internal audit department shall remind the operating unit that the amount or excess part of the endorsement guarantee for the object shall be eliminated at the expiration of the contract period or within a certain period, and the improvement plan is submitted to Audit Committee and report to Board of Directors.
3. If it is necessary for the company to carry out endorsement guarantees to exceed the quota stipulated in these Measures due to its business needs, it shall, with the consent of the Audit Committee and with the consent of more than half of the directors, provide joint insurance for losses that may occur if the company exceeds the limit, and amend these Measures and report them to the shareholders' meeting for approval; if the shareholders' meeting disagrees, it shall make a plan to eliminate the excess part within a certain period of time.
4. If the company has set up independent directors, it should fully consider the opinions of the independent directors. If the independent directors have objections or reservations, they should be stated in the proceedings of the board of directors.
5. The internal auditing department of the Company shall at least audit the endorsement guarantee measures and their implementation quarterly, and make written records. If major irregularities are found, the Audit Committee shall be notified in writing.

Article 10 The endorsement control procedures for subsidiary:

1. If the subsidiary of the Company want to endorse for others, it should be in accordance with " Regulations Governing Loaning of Funds and Making of Endorsements/Guarantees by Public Companies " the relevant provisions "endorsement operating procedures"; but the net worth is based on subsidiary net value.
2. Subsidiary should be prepared previous month endorsement list before the 9th of each month, and submit to the Company.
3. The Company internal auditing department should be in accordance with the annual auditing plan to audit subsidiaries, and know subsidiaries endorsement operating procedures. If there is any default, it should be track continually and submitted the tracking report to the Board of Directors.
4. If the Company subsidiary is not domestic public company, the subsidiary has operating procedures Article 8 announcement and declaration matters that should be implemented by the Company. Previous announcement and declaration procedures, the calculation of subsidiary endorsement balance and net value is the subsidiary endorsement to the Company's net value.
5. The Company's internal auditing department should audit subsidiaries endorsement operating procedures and implementation and make a written record. If there is a major irregularity, it should submit a written note to the supervisors.

Article 11 Penalties:
While the company's managers and executive officer violated the operating procedures, it should be in accordance with the Company personnel management practices for assessment, the punishment would be based on their severity.

Article 12 This management shall be approved by the Audit Committee and approved by the Board of Directors and shall be reported to the shareholders' meeting. If the company has set up independent directors, it should fully consider the opinions of the independent directors. If the independent directors have objections or reservations, they should be stated in the proceedings of the board of directors.

Appendix V

Effect upon business performance and earnings per share of any stock dividend distribution proposed or adopted at this shareholders' meeting: N/A.

Appendix VI

Shareholdings of All Directors

Patec Precision Industry Co., Ltd.

The minimum shareholding requirements for all directors and supervisors

1.Total shares issued as of 04/22/2022: 45,759,703 Common Shares.
Under the relevant regulations of the ROC, Patec's Directors are required to hold in the aggregate not less than 3,660,776 shares. (Note)
As Patec has established the audit committee, the minimum shareholding requirements for supervisors do not apply.

2.As of 04/22/2022 Patec's Directors shareholding:

Title	Name	Current Shareholding	Shareholding Ratio (%)
Chairman	Wee Liang Kiang	223,385	0.49%
Director	Wee Hong Jie	9,101,591	19.89%
Director	Jack Liu	-	-
Director	Sean Hsu	254,882	0.56%
Independent Director	Yen Chun Te	-	-
Independent Director	Terry Chin	-	-
Independent Director	Kate Chen	-	-
Total shareholding of all Directors		9,579,858	20.94%
Total shareholding of all Supervisors		N/A	

Note: In accordance with Article 26 of the Securities and Exchange Act and Article 2, paragraph 1, subparagraph 2 and paragraph 2 of the Rules and Review Procedures for Director and Supervisor Share Ownership Ratios at Public Companies, the total amount of registered shares held by all directors shall be no less than 10% of the Company's total issued shares. The number of independent directors is three. The percentage of shareholding of all directors other than independent directors is 80% of the abovementioned level.