

HORNG SHIUE HOLDING CO., LTD.
The 2026 Annual Meeting of Shareholders

Time : May 25th, 2026 (Monday) AM 09:00

**Place : 2F., No. 86, Sec. 1, Wenhua 1st Rd., Linkou Dist., New Taipei City 244,
Taiwan (R.O.C.)**

A. Call the Meeting to Order 【Announce Shareholders Present in Person】

B. Chairperson Remarks

C. Company Reports

(a) The Company's 2025 Business Report.

(b) 2025 Audit Committee's Review Report.

(c) Board resolved won't be the issuance of new common shares for cash or overseas/domestic convertible bonds in private placement of proposal 9 of the sixteenth meeting of the fourth board of the company on March 6th, 2025.

(d) The Report of the Company accumulated deficit on reaching one-half of paid-in capital.

D. Proposals

Item 1 : (Proposed by the Board)

Proposal : Adoption of the 2025 Business Report and Financial Statements

Explanation :

a 、HORNGSHIUE Company's Business Report and Financial Statements have been approved by the Board of Directors, and the Financial Statements were audited by independent auditors, JIN CHANG, CHEN and FU-MING, LIAO of PwC Taiwan.

b 、To proceed Auditor's Reviews Report and examined by Auditor Committees.

c 、Please refer to the Appendix a, page 10~14, and Appendix c, page 16 to 28 of the 2025 Operating Report and Financial Statement, Please proceed.

Resolution :

Option	Shares	(%)
Approval	34,690,703	99.41%
Against	30,716	0.09%
Invalid	0	0.00%
Abstained	174,760	0.50%

Number of shares represented at the time of voting : 34,896,179 shares

Item 2 : (Proposed by the Board)

Proposal : Adoption of the Proposal for 2025 Deficit Compensation Statement

Explanation :

a 、 The Board of Directors has adopted a Proposal for 2025 Deficit Compensation Statement in accordance with the Company Act and Articles of Incorporation. Please refer to Appendix d, page 29.

b 、 Please proceed.

Resolution :

Number of shares represented at the time of voting : 34,896,179 shares

Option	Shares	(%)
Approval	34,617,452	99.20%
Against	55,267	0.16%
Invalid	0	0.00%
Abstained	223,460	0.64%

E. Discussion Matters

Item 1 : (Proposed by the Board of Directors)

Proposal :

To approve revisions to the “the Articles of Association”, Please proceed to discuss.

Description :

a.In compliance with the Taiwan Stock Exchange Corporation Rules Governing Review of Securities Listings, which requires important matters concerning the protection of shareholders' equity to be included in the articles of incorporation, and to comply with the amendments to relevant laws and regulations, the Company's Articles of Association has been amended.

b. Please refer to the Appendix e, page 30~31 . Please proceed.

Voting Results:

Number of shares represented at the time of voting : 34,896,179 shares

Option	Shares	(%)
Approval	34,639,003	99.26%
Against	81,416	0.23%

Invalid	0	0.00%
Abstained	175,760	0.51%

Item 2 : (Proposed by the Board of Directors)

Proposal :

To approve revisions of “the Rules and Procedures Governing Shareholders’ Meeting”, Please proceed to discuss.

Description :

- a. a.In compliance with the Taiwan Stock Exchange Corporation’s issuing of interpretation No.1150002970, the Company proposed the following revisions.**
- b. Please refer to the Appendix f, page 32~34 . Please proceed.**

Voting Results:

Number of shares represented at the time of voting : 34,896,179 shares

Option	Shares	(%)
Approval	34,589,003	99.11%
Against	81,416	0.23%
Invalid	0	0.00%
Abstained	225,760	0.64%

Item 3 : (Proposed by the Board of Directors)

Proposal:

The company intends to choose a method for conducting the private placement of common shares or private placement of convertible corporate bonds at one time closings, Please proceed to discuss.

Description :

- a. In order to enrich the operating capital, repay the company's debts or reinvestment, considering the timeliness and flexibility of fundraising, and within the total raised amount of NT\$400 million, proposes to authorize the private placement of common shares with a limit of 40 million shares and with a limit of 4,000 private placement of domestic unsecured convertible corporate bonds. (The issuance period is tentatively scheduled for 5 years, 100,000 NTD per denomination and the coupon rate is 0%~2%.) Selecting the appropriate time and depending on the market conditions, choose one or the matching method to conduct it at one time. The funds**

raised can strengthen the company's competitiveness, improve the financial structure and enhance the benefit of operating efficiency.

- b. In accordance with Article 43-6 of the Securities Exchange Law and the regulations of "Directions for Public Companies Conducting Private Placements of Securities ", explanation of handling this private placement related matters are as follows:**

(a) The basis and reasonableness of the private placement pricing:

- 1. The private placement price of the company's common shares may not be lower than 80% of the reference price. The reference price is the higher of either the simple average closing price of the common shares for any of either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction, or the simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction.**
- 2. The private placement price of the company's domestic convertible corporate bonds may not be lower than 80% of the theoretical price. The theoretical price is calculated based on an appropriate pricing model that is selected in consideration of the various rights under the terms of issuance and the pricing model shall as a whole encompass, and include the concurrent consideration of the various rights included in the terms of issuance. The convertible price is the higher of either the simple average closing price of the common shares for any of either the 1, 3, or 5 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction, or the simple average closing price of the common shares for the 30 business days before the price determination date, after adjustment for any distribution of stock dividends, cash dividends or capital reduction, and may not be lower than 80% of the reference price as the basis for the determination.**
- 3. The pricing of the price per share of the private placement common shares and the convertible price of the private placement of the domestic convertible corporate bonds are determined in accordance with the relevant regulations of the competent authority, also taking into account the**

company's operating conditions, market price of the common shares and other factors, and the pricing method should be reasonable. Therefore, the actual pricing date and actual price are referred to the shareholders meeting within a range not lower than the number of resolutions of the shareholders meeting to authorize the board of directors to make decisions based on the prevailing market conditions and the circumstances of the negotiated specific person in the future.

4. If the actual price per share or the conversion price per share is lower than the face value of the shares due to the influence of changes in the securities market in the future, it will be regarded as a successful fundraising because the pricing basis has been regulated by laws and regulations and the market price has been reflected. Funds are necessary for the long-term and stable growth of the company, and the price setting should be necessary and reasonable. If the price per share and the conversion price are lower than the par value, resulting in an increase in accumulated losses and an impact on shareholders' equity, shareholders will evaluate and discuss whether capital reduction or other statutory methods should be used to make up for the losses at the next annual shareholders meeting based on the annual business results.

- (b) The specific person's selection method and purpose, necessity and anticipated benefits:

The object of this private placement of securities is limited to the specific persons who meet the regulations of Article 43-6 of the Securities Exchange Law. At present, the negotiated places are tentatively based on insiders, related parties or strategic investors. For matters related to specific persons, the shareholders' meeting shall authorize the board of directors to handle it.

1. The selecting method and purpose for insiders or related parties as the places:

Considering that he/she has a considerable degree of understanding of the company's operations and has direct or indirect benefits to the company's future operations, currently the tentatively negotiated places are insiders or related parties. The list is as follows, and submitted to the shareholders' meeting to authorize the board of directors may subject to

change from the list of places.

Potential Places	Relationship with the Company
Lin Wei-Yuan	Chairman of the Company
Lin Han-Wei	Directors of the Company
Lin Mei-Ying	Directors of the Company
Lin Xian-Ping	Directors of the Company

2.The necessity and anticipated benefits of insiders and related parties:

In order to improve the operating performance and strengthen the financial structure of the company, and consider strengthening the stability of the management class, the introduction of such fund from applicants will help the company's operation and business development, and can improve the company's overall operating quality and strengthen the company's centripetal force, Through the capital injection of applicants, the pressure on working capital costs can be reduced and the financial structure can be strengthened.

3.If the applicant is a strategic investor, the selection and purpose, necessity, and expected benefits of the applicant should be fully discussed at the board meeting, and the following should be stated in the reason for convening the shareholders' meeting:

(1) Selection Method and Purpose of the Applicant: The applicant is selected to assist the Company in the management and financial resources required for its operation, provide management technology, integrate product processes, strengthen financial cost management, and assist in new product line business development training, channel expansion, etc., to help the Company enhance its competitive advantage.

(2) Necessity: In view of the changes in market demand for products in recent years, in order to enhance the Company's competitive advantage, improve its financial structure, and enhance operational efficiency, it is proposed to introduce strategic investors who will benefit the Company's future product and market development.

(3) Expected Benefits:

I.The addition of the applicant will accelerate the Company's opportunities for product and market development and contribute to the Company's stable growth.

II.There are currently no shortlisted applicants. The selection method and purpose of shortlisting will prioritize those who have a good understanding of the company's operations and can provide direct or indirect benefits to the future operations, and will be selected from among those who meet the legal requirements. The relevant matters concerning shortlisting will be submitted to the shareholders' meeting for authorization to the board of directors to handle them in full.

(c) The reasons for the necessity for conducting the private placement :

1. The reason for not using a public offering :

It is planned to conduct the issuance of new shares in cash and the issuance of unsecured convertible corporate bonds through the private placement in order to improve the financial structure, enrich operating capital, repay the company's debts, reinvestment, and respond to industry development trends and company operational needs. Because the private placement has a feature of quick and easy, it is easier to obtain the necessary funds in a short-term, and conduct private placement in accordance with the relevant regulations of the Company Law and the Securities Exchange Law.

2.The limit on the private placement :

Within the total raised amount of NT\$400 million, the company proposes to authorize the private placement of common shares with a limit of 40 million shares and with a limit of 4,000 private placement of domestic unsecured convertible corporate bonds, choose one or the matching method to conduct it at one time.

3.The use of the funds and the anticipated benefits for conducting the private placement :

Private Equity Securities	Estimated processing times	Use of private funds	Expected to achieve benefits
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Project			
Common stock	with a limit of 40 million shares at one time.	The expected use of funds for this fundraising plan is to enrich operating capital and repay the company's debts, improve the financial structure, respond to the funds needed for the company's long term development	all expected to strengthen the company's competitiveness, and enhance the benefit of operating efficiency, which is positive beneficial to shareholders' equity.
Domestic no guarantee convertible bonds	Within the total raised amount of NT\$400 million at one time.	The expected use of funds for this fundraising plan is to enrich operating capital , repay the company's debts, or reinvestment ,improve the financial structure, respond to the funds needed for the company's long-term development	all expected to strengthen the company's competitiveness, and enhance the benefit of operating efficiency, which is positive beneficial to shareholders' equity.
In order to enrich the operating capital or repay the company's debts, considering the timeliness and flexibility of fundraising, and within the total raised amount of NT\$400 million, proposes to authorize the private placement of common shares with a limit of 40 million shares and with a limit of 4,000 private placement of domestic unsecured convertible corporate bonds.			

4.The possible impact of private placement on the company's operating rights :

This time within the total raised amount of NT\$400 million, conduct the private placement of common shares with a limit of 40 million shares and with a limit of 4,000 private placement of domestic unsecured convertible

corporate bonds. Selecting the appropriate time and depending on the market conditions, choose one or the matching method to conduct it at one time , and the purpose is to enrich the operating capital, repay the company's debts or reinvestment , and at present, the negotiated places are mainly insiders, related parties or strategic investors and there should be no major changes in the operating rights.

- c. The private placement common shares and private placement unsecured convertible corporate bonds are restricted and non-transferable within three years from the date of delivery, except for the transferees specified in Article 43-8 of the Securities Exchange Law. After 3 full years following the delivery date of the private placement of common shares, the company shall obtain a letter issued by the TWSE or TPEX acknowledging that the securities meet the standards for TWSE listing or TPEX listing, and it may be filed with the competent authority for retroactive handling of public issuance procedures, and then it can be submitted an transaction application for TWSE listing or TPEX listing.
- d. The main content of this private placement of common shares and domestic convertible of corporate bonds, in addition to the percentage number of private placement pricing, including the actual number of issuances, issuance conditions and conversion methods, issuance price and actual conversion price per share, guarantee conditions, number of shares issued, total raised amount, planned items, progress of capital utilization, anticipated possible benefits, base date of capital increase, and other related matters, and including future amendments due to changes in laws or regulations, instructions from the competent authority, operating evaluations, or changes in the objective environment, shall be submitted to the shareholders meeting to authorize the board of directors to handle it.
- e. In order to cooperate with this private placement of securities, it is proposed to request the shareholders meeting to authorize the chairman of the board of directors or his/her designated proxy to handle, sign and discuss all contracts and documents related to the private placement plan on behalf of the company, and handle all related matters of this private placement plan for the company. Hereby it is submitted for discussion.

Voting Results :

Number of shares represented at the time of voting : 34,896,179 shares

Option	Shares	(%)
Approval	34,510,745	98.90%
Against	150,317	0.43%
Invalid	0	0.00%
Abstained	235,117	0.67%

F. Motions

G. Adjournment

HORNG SHIUE HOLDING CO., LTD.**2025 Business Report**

To Horng Shiue Shareholders, Ladies and Gentlemen,

Thank you all to join Horng Shiue 2026 shareholders' meeting. To understand 2025 Operating Performance, 2025 Operation Proposal Summary, the Company Future Development Strategy and External Environment Effect, please refer to the following report:
A.2025 Operating Performance

a.the Result of Implement Operation Program

In 2025, global automobile sales reached 96.47 million units, a year-on-year increase of 5%. Among them, the China market contributed 34.4 million units, a year-on-year increase of 9.4%, ranking first in the world for 17 consecutive years; the United States contributed 16.72 million units, a year-on-year increase of 1%; and India contributed 5.58 million units, a year-on-year increase of 7%.

The company's consolidated operating income for fiscal year 2025 was NT\$1,739,108,000, an decrease of 9.02% over fiscal year 2024, and net profit after tax was NT\$84,591,000.

Looking ahead, according to authoritative forecasts, global automobile sales are projected to grow slightly by 1.5% in 2026, approaching 98 million units. China, the United States, and India will remain the top three markets globally, accounting for over 60% of the total. China's total automobile sales are expected to reach 34.75 million units, a slight year-on-year increase of 1%. Passenger vehicles will account for 30.25 million units (+0.5%), and commercial vehicles for 4.5 million units (+4.7%). Technological advancements in new energy vehicles, expansion of export markets, and optimization of supply chain costs will be the core drivers of growth, indicating significant room for further development in the new energy vehicle market. On the other hand, the traditional automobile market will also meet increasingly diverse consumer demands through technological innovation and product upgrades.

b. The Status of Budge Implement

It is not applicable due to the Company did not disclose the financial forecast in 2025.

c. Analysis of Financial Disbursement and Profitability

Unit : in Thousands of New Taiwan Dollars

Item		2025	2024	Increase and Decrease Ratio%
Financial Disbursement	Operating Revenue	1,739,108	1,911,540	-9.02%
	Gross Profit	250,322	165,071	50.65%
	Net Profit	84,591	16,734	405.50%
Profitability	Return on Assets (%)	2.56	0.52	392.31%
	Return on Shareholders' equity	10.91	2.35	364.26%

Item			2025	2024	Increase and Decrease Ratio%
	Paid-in capital rate(%)	Operation income on capital	14.92	4.81	210.19%
		Per-tax income to capital	12.82	4.32	196.76%
	Net income to sales (%)		4.86	0.88	452.27%
	Earning per shares (NT\$)		1.22	0.24	408.33%

d. Research and Development Result

2025 Research and Development Result

Result	Application	Sale
Development of Automotive Stamping Dies with Non-Standard Interactive CAM Mechanisms	This research and development utilizes a unique structural design technology that can be applied to the design of dies with subsequent side flanges, ensuring product quality and enhancing the company's competitiveness.	Applicable to stamping dies with non-standard interactive CAM mechanisms.
Development of a Side Pressure Plate Mechanism for Edge Binding Dies	This development utilizes a compact non-standard CAM to achieve a better pressing effect on sheet metal, ensuring edge binding quality.	Automatic cleaning device for stamping waste, avoiding potential safety hazards in production and improving the efficiency of stamping production.
Development of Non-Standard Cylinder Drive Mechanisms in Automotive Stamping Dies	Utilizing cylinders as the power source for non-standard CAM mechanisms facilitates press line connection adjustments to die working sequence, reduces die impact, and extends die life.	Suitable for stamping dies with non-standard interactive CAM mechanisms.
Development of a feeding device for automotive stamping dies	This device achieves synchronized feeding, improves feeding stability, and reduces die rework time caused by feeding issues.	Suitable for blanking dies for automotive sheet metal parts.
Development of a Switching Mechanism for Automotive Stamping Dies	The development of an interchangeable mechanism for automotive dies reduces the number of dies required from the client, lowers die costs, reduces die changeover time, and enables online switching, thereby improving production efficiency.	Applicable to all stamping dies for multi-state sheet metal parts.

The Company holds the technique independent principle, and cooperates with foreign corporation who has advance technology, and insists improving and

upgrading design technology and production research, and cultivates talents for research and development. In conform the needs of car factory, we persist develop strong and special material mold, and improve the technique to increase finished product yield and decrease production cost. In the future, we will keep 1% of sale income in technique development and renovation investment in order to promote the product competitiveness.

B.2025 Operation Proposal Summary

a. Operating Guideline

- (a)Technology Leadership, High-End Breakthrough: Promoting the application of integrated CAD/CAE/CAM automated design technology, introducing automated mold design systems, shortening mold development cycles by over 20%, and reducing manufacturing anomaly rates by over 10%.
- (b)Overseas Market Expansion: Deepening our presence in the mainland market while expanding our share in overseas markets to diversify operational risks.
- (c)Differentiated Product Layout: A diversified market layout, setting up economical mold structures for low-volume vehicle models, and implementing diversified technical standards to meet the technical requirements of corresponding customers and maintain existing market share.
- (d)Green and Intelligent Manufacturing: Constructing green factories, introducing energy-saving equipment, reducing carbon emissions, and responding to government policies on carbon reduction.
- (e)Talent and Team Building: Attracting, retaining, and effectively utilizing talent. Establishing a scientific talent introduction and incentive mechanism, providing a vocational skills training platform, and cultivating compound talents with both mold design and intelligent technology expertise.
- (f)Deep Customer Engagement: Focusing on customer value, providing one-stop services from simultaneous engineering of vehicle body design to mass production delivery, shortening development cycles through a data platform, and quickly responding to customized customer needs.

b. Sales prediction and reference

In accordance with the status of purchasing order, customer operating overview and market demand and development, the Company also considers the production to

make the sales prediction. The Company upholds its core value of operating concept“Excellence, Integrating, Specialty, Innovation, Happiness”, and controls the market and adopts the changing situation in order to achieve the 2026 Operation goal.

c. the Company Future Development Strategy

- (a)Anchor product competitiveness with high-end technology, improve efficiency and reduce costs through intelligent manufacturing, and diversify risks through international market expansion, ultimately building a three-pronged competitive advantage encompassing "technology, ecosystem, and brand."
- (b)Driven by technological upgrades and innovation, innovate materials and processes, leveraging the powerful capabilities of big data and AI to rapidly improve mold technology, increase process success rates, reduce springback defects, and enhance part precision.
- (c)Undergo intelligent transformation by deploying an AI-assisted design system to automatically optimize mold structure parameters and shorten design cycles.
- (d)Build smart factories with CNC machining center automation rates exceeding 70%, and monitor capacity utilization in real time (target $\geq 95\%$).
- (e)Market expansion and competitive strategies: Regional layout, consolidating the advantages of the Yangtze River Delta industrial cluster, and establishing localized service bases close to OEMs. Expand into overseas markets: Through high-end customer reviews, enter the supply chains of international high-end automakers, aiming to increase export share to over 25%.
- (f)Implement a tiered competitive strategy, researching economical mold structures, expanding business scope, segmenting the market, and gaining market share.
- (g)Vertically integrate the supply chain, increase supplier loyalty, build a robust and reliable supply chain system, optimize cost structure, achieve reasonable profits, and share both success and failure.
- (h)Lean production management: Implement modular design, achieve a standard parts utilization rate of over 70% for molds, and reduce the manufacturing cost per set.
- (i) Talent and organizational support: Optimize incentive mechanisms and provide generous rewards to personnel who contribute to the company's technological advancement and innovation. Encourage technological progress and reward hard

work. Reduce debugging cycles, improve efficiency, shorten production cycles, and generate profits for the company.

C. Impact by External Competition, Law Restriction and the Whole Operating Environment

- a. Regarding the external competitive environment, the Group has established a relatively stable competitive landscape in the mid-range market. For export molds in the high-end market, the Group has focused its efforts and has gradually secured stable cooperative relationships with major international automakers.
- b. Differentiated Competition Strategy: Core enterprises focus on the high-end market (such as body panel parts and precision structural component molds), squeezing out foreign companies' market share through technological barriers. Deepening its presence in niche markets and seizing niche markets with flexible services. A one-stop service model integrates design to mass production, enhancing customer loyalty.
- c. With technological innovation as the core, policy adaptation as a guarantee, and globalization as the path, the Group addresses the dual challenges of intensified competition and increasingly stringent regulations through intelligent upgrading, green transformation, and supply chain collaboration, achieving a transformation and upgrade from "manufacturing dependence" to "technology export."

The Company management team thanks every shareholders' and directors' support and trust. We will keep engage in operating company to produce more profits for shareholders.

Chairman: Wei Yuan, Lin



Manager: Wei Yuan, Lin



Accounting Manager: Sheng Fei, Ning



HORNG SHIUE HOLDING CO., LTD.

Appendix b

Audit Committee's Review Report

The Board of Directors has prepared the Company's 2025 Business Report, Financial Statements, and proposal for allocation of earnings, The PwC Taiwan was retained to audit HORNG SHIUE's Financial Statements and has issued an audit report relating to the Financial Statements. The Business Report, Financial Statement, and earnings allocation proposal have been reviewed and determined to be correct and accurate by the Audit Committee members of HORNG SHIUE Holding Company Limited. According to relevant requirements of the Securities and Exchange Act and the Company Law, we hereby submit this report.

2026 HORNG SHIUE Holding Company Limited Shareholder Meeting

HORNG SHIUE Holding Company Limited

Chairman of the Audit Committee :

Shu Tsai, Wang



March 10th, 2026

INDEPENDENT AUDITORS' REPORT TRANSLATED FROM CHINESE

To the Board of Directors and Shareholders of Horng Shiue Holding Co., Ltd.

Opinion

We have audited the accompanying consolidated balance sheets of Horng Shiue Holding Co., Ltd. and subsidiaries (the "Group") as at December 31, 2025 and 2024, 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 material 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, 2025 and 2024, 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 that came into effect as endorsed by the Financial Supervisory Commission.

Basis for opinion

We conducted our audits in accordance with the Regulations Governing Financial Statement Audit and Attestation Engagements of Certified Public Accountants and Standards on Auditing of the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of 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 judgment, were of most significance in our audit of the Group's 2025 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 2025 consolidated financial statements are stated as follows:

Appropriateness of cut-off of stamping die sales revenue

Description

Refer to Note 4(23) for accounting policies on operating revenue and Note 6(15) for details of operating revenue.

The Group's revenue is mainly derived from automotive sheet metal stamping die sold by the assembly plant and stamping factory. As the automotive industry belongs to a buyer's market, revenue is recognised when customers accept the products and the control of products has been transferred to customers.

Given that revenue recognition involves several manual processes which may affect the accuracy of sales revenue recognition timing, and revenue is significant to the consolidated financial statements, we considered the cut-off of sales revenue as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the above key audit matter:

1. Obtained an understanding of and inspected the procedures on sales revenue recognition

of automotive sheet metal stamping die. Assessed and tested the effectiveness of design and performance of the internal control procedures on sales revenue recognition, and confirmed whether they were adopted consistently during the comparative period of the consolidated financial statements.

2. Performed confirmation on the Company's accounts receivable around the year-end date in order to check whether recorded accounts receivable and customers' recognition timing are reasonable.
3. Verified items recognised as sales revenue for a certain period before and after the balance sheet date, and verified the date on the acceptance receipts that had been signed by customers in order to check the accuracy of cut-off timing.

Valuation of allowance for inventory valuation losses

Description

Refer to Note 4(10) for accounting policy on inventory valuation, Note 5(2) for uncertainty of accounting estimates and assumptions in relation to inventory valuation, and Note 6(3) for the details of inventory.

The Group is primarily engaged in the manufacture, processing and trading of automotive sheet metal stamping die and gauge. As the manufacturing cycle is longer than one year, there is a high possibility that inventory valuation loss would occur due to fluctuations in prices of materials, labor costs and demand. The Group's inventories are measured at the lower of cost and net realisable value, and the Group provides allowance for inventory valuation loss on inventories that are over a certain age and inventories individually identified as obsolete or slow-moving.

Inventory of \$1,566,864 (constituting 46% of total assets) is significant to the financial statements, and the assessment of net realisable value involves subjective judgment resulting in a high degree of estimation uncertainty. Thus, we considered the valuation of allowance for inventory valuation losses as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the above key audit matter:

1. Assessed the reasonableness of policies and procedures on allowance for inventory valuation loss, based on our understanding of the operations and industry of the Group.
2. Obtained an understanding of the inventory control procedures, and reviewed year-end inventory count plan and participated in the year-end inventory counting event;
3. Obtained the Group's allowance for inventory valuation loss report, and selected a sample of inventories to test the accuracy of calculation logic and information.
4. Interviewed with management to obtain supporting documents in relation to net realisable value, selected samples and reviewed the related data to assess the adequacy of allowance for inventory valuation loss.

Assessment of going concern assumption

Description

As of December 31, 2025, the Group's accumulated losses aggregated to one half of its paid-in capital. The liabilities due within one year or one operating cycle amounted to \$486,903 thousand as described in Notes 6(7), (10). The management of the Company has proposed its plan to improve the Company's operations and financial situation in Note 12(4). Given that the management's plans would significantly affect the Company's financial situation within 12 months from the balance sheet date, we considered the assessment of going concern assumption as a key audit matter.

How our audit addressed the matter

We performed the following audit procedures in relation to the above key audit matter:

1. Obtained management's plans to improve the Group's operations and financial situation and discussed the execution of such plans with the management.

2. Obtained the Group's projected cash flows within 12 months from the balance sheet date which were prepared by management and assessed its reasonableness, including:
 - (a) Obtaining and comparing the collection plan for the next 12 months with the actual result in a certain period after the balance sheet date.
 - (b) Comparing the basis of forecast financial information used by management with changes in cash outflows over the past year.
 - (c) Checking the terms and conditions of corporate bonds and borrowing contracts to ensure that there is no default resulting in unexpected cash outflows.
 - (d) Reviewing the financing contracts to confirm the undrawn borrowing facilities.
3. Assessed the appropriateness of the disclosure in the notes to the financial statements made by management.

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 that came into effect 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 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 Standards on Auditing of 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 Standards on Auditing of the Republic of China, we exercise professional judgment and professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The 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, Ching Chang

Liao, Fu-Ming

For and on Behalf of PricewaterhouseCoopers, Taiwan

March 10, 2025

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 independent auditors' report 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.

HORNG SHIUE HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Assets		Notes	December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current assets						
1100	Cash and cash equivalents	6(1)	\$ 478,159	14	\$ 479,658	15
1150	Notes receivable, net	6(2)	305,159	9	225,961	7
1170	Accounts receivable, net	6(2) and 8	323,066	10	458,861	15
1200	Other receivables		4,022	-	4,253	-
130X	Inventory	6(3)	1,556,864	46	1,294,673	40
1470	Other current assets	6(6) and 8	98,304	3	102,486	3
11XX	Total current assets		2,765,574	82	2,565,892	80
Non-current assets						
1600	Property, plant and equipment	6(4)	456,799	13	469,403	14
1755	Right-of-use assets	6(5) and 8	122,778	4	148,389	5
1780	Intangible assets		6,147	-	5,778	-
1840	Deferred income tax assets	6(22)	19,741	1	21,284	1
1900	Other non-current assets	6(6) and 8	10,178	-	11,014	-
15XX	Total non-current assets		615,643	18	655,868	20
1XXX	Total assets		\$ 3,381,217	100	\$ 3,221,760	100

(Continued)

HORNG SHIUE HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Liabilities and Equity			December 31, 2025		December 31, 2024	
			AMOUNT	%	AMOUNT	%
Current liabilities						
2100	Short-term borrowings	6(7)	\$ 378,480	11	\$ 290,839	9
2130	Current contract liabilities	6(15)	855,259	25	691,800	22
2150	Notes payable		146,939	5	204,785	6
2170	Accounts payable	6(8)	784,051	23	765,396	24
2200	Other payables	6(9)	101,244	3	97,533	3
2230	Current tax liabilities		3,399	-	-	-
2280	Current lease liabilities	6(5)	24,508	1	22,168	1
2320	Long-term liabilities, current portion	6(10)	108,423	3	75,217	2
21XX	Total current liabilities		2,402,303	71	2,147,738	67
Non-current liabilities						
2540	Long-term borrowings	6(10)	41,855	1	171,403	5
2580	Non-current lease liabilities	6(5)	129,966	4	158,606	5
25XX	Total non-current liabilities		171,821	5	330,009	10
2XXX	Total liabilities		2,574,124	76	2,477,747	77
Equity						
	Share capital	6(12)				
3110	Common stock		693,736	20	693,736	22
	Capital surplus	6(13)				
3200	Capital surplus		622,308	19	622,308	19
	Retained earnings	6(14)				
3310	Legal reserve		16,253	-	16,253	-
3320	Special reserve		34,425	1	34,425	1
3350	Accumulated deficit		(522,754)	(15)	(607,345)	(19)
	Other equity interest					
3400	Other equity interest		(36,875)	(1)	(15,364)	-
3XXX	Total equity		807,093	24	744,013	23
	Significant Contingent Liabilities and	9				
	Unrecognized Contractual					
	Commitments					
	Significant Subsequent Events	11				
3X2X	Total liabilities and equity		\$ 3,381,217	100	\$ 3,221,760	100

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

HORNG SHIUE HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2025 AND 2024

(Expressed in thousands of New Taiwan dollars, except for earnings per share amount)

			Year ended December 31			
			2025		2024	
Items	Notes		AMOUNT	%	AMOUNT	%
4000 Sales revenue	6(15)		\$ 1,739,108	100	\$ 1,911,540	100
5000 Operating costs	6(3)(19)(20)		(1,488,786)	(86)	(1,746,469)	(91)
5900 Net operating margin			<u>250,322</u>	<u>14</u>	<u>165,071</u>	<u>9</u>
Operating expenses	6(19)(20)					
6100 Selling expenses			(16,930)	(1)	(19,128)	(1)
6200 General and administrative expenses			(85,648)	(5)	(87,599)	(5)
6300 Research and development expenses			(35,156)	(2)	(27,656)	(1)
6450 (Impairment loss) impairment gain and reversal of impairment loss determined in accordance with IFRS 9	6(19)		(9,094)	-	2,713	-
6000 Total operating expenses			(146,828)	(8)	(131,670)	(7)
6900 Operating profit			<u>103,494</u>	<u>6</u>	<u>33,401</u>	<u>2</u>
Non-operating income and expenses						
7100 Interest income	6(16)		4,836	-	4,378	-
7010 Other income	6(17)		8,131	-	26,377	1
7020 Other gains and losses	6(18)		(3,224)	-	(5,486)	-
7050 Finance costs	6(21)		(24,282)	(1)	(28,695)	(1)
7000 Total non-operating income and expenses			(14,539)	(1)	(3,426)	-
7900 Profit before income tax			88,955	5	29,975	2
7950 Income tax expense	6(22)		(4,364)	-	(13,241)	(1)
8200 Profit for the year			<u>\$ 84,591</u>	<u>5</u>	<u>\$ 16,734</u>	<u>1</u>
Other comprehensive income						
Components of other comprehensive income that will be reclassified to profit or loss						
8361 Exchange differences on translation			(\$ 21,511)	(1)	\$ 48,673	2
8300 Other comprehensive (loss) income for the year			(\$ 21,511)	(1)	\$ 48,673	2
8500 Total comprehensive income for the year			<u>\$ 63,080</u>	<u>4</u>	<u>\$ 65,407</u>	<u>3</u>
Earnings per share (in dollars)	6(23)					
9750 Basic earnings per share			<u>\$ 1.22</u>		<u>\$ 0.24</u>	
9850 Diluted earnings per share			<u>\$ 1.22</u>		<u>\$ 0.24</u>	

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

HORNG SHIUE HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

Notes	Equity attributable to owners of the parent						
	Share capital - common stock	Total capital surplus, additional paid- in capital	Accumulated deficit			Financial statements translation differences of foreign operations	Total equity
			Legal reserve	Special reserve	Accumulated deficit		
	\$ 693,736	\$ 622,308	\$ 16,253	\$ 34,425	(\$ 624,079)	(\$ 64,037)	\$ 678,606
	-	-	-	-	16,734	-	16,734
	-	-	-	-	-	48,673	48,673
	-	-	-	-	16,734	48,673	65,407
	<u>\$ 693,736</u>	<u>\$ 622,308</u>	<u>\$ 16,253</u>	<u>\$ 34,425</u>	<u>(\$ 607,345)</u>	<u>(\$ 15,364)</u>	<u>\$ 744,013</u>
	<u>\$ 693,736</u>	<u>\$ 622,308</u>	<u>\$ 16,253</u>	<u>\$ 34,425</u>	<u>(\$ 607,345)</u>	<u>(\$ 15,364)</u>	<u>\$ 744,013</u>
	-	-	-	-	84,591	-	84,591
	-	-	-	-	-	(21,511)	(21,511)
	-	-	-	-	84,591	(21,511)	63,080
	<u>\$ 693,736</u>	<u>\$ 622,308</u>	<u>\$ 16,253</u>	<u>\$ 34,425</u>	<u>(\$ 522,754)</u>	<u>(\$ 36,875)</u>	<u>\$ 807,093</u>

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

HORNG SHIUE HOLDING CO., LTD. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in thousands of New Taiwan dollars)

		Year ended December 31	
	Notes	2025	2024
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Profit before tax		\$ 88,955	\$ 29,975
Adjustments			
Adjustments to reconcile profit (loss)			
Depreciation	6(19)	89,667	94,739
Amortisation	6(19)	7,110	7,585
Expected credit loss (gain)	6(19) and 12(2)	9,094	(2,713)
Interest income	6(16)	(4,836)	(4,378)
Interest expense	6(21)	24,282	28,695
(Gain) losses on disposals of property, plant and equipment	6(18)	(50)	213
Changes in operating assets and liabilities			
Changes in operating assets			
Notes receivable	(	82,865)	(57,594)
Accounts receivable		113,698	(7,553)
Other receivables	(	4,630)	3,270
Inventories	(	286,793)	339,493
Prepayments		6,324	(16,264)
Other current assets	(	126)	42,801
Changes in operating liabilities			
Contract liabilities		176,167	(204,928)
Notes payable	(	52,094)	78,090
Accounts payable		36,400	(34,093)
Other payables		8,813	93,172
Current provisions		-	(44,198)
Cash inflow generated from operations		129,116	346,312
Interest received		4,836	4,378
Interest paid	(	21,097)	(20,919)
Net cash flows from operating activities		112,855	329,771
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Acquisition of property, plant and equipment	6(24)	(63,981)	(8,865)
Proceeds from disposal of property, plant and equipment		2,403	-
Acquisition of intangible assets	6(24)	(6,447)	(5,598)
Increase in refundable deposits	(	9,962)	(14,845)
Decrease (increase) in other non-current assets		6,105	(4,068)
Net cash flows used in investing activities	(	71,882)	(33,376)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Proceeds from short-term debt	6(25)	415,084	288,796
Repayments of short-term debt	6(25)	(322,454)	(212,868)
Proceeds from long-term debt	6(25)	21,847	180,780
Repayments of long-term debt	6(25)	(110,762)	(174,001)
Payments of lease liabilities	6(25)	(28,540)	(23,253)
Net cash flows (used in) from financing activities	(	24,825)	59,454
Effect of exchange rate change	(	17,647)	(108,307)
Net (decrease) increase in cash and cash equivalents	(	1,499)	247,542
Cash and cash equivalents at beginning of year		479,658	232,116
Cash and cash equivalents at end of year		\$ 478,159	\$ 479,658

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

HORNG SHIUE HOLDING CO., LTD.

Deficit Compensation Statement 2025

Unit: NT\$

Accumulated deficit of prior years	(607,345,055)
Net Profit of 2025	84,591,707
Accumulated deficit yet to be compensated	(522,753,348)

Chairman: Wei Yuan, Lin  Manager: Guang Rui, Chen  Accounting Manager: ShengFei, Ning 

HORNG SHIUE HOLDING CO., LTD.
Comparison Table for ARTICLES OF ASSOCIATION

No.	Current Provisions	Proposed Amendments	Explanations
Article 34	(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, <u>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.</u> 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.	(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. 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.	In order to comply with the Taiwan Stock Exchange's announcement on February 4, 2026, under the number 1151700475, to amend the "Checklist for the Protection of Shareholders' Rights in the Country of Registration of Foreign Issuers" (hereinafter referred to as the "Checklist for the Protection of Shareholders' Rights"), Article 34, Paragraph 1 is amended.

No.	Current Provisions	Proposed Amendments	Explanations
Article 37	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, the TPEx or the TWSE (where applicable) <u>twenty-one (21)</u> 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. <u>However, in the event the Company's total paid-in capital as of the close of the most recent financial year reaches NT\$2 billion or more, or when the aggregate number of Shares held by the foreign investors and Mainland Chinese investors reached thirty percent (30%) or more as recorded in the Register at the time of holding of the general meeting in the most recent financial year, the Company shall upload the electronic files of the abovementioned manual and relevant materials thirty (30) days prior to the scheduled date of the relevant annual general meeting.</u>	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, the TPEx or the TWSE (where applicable) <u>thirty (30)</u> 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.	To comply with the requirements of the Checklist for the Protection of Shareholders' Rights, Article 37 is amended.

HORNG SHIUE HOLDING CO., LTD.
Comparison Table for the Amended Articles of
“Rules of Procedure for Shareholders’ Meeting”

Clause	Draft of revised article	Current version	Reason for revision
Article 3	Items one through three are omitted. <u>The Company shall, 30 days prior to the Annual General Meeting or 15 days prior to the Extraordinary General Meeting, prepare and transmit electronic files of the following documents to the Public Information Observation Station: the notice of the General Meeting, proxy forms, relevant approval motions, discussion motions, the reasons and explanations for all motions concerning the election or removal of directors, the meeting proceedings manual, and supplementary meeting materials. The Company shall, 15 days prior to the General Meeting, prepare the meeting proceedings manual and supplementary meeting materials for shareholders to access at any time and make them available to the Company and its appointed professional stock brokerage agencies.</u> The following is omitted.	Items one through three are omitted. The company shall, 30 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the power of attorney, the reasons and explanations for various proposals, such as the admission proposal, the discussion proposal, the election or dismissal of directors, etc. The data is made into an electronic file and sent to the Public Information Observatory. And 21 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting, the shareholders' meeting manual and meeting supplementary materials, make electronic files and send them to the public information observation station, but the company's paid-in capital at the end of the most recent fiscal year If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen days before the shareholders' meeting, prepare	In accordance with Article 6, Paragraph 4 of the "Regulations Governing the Recording and Compliance of Shareholders' Meeting Procedural Manuals for Publicly Offered Companies," the scope of the requirement to disclose the procedural manual and related information 30 days prior to the Annual General Meeting has been expanded to all listed and over-the-counter companies.

		the manual of the shareholders' meeting and supplementary materials for the meeting for shareholders to request at any time, and display them in the company and the professional stock affairs agency appointed by the company. The following is omitted.	
Article 13	Items one through six are omitted. <u>If a shareholders' meeting proposes an election of directors and the number of candidates exceeds the number of seats to be filled, proposes the removal of directors, or proposes a motion as defined in Articles 185 and 316 of the Company Act, Articles 18, 27, 29, and 35 of the Enterprise Mergers and Acquisitions Act, or Articles 24(2)(1) and 26(2)(1) of the Financial Holding Company Act, the chairman should appoint a lawyer, accountant, or notary public as scrutineers.</u> <u>The person appointed by the chairman pursuant to the preceding paragraph cannot be responsible for matters related to the voting procedure, nor can they be a director, manager, or employee of the company or its related enterprises.</u> <u>The scrutineers shall supervise the voting and counting process and sign the election results tally sheet.</u> <u>If scrutineers are appointed pursuant to item eight, the minutes of the shareholders' meeting shall state the name and title of</u>	Items one through six are omitted. (The following items are omitted)	1. When a shareholders' meeting proposes the election of directors and the number of candidates exceeds the number of seats to be filled, proposes the removal of directors, or proposes resolutions as defined in Articles 185 and 316 of the Companies Act, Articles 18, 27, 29, and 35 of the Mergers and Acquisitions Act, or Articles 24(2)(1) and 26(2)(1) of the Financial Holding Companies Act, the chairman should appoint a lawyer, accountant, or notary public as scrutineers. 2. Referring to the Malaysian Listing Rules, a ninth provision is added: scrutineers appointed by the chairman under Article VIII must possess professional qualifications and independence to avoid disputes. Regarding independence, scrutineers must not participate in matters related to the voting process of the shareholders' meeting, nor be directors,

	<u>the scrutineers.</u> (The following items are moved to the next item in sequence)		managers, or employees of the company or its related entities. 3. Clarifying that the responsibilities of general scrutineers and independent scrutineers are to supervise the voting and counting process at the shareholders' meeting and sign the election results tally sheet to indicate accountability, a tenth provision is added. 4. in accordance with the listing rules of Singapore and Hong Kong, the names of scrutineers should be included in the minutes of shareholders' meetings to enhance transparency. Therefore, an eleventh item is added, requiring that the name and title of the independent scrutineer in Item 8 be included in the minutes.
Article 24	These rules were enacted on September 18, 2016. This rule was first revised on June 27, 2019. This rule was revised on June 29, 2021. This rule was revised on June 29, 2022. This rule was revised on June 29, 2023. <u>This rule was revised on May 25, 2026.</u>	These rules were enacted on September 18, 2016. This rule was first revised on June 27, 2019. This rule was revised on June 29, 2021. This rule was revised on June 29, 2022. This rule was revised on June 29, 2023.	Indicate the date of revision of these rules.

HORNG SHIUE HOLDING CO., LTD.

Rules of Procedure for Shareholders' Meeting(Before Revision)

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.

Article3 Unless otherwise provided by law or regulation, this Corporation's shareholders meetings shall be convened by the board of directors. The board of directors or other authorized conveners of shareholders' meetings may require a company or its shareholder service agent to provide with the roster of shareholders.

The company shall hold a videoconference of the shareholders' meeting, unless otherwise stipulated in the stock affairs handling guidelines of companies offering shares to the public, which shall be specified in the articles of association and shall be resolved by the board of directors. A resolution approved by more than half of the directors shall be implemented. Changes in the method of convening the shareholders' meeting of the company shall be resolved by the board of directors, and shall be implemented no later than the dispatch of the notice of the shareholders' meeting.

The company shall, 30 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting, submit the notice of the shareholders' meeting, the power of attorney, the reasons and explanations for various proposals, such as the admission proposal, the discussion proposal, the election or dismissal of directors, etc. The data is made into an electronic file and sent to the Public Information Observatory. And 21 days before the regular shareholders' meeting or 15 days before the extraordinary shareholders' meeting, the shareholders' meeting manual and meeting supplementary materials, make electronic files and send them to the public information observation station, but the company's paid-in capital at the end of the most recent fiscal year If the amount reaches NT\$10 billion or more, or if the shareholders' list of shareholders held a regular meeting in the most recent fiscal year and the total shareholding ratio of foreign capital and mainland capital reaches 30% or more, the e-mail should be opened 30 days before the regular shareholders' meeting is completed. File transfer. Fifteen

days before the shareholders' meeting, prepare the manual of the shareholders' meeting and supplementary materials for the meeting for shareholders to request at any time, and display them in the company and the professional stock affairs agency appointed by the company.

On the day of the general meeting of shareholders, the Company shall provide shareholders with reference to the procedural manual and meeting supplementary materials mentioned in the preceding paragraph in the following manner:

1. When the physical shareholder meeting is held, it shall be issued on the spot of the shareholder meeting.
2. When convening a video-assisted shareholders' meeting, it shall be distributed at the site of the shareholders' meeting and sent to the video conference platform as an electronic file.
3. When convening a video conference, the electronic file shall be sent to the video conference platform.

The notice and announcement shall state the cause of the convening; the notice may be obtained electronically by the counterparty.

The following essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as extemporary motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice:

1. Election or dismissal of director.
2. Amendments to the articles of incorporation.
3. (i) The dissolution, merger, or demerger of the corporation, (ii) Enter into, amend, or terminate any contract for lease of the company's business in whole, or for entrusted business, or for regular joint operation with others, (iii) Transfer the whole or any essential part of its business or assets; or (iv) Acquire or accept the transfer of another's whole business or assets, which has great bearing on the business operation of the company.
4. Make the approval for a director who does anything for himself or on behalf of another person that is within the scope of the company's business.
5. Distribute all or part of the reserve by issuing new shares and equity capital.
6. By issuing new shares or cash to distribute the legal reserve and the income derived from the issuance of new shares at a premium, and capital reserve due to the income from endowments received by the company.
7. The company privately placed securities with equity characteristics.
8. To issue employee stock warrants that are not subject to the exercise price restriction which may not be lower than the closing price of the company stocks as of the issuing date.
9. An issuer applies for issuance of new restricted employee shares.
10. Reduction of capital or purchase of shares of the company in accordance with the provisions of Paragraph 1, Article 24 of Regulation of the

Company, and shall be written off.

11. Application for the approval of ceasing its status as a public company. Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal or an email for discussion at a regular shareholders' meeting. Unless any of the following circumstances is satisfied, the board of directors of the company shall include the proposal submitted by a shareholder in the list of proposals to be discussed at a regular meeting of shareholders:

1. The shareholder that makes the said proposal possesses the number of shares of the company which is less than one percent (1%) of the total number of outstanding shares prior to the book closure date before a regular shareholders meeting is held.
2. Where the subject (the issue) of the said proposal cannot be settled or resolved by a resolution to be adopted at a meeting of shareholders.
3. Where a proposal contains more than one matter or more than 300 words.
4. Where the said proposal is submitted on a day beyond the deadline fixed and announced by the company for accepting shareholders' proposals.

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.

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 electronic means, 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. After the power of attorney is delivered to the company, shareholders wishing

to attend the shareholders' meeting by videoconference shall notify the company in writing of the cancellation of the proxy two days before the shareholders' meeting;

Article5 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. When the company holds a video-conference shareholders meeting, it is not subject to the restriction on the venue of the preceding paragraph.

Article6 The Company shall specify in the notice of the meeting the time and place of registration of the accepting shareholders, solicitors, and authorized agents (hereinafter referred to as “shareholders”), and other matters to be noted. The time for accepting shareholder registration in the preceding paragraph shall be handled at least 30 minutes before the meeting starts; the registration office shall be clearly marked, and adequate and competent personnel shall be assigned to handle it; the shareholders meeting video meeting shall be held 30 minutes before the meeting starts at the shareholders meeting The meeting platform accepts registration, and shareholders who complete the registration are deemed to have attended the shareholders' meeting in person. Shareholders should present their attendance certificates, attendance cards or other attendance certificates to attend the shareholders' meeting. The company shall not arbitrarily add other certificates to the certificates that shareholders rely on for attendance; the solicitor who is a solicitation letter of attorney shall bring his identity certificate , for verification. The company shall set up a signature book for the attendance of shareholders to sign in, or the attendance card shall be submitted by the attending shareholder to sign in. The company shall deliver the meeting manual, annual report, attendance certificate, speech slips, votes and other meeting materials to the shareholders attending the shareholders' meeting; if there are directors to be elected, the ballots shall be attached. When the government or legal person is the shareholder, the representative attending the shareholders meeting is not limited to one person. When a legal person is entrusted to attend a shareholders' meeting, it may only designate one representative to attend. If the shareholders meeting is convened by videoconference, shareholders who wish to attend by videoconference shall register with the company two days before the shareholders meeting. If the shareholders' meeting is held by video conference, the company shall upload the procedure manual, annual report and other relevant materials to the shareholders' meeting video conference platform at least 30 minutes before the start of the meeting, and continue to disclose them until the end of the

meeting.

Article 6-1 When the company holds a shareholders meeting via videoconference, the following items shall be specified in the shareholders meeting convening notice:

1. Shareholders' participation in video conferences and methods for exercising their rights.
2. How to deal with obstacles caused by natural disasters, accidents, or other force majeure events, including at least the following items:
 - (1) The time at which the meeting must be postponed or resumed due to the occurrence of previous obstacles that cannot be eliminated, and the date when the meeting must be postponed or continued.
 - (2) Shareholders who have not registered to participate in the original shareholders' meeting through video conference shall not participate in the postponed or continued meeting.
 - (3) To convene a video-assisted shareholders' meeting, if the video conference cannot be continued, after deducting the number of shares attending the shareholders' meeting via video conference, the total number of shares attended reaches the statutory quota for the shareholders' meeting, the shareholders' meeting should continue and participate in the video conference. Shareholders, whose number of shares attended shall be included in the total number of shareholders' shares present, shall be deemed to have abstained from voting on all proposals at the shareholders' meeting.
 - (4) How to deal with the situation where all the motions have been announced and no provisional motions have been made.
3. To convene a video-conference shareholders meeting, which shall specify appropriate alternative measures for shareholders who have difficulty participating in video-conferencing.

Article 7 If a shareholders' meeting is called by the board of directors, the board chairman shall preside at the said shareholders' meeting. In case the chairman is on leave of absence, or cannot exercise his powers and authority, an agent acting on his behalf shall be appointed according to the regulations in the Company Act. It is advisable that shareholders meetings convened by the board of directors be attended by a majority of the directors. 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. 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 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 the company's regulation, the recording shall be retained until the conclusion of the litigation. If the shareholders' meeting is held by video conference, the company shall keep records of shareholders' registration, registration, registration, questioning, voting, and company vote counting results, etc., and record and video the entire process of the video conference continuously.

The company shall properly preserve the materials and audio and video recordings in the preceding paragraph during the period of existence, and provide the audio and video recordings to the person entrusted to handle the video conferencing affairs for storage.

If the shareholders' meeting is held by video conference, the company should make audio and video recordings of the background operation interface of the video conference platform.

Article 9 Attendance at the shareholders' meeting shall be calculated on the basis of shares. The number of shares attended is calculated based on the number of shares registered on the signature book or attendance card and video conferencing platform, plus the number of shares that exercise voting rights in written or electronic means.

When the meeting time has expired, the chairman shall immediately announce the opening of the meeting, and at the same time announce relevant information such as the number of non-voting rights and the number of shares present. However, when shareholders representing more than half of the total number of issued shares are not present, the chairman may announce the postponement of the meeting. The number of postponements is limited to two, and the total delay time shall not exceed one hour. If shareholders representing more than half of the total number of issued shares are still present after two delays, the chairman shall announce the adjournment; if the shareholders' meeting is held by video conference, the company shall also announce the adjournment on the video conference platform of the shareholders' meeting.

Article 10 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 attending shareholders may elect 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 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.

If the shareholders meeting is convened by video conference, shareholders who participate in the video conference may ask questions in text on the shareholders meeting video conference platform after the chairman announces the meeting and before the meeting is closed. The number of questions for each proposal shall not exceed two times. The limit is 200 characters, and the provisions of items 1 to 5 do not apply.

If the question in the preceding paragraph does not violate the regulations or exceed the scope of the proposal, it is advisable to disclose the question on the video conferencing platform of the shareholders meeting for public awareness.

Article 12 Voting at a shareholders meeting shall be calculated based the number of 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 13A 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.

1. The share(s) of a company that are held by the issuing company itself in accordance with the laws
2. The shares of a holding company that are held by its subordinate company directly or indirectly, where the total number of voting shares or total shares equity held by the holding company in such a subordinate company represents more than one half of the total number of voting shares or the total shares equity of our company.
3. The shares of a holding company and its subordinate company(ies) that are held by another company, where the total number of the shares or total shares equity of that company held by the holding company and its subordinate company(ies) directly or indirectly represents more than one half of the total number of voting shares or the total share equity of such a company.

When the company convenes a general meeting of shareholders, it may exercise its voting rights in written or electronic means; when exercising its voting rights in written or electronic means, the method of exercise shall be specified in the shareholders meeting convening notice. Shareholders who exercise their voting rights in writing or electronically shall be deemed to have attended the shareholders' meeting in person. However, the interim motions and amendments to the original proposals at the shareholders' meeting are deemed as abstentions, so the company should avoid proposing interim motions and amendments to the original proposals.

For those who exercise their voting rights in writing or electronically in the preceding paragraph, their declaration of intent shall be delivered to the company five days before the shareholders meeting. However, this does not apply to those who express their intention before the declaration is revoked. After shareholders exercise their voting rights in writing or electronically, if they want to attend the shareholders' meeting in person or via video, they should revoke the declaration of intention to exercise voting rights in the

preceding paragraph in the same way as exercising voting rights two days before the shareholders' meeting; Voting rights exercised electronically shall prevail. If voting rights are exercised in written or electronic means and a proxy is authorized to attend the shareholders' meeting with a power of attorney, the voting rights performed by the proxy shall prevail.

Unless otherwise provided for by the Company Law and the Articles of Association of the company, voting on proposals shall be passed with the consent of more than half of the voting rights of the shareholders present. When voting, the chairman or the person designated by him shall announce the total number of voting rights of the attending shareholders on a case-by-case basis, and the shareholders shall vote on a case-by-case basis, and on the day after the shareholders' meeting, the shareholders' approval, objection and abstention results shall be entered into the Public Information Observatory.

When there is an amendment or alternative to the same proposal, the chairman shall determine the order of voting with the original proposal. If one of the proposals has been passed, the other proposals shall be deemed to be rejected, and there is no need to vote again.

The scrutiny and counting personnel for voting on proposals shall be designated by the chairman, but the scrutiny personnel shall have the status of shareholders.

The counting of votes or election proposals at the shareholders' meeting shall be done in a public place at the shareholders' meeting, and after the counting of votes is completed, the voting results shall be announced on the spot, including the counting weights, and shall be recorded.

The company holds a video meeting of the shareholders meeting. Shareholders who participate in the video conference shall vote on various proposals and election proposals through the video conference platform after the chairman announces the opening of the meeting. deemed a waiver. If the shareholders' meeting is convened by videoconference, after the chairman announces that the voting is over, the votes shall be counted at one time, 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 via videoconference in accordance with the provisions of Article 6, and wish to attend the physical shareholders' meeting in person, shall cancel the registration in the same manner as the registration two days before the shareholders' meeting; Those who cancel after the deadline can only attend the shareholders' meeting via video conference.

Those who exercise voting rights in writing or electronically without revoking their declaration of intention and participate in the shareholders' meeting by videoconference shall not exercise voting rights on the original proposals, propose amendments to the original proposals, or exercise voting rights on amendments to the original proposals, except for ad hoc motions.

Article 14 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, and the names of directors and supervisors not elected and number of votes they received.

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 our company's regulation, the ballots shall be retained until the conclusion of the litigation.

Article 15 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.

If the shareholders meeting is convened by videoconference, in addition to the matters that shall be recorded in accordance with the provisions of the preceding paragraph, the minutes shall also record the start and end time of the shareholders meeting, the method of convening the meeting, the name of the chairman and the minutes, and records of events caused by natural disasters, accidents or other force majeure. The handling method and handling situation when there is an obstacle to the video conferencing platform or participation in the form of video.

The Company shall hold a video-conference shareholders meeting, in addition to following the provisions of the preceding paragraph, and shall state in the minutes of the meeting that there are alternative measures provided by shareholders who have difficulties in participating in the video-conferencing method.

Article 16 The number of shares acquired by the solicitor, the number of shares represented by the entrusted agent, and the number of shares attended by shareholders in written or electronic form, the company shall, on the day of the shareholders' meeting, compile a statistical table in accordance with the prescribed format, and make it clear at the shareholders' meeting. If the shareholders meeting is held by video conference, the company shall upload the aforementioned information to the shareholders meeting video

conference platform at least 30 minutes before the start of the meeting, and continue to disclose it until the end of the meeting.

When the company holds a video conference of the shareholders' meeting and announces the meeting, the total number of shareholders' shares present shall be disclosed on the video conference platform. The same shall apply if the total number of shares and voting rights of shareholders present are counted separately during the meeting.

For resolutions of the shareholders' meeting, if there is significant information required by laws and regulations or Taiwan Stock Exchange Co., Ltd., the company shall transmit the content to the public information observation station within the specified time.

Article 17 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 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 our company's regulation.

Article 19 If the shareholders' meeting is held by 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 ends, and shall continue to Uncover for at least fifteen minutes.

Article 20 When the company holds a video-conference shareholders meeting, the chairman and the recorder shall be at the same place in China, and the chairman shall announce the address of the place at the time of the meeting.

Article 21 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 the meeting and during the meeting to assist in dealing with technical problems in communication. If the shareholders' meeting is convened by video-conference, the chairman shall, when announcing the opening of the meeting, separately announce that there is no need to postpone or continue the meeting except for the circumstances specified in Item 24, Article 44 of the Standards for the Handling of Stock Affairs of Public Offering Companies. Before the adjournment of the meeting, due to natural disasters, accidents or other force majeure, if the video conferencing platform or participation in video conferencing is obstructed and lasts for more than 30 minutes, the date of the meeting shall be postponed or continued within five days, and the company law does not apply. Article 182.

Shareholders who have not registered to participate in the original shareholders' meeting via video conference shall not participate in the postponed or continued meeting in the event of the occurrence of the preceding paragraph.

The meeting shall be postponed or resumed according to the provisions of Paragraph 2. Shareholders who have registered to participate in the original shareholders' meeting and completed the registration through video conference, and those who have not participated in the postponed or continued meeting, the number of shares attended at the original shareholders' meeting, the voting rights exercised and Voting rights shall be included in the total number of shares, voting rights and voting rights of shareholders present at the postponed or resumed meeting.

When adjourning or adjourning a general meeting of shareholders in accordance with the provisions of Paragraph 2, no re-discussion and resolution is required for proposals that have completed voting and counting, and announced the voting results or the list of elected directors and supervisors.

When the company convenes a video-assisted shareholders' meeting and the video conference cannot be continued under Paragraph 2, if after deducting the number of shares present at the shareholders' meeting by video-conference, the total number of shares present still reaches the statutory quota for the shareholders' meeting, the shareholders' meeting shall continue. There is no need to postpone or continue the meeting in accordance with the provisions of the second paragraph.

In the event that the meeting should continue as mentioned in the preceding paragraph, the shareholders who participate in the shareholders meeting via videoconference shall be included in the total number of shares of the shareholders present, but shall be deemed to have abstained from voting on all the resolutions of the shareholders meeting.

When the company postpones or continues the meeting in accordance with

the provisions of the second paragraph, it shall follow the provisions listed in Article 44-2-7 of the Standards for the Handling of Share Affairs of Public Offering Companies, and handle relevant matters in accordance with the original date of the shareholders' meeting and the provisions of each article. Preliminary work.

The second paragraph of Article 12 and Item 3 of Article 13 of the Rules for the Use of Power of Attorneys for Attending Shareholders' Meetings by Public Issue Companies, the Second Item of Article 44-5, and Article 44-10 of the Guidelines for the Handling of Stock Affairs of Public Issue Companies 5. During the period specified in Paragraph 1 of Article 44-17, the company shall postpone or continue the date of the shareholder meeting in accordance with the provisions of Paragraph 2.

Article 22 When the company holds a video-conference shareholders meeting, it shall provide appropriate alternative measures for shareholders who have difficulty in attending the shareholders' meeting via video conference.

Article 23 These Rules, and any amendments hereto, shall be implemented after adoption by shareholders meetings, [Implemented from the date of listing of the company's shares on the Taiwan Stock Exchange Co., Ltd. - First listing case].

Article 24 This regulation was stated on September 18, 2016.

This regulation was first revised on June 27, 2019.

This regulation was second revised on June 29, 2019.

This regulation was third revised on June 29, 2023.

1.

Company Number: BS-298016

THE CAYMAN ISLANDS
THE COMPANIES ACT (Before Revision)
AMENDED AND RESTATED MEMORANDUM AND
ARTICLES OF ASSOCIATION

OF

HORNG SHIUE HOLDING CO., LTD.
宏旭控股股份有限公司

Incorporated on the 24th day of March, 2015

(as adopted by a Special Resolution passed on 23th May, 2025)

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

AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION

OF

HORNG SHIUE HOLDING CO., LTD.

宏旭控股股份有限公司

(as adopted by a Special Resolution passed on 23th May, 2025)

1. The name of the Company is HORNG SHIUE HOLDING CO., LTD. 宏旭控股股份有限公司.
2. The Registered Office of the Company shall be situated at the offices of Portcullis (Cayman) Ltd. at The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, 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 Act (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 Act (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 Act (as revised) or to carry on insurance business from within the Cayman Islands or the business of an insurance manager, agent, sub-agent or broker without being licensed in that behalf under the Insurance Law (as revised) or to carry on the business of company management without being licensed in that behalf under the Companies Management Act (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. When conducting business, the Company shall comply with the laws and regulations as well as business ethics, and may take actions that will promote public interests in order to fulfil its

social responsibilities.

8. The liability of each member is limited to the amount from time to time unpaid on such member's shares.
9. The share capital of the Company is NT\$2,000,000,000 divided into 200,000,000 ordinary shares of a nominal or par value of NT\$10 each with power for the Company, subject to the provisions of the Companies Act (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.
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 ACT (ASREVISED)
COMPANY LIMITED BY SHARES

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

HORNG SHIUE HOLDING CO., LTD.

宏旭控股股份有限公司

(as adopted by a Special Resolution passed on 23th May, 2025)

INTERPRETATION

1. The Regulations contained or incorporated in Table A of the First Schedule of the Companies Act (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 Business Mergers And Acquisitions 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 TPEx 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;
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 generated and treated as capital reserve pursuant to the Applicable Listing Rules or generally accepted accounting principles;
Chairman	has the meaning given thereto in Article 69;
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	HORNG SHIUE HOLDING CO., LTD. (宏旭控股股份有限公司);
Consolidation	the combination of two or more constituent companies into a consolidated company which is the new company that results from the consolidation of the constituent companies 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;

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 Paragraph (4) of Article 23;
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 TPEx 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 104;
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 Act (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; (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); or

- (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 TPEX, 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	any 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. (as revised), 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 95;
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;
- (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); or
- (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 part of it to an existing or a newly incorporated company as consideration for that existing transferee company or newly incorporated transferee company to give shares, cash or other assets to the transferor company or to shareholders of the transferor company;

Statutory Reserve	a reserve set aside in an amount equal to ten percent (10%) of the total amount of after-tax net profit for the period and other items adjusted to the then-current year's undistributed earnings other than after-tax net profit for the period as calculated by the Company under the Applicable Listing Rules;
Subordinate Company	any company (a) of which a majority of the total outstanding voting shares or the total amount of the capital stock is held by the Company; (b) in which the Company has a direct or indirect control over the management of the personnel, financial or business operation of that company; (c) of which a majority of directors in such company are contemporarily acting as directors in the Company; or (d) 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;
TPEX	the Taipei Exchange in Taiwan;
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 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, if during the Relevant Period, 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, if during the Relevant Period, the 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, bonuses and other distributions 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. During the Relevant Period, 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.
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, in compliance with the Law and the Applicable Listing Rules and subject to receipt of the subscription price from each subscriber, 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 the Board resolves to issue Shares. The Company shall make a public announcement in accordance with the Applicable Listing Rules prior to the delivery of such Shares.
- (2) When the total number of Shares in every issuance has been subscribed to in full, the Company shall immediately request each of the subscribers for payment. Where the Company issues Shares at a premium, the amount in excess of par value shall be collected at the same time with the payment for Shares. Where a subscriber delays payment for Shares as mentioned above, the Company shall prescribe a period of not less than one (1) month and call upon each subscriber to pay up, declaring that in case of default of payment within that prescribed period the subscriber's right shall be forfeited. After the Company have made the aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the Shares subscribed to by them shall be otherwise sold. Under such circumstances, the Company may hold the subscriber liable for compensating the damage, if any, resulting from such default in payment.
- (3) The Company shall not issue bearer Shares.
- (4) The Company shall not issue any unpaid Shares or partial paid-up Shares to any Person. For the avoidance of doubt, a subscriber who fails to pay up the Shares pursuant to Paragraph (2) of this Article will not be considered a Member until the Shares to be subscribed are paid in full, and only if the Shares the subscriber subscribed have been paid in full may the subscriber's name be entered in the Register.
- (5) The Company shall neither issue Shares without par value nor convert its Shares from Shares with par value to Shares without par value.
8. During the Relevant Period:
- (a) upon each issuance of new Shares, 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 Subparagraph (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 (i) the Commission, the TPEx and/or the TWSE (where applicable) considers such public offering unnecessary or inappropriate or (ii) the Applicable Listing Rules provide otherwise.
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. (1) Subparagraph (a) of Article 8 and Article 9 shall not apply whenever the new Shares are issued due to the following reasons:
- (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 save as otherwise provided by these Articles;
 - (b) in connection with meeting the Company's obligation under Share subscription warrants and/or options granted to the Employees;
 - (c) in connection with distribution of the Employees' compensation;
 - (d) in connection with meeting the Company's obligation under corporate bonds which are convertible bonds or vested with rights to acquire Shares;
 - (e) in connection with meeting the Company's obligation under share subscription warrant or Preferred Shares vested with rights to acquire Shares; or
 - (f) in connection with issuance of new Shares to the existing Members by capitalisation of the Company's reserves in accordance with these Articles.

- (2) Article 8 and Article 9 shall not apply to any of the following circumstances:
 - (a) the Company, as the surviving company, issues new Shares for a Merger, or the Company issues new shares for the Merger between its subsidiary and other companies;
 - (b) all new Shares are issued as consideration for being acquired by the other company with the intention of takeover;
 - (c) all new Shares are issued as consideration for the acquisition of issued shares, business, or assets of other companies;
 - (d) new Shares are issued for the share exchange entered into by the Company,
 - (e) new Shares are issued for a Spin-off effected by the transferor company;
 - (f) new Shares are issued in connection with any Private Placement conducted pursuant to Article 13; or
 - (g) new Shares are issued 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.
 - (3) New Shares issued for any of the circumstances in the preceding Paragraph may be paid up in cash or assets as required for the business of the Company.
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 issue new Shares with restricted rights to Employees of the Company and/or its Subordinate Companies, subject to approval of Shareholders at a general meeting by a majority of the Shareholders present who represent two-thirds or more of the total issued and outstanding Shares, and in the event the total number of shares represented by the Shareholders present at a general meeting is less than the percentage of the total issued and outstanding Shares required in the preceding sentence, a resolution related thereto may be adopted by two-thirds of the voting rights exercised by the Shareholders present at the general meeting who represent a majority of the total issued and outstanding Shares, 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. (as revised).

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 46 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. The Board or any other authorized conveners of general meetings of the Company may request that the Company or the Company's Shareholder Service Agent provide a copy of the Register for inspection.
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. (1) Subject to the Law and these Articles, Shares may be issued on the terms that they are, or at the option of the Company or the holder are, to be redeemed on such terms and in such manner as the Company, before the issue of the shares, may by Special Resolution determine.
- (2) 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 these Articles, 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.
- (2) During the Relevant Period:
 - (a) 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 profits, premium on capital stock, and realized Capital Reserve.
 - (b) Such resolutions of the Board approving purchases of Shares and the implementation thereof (including 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 of the Company.
- 22. (1) Shares repurchased, redeemed or acquired (by way of surrender or otherwise) by the Company shall be cancelled immediately or held as Treasury Shares, upon such terms and manner and subject to such conditions as the Board thinks fit.
- (2) During the Relevant Period, all matters relating to the Company's redemption and repurchase of Shares shall be subject to the Law and the Applicable Listing Rules.
- 23. (1) Subject to the Law, for so long as the Company holds Treasury Shares, the Company shall be entered in the Register as the holder of the Treasury Shares, provided that:
 - (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) the Treasury Shares shall not be pledged or encumbered in any manner whatsoever;

- (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/bonus 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.
- (2) Subject to the Law and these Articles, any or all Treasury Shares may at any time be canceled or transferred to any person (including the Employees; the qualifications of such employees shall be determined by the Board, subject to Paragraph (5) of this Article) upon such terms and manner and subject to such conditions as the Board thinks fit. The Board may determine, at its discretion, the terms and conditions (including a lock-up period restricting the transfer of any Treasury Shares transferred to the Employees pursuant to this Paragraph (2) for a term of up to two (2) years) of such transfer.
- (3) 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.
- (4) Subject to Paragraph (5) of this Article and the Law, the Company may, by way of a Special Resolution passed at the next 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' equity, 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.

- (5) The total aggregate amount of the Treasury Shares to be transferred to the Employees pursuant to the Discount Transfer in accordance with Paragraph (4) of this Article shall not exceed five percent (5%) of the total number of issued and outstanding Shares of the Company, and each Employee shall not subscribe for more than point five percent (0.5%) of the total issued and outstanding Shares of the Company in aggregate.
24. (1) Notwithstanding anything to the contrary contained in these Articles but subject to the Law, the Company may carry out a compulsory purchase and cancellation of its Shares on a pro rata basis (rounded up or down to the nearest whole number) among the Shareholders in proportion to the number of Shares held by each such Shareholder subject to approval by a Special Resolution. The purchase price payable to the Shareholders in connection with a purchase of Shares described in the preceding sentence may be paid in cash or in kind. 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, such purchase and cancellation shall be made only at any time other than during the Relevant Period, and subject to the Law and the Applicable Listing Rules, the Board is empowered to authorize and carry out such repurchase and cancellation without approval by Special Resolution in accordance with the preceding Paragraph.

TRANSFER AND TRANSMISSION OF SHARES

25. Subject to the Law and the Applicable Listing Rules and unless otherwise provided by these Articles, the Shares shall be freely transferable.
26. 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 28.

NON-RECOGNITION OF TRUSTS

27. Except as required by Law or the Applicable Listing Rules, no person shall be recognised by the Company as holding any Share upon any trust, and the Company shall not, unless required by Law or the Applicable Listing Rules, 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 the Applicable Listing Rules 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

28. (1) The Board may fix in advance the record date(s) for (a) determining the Members entitled to receive any dividend/bonus, 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, way of a written ballot 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/bonus, 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 (the “**Book Closure Period**”) 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 Book Closure Period, the respective convening date of the general meeting or the relevant target date shall be included.

GENERAL MEETINGS

29. 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 Commission, the TPEX or the TWSE (where applicable). The annual general meeting shall be convened by the Board.
30. 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.
31. During the Relevant Period, all general meetings to be held in physical locations 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.
32. (1) Any one or more Member(s) may, by depositing the requisition notice specifying the proposals to be resolved and the reasons thereof, request the Board to convene an extraordinary general meeting, provided that such Member or Members continuously holds at least three percent (3%) of the issued Shares of the Company as at the date of deposit of the requisition notice for a period of at least one (1) year immediately prior to that date. 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) continuously holding more than half of the total issued Shares of the Company for a period of no less than three (3) months may convene an extraordinary general meeting. The number of Shares held by such Member or Members and the holding period of which such Member or Members hold such Shares shall be calculated and determined based on the Register as of the first day of the Book Closure Period.
33. 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

34. (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 email, telex or telefax. At any time other than the Relevant Period, a general meeting may be convened by such shorter 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.
35. (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 57, 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.
36. 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 contents may be posted on the website designated by the R.O.C. competent authorities or the Company, and such website shall be indicated in the notice:

- (a) any election or removal of Director(s);
- (b) any alteration of the Memorandum and/or these Articles;
- (c) any capital reduction or compulsory purchase and cancellation of Shares pursuant to Paragraph (1) of Article 24;
- (d) applying for the approval of ceasing the status as a public company;
- (e) any dissolution, voluntary winding-up, Merger, share exchange, 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, bonuses or other distributions payable on or in respect of the Share in whole or in part by way of issuance of new Shares; and
- (l) capitalisation of the Company's Statutory 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.

37. 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, the TPEX 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. However, in the event the Company's total paid-in capital as of the close of the most recent financial year reaches NT\$2 billion or more, or when the aggregate number of Shares held by the foreign investors and Mainland Chinese investors reached thirty percent (30%) or more as recorded in the Register at the time of holding of the general meeting in the most recent financial year, the Company shall upload the electronic files of the abovementioned manual and relevant materials thirty (30) days prior to the scheduled date of the relevant annual general meeting.
38. 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

39. (1) 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.
- (2) When a general meeting is held, a Member may participate in the general meeting through the medium of video conference call or any other form of communications designated and announced by the competent authority set forth in the Company Act of the R.O.C.; provided

that in case of calamities, unforeseen incidents, or force majeure, the competent authority set forth in the Company Act of the R.O.C. may announce and designate that during a prescribed period the Company shall hold a general meeting by means of video conference call or any other form of communications without regard to lack of express provisions in these Articles. A Member participating in this way is deemed to be present in person at the general meeting.

- (3) With respect to participation of a general meeting through the medium of video conference call referred to in the preceding Paragraph, the Company shall comply with the conditions, operating procedures and other matters prescribed by the Applicable Listing Rules.
40. (1) During the Relevant Period, one or more Member(s) holding one percent (1%) or more of the total issued 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.
- (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:
 - (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 Shares in the Register upon commencement of the Book Closure Period before the relevant annual general meeting of the Company;
 - (c) the proposal contains more than one matter;
 - (d) the proposal contains more than three hundred (300) words; or
 - (e) the proposal is submitted after the expiration of the specified period announced by the Company for submitting proposals.
 - (5) If a proposal submitted by Member(s) is intended to urge the Company to promote public interests or fulfil its social responsibilities, the Board may include the proposal notwithstanding that one of the circumstances set forth in the preceding Paragraph (4) of this Article applies.
 - (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.
41. 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.

42. 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.
43. 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.
44. At any general meeting, a resolution put to the vote of the meeting shall be decided on a poll.
45. 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.
46. (1) 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, bonuses or other distributions in whole or in part by way of issuance of new Shares;
 - (e) effect any Spin-off of the Company;
 - (f) enter into any share exchange;
 - (g) authorise a plan of Merger or Consolidation involving the Company;
 - (h) resolve that the Company be wound up voluntarily for reasons other than the reason provided in Article 47;
 - (i) carry out a Private Placement;
 - (j) grant a waiver to a Director's non-competition obligation, or approve a Director to engage in activities in competition with the Company;
 - (k) change its name;
 - (l) change the currency denomination of its share capital;
 - (m) 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;
 - (n) consolidate and divide all or any of its share capital into Shares of a larger par value than its existing Shares;
 - (o) subdivide its existing Shares, or any of them, into Shares of a smaller par value than is fixed by the Memorandum;
 - (p) 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;
 - (q) subject to these Articles (including without limitation Articles 16 and 17), alter or amend the Memorandum or these Articles, in whole or in part;
 - (r) reduce its share capital and any fund of the capital redemption reserve in any manner authorised by the Law and the Applicable Listing Rules;
 - (s) appoint an inspector to examine the affairs of the Company under the Law;

(t) [Intentionally *Deleted*]; and

(u) apply for approval of ceasing the status as a public company.

(2) Notwithstanding anything contained in these Articles, unless otherwise provided by the Law and the Applicable Listing Rules, in case the Company is dissolved after participating in the merger/consolidation or the Company is delisted from the TPEx or TWSE due to the general transfer (or the assignment of all rights and delegation of all duties of the Company), the transfer of business or assets of the Company, any share exchange or any Spin-off entered into or carried out by the Company while the surviving, transferee, existing or newly incorporated company is not a listed company (including TWSE/TPEx listed company), any such action aforementioned shall be approved by the affirmative vote of at least two-thirds (2/3) of the total votes cast by the Members of the Company.

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

48. (1) Subject to the compliance with the Law, in the event any of the resolutions with respect to the matter(s) as set out in Subparagraph (a), (b) or (c) of Paragraph (1) of Article 46 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 Subparagraph (b) of Paragraph (1) of Article 46 and at the same meeting the resolution for the winding up of the Company is also adopted.

(2) Subject to the compliance with the Law, in the event that the Company resolves to carry out any Spin-Off, Consolidation, Merger, acquisition or share exchange (collectively, the "**Merger and Acquisition**"), a Member expressing his dissent in accordance with the Applicable Listing Rules may request the Company to purchase all of his Shares at the then prevailing fair price.

(3) Without prejudice to the Law, a Member who votes against or waives his voting right at the meeting may request the Company to repurchase all of his Shares pursuant to Paragraphs (2) of this Article. In the event the Company and such Member fail to reach an agreement on the purchase price within sixty (60) days following the date of the resolution, the Company shall, within thirty (30) days after such sixty (60) days period, file a petition against all Members who fail to reach such an agreement (collectively, the "**Dissenting Members**") with the R.O.C. Courts for a ruling on the appraisal price, and may designate Taiwan Taipei District Court of the R.O.C. as the court of first instance. Any and all votes waived by a Member referred to in this Paragraph shall not be counted toward the number of votes represented by the Members present at a general meeting.

(4) Without prejudice to the Law, a Member making a request pursuant to Paragraphs (1) or (2) of this Article shall make such request in writing within twenty (20) days after the date of the general meeting adopting resolutions with respect to the matter(s) as set out in Subparagraph (a), (b) or (c) of Paragraph (1) of Article 46 or the Merger and Acquisition, and specify the repurchase price. If the Member and the Company reach an agreement on the repurchase price, the Company shall pay for the Shares to be repurchased within ninety (90) days after the date of the general meeting adopting such resolutions. In case no agreement is reached, the Company shall pay the fair repurchase price determined at its discretion to the

Dissenting Members with whom the Company fail to reach an agreement within ninety (90) days after the date of the general meeting adopting such resolutions. If the Company fails to pay the price, it shall be considered to have accepted the repurchase price proposed by such Dissenting Members.

(5) Notwithstanding Paragraphs (2), (3) and (4) of this Article, nothing under this Article shall restrict or prohibit a Member from exercising his right under section 238 of the Companies Act (As Revised) of the Cayman Islands and any amendment or other statutory modification thereof to payment of the fair value of his shares upon dissenting from a Consolidation or Merger.

49. 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 of the R.O.C., as applicable, for an appropriate remedy, including but not limited to, requesting the court to invalidate and cancel the resolution adopted therein.
50. 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.
51. 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.

VOTES OF MEMBERS

52. 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.
53. 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.
54. 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.
55. 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.

56. (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.
57. To the extent permitted by the Law, 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. Notwithstanding the foregoing, during the Relevant Period, subject to the Applicable Listing Rules, the Company shall adopt the electronic transmission as one of the methods for exercising the voting power of a Member. 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.

58. 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 remain valid.

PROXY

59. (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 matters to be entrusted by the Member or to be voted upon pursuant to such proxy, and (c) the basic identification information of the Member as appointor, the proxy and the proxy solicitor (if any) and shall be sent out together with the notice of general meeting to all Members on the same day.
60. 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.
61. 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.
62. A Member who has served the Company with his voting decision in accordance with Article 57 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.
63. 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 57, 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.

64. 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

65. (1) The Board shall consist of not less than five (5) or more than nine (9) 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(s) to be nominated for election as Director in accordance with these Articles.
- (4) 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 (a) the number of votes conferred by such Member's Shares and (b) 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. Notwithstanding anything to the contrary in these Articles, at any time other than the Relevant Period, the Company may by Ordinary Resolution appoint any Person to be a Director or remove any Director from office.
- (5) 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.
66. The Company may, whenever it thinks fit, adopt and apply a candidate nomination mechanism for election of any of the Directors in accordance with the Applicable Listing Rules. Notwithstanding the foregoing, during the Relevant Period, a candidate nomination mechanism shall be adopted for election of all Directors. Upon adoption of candidate nomination mechanism, the Directors and Independent Directors shall be elected by the Members at a general meeting from among the nominees listed in the respective rosters of director candidates and independent

director candidates. Subject to the Law and the Applicable Listing Rules, the Board may establish detailed rules and procedures for such candidate nomination.

67. 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.
68. (1) Unless otherwise provided by these Articles, 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 Directors may be put up for re-election at any time before the expiration of the term of office of such Directors. In the event where all Directors are subject for re-election at a general meeting before the expiration of the term of office of such Directors, subject to the successful election of the new Directors at the same meeting, the term of office of all current Directors is deemed to have expired on the date of the re-election if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office or any other date as otherwise resolved by the Members at the general meeting.
69. 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.
70. 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 (a) the extent of a Director's involvement with the operations of the Company, (b) the contribution of a Director to the Company, (c) the prevailing industry standard and (d) such other relevant factors.
71. 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.
72. 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.

73. (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, exercise due care and skill and act in the best interest of the Company in conducting the business operation of the Company, including matters in connection with Spin-off, Consolidation, Merger, or acquisition 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 Paragraphs 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.
74. 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.
75. 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).
76. 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

77. (1) During the Relevant Period, the number of Independent Directors of the Company shall not be less than three (3) or one-third of the total number of Directors at any time, whichever is greater. Two (2) of the Independent Directors shall have resident status of the R.O.C. (such resident status being registered with local government authorities) PROVIDED HOWEVER that the number of Independent Directors of the Company shall not be less than four (4) when the Chairman is also the general manager or holds an office equivalent to the general manager or when a spousal relationship or a familial relationship within the first degree of kinship as defined under the Civil Code of Taiwan exists between the Chairman and the general manager of the Company or between the Chairman and an officer equivalent to the general manager of the Company.
- (2) 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.

78. 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

79. (1) 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.
- (2) If the Board fails to comply with the Applicable Listing Rules, these Articles and any resolutions passed in a general meeting in dealing with matters in connection with Spin-off, Consolidation, Merger, or acquisition of the Company, as a result of which the Company suffers damages, any Director involved in decision-making related thereto shall be liable to the Company in respect of the damages suffered by the Company. However, a Director may be exempted from the liability if the minutes of the Board meeting or written statement demonstrates such Director's dissent.
- (3) Except as otherwise provided by these Articles, the compensation to be paid to the Directors shall be determined by the Board in accordance with the standard prevalent in the industry by reference to recommendation made by the remuneration committee (if established). Such compensation shall be deemed to accrue from day to day, and the Directors shall also be entitled to be paid their travelling, hotel and other expenses properly incurred by them in going to, attending and returning from Board meetings of the Directors, or any committee established under Article 82, or general meetings of the Company, or otherwise in connection with the business of the Company, or to receive a fixed allowance in respect thereof as may be determined by the Board from time to time, or a combination partly of one such method and partly the other.
80. 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.
81. 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

82. 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.
- 82.1(1) During the Relevant Period, unless otherwise provided by the Law and the Applicable Listing Rules, the Company shall establish an audit committee; regulations governing the professional qualifications for its members, the formation of audit committee, the exercise of their powers of office, and related matters shall be prescribed and amended from time to time by the Board in accordance with the Applicable Listing Rules.
- (2) The audit committee of the Company shall be composed of all the Independent Directors. The audit committee shall not be fewer than three Persons in number, one of whom shall be convener, and at least one of whom shall have accounting or financial expertise. A resolution of the audit committee shall have the concurrence of one-half or more of the members of the audit committee.
- (3) The following matters shall be subject to the consent of one-half or more of all members of the audit committee of the Company and shall be thereafter submitted to the Board for a resolution:
- (a) Adoption or amendment of an internal control system.
 - (b) Assessment of the effectiveness of the internal control system.
 - (c) Adoption or amendment of handling procedures for financial or operational actions of material significance, such as acquisition or disposal of assets, derivatives trading, extension of monetary loans to others, or endorsements or guarantees for others.
 - (d) A matter bearing on the personal interest of a Director.
 - (e) A material asset or derivatives transaction.
 - (f) A material monetary loan, endorsement, or provision of guarantee.
 - (g) The offering, issuance, or Private Placement of any equity-type securities.
 - (h) The hiring or dismissal of an Auditor, 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.

(k) Any other material matter so required by the Company or the competent authority.

- (4) With the exception of Subparagraph (j) above, any matter under a subparagraph of the preceding Paragraph that has not been approved with the consent of one-half or more of all members of the audit committee of the Company may be undertaken upon the approval of two-thirds or more of the Directors, without regard to the restrictions of the preceding Paragraph, and such resolution of the audit committee of the Company shall be recorded in the minutes of the Board meeting.

82.2(1) During the Relevant Period, unless otherwise provided by the Law and the Applicable Listing Rules, the Company shall establish a remuneration committee; regulations governing the professional qualifications for its members, the formation of remuneration committee, the exercise of their powers of office, and related matters shall be prescribed and amended from time to time by the Board in accordance with the Applicable Listing Rules. Remuneration referred to in this Paragraph shall include salary, stock options, and any other substantive incentive measures for Directors and managerial officers under the Law or the Applicable Listing Rules.

- (2) The members of the remuneration committee of the Company shall be appointed by the Board and shall not be fewer than three members, a majority of whom shall be the Independent Directors.

- (3) The remuneration committee of the Company shall exercise the care of a good administrator and in good faith when performing the official powers listed below, and shall submit its recommendations for deliberation by the Board:

(a) Prescribe and periodically review the performance review and remuneration policy, system, standards, and structure for Directors and officers.

(b) Periodically evaluate and prescribe the remuneration of Directors and officers.

(c) Any other material matter so required by the Company or the competent authority.

82.3(1) During the Relevant Period, prior to any resolution of the Merger and Acquisition by the Board, the audit committee of the Company shall review the fairness and reasonableness of the plan and transaction of the Merger and Acquisition, and then submit review results to the Board and the general meeting of the Company. However, the audit committee of the Company may elect not to submit the aforesaid review results to the Members at a general meeting if the Law provides that the Merger and Acquisition to be resolved requires no approval by the Members.

- (2) When reviewing the abovementioned matters, the audit committee of the Company shall seek opinions from an independent expert on the reasonableness of the share exchange ratio or the distribution of cash or other assets.

- (3) The Company shall send the review results of the audit committee of the Company and opinions of independent experts to all Members together with the notice of general meeting in which the Merger and Acquisition is to be resolved. However, the Company shall report the Merger and Acquisition to the Members at the most recent general meeting if the Law provides that the Merger and Acquisition to be resolved requires no approval by the Members.

- (4) If the Company posted the aforesaid review results and opinions of independent experts

on a website designated by the R.O.C. competent authorities and arranged for the same documents to be made available at the venue of the general meeting of the Company for inspection by Members, those documents shall be deemed as having been sent to all Members.

DISQUALIFICATION AND VACATION OF OFFICE OF DIRECTORS

83. (1) During the Relevant Period, 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 either (i) he has not started serving the sentence, (ii) he has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than five (5) years;
 - (b) has been imposed a final sentence involving imprisonment for a term of more than one year for commitment of fraud, breach of trust or misappropriation, and either (i) he has not started serving the sentence, (ii) he has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;
 - (c) has been imposed a final sentence due to violation of the Anti-corruption Act, and either (i) he has not started serving the sentence, (ii) he has not completed serving the sentence, or (iii) the time elapsed after completion of serving the sentence, expiration of the probation, or pardon is less than two (2) years;
 - (d) becomes bankrupt or is adjudicated of commencement of liquidation proceeding by a court under the laws of any jurisdiction and has not been reinstated to his rights and privileges;
 - (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 an order has been made by any competent court or authority on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and such order has not been revoked, or his legal capacity is restricted according to the applicable laws;
 - (g) 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;
 - (h) ceases to be a Director by virtue of Article 84;
 - (i) resigns his office by notice in writing to the Company;
 - (j) is removed from office pursuant to these Articles; or
 - (k) 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 (other than Independent Director) has transferred some or all his Shares during the term of his office as a Director, such that the remaining Shares held by him are less than one half of the Shares being held by him at the time he was elected, he shall, ipso facto, cease to act as a Director and be removed from the position of Director automatically.
- (3) During the Relevant Period, if a Director (other than Independent Director), (a) after

having been elected and before his inauguration of the office of a Director, has transferred some or all his Shares held by him such that the remaining Shares are less than one half of the Shares held by such Director at the time of his election or, (b) within the Book Closure Period fixed prior to the general meeting for the election of such Director, has transferred some or all his Shares held by him such that the remaining Shares are less than one half of the Shares held at the commencement of the Book Closure Period, his election as a Director shall be deemed invalid and void.

84. Except as approved by the Commission, the TPEx or the TWSE (where applicable), the following relationships shall not exist among half or the majority of the Directors: (a) a spousal relationship; or (b) 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.
85. 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 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.
86. Subject to the Law, one or more Members holding one percent (1%) or more of the total number of the issued Shares continuously for a period of six (6) months or a longer time may request in writing 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 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.

PROCEEDINGS OF THE BOARD

87. 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. During the Relevant Period, the 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.

88. 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 upon a written notice given in accordance with the Applicable Listing Rules. 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. Any notice or waiver thereof may be given by email, telex or telefax.
89. 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.
90. 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.
91. 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. When the Company conducts any Spin-Off, Consolidation, Merger, or acquisition, a Director who bears any interest in the transaction shall explain the essential contents of such personal interest and the reason of approval or disapproval of the resolution in connection with the transaction in a meeting of the Board and the general meeting of the Company. The Company shall specify in the notice of general meeting with descriptions of the essential contents of a Director's personal interest and the reason of approval or disapproval of the resolution in connection with the transaction. The essential contents may be posted on the website designated by the R.O.C. competent authorities or the Company, and such website shall be indicated in the above notice. Where the spouse, a blood relative within the second degree of kinship of a Director as defined under the Civil Code of R.O.C., or any company which has a controlling or subordinate relation with a Director bear any interest in the matter under discussion at a Board meeting, such Director shall be deemed to bear a personal interest in the matter. 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.
92. Subject to these Articles, the continuing Directors may act notwithstanding any vacancy in their body.
93. 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 email, telex or 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.

94. 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 Public Companies of the R.O.C.).

RESERVES AND CAPITALISATION

95. During the Relevant Period, the Company shall set aside out of the profits of the Company for each financial year: (a) a reserve for payment of tax for the relevant financial year; and (b) an amount to offset losses incurred in previous year(s); and (c) a Statutory Reserve in accordance with the Applicable Listing Rules, and after the aforesaid sums as set aside from the profits for such relevant financial year for any purpose to which the profits of the Company may be properly applied, the Board shall, before recommending any dividend or bonuses, set aside the remaining profits of the Company in whole or in part for the relevant financial year as a special reserve or reserves in accordance with the order from the Commission, and the Company may also, under these Articles or by Special Resolution of the general meeting, set aside another sum as a special reserve or reserves (collectively, the "**Special Reserve**").
96. Unless otherwise provided in the Law, the Applicable Listing Rules and these Articles, neither the Statutory Reserve nor the Capital Reserve shall be used except for offsetting the losses of the Company. The Company shall not use the Capital Reserve to offset its capital losses unless the Statutory Reserve and Special Reserve set aside for purposes of loss offset is insufficient to offset such losses.
97. (1) During the Relevant Period, subject to the Law, where the Company incurs no loss, it may, by a Special Resolution, distribute its Statutory 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//bonus 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.
98. Where any difficulty arises in regard to any declaration of share dividends or share bonuses or other similar 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.

COMPENSATION, DIVIDENDS AND BONUSES

99. 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/bonuses (including interim dividends/bonuses), and other distributions to the Members by issuing new, fully paid Shares and/or by cash in proportion to the number of Shares held by them respectively and authorise payment of the same out of the funds of the Company lawfully available therefore. The Directors may, before declaring any dividends, bonuses or distributions, set aside such sums as they think proper as a reserve or reserves which shall at the discretion of the Directors, be applicable for any purpose of the Company and pending such application may, at the like discretion, be employed in the business or investments of the Company.
- 100.(1) As the Company is in the growing stage, the dividend/bonuses of the Company may be distributed in the form of cash dividends/bonuses and/or stock dividends/bonuses. The Company shall take into consideration the Company's capital expenditures, future expansion plans, and financial structure, funds requirement and other plans for sustainable development needs in assessing the amount of dividends/bonuses the Company wishes to distribute.
- (2) During the Relevant Period, subject to the Law, the Applicable Listing Rules and these Articles, where the Company has annual profits at the end of a financial year, upon the approval of a majority of the Directors present at a meeting attended by at least two-thirds or more of the total number of the Directors, the Company may distribute not less than zero point five percent (0.5%) and not more than eight percent (8%) of the profits for such year to the Employees as the Employees' compensation in the form of shares and/or in cash and may distribute not more than five percent (5%) hereof to the Directors as the Directors' compensation, provided, however, that the total amount of accumulated losses of the Company (including adjusted undistributed profits) shall be reserved from the said profits in advance, and the Company shall distribute the remaining balance thereof to the Employees and Directors in the proportion set out above. A report of such distribution of Employee and Directors' compensation shall be submitted to the general meeting of the Company. Except otherwise set forth by the Applicable Listing Rules, any Directors' compensation shall not be paid in the form of shares. The term "annual profits" as used herein shall mean the annual profits for such year before tax without deducting the amount of compensation distributed to the Employees and Directors as prescribed in this Paragraph (2) of this Article.
- (3) 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, where the Company still has annual net profit for the year, after paying all relevant taxes, offsetting losses (including losses of previous years and adjusted undistributed profits, if any), setting aside the Statutory Reserve of the remaining profits in accordance with the Applicable Listing Rules (provided that the setting aside of the Statutory Reserve does not apply if the aggregate amount of the Statutory Reserve amounts to the Company's total paid-in capital), and setting aside the Special Reserve (if any), the Company may distribute not less than ten percent (10%) of the remaining balance (including the amounts reversed from the Special Reserve) (the "**Distributable Profit**"), plus accumulated undistributed profits of previous years (including adjusted undistributed profits) in part or in whole as determined by an Ordinary Resolution passed at an annual general meeting of the Company duly convened and held in accordance with these Articles to the Members as dividends/bonuses

in proportion to the number of Shares held by them respectively pursuant to these Articles, provided that, cash dividends/bonuses shall not be less than ten percent (10%) of the total amount of dividends/bonuses to Members. If the Distributable Profit is less than one percent (1%) of the paid-in capital of the Company, as determined by an Ordinary Resolution, the Company may not distribute dividends/bonuses to the Members in accordance with this Paragraph in such year (i.e., no or less dividends/bonuses are paid).

- (4) During the Relevant Period, unless otherwise resolved by the general meeting of the Company, the Employees and Directors' compensations and dividends, bonuses or other forms of distributions payable to the Members shall be declared in NTD.
- (5) The Board may deduct from the dividends, bonuses or any other amount payable to the Member in respect of the Share any amount (if any) due by such Member to the Company on account of calls or otherwise in relation to the Share.
- (6) Any dividend, bonus or other monies payable on or in respect of the Share may be paid by wire transfer to the bank account nominated by the Member or by cheque or warrant sent through a post to the registered address of the Member, or to such Person and to such address as the holder may nominate in writing. In the case of joint Members, any of them may give a valid receipt for the dividend, bonus or other monies payable on or in respect of the Share.
- (7) Subject to the Law and the Applicable Listing Rules, any Special Reserve may be reversed to undistributed profits of the Company.

101. 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 or bonuses to the Members declared in accordance with the preceding Article by way of applying such sum in paying up in full unissued Shares for allocation and distribution to the Members.

102. 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

103.(1) 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.

- (2) If the Company keeps its accounting records and books of account at any place outside the Cayman Islands in accordance with the preceding paragraph, it shall, upon service of an order or notice pursuant to the Tax Information Authority Act and any amendment or other statutory modification thereof, make available, in electronic form or any other medium at its Registered Office copies of its books of account, or any part or parts thereof, as are specified in such order or notice.

104. During the Relevant Period, at the end of each financial year, the Board shall prepare: (a) the

business report; (b) the financial statements which include all the documents and information as required by the Law and the Applicable Listing Rules (the "**Financial Statements**"); and (c) 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.

105. 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.
106. 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.
107. During the Relevant Period, 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 inspecting, transcribing and making copies of the above documents; the Company shall make Shareholder Service Agent provide the above documents.
108. 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

109. Subject to the Law and the Applicable Listing Rules, during the Relevant Period, within fifteen (15) days after receipt of the copy of the public tender offer report form, the public tender offer prospectus, and relevant documents, the Company shall make a public announcement of the following:
 - (a) the types, number and amount of Shares held by the Directors and any Member holding more than ten percent (10%) of the total issued and outstanding Shares;
 - (b) the recommendations made by the Board to the Members on such tender offer, which shall set forth the identity and financial status of the tender offeror, fairness of the tender offer conditions, verification on rationality of source of fund for tender offer, and the names of the Directors who abstain or object to the tender offer and the reason(s) therefor;
 - (c) whether there is any material change in the financial condition of the Company after the delivery of its most recent financial report and the contents of such change, if any;
 - (d) the types, number and amount of the shares of the tender offeror or its affiliates held by the Directors and the Members holding more than ten percent (10%) of the total issued and outstanding Shares; and

(e) other relevant significant information.

- 109.1(1) Subject to the Law and the Applicable Listing Rules, during the Relevant Period, upon receipt of the copy of the public tender offer report form, the public tender offer prospectus, and relevant documents, the Company shall promptly form a review committee and publicly announce the results of the review as well as the documentation showing that the members of the review committee meet the requirements set forth under Paragraph (2) of this Article within fifteen (15) days. The review committee shall investigate and review the identity and financial conditions of the offeror, fairness of tender offer conditions and reasonableness of the sources of the tender offer funds, and make recommendations to the Members with respect to such said tender offer.
- (2) The constitution, qualifications of the members, power, authority and other requirements for the review committee, which are not covered by these Articles, shall be in compliance with the Applicable Listing Rules.

WINDING UP

110. 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.
111. 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 and distribute amongst the Members the whole or any part of the property of the Company (whether they shall consist of property of the same kind or not) in cash or asset 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.
112. 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

113. 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 TPEX 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.

114. 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.
115. 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.
116. 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

117. 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

118. 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

119. The Company shall adopt a Seal by resolution of the Board and, subject to the Law, the Company may also have a duplicate Seal or Seals for use in any place or places outside of the Cayman Islands. The use and management of the Seal (or duplicate Seals) may be determined by the Board from time to time pursuant to the adoption of any regulation governing the use and management of seals of the Company in accordance with the Applicable Listing Rules.

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

- 120.(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

- 121. 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.

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HORNG SHIUE HOLDING CO., LTD.

Shareholdings of All Directors

The numbers of shares held by the directors thereof as recorded in the shareholders' register as of the book closure date for that shareholders' meeting:

The closure date of the shareholder's meeting: 2026.03.27

Title	Name	Date of election	Recorded shares held	Shareholding ratio
Chairman	Wei Yuan Co.,Ltd. Representative: Lin Wei-Yuan	2025.05.23	6,225,000	8.97%
Director	Wei YuanCo.,Ltd. Representative:Lin Han-Wei	2025.05.23	6,225,000	
Director	Si YuanCo.,Ltd. Representative:Lin Mei-Ying	2025.05.23	6,000,000	8.65%
Director	Si Yuan Co.,Ltd. Representative:Lin, Xian-Ping	2025.05.23	6,000,000	
Independent director	Wang, Shu-cai	2025.05.23	-	—
Independent director	Cai, Jin-long	2025.05.23	-	—
Independent director	LING,TIAN-SHENG	2025.05.23	-	—
Independent director	PAN,YI-SHAN	2025.05.23	-	—

Note 1. The paid-in capital was NT\$693,735,960 and the number of issued shares was 69,373,596.