Stock Code: 2923

Sino Horizon Holdings Limited

2021 Shareholders' Meeting

Meeting Manual

Meeting Date: June 25, 2021 (Friday) at 9 A.M.

Venue: No. 5, Section 5, Xinyi Road, Xinyi District, Taipei City (Conference Room #2, Exhibition Hall 1, Taipei World Trade Center)

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Sino Horizon Holdings Limited

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Sino Horizon Holdings Limited

2021 Shareholders' Meeting Agenda

1. Date: June 25, 2021 (Friday) at 9 A.M.
2. Venue: No. 5, Section 5, Xinyi Road, Xinyi District, Taipei City (Conference Room #2, Exhibition Hall 1, Taipei World Trade Center).
3. Chairman's Remarks.
4. Matters to be reported:

   Proposal #1: 2020 Business Report.

   Proposal #2: 2020 Audit Committee Review Report.

   Proposal #3: The Company’s report on the 2020 distribution of remuneration to employees and directors.
5. Matters to be Ratified:

   Proposal #1: The Company's 2020 Business Report and consolidated financial statements.

   Proposal #2: The Company's 2020 profit distribution proposal.
6. Extraordinary Motions.
7. Meeting Adjourned.

Matters to be Reported

Proposal #1 (Proposed by the Board of Directors)

Motion: Please review the Company's Business Report for 2020.

Description: The 2020 Business Report is attached herein (please refer to Attachment 1, Pages 10-12 of this Manual).

Matters to be Reported

Proposal #2 (Proposed by the Board of Directors)

Motion: Please review 2020 Audit Committee Review Report.

Description: The Audit Committee Review Report is attached herein (please refer to Attachment 2, Page 13 of this Manual).

Matters to be Reported

Proposal #3 (Proposed by the Board of Directors)

Motion: The Company’ s report on the 2020 distribution of remuneration to employees and directors.

Description: 1. Pursuant to the Company's Articles of Incorporation, if the Company has profit for the year, at rates of no higher than 3% of net profit before the current year’s income tax shall be set aside as remuneration to employees, and at rates of no higher than 3% of net profit before the current year’s income tax shall be distributed as director remuneration. However, if the Company has accumulated loss, a portion shall be reserved in advance for making up losses.

2. Pursuant to the Company's Articles of Incorporation, the Company has, with respect to its 2020 employee and director remuneration, passed a resolution at the Board of Directors' Meeting to the effect that NT$ 53,132,700 are to be distributed among employees, and NT$ 79,600,000are to be distributed among directors. The amounts set aside for such remuneration are respectively 1.88% and 2.81%.

3.There is no difference between the above amount and the recognized expenses for the year 2020.

Matters to be Ratified

Proposal #1 (Proposed by the Board of Directors)

Motion: Please ratify the Company's 2020 Business Report and consolidated financial statements.

Description: The Company's 2020 Business Report and consolidated financial statements have been resolved upon and approved by the Board of Directors of the Company and audited by Deloitte & Touche CPAs Cheng, Shiuh-Ran and Chen, Chun-Hung. An audit report has been produced and reviewed by the Audit Committee. Please ratify.

Appendix: 1. Business Report (please refer to Attachment 1, Pages10-12 of this Manual).

2. Audit report and consolidated financial statements (please refer to Attachment 3, Pages 14-24 of this Manual).

Resolution:

Matters to be Ratified

Proposal #2 (Proposed by the Board of Directors)

Motion: Please ratify the Company's 2020 profit distribution proposal.

Description: 1. The Company's 2020 profit distribution proposal is made in accordance with Article 114 of the Company's Articles of Incorporation.

2. The Company plans to

   i) up to 3% as employees' compensation;; and iv) up to 3% as Directors' compensation.

   ii) set aside 10% of profit as legal reserve;

   iii) set aside special reserve from unrealized gain on investment property under IFRS;

3. After deducting the items in (2), exchange difference has been calculated as stipulated under Rule No. 1010012865 issued by the FSC. The Board of Directors will distribute the amount in cash after taking into account financial, business, and operational factors and adding a part or all of the accumulated undistributed earnings in previous years.

4. Stock dividends and bonuses will be distributed in cash at NT$1.2 per share, totaling NT$ 2,088,356,378. Cash dividends distributed to shareholders shall be rounded off proportionately to the nearest dollar. The fractional amount less than NT$1 will not be aggregated. The Chairman will be authorized by the shareholders' meeting to appoint a specific person to handle matters at sole discretion. After the proposal is approved in the shareholders' meeting, the Chairman is authorized to determine ex-dividend date and relevant matters.

5. It is proposed during the shareholders' meeting that the Board of Directors will be fully authorized to deal with matters in connection with change to the stock dividend ratio distributable to shareholders as a result of a change in the conditions of the current profit distribution proposal by either subjective or objective factors, change in matters approved by the competent authority, issuing of new shares for cash capital increase before ex-dividend date, buyback of treasury shares, or execution of employee stock options.

Appendix: Earnings distribution statement (please refer to Page 8 of this Manual).

Resolution:

Sino Horizon Holdings Limited

Earnings distribution statement

2020

Unit: TWD (NT$)

Item		Amount
Opening balance		19,876,937,225
Plus: After-tax net profit of the current year		1,177,395,055
Earnings available for distribution		21,054,332,280
Minus:		
Allocation to legal reserve	(193,997,127)	
Reversal of special reserve	2,527,841,189	
Distribution Items:		
Cash dividends to shareholders	(2,088,356,378)	245,487,684
Undistributed earnings by end of period		21,299,819,964

Note：This earnings distribution gives priority to the most recent earnings.

Chairman:

Manager:

Head accountant:

Extraordinary Motions

Meeting Adjourned

Attachment 1

Business Report

Dear Shareholders,

Since 2020, the real estate industry has shown extremely strong resilience and become a critical pillar to the economic development and social stability of China. Under the tireless hard work of our employees and operating teams, Sino Horizon has continued to expand its operations in three core segments: "house sales," "commercial real estate," and "land banking appreciation." I would like to report Sino Horizon's 2020 operating results to all of our shareholders in the following sections.

2020 Business Accomplishments

In 2020, Sino Horizon's operating income was NT$13.4 billion with an operating margin of NT$5.5 billion, gross margin rate of 41%, profit before tax of NT$2.7 billion, and earnings per share of NT$0.68.

Thanks to the steady recovery of the real estate markets in Shanghai and Wuxi during the second half of 2020, Sino Horizon's house sales in 2020 reached NT$11.1 billion, which was an increase of NT$8.1 billion compared to that of 2019. The revenues were primarily contributed by the "Dinggu Huating" project at Anting of Jiading District in Shanghai as well as the "Wanxiyaju" project by Wuxi Ding Gu, which achieved the sales rates of 99% and 95%, respectively. They accounted for approximately 86% of the overall housing sales, which are consistent with Sino Horizon's expectations. Our high-quality planning and building products are well-renowned in the market.

In terms of the commercial real estate leasing operations, Sino Horizon was willing to reduce or waive some tenants' rent due to the impacts of COVID-19 in order to help the tenants through this difficult period. As a result, the leasing revenue in 2020 was slightly reduced to NT$1.7 billion. Lease revenue in 2020 from the Sun Moon Light Center, which has become a successful rail economic commercial construction model in Shanghai, was slightly affected by COVID-19, but nonetheless still reached NT$1 billion. Sino Horizon believes that COVID-19 has abated in Shanghai, which is expected to drive the overall recovery for commerce and consumption. Renovations for the Sun Moon Light Center are also about to be completed. These factors are expected to gradually increase Sino Horizon's commercial real estate rental incomes.

Business Plan:

- Sino Horizon's main business strategies are as follows:

1. Incorporate the mainland government’s urbanization policies and collaborate with local development plans to cautiously increase land banking as part of Sino Horizon’s long-term operation deployment.
2. Flexibly adjust product planning with equal emphasis on residential buildings, commercial offices, and commercial centers. Adopt Big Data and precise marketing strategies to increase the speed of sales, achieve a proper balance for quick cash acquisition and long-term stable cash flow development, and strengthen Sino Horizon's profitability and financial fitness.
3. Respect the environment, use the overall urban landscape to enhance planning and the added value of Sino Horizon's construction projects while integrating the environmental protection and green building concepts, paying attention to the needs of occupants, strengthening the competitiveness of Sino Horizon’s construction projects in the market, and selecting high-quality builders to maintain top project quality and pragmatic cost control.

4. Sino Horizon’s commercial real estate management teams must gain insights into consumer trends, prudently adjust the formats of retail centers, and continue to introduce specialty stores in order to create differentiation in shopping centers and innovative services, improve the quality of services and infrastructure as well as the efficiency of shopping center management, and attract more diversified clientele, thereby creating an environment where everyone benefits.

5. Attach importance to corporate goodwill and credit quality, maintain good relations with financial institutions, expand financing channels, as well as strengthen financial and liquidity management.

Key projects in 2021:

With our advanced operation deployments, Sino Horizon is optimistic about its long-term regional development in Jiading of Shanghai. Sino Horizon has successively purchased a large amount of commercial and residential land around the North Railway Station in Jiading of Shanghai, and executed million square-meter town creation projects that have repeatedly achieved outstanding sales results. Pre-sales for Sino Horizon's “Huijing Huating” in Jiading District of Shanghai were launched during the first quarter of 2021. In recent years, the supply of the Jiading residential market in Shanghai has continued to shrink. As the project is in close proximity to the Jiading North Station of Shanghai No. 11 Metro Line, it has comprehensive commercial facilities, and the project is expected to significantly contribute to Sino Horizon’s overall revenue in 2021 due to the abundant housing demand.

Future Outlook

Under the “14th Five-Year Real Estate Policy,” real estate regulation will maintain continuity and stability. In the past, Sino Horizon has followed the urbanization progress of China to establish its base in Shanghai and expand to Chongqing. By focusing on developing the high-end areas in cities with equal emphasis on residential and commercial real estate businesses, Sino

Horizon has laid a solid foundation for sustainable operations. In the future, Sino Horizon will pay close attention to the “Regional Integration Development Plan for the Yangtze River Delta” to take advantage of investment opportunities, strengthen Sino Horizon's operational quality, and carefully evaluate development opportunities in Taiwan.

At present, Sino Horizon’s major projects have gradually began construction. They include the Earl Land project at Kunshan and Phase 4 of the “Huijing Huating” project at Jiading, which are expected to be completed and start sales in the next two years. Phase 2 of the commercial-office based Sun Moon Light Center project as well as the large-scale composite construction project slated for the Jaiding plot that will combine commercial office buildings, leisure center shopping malls, and residential buildings are proceeding according to schedule, and are expected to bring huge development profits to Sino Horizon. They are also anticipated to drive regional development, and become key modern landmarks in the residential commercial districts.

After considering the operating results in 2020, Sino Horizon has decided to give back to its shareholders by distributing cash dividends of NT$1.2 per share (note: to be implemented only after approval is granted by the 2021 Annual Shareholders’ Meeting) to express our thanks to the shareholders for your support in recent years.

Finally, on behalf of the board of directors, I would like to express my heartfelt gratitude to all shareholders, customers, employees, and business partners for your full support and valuable contributions. Sino Horizon will continue to enhance the company's sustainable development, competitiveness, and brand value as a high-quality developer. We will continue to rely on everyone's support, and work hard to share prosperous returns.

Chairman: Manager: Head accountant:

Attachment 2

Audit Committee's Review Report

The Board of Directors has prepared and submitted the 2020 Business Report, consolidated financial statements, and earnings distribution proposal. The consolidated financial statements have been audited by Deloitte & Touche and an audit report has been submitted. The Audit Committee has reviewed the aforementioned Business Report, consolidated financial statements, and the earnings distribution proposal and did not find any instances of noncompliance. According to Articles 14-4 and 14-5 of the Securities and Exchange Act, it is hereby submitted for your review and perusal.

Sino Horizon Holdings Limited

Audit Committee: Independent Director Li-Teh Hsu

Independent Director Su-Chun Kuo

Independent Director Cheng-Hung Chen

March 12, 2021

Deloitte

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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Sino Horizon Holdings Limited

Opinion

We have audited the accompanying consolidated financial statements of Sino Horizon Holdings Limited and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2020 and 2019, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2020 and 2019, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC).

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2020. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The description of the key audit matters for the Group's consolidated financial statements for the year ended December 31, 2020 are as follows:

Fair Value of Investment Properties

Description of key audit matter:

As of December 31, 2020, the carrying amount of the Group's investment properties was $43,823,194 thousand. The impact of the changes in the fair value of investment properties on the net gain before income tax for the year ended December 31, 2020 was a loss of $1,460,226 thousand. As the balance of investment properties is material to the consolidated financial statements as a whole and determination of the fair value involves significant accounting estimates, the valuation of investment properties has been deemed as a key audit matter

To support the management in making reasonable estimates, the Group adopted the valuation of an independent appraisal firm to determine the fair value of investment properties. The assumptions that have a significant impact on the valuation have been disclosed in Note 15 of the consolidated financial statements.

Audit procedures performed in response to the aforementioned key audit matter:

Our main audit procedures performed with respect to the aforementioned key audit matter are as follows:

1. Assessed the professional abilities, capabilities and objectivity of the independent valuers who were appointed by the management as well as verified their qualifications.

2. The internal specialist in our firms assessed the reasonableness of the judgements made by the management, including the valuation methods, main valuation parameters and the reasonableness of discount rates.

3. Compared the financial data used in the valuation of investment properties which includes the rental revenue, rental cost and other related expenses with the historical financial data, to confirm the reasonableness and relevance of the data.

Timing of Recognition of Real Estate Sales Revenue

Description of key audit matter:

For the year ended December 31, 2020, revenue from the sale of real estate was $11,157,891 thousand. Based on the accounting policies of the Group (refer to Note 4), when real estate which is still in development stage has reached its expected usable status and has passed the acceptance of relevant departments and completed the filing procedures, the Group will issue a transfer notice according to the provisions prescribed in the sales contract and recognize sales revenue on the transfer date or the due date of the transfer. Since revenue from the sale of real estate can only be recognized after all the above-mentioned conditions have been met, the timing of recognition of real estate sales revenue has been identified as one of the key audit matters.

Audit procedures performed in response to the aforementioned key audit matter:

We implemented control testing to understand the timing of the recognition of real estate sales revenue and the design and implementation of the related controls.

In addition, the main audit procedures we performed on the selected samples of real estate sales transaction forms in the current year are as follows:

1. Reviewed the sales contracts signed by the Group and the customers to confirm the contractual arrangements.

2. Checked the related transfer records or transfer notices to confirm the date of transfer or the due date of transfer.

3. Checked whether the collection records of the sales corresponded with the sales contract prices.

4. Confirmed that the revenues from the sales of real estate were recognized only after the completion of the transfer procedures in order to ensure that the revenue was properly recorded in the correct accounting period.

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 IFRS, IAS, IFRIC and SIC, and for such internal control as management determines is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in ROC will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of 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 for the year ended December 31, 2020 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.

The engagement partners on the audit resulting in this independent auditors' report are Shiuh-Ran Cheng and Chun-Hung Chen.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 15, 2021

<u>*Notice to Readers*</u>

The accompanying consolidated financial statements are intended only to present the consolidated financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such consolidated financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying consolidated financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and consolidated financial statements shall prevail.

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020		2019	
ASSETS	**Amount**	**%**	**Amount**	**%**
CURRENT ASSETS				
Cash and cash equivalents (Note 6)	$ 6,776,782	6	$ 8,174,755	7
Financial assets at fair value through profit or loss - current (Notes 7 and 32)	4,273,377	4	5,878,116	5
Financial assets at fair value through other comprehensive income - current (Notes 8 and 32)	2,729,865	2	2,390,716	2
Trade receivables, net (Note 10)	360,354	-	288,464	-
Other receivables	276,868	-	297,743	-
Inventories (Notes 11 and 32)	39,032,242	34	41,351,922	33
Other financial assets - current (Notes 9 and 32)	407	-	23,350	-
Other current assets (Notes 16 and 26)	405,332	-	621,735	1
Incremental costs of obtaining a contract - current (Note 24)	5,069	-	52,735	-
Total current assets	53,860,296	46	59,079,536	48
NON-CURRENT ASSETS				
Financial assets at fair value through profit or loss - non-current (Note 7)	247,889	-	245,237	-
Financial assets at fair value through other comprehensive income - non-current (Notes 8 and 32)	16,237,109	14	16,914,831	14
Property, plant and equipment (Notes 13 and 32)	580,118	-	635,305	-
Right-of-use assets (Notes 14 and 32)	211,379	-	215,998	-
Investment properties (Notes 15 and 32)	43,823,194	38	43,722,207	35
Deferred tax assets (Note 26)	640,618	1	768,766	1
Other financial assets - non-current (Notes 9 and 32)	807,628	1	1,879,833	2
Other non-current assets (Note 16)	95,191	-	85,687	-
Total non-current assets	62,643,126	54	64,467,864	52
TOTAL	$ 116,503,422	100	$ 123,547,400	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Notes 17 and 32)	$ 1,891,285	2	$ 1,359,689	1
Financial liabilities at fair value through profit or loss - current (Note 7)	-	-	2,563	-
Contract liabilities - current (Note 24)	430,940	-	5,515,758	5
Trade payables (Note 18)	853,516	1	497,074	1
Other payables (Notes 20 and 31)	746,130	1	4,132,747	3
Current tax liabilities (Note 26)	1,679,163	1	1,356,073	1
Lease liabilities - current (Note 14)	1,582	-	1,643	-
Other financial liabilities - current (Note 21)	385,291	-	378,198	-
Unearned revenue (Note 19)	159,937	-	178,145	-
Current portion of long-term borrowings (Notes 17 and 32)	1,685,145	2	1,147,024	1
Other current liabilities (Note 20)	159,285	-	445,111	-
Total current liabilities	7,992,274	7	15,014,025	12
NON-CURRENT LIABILITIES				
Financial liabilities at fair value through profit or loss - non-current (Note 7)	454,614	-	-	-
Long-term borrowings (Notes 17 and 32)	45,132,474	39	44,763,826	36
Deferred tax liabilities (Note 26)	8,295,577	7	8,494,051	7
Lease liabilities - non-current (Note 14)	1,012	-	2,355	-
Other financial liabilities - non-current (Note 21)	475,782	1	464,569	1
Total non-current liabilities	54,359,459	47	53,724,801	44
Total liabilities	62,351,733	54	68,738,826	56
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY (Notes 23)				
Share capital	17,402,970	15	17,402,970	14
Capital surplus	201,861	-	201,861	-
Retained earnings	39,015,496	33	41,718,964	34
Exchange differences on translating the financial statements	(2,918,038)	(2)	(4,649,384)	(4)
Unrealized gains or losses on investments at fair value through comprehensive income	280,075	-	(33,919)	-
Revaluation surplus	91,295	-	91,295	-
Total equity attributable to owners of the Company	54,073,659	46	54,731,787	44
NON-CONTROLLING INTERESTS	78,030	-	76,787	-
Total equity	54,151,689	46	54,808,574	44
TOTAL	$ 116,503,422	100	$ 123,547,400	100

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

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2020		2019	
	Amount	**%**	**Amount**	**%**
OPERATING REVENUE (Note 24)	$ 13,419,916	100	$ 5,737,206	100
OPERATING COSTS (Notes 11, 24 and 25)	(7,897,413)	(59)	(2,885,466)	(50)
GROSS PROFIT	5,522,503	41	2,851,740	50
OPERATING EXPENSES (Note 25)				
Selling expenses	(385,684)	(3)	(214,374)	(4)
General and administrative expenses	(377,708)	(2)	(557,710)	(9)
Total operating expenses	(763,392)	(5)	(772,084)	(13)
GAIN (LOSS) ON CHANGE IN FAIR VALUE OF INVESTMENT PROPERTIES (Note 15)	(1,460,226)	(11)	(2,728,887)	(48)
PROFIT (LOSS) FROM OPERATIONS	3,298,885	25	(649,231)	(11)
NON-OPERATING INCOME AND EXPENSES (Notes 25 and 31)				
Interest income	1,095,240	8	765,395	13
Other income	81,869	1	86,309	2
Other gains and losses, net	(1,018,226)	(8)	402,054	7
Finance costs	(762,173)	(6)	(962,616)	(17)
Total non-operating income and expenses	(603,290)	(5)	291,142	5
PROFIT (LOSS) BEFORE INCOME TAX FROM CONTINUING OPERATIONS	2,695,595	20	(358,089)	(6)
INCOME TAX PROFIT (EXPENSE) (Note 26)	(1,518,240)	(11)	780,718	13
NET PROFIT FROM CONTINUING OPERATIONS	1,177,355	9	422,629	7
NET PROFIT(LOSS) FROM DISCONTINUED OPERATIONS (Note 12)	-	-	7,791,012	136
NET PROFIT FOR THE YEAR	1,177,355	9	8,213,641	143
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to profit or loss:				

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars, Except Earnings (Loss) Per Share)

	2020		2019	
	Amount	%	Amount	%
Gains on property revaluations	-	-	50,435	1
Exchange differences on translating the financial statements	1,112,878	8	(1,754,627)	(31)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating the financial statements of foreign operations	619,751	5	(259,169)	(4)
Unrealized gain (loss) on investments in debt instruments at fair value through other comprehensive income	313,994	2	(33,919)	(1)
	2,046,623	15	(1,997,280)	(35)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 3,223,978	24	$ 6,216,361	108
NET PROFIT ATTRIBUTABLE TO:				
Owners of the Company	$ 1,177,395	9	$ 8,209,089	143
Non-controlling interests	(40)	-	4,552	-
	$ 1,177,355	9	$ 8,213,641	143
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Owners of the Company	$ 3,222,735	24	$ 6,154,391	107
Non-controlling interests	1,243	-	61,970	1
	$ 3,223,978	24	$ 6,216,361	108
EARNINGS PER SHARE (Note 27)				
From continuing operations				
Basic	$ 0.68		$ 0.25	
Diluted	$ 0.67		$ 0.24	
From discontinued operations				
Basic	$ -		$ 4.47	
Diluted	$ -		$ 4.46	

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	Equity Attributable to Owners of the Company (Note 23)												
	Share Capital			Retained Earnings				Other Equity					
	Number of Shares (In Thousands)	Amount	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Equity Directly Associated with Non-current Assets Held for Sale	Exchange Differences on Translating	Revaluation Increment	Unrealized Gains or Loss on Investments at Fair Value Through Other Comprehensive Income	Total	Non-controlling Interests	Total Equity
BALANCE AT JANUARY 1, 2019	1,740,297	$ 17,402,970	$ 201,861	$ 1,385,718	$ 18,710,451	$ 14,666,720	$ 179,536	$ (2,571,353)	$ 40,860	$ -	$ 50,016,763	$ 2,506,917	$ 52,523,680
Appropriation of 2018 earnings													
Legal reserve	-	-	-	160,041	-	(160,041)	-	-	-	-	-	-	-
Special reserve	-	-	-	-	2,417,303	(2,417,303)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(1,253,014)	-	-	-	-	(1,253,014)	-	(1,253,014)
	-	-	-	160,041	2,417,303	(3,830,358)	-	-	-	-	(1,253,014)	-	(1,253,014)
Net profit for the year ended December 31, 2019	-	-	-	-	-	8,209,089	-	-	-	-	8,209,089	4,552	8,213,641
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	-	-	6,817	(2,078,031)	50,435	(33,919)	(2,054,698)	57,418	(1,997,280)
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	-	8,209,089	6,817	(2,078,031)	50,435	(33,919)	6,154,391	61,970	6,216,361
Disposal of subsidiaries	-	-	-	-	-	-	(186,353)	-	-	-	(186,353)	(2,492,100)	(2,678,453)
BALANCE AT DECEMBER 31, 2019	1,740,297	17,402,970	201,861	1,545,759	21,127,754	19,045,451	-	(4,649,384)	91,295	(33,919)	54,731,787	76,787	54,808,574
Appropriation of 2019 earnings													
Legal reserve	-	-	-	934,522	-	(934,522)	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	(3,880,863)	-	-	-	-	(3,880,863)	-	(3,880,863)
Special reserve	-	-	-	-	(5,646,872)	5,646,872	-	-	-	-	-	-	-
	-	-	-	934,522	(5,646,872)	831,487	-	-	-	-	(3,880,863)	-	(3,880,863)
Net profit for the year ended December 31, 2020	-	-	-	-	-	1,177,395	-	-	-	-	1,177,395	(40)	1,177,355
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	-	-	1,731,346	-	313,994	2,045,340	1,283	2,046,623
Total comprehensive income (loss) for the year ended December 31, 2020	-	-	-	-	-	1,177,395	-	1,731,346	-	313,994	3,222,735	1,243	3,223,978
BALANCE AT DECEMBER 31, 2020	1,740,297	$ 17,402,970	$ 201,861	$ 2,480,281	$ 15,480,882	$ 21,054,333	$ -	$ (2,918,038)	$ 91,295	$ 280,075	$ 54,073,659	$ 78,030	$ 54,151,689

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

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax from continuing operations	$ 2,695,595	$ (358,089)
Income before income tax from discontinued operations	-	9,643,167
Income before income tax	2,695,595	9,285,078
Adjustments for:		
Depreciation expenses	74,788	72,726
Amortization expenses	1,703	615
Expected credit loss	721,102	74,936
Net loss (gain) on financial assets at fair value through profit or loss	(62,022)	(320,981)
Interest expenses	762,173	962,616
Interest income	(1,095,240)	(802,714)
Dividend income	(81,869)	(86,309)
Loss (gain) on disposal of property, plant and equipment	6,401	(229)
Gain on disposal of subsidiaries	-	(9,590,584)
Net gain on disposal of financial assets	(7,878)	(9,345)
Reversal of write-down of inventories	(48)	(200)
Net (gain) loss on unrealized foreign currency exchange	88,156	(106,017)
Loss on changes in fair value of investment properties	1,460,226	2,728,887
Changes in operating assets and liabilities		
Trade receivables	(67,066)	(28,992)
Other receivables	141,414	47,078
Inventories	3,625,157	(1,704,444)
Other current assets	226,801	(236,689)
Other financial assets	1,102,440	(1,745,733)
Incremental cost of obtaining a contract	48,548	(27,278)
Contract liabilities	(5,177,068)	4,344,681
Trade payables	340,549	(225,713)
Other payables	3,606	(150,032)
Unearned revenue	(21,187)	(30,034)
Deposits received	4,211	32,351
Other liabilities	(293,270)	67,410
Cash generated from operations	4,497,222	2,551,084
Interest paid	(1,291,401)	(2,066,733)
Income taxes paid	(1,530,107)	(2,614,182)
Net cash generated from (used in) operating activities	1,675,714	(2,129,831)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through other comprehensive income	(7,728,161)	(22,354,619)
Proceeds from sale of financial assets at fair value through other comprehensive income	6,533,387	2,391,401
Purchases of financial assets at fair value through profit or loss	(16,968,201)	(16,457,600)
Proceeds from sale of financial assets at fair value through profit or loss	18,839,623	16,635,958

(Continued)

SINO HORIZON HOLDINGS LIMITED AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019
(In Thousands of New Taiwan Dollars)

	2020	2019
Net cash inflow on disposal of subsidiaries (Note 28)	-	18,404,919
Payments for property, plant and equipment	(12,633)	(27,826)
Proceeds from disposal of property, plant and equipment	80	1,506
Decrease in refundable deposits	4,735	24,564
Increase in other assets	(14,509)	(38,963)
Payments for investment properties	(4,227,793)	(23,206)
Interest received	1,179,798	533,700
Dividend received	81,869	86,309
Net cash used in investing activities	(2,311,805)	(823,857)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in short-term borrowings	585,260	-
Repayments of short-term borrowings	-	(40,078)
Proceeds from long-term borrowings	17,979,731	23,845,199
Repayments of long-term borrowings	(15,400,174)	(14,719,321)
Repayment of the principal portion of lease liabilities	(1,592)	(654)
Dividends paid to owners of the Company	(3,880,863)	(1,253,014)
Net cash generated from (used in) financing activities	(717,638)	7,832,132
EFFECT OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH HELD IN FOREIGN CURRENCIES	(44,244)	(317,334)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,397,973)	4,561,110
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	8,174,755	3,613,645
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 6,776,782	$ 8,174,755

Note: As of January 1, 2019, cash and cash equivalents consist of cash and cash equivalents of $2,984,233 thousand reported in the consolidated balance sheet and cash and cash equivalents included in disposal groups held for sale of $629,412 thousand.

The accompanying notes are an integral part of the consolidated financial statements. (Concluded)

Appendix 1

THE COMPANIES LAW (2020 REVISION)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM AND ARTICLES

OF

ASSOCIATION

OF

SINO HORIZON HOLDINGS LIMITED

(Adopted by a Special Resolution passed on June 30, 2020)

THE COMPANIES LAW (2020 REVISION)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED MEMORANDUM OF ASSOCIATION

OF

SINO HORIZON HOLDINGS LIMITED

(Adopted by a Special Resolution passed on June 30, 2020)

1. The name of the Company is **SINO HORIZON HOLDINGS LIMITED.**

2. The Registered Office of the Company will be situated at the offices of **Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands** or at such other location as the Directors may from time to time determine.

3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by Section 7(4) of the Companies Law (2020 Revision).

4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by Section 27(2) of the Companies Law (2020 Revision).

5. Nothing in the preceding sections shall be deemed to permit the Company to carry on the business of a Bank or Trust Company without being licensed in that behalf under the provisions of the Banks & Trust Companies Law (as amended), or to carry on Insurance Business from within the Cayman Islands or the business of an Insurance Manager, Agent, Sub-agent or Broker without being licensed in that behalf under the provisions of the Insurance Law (as amended), or to carry on the business of Company Management without being licensed in that behalf under the provisions of the Companies Management Law (as amended).

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

7. The liability of the members is limited to the amount, if any, unpaid on the shares respectively held by them.

8. The capital of the Company is **New Taiwan Dollars 21,800,000,000** divided into **2,180,000,000** shares of a nominal or par value of **New Taiwan Dollars 10** each provided always that subject to the provisions of the Companies Law (2020 Revision) and the Articles of Association the Company shall have power to redeem or purchase any of its shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

9. The Company may exercise the power contained in Section 226 of the Companies Law (2020 Revision) to deregister in the Cayman Islands and be registered by way of continuation in some other jurisdiction.

THE COMPANIES LAW (2020 REVISION)

COMPANY LIMITED BY SHARES

AMENDED AND RESTATED ARTICLES OF ASSOCIATION

OF

SINO HORIZON HOLDINGS LIMITED

(Adopted by a Special Resolution passed on June 30, 2020)

TABLE A

The Regulations contained or incorporated in Table 'A' in the First Schedule of the Companies Law (2020 Revision) shall not apply to SINO HORIZON HOLDINGS LIMITED (the "**Company**") and the following Articles shall comprise the Articles of Association of the Company:

INTERPRETATION

1. In these Articles:

"**Applicable Public Company Rules**" means the ROC laws, rules and regulations (including, without limitation, the Company Law, the Securities and Exchange Law, the rules and regulations promulgated by the FSC and the rules and regulations promulgated by the TSE, as amended from time to time) affecting public companies or companies listed on any ROC stock exchange or securities market that from time to time are required by the relevant regulator as applicable to the Company;

"**Articles**" means these Articles of Association as altered from time to time;

"**Audit Committee**" means the audit committee under the Board of Directors, which shall comprise solely of Independent Directors of the Company;

"**Companies Law**" means the Companies Law (2020 Revision) of the Cayman Islands;

"**Compensation Committee**" means the compensation committee to be established by the Board of Directors, which shall comprise of professional individuals and have the functions prescribed by the Applicable Public Company Rules;

"**Directors**" and "**Board of Directors**" means the Directors of the Company for the time being, or as the case may be, the Directors assembled as a Board or as a committee thereof;

"**Dissenting Member**" has the meaning given thereto in Article 76;

"**Electronic Record**" shall have the meaning given to it in the Electronic Transactions Law;

"**Electronic Transactions Law**" means the Electronic Transactions Law (2003 Revision) of the Cayman Islands;

"**FSC**" means the Financial Supervisory Commission of the Republic of China;

"**Independent Directors**" means the Directors who are elected as "Independent Directors" for the purpose of Applicable Public Company Rules;

"**Market Observation Post System**" means the public company reporting system maintained by the TSE, via http://newmops.tse.com.tw/;

"**Member**" or "**Shareholder**" means a person whose name is entered in the Register of Members and includes each subscriber to the Memorandum of Association pending the issue to him of the subscriber share or shares;

"**Memorandum of Association**" means the Memorandum of Association of the Company, as amended and re-stated from time to time;

"**Merger**" means a transaction whereby:

(a) (i) all of the companies participating in such transaction are dissolved, and a new company is incorporated to generally assume all rights and obligations of the dissolved companies; or (ii) all but one company participating in such transaction are dissolved, and the surviving company generally assumes all rights and obligations of the dissolved companies, and in each case the consideration for the transaction being the shares of the surviving or newly incorporated company or any other company, cash or other assets; or

(b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Companies Law or Applicable Public Company Rules;

"**Officer**" means any person appointed by the Board of Directors to hold an office in the Company;

"**Ordinary Resolution**" means a resolution passed by a simple majority of such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company;

"**paid up**" means paid up as to the par value and any premium payable in respect of the issue of any shares and includes credited as paid up;

"**Person**" means 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 16;

"**Register of Members**" means the register to be kept by the Company in accordance with Section 40 of the Companies Law;

"**Private Placement**" means, for so long as Shares are listed on the TSE, obtaining subscription for, or the sale of, shares, options, warrants, rights of holders of debt or equity securities which enable those holders to subscribe further securities (including Shares), or other securities of the Company, either by the Company itself or a person authorized by the Company, primarily from or to specific investors in the ROC, as prescribed under the Applicable Public Company Rules and permitted by the competent securities authority in the ROC, but excluding any employee incentive programme or subscription agreement, warrant, option or issuance of shares under Articles 10, 13 and 15 hereof;

"**ROC**" means Taiwan, the Republic of China;

"**Seal**" means the Common Seal of the Company (if adopted) including any facsimile thereof;

"**Secretary**" means any Person appointed by the Directors to perform any of the duties of the secretary of the Company;

"**Share**" and "**Shares**" means any share in the capital of the Company;

"**Share Swap**" means an act wherein the shareholders of a company transfer all of the company's issued shares to another company, such company issue its shares or pays cash or other property to the shareholders of the first company as consideration for the transfer in accordance with the Applicable Public Company Rules;

"**Shareholders' Service Agent**" means the agent licensed by Taiwan authorities to provide certain shareholders services in accordance with the Applicable Public Company Rules;

"**signed**" includes a signature or representation of a signature affixed by mechanical means;

"**Special Resolution**" means a resolution passed in accordance with Section 60 of the Companies Law, being a resolution passed by a majority of not less than two-thirds of the votes cast by such Members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of the Company of which notice specifying the intention to propose the resolution as a Special Resolution has been duly given;

"**Spin-off**" means an act wherein a transferor company transfers all or part of its independently operated business to an existing or a newly incorporated company and that existing transferee company or newly incorporated transferee company issues shares, or pays cash or other property to the transferor company or to shareholders of the transferor company as consideration in accordance with the Applicable Public Company Rules;

"**Subsidiary**" means, with respect to any company, (1) the entity, more than one half of whose total number of the outstanding voting shares or the total amount of the capital stock are directly or indirectly held by such company; (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation; (3) the entity, one half or more of whose executive shareholders or board directors are concurrently acting as the executive shareholders or board directors of such company; and (4) the entity, one half or more of whose total number of outstanding voting shares or the total amount of the capital stock are held by the same shareholder(s) of such company;

"**Supermajority Resolution**" means a resolution adopted by a majority vote of the Members at a general meeting attended by Members who represent two-thirds or more of the total outstanding shares of the Company or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total outstanding shares of the Company, but more than one half of the total outstanding shares of the Company, means instead, a resolution adopted at such general meeting by the Members who represent two-thirds or more of the total number of shares entitled to vote on such resolution at such general meeting;

"**TDCC**" means the Taiwan Depository & Clearing Corporation;

"**Treasury Shares**" means a Share held in the name of the Company as a treasury share in accordance with the Companies Law; and

"**TSE**" means the Taiwan Stock Exchange.

2. In these Articles, save where the context requires otherwise:

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

(b) words importing the masculine gender only shall include the feminine gender;

(c) words importing persons only shall include companies or associations or bodies of persons, whether corporate or not;

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

(e) reference to "written" and "in writing" shall include all modes of representing or reproducing words in visible form, including the form of an Electronic Record;

(f) references to a statutory enactment shall include reference to any amendment or re-enactment thereof for the time being in force; and

(g) Section 8 of the Electronic Transactions Law shall not apply.

3. Subject to the last two preceding Articles, any words defined in the Companies Law shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

PRELIMINARY

4. The business of the Company may be commenced as soon after incorporation as the Directors see fit.

5. The registered office of the Company shall be at such address in the Cayman Islands as the Directors shall from time to time determine. The Company may in addition establish and maintain such other offices and places of business and agencies in such places as the Directors may from time to time determine.

SHARES

Power to Issue Shares

6. Subject to these Articles and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board of Directors shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe, provided that no share shall be issued at a discount except in accordance with the Companies Law.

7. Unless otherwise provided in these Articles, the issue of new shares of the Company shall be approved by the Board of Directors. The issue of new shares shall at all times be subject to the sufficiency of the authorized capital of the Company.

8. Where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for public offering in the ROC, unless it is deemed as either unnecessary or inappropriate by the FSC or TSE for the Company to conduct the aforementioned public offering. However, if a percentage higher than the aforementioned 10% is resolved by a general meeting for public offering in the ROC, then such higher percentage determined by resolution shall

prevail. The Company may also reserve 10% to 15% of the total amount of such newly issued shares for subscription by the employees of the Company and its Subsidiaries.

9. Unless otherwise resolved by the Shareholders at a general meeting by Ordinary Resolution, where the Company increases its issued share capital by issuing new shares for cash consideration under Article 8 above, the Company shall make a public announcement and notify each Member that he/she/it is entitled to exercise a pre-emptive right to purchase his/her/its pro rata portion of the remaining new shares (after allocation of the public offering portion and the employee subscription portion in Article 8) issued in the capital increase for cash consideration. The Company shall state in such announcement and notices to the Members the procedures for exercising such pre-emptive rights. In the event that percentage of shares held by a Member is insufficient for such Member to exercise the pre-emptive right to subscribe one newly-issued share, shares held by several Members may be calculated together for joint subscription of newly-issued shares or for purchase of newly-issued shares in the name of a single Member pursuant to the Applicable Public Company Rules. If the total number of the new shares to be issued has not been fully subscribed by the Members within the prescribed period, the Company may consolidate such shares into the public offering tranche or offer any un-subscribed new shares to a specific person or persons according to the Applicable Public Company Rules. If any person who has subscribed the new shares but fails to pay when due any amount of the subscription price in relation to such newly-issued shares within the payment period as determined by the Company, the Company shall fix a period of no less than one month and call for payment of the subscription price or the Company may declare a forfeiture of such subscription. No forfeiture of such subscription shall be declared as against any such person unless the amount due thereon shall remain unpaid for such period after such demand has been made. Notwithstanding the provisions of the preceding sentence, forfeiture of the subscription may be declared without the demand process if the payment period for subscription price set by the Company is one month or longer. Upon forfeiture of the subscription, the shares that remain unsubscribed shall be offered for subscription in such manner as is consistent with the Applicable Public Company Rules.

10. The Company may, with the approval of a Supermajority Resolution issue new Shares with restricted rights ("Restricted Shares") solely to employees of the Company and its Subsidiaries and the provision of Article 8 and Article 9 hereof shall not apply to any such issue. For so long as the Shares are listed on the TSE, the terms of issue of Restricted Shares, including but not limited to the number, issue price, issued conditions and other related matters, shall comply with the Applicable Public Company Rules.

11. The pre-emptive right of employees under Article 8 and the pre-emptive right of Members under Article 9 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:

(a) in connection with a Merger with another company, Spin-off, Share Swap, or pursuant to any reorganization of the Company;

(b) in connection with meeting the Company's obligations under employee warrants and/or options, including those rendered in Articles 13 and 15 hereof;

(c) in connection with the issue of Restricted Shares in accordance with Article 10 hereof;

(d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;

(e) in connection with meeting the Company's obligations under Preferred Shares (as defined below,) vested with rights to acquire shares; or

(f) in connection with a Private Placement.

12. The Company shall not issue any unpaid shares or partly paid-up shares.

13. Notwithstanding Article 10 hereof, the Company may, upon approval by the Board of Directors, adopt one or more incentive programmes and may issue options, employee warrants or other similar instruments or distribute cash, to employees of the Company and its Subsidiaries. Where the Company issues the employee warrants pursuant to this Article, the number of shares for each issuance of employee warrants may not exceed 10% of the total issued shares of the Company, and when outstanding employee warrants are taken into account, the aggregated volume may not exceed 15% of the total issued shares of the Company. Further, where the Company issues employee warrants pursuant to this Article, the volume of the employee warrants granted to each employee may not exceed 10% of the total volume of each issue of employee warrants, and the number of shares that may be subscribed to by each employee for any given fiscal year may not exceed 1% of the total issued shares of the Company as of the end of the fiscal year. Options, employee warrants, or other similar instruments issued in accordance with this Article are not transferable save by inheritance.

14. Directors of the Company and its Subsidiaries shall not be eligible for the incentive programmes under Article 13 above, provided that directors who are also employees of the Company or its Subsidiaries may participate in an incentive programme in their capacity as an employee and not as a director of the Company or its Subsidiaries.

15. The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 13 above, whereby employees may subscribe, within a specific period, a specific number of shares or securities. The terms and conditions of such agreements shall be no favourable to

relevant employee than the terms specified in the applicable incentive programme.

Preferred Shares

16. The Company may issue shares with rights which are preferential to those of ordinary shares issued by the Company ("**Preferred Shares**") with the approval of a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Board of Directors and with the approval of a Special Resolution. Prior to the issuance of any Preferred Shares approved pursuant to this Article 16, these Articles shall be amended to set forth the rights and obligations of the Preferred Shares, including but not limited to the following terms and provided that such rights and obligations of the Preferred Shares shall not contradict the mandatory provisions of the Applicable Public Company Rules regarding the rights and obligations of such Preferred Shares, and the same shall apply to any variation of rights of Preferred Shares:

   (a) order, fixed amount or fixed ratio of allocation of dividends and bonus on Preferred Shares;

   (b) order, fixed amount or fixed ratio of allocation of surplus assets of the Company;

   (c) order of or restriction on the voting right(s) (including declaring no voting rights whatsoever) of preferred Shareholders;

   (d) the method by which the Company is authorized or compelled to redeem the Preferred Shares, or a statement that redemption rights shall not apply; and

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

Variation of Rights Attaching to Shares

17. If at any time the share capital is divided into different classes of shares, the rights attaching to any class (unless otherwise provided by the terms of issue of the shares of that class) may be varied or abrogated with the sanction of a Special Resolution passes at a general meeting of the holders of the shares of that class. Notwithstanding the foregoing, if any modification or alteration in these Articles is prejudicial to the preferential rights of any class of shares, such modification or alteration shall be adopted by a Special Resolution and shall also be adopted by a Special Resolution passed at a separate meeting of Members of that class of shares.

18. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied or abrogated by the creation or issue of further shares ranking pari passu therewith or the redemption or purchase of shares of any class by the Company.

Share Certificates

19. Subject to the provisions of the Companies Law, the Company may issue shares without printing share certificates for the Shares issued, and the details regarding such issue of shares shall be entered in the Register of Members of the Company and recorded by TDCC in accordance with the Applicable Public Company Rules. Every person whose name is entered as a member in the Register of Members may be entitled to a certificate in the form determined by the Board of Directors if the Board of Directors resolves that a share certificate shall be issued. Such certificate may be under the Seal or with the authorised signature(s) affixed by mechanical process. All certificates shall specify the share or shares held by that person and the amount paid up thereon, provided that in respect of a share or shares held jointly by several persons the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all.

20. If a share certificate is defaced, lost or destroyed it may be renewed on such terms, if any, as to evidence and indemnity as the Directors think fit.

21. In the event the Board of Directors resolves that share certificates shall be issued pursuant to Article 19 hereof, the Company shall deliver the share certificates to the subscribers within thirty days from the date such share certificates may be issued pursuant to the Companies Law, the Memorandum of Association, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery of such share certificates pursuant to the Applicable Public Company Rules.

PRIVATE PLACEMENT

21-1. Subject to the Companies Law, the Company may only issue securities to the following qualified specific persons by way of Private Placement in the ROC with the approval of a Special Resolution, in accordance with Applicable Public Company Rules:

(a) banks, bills finance enterprises, trust enterprises, insurance enterprises, securities enterprises, or other legal entities or institutions approved by the competent securities authority in the ROC;

(b) natural person, legal entities or funds meeting the qualifications set forth by the competent securities authority in the ROC; and

(c) directors, supervisors (if applicable) or managers of the Company or its Subsidiaries.

FRACTIONAL SHARES

22. Subject to these Articles, the Board of Directors may issue fractions of a share of any class of shares, and, if so issued, a fraction of a share (calculated to three decimal points) shall be subject to and carry the corresponding fraction of liabilities (whether with respect to any unpaid amount thereon, contribution, calls or otherwise), limitations, preferences, privileges, qualifications, restrictions, rights (including, without limitation, voting and participation rights) and other attributes of a whole share of the same class of shares.

Alteration of Share Capital

23. Subject to the Companies Law, the Company may from time to time by Ordinary Resolution increase its authorized share capital by such amount as it thinks expedient or by Special Resolution reduce its share capital and any capital redemption reserve in any manner authorised by law.

Purchase of Own Shares

24. Subject to the provisions of the Company Law, the Company may issue Shares that are to be redeemed or are liable to be redeemed at the option of the Member or the Company. The redemption of such Shares shall be effected in such manner as the Company may, by Special Resolution, determine before the issue of the Shares.

25. Subject to the provisions of the Company Law, the Memorandum of Association and these Articles, the Company may repurchase its own Shares on such terms as are approved by resolutions of Directors passed at a meeting of the board of Directors attended by more than two-thirds of members of the board and approved by a majority of the Directors present at such meeting, provided that any such repurchase shall be in accordance with the Applicable Public Company Rules and shall be subject to the rules and restrictions set forth in Article 27 hereof.

26. In the event that the Company proposes to purchase any Share listed on the TSE pursuant to the preceding Article, the approval of the Board of Directors and the implementation thereof shall be reported to the Members at the next general meeting in accordance with the Applicable Public Company Rules. Such reporting obligation shall apply even if the Company does not implement the repurchase proposal for any reason.

27. For so long as the Shares are listed on the TSE, the Company is authorised to purchase any Share listed on the TSE in accordance with the following manner of purchase:

(a) the total price of the Shares purchased by the Company shall not exceed the sum of retained earnings less any distribution or dividends which have been declared by the Company plus the following realized capital reserve:

(i) any premium received from the disposal of assets that has not been booked as retained earnings;

(ii) the premium received on the issuance of any share and income from endowments received by the Company.

(b) the maximum number of Shares purchased by the Company shall not exceed ten percent of the total number of issued and outstanding Shares of the Company; and

(c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:

(i) such purchase transactions shall be in accordance with the applicable ROC securities laws and regulations and the Applicable Public Company Rules; and

(ii) such purchase transactions shall be in accordance with the Companies Law.

27-1. Subject to the Companies Law and Applicable Public Company Rules, the Company may by Ordinary Resolution redeem or purchase its own Shares by reducing and making payment out of its share capital or any capital redemption reserve. Any such redemption or purchase and the payment out of share capital or capital redemption reserve must be made to all Members pro rata based on the percentage of shareholdings of the Members, unless otherwise provided for in the Companies Law or the Applicable Public Company Rules. Prior to the passing of the Ordinary Resolution in accordance with this Article 27-1, the Company shall (i) prepare a balance sheet and an inventory of its property; (ii) give notice of the proposed resolution to each creditor of the Company and make a public announcement in respect of the proposed resolution; and (iii) fix a period of not less than three days within which the creditors of the Company may raise their objections, if any, to such resolution. Upon approval by Ordinary Resolution, the Company may make payments to any Member in proportion to their respective shareholdings in the Company either by cash or by distribution of specific assets of the Company, provided however, that where assets other than cash are distributed to the Members, the type of assets, the value of the assets and the corresponding amount of such substitutive distribution shall be (a) assessed by an ROC certified public accountant before being submitted to the Members for approval; (b) approved by the Members by Ordinary Resolution and (c) agreed to by the Member who will receive such assets.

28. The Company may make a payment in respect of the redemption or purchase of its own Shares in any manner permitted by the Companies Law, including out of capital.

Treasury Shares

28-1. The Board of Directors may, prior to the purchase, redemption or surrender of any Share, determine that such Share shall be held as a Treasury Share.

28-2. Subject to the provisions of the Companies Law, these Articles and the Applicable Public Company Rules, the Board of Directors may determine to cancel a Treasury Share or transfer a Treasury Share on such terms as they think proper (including, without limitation, for nil consideration).

29. Notwithstanding Article 28-2 above, after the Company purchases any Shares listed on the TSE, any proposal to transfer Treasury Shares to an employee of the Company by the Company at a price below the average repurchase price paid by the Company for shares repurchased by the Company pursuant to the Board of Directors resolution which approved the repurchase of the relevant Treasury Share (the "Average Purchase Price") shall be subject to approval by two-thirds or more of the Members attending and voting at a most recent general meeting who represent a majority of the total number of the Company's outstanding shares as at the date of such general meeting. The notice of the general meeting shall list and explain the following matters, which may not be made by ad hoc motion:

(a) the basis of and justification for the reasonableness of the determined transfer price and the discount to the Average Purchase Price and the calculation thereof;

(b) the number of shares to be transferred, the purpose of the share transfer and justification of the reasonableness of the share transfer;

(c) any conditions attaching to the transfer, including but not limited to the employees of the Company qualified for the purchase and the number of shares that the employees may purchase; and

(d) any effect of the transfer on rights of the Members, including:

(i) the dilutive effect which the transfer will have on other Members of the Company; and

(ii) any financial burden to the Company caused by a transfer of shares to employees at a price lower than the Average Purchase Price.

The aggregate number of Treasury Shares to be transferred to employees pursuant to Article 29 shall not exceed five percent of the Company's total issued and outstanding shares as at the date of transfer of any Treasury Shares and the aggregate number of Treasury Shares transferred to any individual employee shall not exceed 0.5 percent of the Company's total issued and outstanding shares as at the date of transfer of any Treasury Shares to such employee.

For those Treasury Shares transferred by the Company to the employees, the Company may impose restrictions on the transfer of such Shares by the employees for a period of no more than two years.

REGISTRATION OF SHARES

Register of Members

30. The Directors shall keep, or cause to be kept, the Register of Members at such place as the Directors may from time to time determine and, in the absence of any such determination, the Register of Members shall be kept at the Registered Office.

31. If the Directors consider it necessary or appropriate, the Company may establish and maintain a branch register or registers of members at such location or locations within or outside the Cayman Islands as the Directors think fit. The principal register and the branch register(s) shall together be treated as the Register of Members for the purposes of the Articles.

32. For so long as any Shares are listed on the TSE, title to such listed Shares may be evidenced and transferred in accordance with the laws applicable to and the rules and regulations of the TSE that are or shall be applicable to such listed Shares and the Register of Members maintained by the Company in respect of such listed Shares may be kept by recording the particulars required by section 40 of the Companies Law in a form otherwise than legible if such recording otherwise complies with the laws applicable to and the rules and regulations of the TSE that are or shall be applicable to such listed Shares.

Transfer of Registered Shares

33. Subject to these Articles and the Applicable Public Company Rules, any Member may transfer all or any of his Shares by an instrument of transfer.

34. The transferor shall be deemed to remain the holder of a share until the name of the transferee is entered in the Register of Members.

35. Notwithstanding Article 33 above, transfers of Shares which are listed on the TSE may be effected by any method of transferring or dealing in securities permitted by the TSE which is in accordance with the Applicable Public Company Rules and which has been approved by the Board for such purpose.

Transmission of Shares

36. The successor or the legal personal representative of a deceased sole holder of a share shall be the only person recognised by the Company as having any title to the share. In the case of a share registered in the name of two or more holders, the survivors or survivor shall be the only person recognised by the Company as having any title to the share.

37. Any person becoming entitled to a share in consequence of the death or bankruptcy or liquidation or dissolution of a Member shall upon such evidence being produced as may from time to time be required by the Directors, have the right either to be registered as a Member in respect of the share or, instead of being registered himself, to make such transfer of the share as the deceased or bankrupt or liquidated or dissolved person could have made; but the Directors shall, in either case, have the same right to decline or suspend registration as they would have had in the case of a transfer of the share by the deceased or bankrupt or liquidated or dissolved person before the death or bankruptcy or liquidation or dissolution. In such case, the person becoming entitled shall execute in favor of such transferee an instrument of transfer in writing in the form as the Board of Directors may accept.

Closing Register of Members or Designating a Record Date

38. For the purpose of determining those Members that are entitled to receive notice of, attend or vote at any meeting of Members or any adjournment thereof, or those Members that are entitled to receive payment of any dividend, or in order to make a determination as to who is a Member for any other purpose, the Directors may provide that the Register of Members shall be closed for transfers for a stated period. For so long as the shares are listed on the TSE, the Register of Members shall be closed for a period not less than the minimum period of time immediately preceding the general meeting, as prescribed by the Applicable Public Company Rules.

39. Other than the closing of the Register of Members for registration of transfer of shares, the Directors may designate a record date in advance to determine the Members who are entitled to receive notice of, attend or vote at any meeting of Members or those Members that are entitled to receive payment of any dividend. The Directors shall make a public announcement of the designation of such record date on the Market Observation Post System or the website designated by the FSC or TSE pursuant to the Applicable Public Company Rules, if required.

MEETINGS OF MEMBERS

General Meetings

40. All general meetings other than annual general meetings shall be called extraordinary general

meetings.

41. The Directors may, whenever they think fit, convene a general meeting of the Company; provided that the Company shall in each year hold a general meeting as its annual general meeting within six months following the end of each fiscal year and shall specify the meeting as such in the notices calling it.

42. Subject to the following provisions of this Article 42, for so long as the Shares are listed on the TSE, unless otherwise provided by the Companies Law, all general meetings shall be held in the ROC. The Board of Directors may resolve that a general meeting shall be held outside the ROC, provided that the Company shall apply for the approval of the TSE therefor within two days after the Board of Directors adopts such resolution and the meeting may only be held outside of ROC if such approval is obtained. Where a general meeting is to be held outside the ROC, the Company shall engage a professional Shareholders' Service Agent in the ROC to handle the administration matters of such general meeting (including, but not limited to, the handling of the voting of proxies submitted by any Members).

43. For so long as the Shares are listed on the TSE, general meetings shall also be convened on the written requisition of any Member or Members entitled to attend and vote at general meetings of the Company holding at least 3 per cent of the paid up voting share capital of the Company for a period of one year or a longer time and such written requisition shall be deposited at the registered office of the Company or the Shareholders’ Service Agent specifying the objects of the meeting and the reason therefor signed by the requisitionists, and if the Board of Directors does not within fifteen days from the date of the deposit of the requisition dispatch the notice of such general meeting, and for so long as the shares are listed on the TSE, the requisitionists themselves may convene the general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Directors.

43-1. Any one or more Members holding in aggregate more than half of the total number of the issued Shares of the Company for at least three (3) consecutive months may convene an extraordinary general meeting. The period during which a Member holds the Shares and the number of Shares held by a Member shall be determined based on the Register of Members as of the book close date of the relevant extraordinary general meeting.

43-2. Other than where the Board of Directors is unwilling or unable to convene a general meeting, an Independent Director of the Audit Committee may convene a general meeting for the interest of the Company if necessary.

43-3. The Board of Directors or any person who is entitled to call or convene a general meeting under these Articles may demand the Company or its Shareholder's Service Agent to provide the Register of Members.

Notice of General Meetings

44. Before the shares of the Company are listed on the TSE, at least seven days notice counting from the date service is deemed to take place as provided in these Articles specifying the place, the day and the hour of the meeting and the general nature of that business, shall be given in the manner hereinafter provided to such persons as are, under these Articles, entitled to receive such notices from the Company. For so long as the shares are listed on the TSE, at least thirty days' notice of an annual general meeting, and at least fifteen days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat stating the date, place and time at which the meeting is to be held and the general nature of business to be conducted at the meeting.

45. The accidental omission to give notice of a meeting to or the non-receipt of a notice of a meeting by any Member shall not invalidate the proceedings at that meeting.

46. For so long as the shares are listed on the TSE, the Board of Directors shall at least thirty days prior to an annual general meeting or fifteen days prior to an extraordinary general meeting, make a public announcement publishing the notice of the general meeting, the proxy instrument, agendas and materials relating to matters for approval, matters for discussion, and election or discharge of Directors to be discussed in the general meeting, via the Market Observation Post System. If the voting power of a Member at a general meeting shall be exercised by way of a written ballot, the Company shall also send the written document used for the exercise of voting power together with the above mentioned materials. The Board of Directors shall prepare a meeting handbook of the relevant general meeting and supplemental materials as the Board of Directors may think fit, which will be sent to or made available to all Members twenty-one days prior to an annual general meeting and fifteen days prior to an extraordinary general meeting and shall be transmitted to the Market Observation Post System in accordance with the Applicable Public Company Rules.

47. The following matters shall be stated in the notice of general meetings, with a summary of the material content to be discussed, and shall not be brought up as an ad hoc motion:

(a) election or discharge of Directors;

(b) amendments to these Articles;

(c) capital reduction;

(d) application for de-registration as a public company in the ROC;

(e) dissolution, Merger, Share Swap or Spin-off of the Company;

(f) entry into, amendment to, or termination of any contract for lease of its business in whole, or the delegation of management of the Company's business to others or regular joint operation of the Company with others;

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

(h) taking over another's whole business or assets, which will have a material effect on the business operation of the Company;

(i) ratification of an action by Director(s) who engage(s) in business for him/herself or on behalf of another person that is within the scope of the Company's business;

(j) effect any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 127 hereof and/or make distributions, in the form of new Shares or cash, to the Members out of the legal reserve and the capital reserve derived from the share premium and income from endowments received by the Company; and

(k) the Private Placement of any equity-type securities issued by the Company.

The material content may be uploaded onto the Market Observation Post System or the website designated by the Company in accordance with the Applicable Public Company Rules, and such website shall be indicated in the notice of general meeting.

Quorum and Proceedings at General Meetings

48. No business 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, the holders of shares being more than an aggregate of one-half of all shares in issue present in person or by proxy and entitled to vote shall constitute a quorum for any general meeting.

49. Nothing in the Articles shall prevent any Member from issuing proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the improper convening of any general meeting or the improper passage of any resolution within 30 days after the passage of such resolution. The Taipei District Court, ROC, may be the court of the first instance for adjudicating any disputes arising out of the foregoing.

50. Member(s) holding 1% or more of the total number of outstanding shares immediately prior to the relevant book close period, during which the Company closes its Register of Members, may propose to the Company a proposal for discussion at a general meeting in writing or by electronic transmission. Proposals shall be included in the agenda of the general meeting except where (a) the proposing Member(s) holds less than 1% of the total number of outstanding

shares, (b) where the matter of such proposal may not be resolved at a general meeting, (c) the proposing Member has proposed more than one proposal, (d) the proposal is submitted on any day beyond the deadline fixed and announced by the Company for accepting shareholders' proposals, or (e) the proposal exceeds 300 Chinese characters. If any of the proposals submitted by such Member(s) is to urge the Company to promote public interests or fulfill its social responsibilities, the Board of Directors may accept such proposal to be discussed at a general meeting.

51. Unless otherwise expressly required by the Companies Law, the Memorandum of Association or these Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution.

52. If a general meeting is called by the Board of Directors, the chairman of the Board of Directors shall preside as the chair of such general meeting. In the event that the chairman is on leave of absence, or is unable to exercise his powers and authorities, the vice chairman of the Board of Directors shall act in lieu of the chairman. If there is no vice chairman of the Board of Directors, or if the vice chairman of the Board of Directors is also on leave of absence, or cannot exercise his powers and authorities, the chairman shall designate a Director to chair such general meeting. If the chairman does not designate a proxy or if such chairman's proxy cannot exercise his powers and authorities, the Directors who are present at the general meeting shall elect one from among themselves to act as the chair at such general meeting in lieu of the chairman. If a general meeting is called by any person(s) other than the Board of Directors, the person(s) who has called the meeting shall preside as the chair of such general meeting; and if there is more than one person who has called a general meeting, such persons shall elect one from among themselves to act as the chair of such general meeting.

53. At any general meeting a resolution put to the vote of the meeting shall be decided on a poll. The number or proportion of the votes in favour of, or against, that resolution shall be recorded in the minutes of the meeting. Notwithstanding the above, the resolution shall be deemed to be passed with the same effect as the affirmative vote if the Members presenting at the meeting do not object to such resolution after inquired by the chairman.

54. In the case of an equality of votes, the chairman of the meeting shall not be entitled to a casting vote.

55. The Board of Directors shall, by a resolution, adopt rules governing the proceedings and procedures of the general meetings which comply with the Memorandum of Association, the Articles and the Applicable Public Company Rules and submit such rules to the Members for approval by way of Ordinary Resolution.

Votes of Members

56. Subject to any rights and restrictions for the time being attached to any shares, every Member who is present in person or by proxy shall have one vote for each share of which he/she/it is the holder. A Member holding more than one Share is required to cast the votes in respect of his Shares in the same way on a particular resolution at a general meeting, unless otherwise provided by the Applicable Public Company Rules, in which case, the qualifications, application, manners for the exercise of such respective voting rights, procedures and other related matters thereof shall comply with the Applicable Public Company Rules.

57. Votes may be cast either personally or by proxy. A Member may appoint only one proxy under one instrument to attend and vote at a meeting.

58. The Directors may determine in their discretion that the voting power of a Member at such general meeting may be exercised by way of a written ballot or by way of an electronic transmission, provided that if the size of the Company, number and types of Members or other matters meet the requirements set forth in the Applicable Public Company Rules; or if a general meeting is to be held outside of Taiwan, the methods by which Members are permitted to exercise their voting power shall include written ballot or voting by way of an electronic transmission. Where these methods of exercising voting power are to be available at a general meeting, they shall be described in the general meeting notice given to the Members in respect of the relevant general meeting. A member exercising voting power by way of a written ballot or by way of an electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to exercise his or her voting right at such general meeting in accordance with the instructions stipulated in the written or electronic document; provided, however that such appointment shall be deemed not to constitute the appointment of a proxy for the purposes of the Applicable Public Company Rules. The chairman, acting as proxy of a Member, shall not exercise the voting right of such Member in any way not stipulated in the written or electronic document, nor exercise any voting right in respect of any resolution revised at the meeting or any impromptu proposal at the meeting. A Member voting in such manner shall be deemed to have waived notice of, and the right to vote in regard to, any ad hoc resolution or amendment to the original agenda items to be resolved at the said general meeting. Should the chairman not observe the instructions of a Member in exercising such member's voting right in respect of any resolution, the Shares held by such Member shall not be included in the calculation of votes in respect of such resolution but shall nevertheless be included in the calculation of quorum for the meeting.

59. A Member intending to exercise his or her voting power by way of a written ballot or electronic transmission shall serve the Company with his declaration of intention to do so at least two days prior to the general meeting. If a Member serves the Company with more than one declaration of intention to exercise his or her voting power by way of a written ballot or electronic

transmission, the first declaration of intention to exercise his or her voting power shall prevail, unless an explicit written statement is made thereafter by such Member to revoke the previous declaration of intention in the same manner as previously used in exercising his or her voting power. A Member who has submitted a vote by written ballot or electronic transmission pursuant to Article 58 may, at least two days prior to the date of the relevant general meeting, revoke such vote by written ballot or electronic transmission and such revocation shall constitute a revocation of the proxy deemed to be given to the chairman of the general meeting pursuant to Article 58. If a Member who has submitted a written ballot or electronic transmission pursuant to Article 58 does not submit such a revocation before the prescribed time, the proxy deemed to be given to the chairman of the general meeting pursuant to Article 58 shall not be revoked and the chairman of the general meeting shall exercise the voting right of such Member in accordance with that proxy.

59-1. If, subsequent to submitting a written ballot or electronic transmission pursuant to Article 58, a Member submits a proxy appointing a person of the general meeting as his proxy to attend the relevant general meeting on his behalf, then the subsequent appointment of that person as his proxy shall be deemed to be revocation of such member's deemed appointment of the chairman of the general meeting as his proxy pursuant to Article 58.

60. Shares of the Company as set out below shall not be voted at any general meeting and shall not be counted in determining the total number of outstanding shares at any given time:

(a) shares of the Company that are beneficially owned by the Company;

(b) shares of the Company that are beneficially owned by any of the Company's Subsidiaries, more than one-half of whose total number of outstanding voting shares or paid-in capital are directly or indirectly owned by the Company; and

(c) shares held by another company in which the Company, together with (i) the holding company of the Company and/or (ii) any Subsidiary of (x) the holding company of the Company or (y) the Company owns, legally or beneficially, directly or indirectly, more than 50% of its issued and voting share capital or equity capital.

60-1. For so long as the shares are listed on the TSE, in the event that a Director creates or has created security over any Shares held by him, then he shall notify the Company of such security. If at any time the security created by a Director is in respect of more than half of the Shares held by him at the time of his appointment, then the voting rights attaching to the Shares held by such Director at such time shall be reduced, such that the Shares over which security has been created which are in excess of half of the Shares held by the Director at the date of his appointment shall not carry voting rights and shall not be counted in the number of votes casted by the Members at a general meeting.

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

62. In the case of joint holders, the joint holders shall select among them a representative for the exercise of their shareholder's rights and the vote of their representative who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders.

63. A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote by his committee, or other person in the nature of a committee appointed by that court, and any such committee or other person may vote by proxy.

Special and Supermajority Resolutions of Members

64. Subject to the Companies Law, the Company may from time to time by Special Resolution:

(a) change its name;

(b) alter or add to these Articles;

(c) alter or add to the Memorandum of Association with respect to any objects, powers or other matters specified therein; or

(d) reduce its share capital and any capital redemption reserve in any manner authorised by law.

65. Subject to the Companies Law, the Company may from time to time by Supermajority Resolution:

(a) effect any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 127 hereof, or make distributions, in the form of new Shares or cash, to the Members out of the legal reserve and the capital reserve derived from the share premium and income from endowments received by the Company;

(b) discharge or remove any Director;

(c) approve any action by one or more Director(s) who is engaging in business conduct for him/herself or on behalf of another person that is within the scope of the Company's business;

(d) effect any Merger of the Company, provided that any Merger which falls within the definition of "merger and/or consolidation" under the Companies Law shall also be subject to the requirements of the Companies Law in addition to the requirements of these Articles, Share Swap, or any Spin-off of the Company;

(e) enter into, amend, or terminate any agreement for lease of the Company's whole business, or for entrusted business, or for frequent joint operation with others;

(f) transfer its business or assets, in whole or in any essential part; or

(g) acquire or assume the whole business or assets of another person, which has a material effect on the Company's operation.

66. Subject to the Companies Law, with regard to the dissolution procedure of the Company, the Company shall pass:

(a) an Ordinary Resolution, in the event that the Company resolves that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or

(b) a Special Resolution, in the event that the Company resolves that it be wound up voluntarily for reasons other than set out in Article 66 (a) above.

66-1. Subject to the Companies Law and the Applicable Public Company Rules, the Company shall not, without passing a resolution adopted by a majority of not less than two-thirds of the total number of votes represented by the issued shares in the Company:

(a) enter into a Merger, in which the Company is not the surviving company and is proposed to be struck-off and thereby dissolved, which results in a delisting of the Shares on the TSE, and the surviving or newly incorporated company is a non TSE-listed or TPEx-listed company;

(b) make a general transfer of all the business and assets of the Company, which results in a delisting of the Shares on the TSE, and the assigned company is a non TSE-listed or TPEx-listed company;

(c) be acquired by another company as its wholly-owned subsidiary by means of a Share Swap, which results in a delisting of the Shares on the TSE, and the acquirer is a non TSE-listed or TPEx-listed company; or

(d) carry out a Spin-off, which results in a delisting of the Shares on the TSE, and the surviving or newly incorporated spun-off company is a non TSE-listed or TPEx-listed company.

Proxies

67. The instrument appointing a proxy shall be in writing, be executed either under seal or under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised for that

purpose. A proxy need not be a Member.

68. Except for a Member appointing the chairman of a general meeting as his proxy through written ballot or electronic transmission pursuant to Article 58 or for trust enterprises organized under the laws of the ROC or for a securities agent approved pursuant to Applicable Public Company Rules, in the event a person acts as the proxy for two or more Members, the sum of Shares entitled to be voted as represented by such proxy shall be no more than 3% of the total outstanding voting Shares immediately prior to the relevant book closed period; any vote in respect of the portion in excess of such 3% threshold shall not be counted.

69. In the event that a Member exercises his/her/its voting power by means of a written ballot or by means of electronic transmission and has also authorized a proxy to attend a general meeting, then the voting power exercised by the proxy at the general meeting shall prevail. In the event that any Member who has authorised a proxy to attend a general meeting later intends to attend the general meeting in person or to exercise his voting power by way of a written ballot or electronic transmission, he shall, at least two days prior to such general meeting, serve the Company with a separate notice revoking his previous appointment of the proxy. Votes by way of proxy shall remain valid if the relevant Member fails to revoke his appointment of such proxy before the prescribed time.

70. The instrument of proxy shall be deposited at the office of the Company's Shareholders' Service Agent in the ROC or at such other place as is specified for that purpose in the notice convening the meeting, or in any instrument of proxy sent out by the Company not less than five days before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote where more than one instrument to vote received from the same Member by the Company, the first instrument received shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

71. The instrument of proxy shall be in the form approved by the Company and be expressed to be for a particular meeting only. The form of proxy shall include at least the following information: (a) instructions on how to complete such proxy, (b) the matters to be voted upon pursuant to such proxy, and (c) basic identification information relating to the relevant Member, proxy and the solicitor (if any). The form of proxy shall be provided to the Members together with the relevant notice for the relevant general meeting, and such notice and proxy materials shall be distributed to all Members on the same day.

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

Representation of Corporate Member

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

74. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he/she thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

Dissenting Member's Appraisal Right

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

(a) The Company enters into, amends, or terminates any agreement for lease of the Company's business in whole, or the delegation of management of the Company's business to other person or the regular joint operation of the Company with others;

(b) The Company transfers the whole or a material part of its business or assets, provided that, the foregoing does not apply where such transfer is pursuant to the dissolution of the Company;

(c) The Company accepts the transfer of the whole business or assets of another person, which has a material effect on the Company's business operations;

(d) the Company proposes to undertake a Spin-off, Merger or Share Swap; or

(e) the Company generally assumes all the assets and liabilities of another person or generally assigns all its assets and liabilities to another person.

76. Without prejudice to the Companies Law, any Member exercising his/her/its rights in accordance with Article 75 (the "**Dissenting Member**") shall, within twenty (20) days from the

date of the resolution passed at the general meeting, give his/her/its written notice of objection with the repurchase price proposed by him. If the Company and the Dissenting Member agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall make the payment within ninety (90) days from the date of the resolution passed at the general meeting. If, within ninety (90) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase the Dissenting Member's shares, the Company shall pay the fair price it deems fit to the Dissenting Member within ninety (90) days from the date of the resolution passed at the general meeting. If the Company fails to pay the fair price it deems fit to the Dissenting Member within the ninety (90)-day period, the Company shall be deemed to agree on the repurchase price proposed by such Dissenting Member.

Without prejudice to the Companies Law, if, within sixty (60) days from the date of the resolution passed at the general meeting, the Company and the Dissenting Member fail to agree on a price at which the Company will purchase such Dissenting Member's shares, then, within thirty (30) days immediately following the date of the expiry of such sixty (60)-day period, the Company shall file a petition with the court against all the Dissenting Members for a determination of the fair price of the shares held by all the Dissenting Members. The Taiwan Taipei District Court, ROC, may be the court of the first instance for this matter.

Notwithstanding the above provisions under Articles 75 and 76, nothing under this Article shall restrict or prohibit a Member from exercising his/her/its right under section 238 of the Companies Law to payment of the fair value of his/her/its shares upon dissenting from a merger or consolidation.

Adjournment and Postponement of General Meeting

77. Unless otherwise expressly provided herein, if a quorum is not present at the time appointed for the general meeting or if during such a general meeting a quorum ceases to be present, the chairman may postpone the general meeting to a later time, provided, however, that the maximum number of times a general meeting may be postponed shall be two and the total time postponed shall not exceed one hour. If the general meeting has been postponed for two times, but at the postponed general meeting a quorum is still not present, the chairman shall declare the general meeting is dissolved, and if it is still necessary to convene a general meeting, it shall be reconvened as a new general meeting in accordance with these Articles.

78. The chairman of a general meeting may, with the consent of a majority in number of those present at any general meeting at which a quorum is present, and shall if so directed, postpone or adjourn the meeting. The Company shall re-convene such general meeting within 5 days after

the adjourned general meeting or at such other date fixed by an Ordinary Resolution adopted by the Members within such five days without giving a fresh notice of the date, time and place for resumption of the adjourned meeting.

79. Apart from Article 78, the Board of Directors may postpone any general meeting called in accordance with the provisions of these Articles provided that notice of postponement is given to each Member before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of these Articles.

DIRECTORS AND OFFICERS

Number and Term of Office of Directors

80. There shall be a Board of Directors consisting of no less than seven and no more than fifteen persons, including Independent Directors, each of whom shall be appointed to a term of office of three years provided that such term may be extended, by resolution of the Directors, to the date of the general meeting next following the expiry of such term if the expiration of such term would otherwise leave the Company with no Directors. Directors may be eligible for re-election.

81. Unless otherwise approved by the TSE, not more than half of the total number of Directors elected can have a spousal relationship or familial relationship within the second degree of kinship with any other Directors.

82. In the event where the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 81 hereof, the non-qualifying Director(s) who was elected with the fewer number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 81 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall vacate his/her/its position of Director automatically.

83. Unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three Independent Directors. To the extent required by the Applicable Public Company Rules, at least one of the Independent Directors shall be domiciled in the ROC.

84. Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be governed by the Applicable Public Company Rules. The office of Independent Director shall be vacated if the Independent Director becomes ineligible for such position under the Applicable

Public Company Rules.

Election of Directors

85. The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 86 below. If a Member is a legal entity, the authorised representative of such Member may be elected as Director. If such Member has more than one authorised representatives, each of them may be nominated for election at a general meeting.

86. Directors shall be elected pursuant to a cumulative voting mechanism, where the number of votes exercisable by any Member shall be the same as the product of the number of shares held by such Member and the number of Directors to be elected ("**Special Ballot Votes**"), and the total number of Special Ballot Votes cast by any Member may be consolidated for election of one Director candidate or may be split for election amongst multiple Director candidates, as specified by the Member pursuant to the poll vote ballot. The top candidates in the number equal to the number of the Directors to be elected, to whom the votes cast represent a prevailing number of votes relative to the other candidates, shall be deemed Directors elected. The Directors may adopt a candidate nomination mechanism which is in compliance with Applicable Public Company Rules. The rules and procedures for such candidate nomination shall be in accordance with policies established by the Directors and approved by an Ordinary Resolution from time to time, which policies shall be in accordance with the Companies Law, the Memorandum of Association, these Articles and the Applicable Public Company Rules. For so long as the shares are listed on the TSE, subject to the requirement of the competent securities authority in the ROC, (i) such candidate nomination mechanism in compliance with Applicable Public Company Rules shall also be used for an election of Independent Directors, and (ii) if required by the Applicable Public Company Rules, such candidate nomination mechanism in compliance with the Applicable Public Company Rules shall also be used for an election of all Directors (including Independent Directors and non-independent Directors).

87. If the number of Independent Directors elected pursuant to Article 83 is less than three persons due to the resignation or removal of any of the Independent Directors or any other reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed or vacated, the Board of Directors shall hold, within sixty days from the date of resignation or removal of last retiring Independent Directors, an extraordinary general meeting to elect succeeding Independent Directors to fill the vacancies. If the Independent Directors domiciled in the ROC has resigned or has been removed or vacated which results in not at least one Independent Directors domiciled in the ROC, the Board of Directors shall hold, within sixty days from the date of resignation or removal of last retiring Independent Director domiciled in the ROC, an extraordinary general meeting to elect succeeding Independent Directors to fill the vacancies.

88. If the number of vacancies on the Board of Directors of the Company is less than one third of the total number of Directors elected due to any reason, the Company shall hold an election of Director(s) at the next following general meeting. When the number of vacancies on the Board of Directors of the Company equals to one third of the total number of Directors elected, the Board of Directors shall hold, within sixty days, an extraordinary general meeting to elect succeeding Directors to fill in the vacancies.

Removal of Directors

89. The Company may from time to time by Supermajority Resolution remove any Director from office before the expiration of his period of office notwithstanding anything in these Articles, and may elect any other person to fill in the vacancy in accordance with Article 85. Notwithstanding the foregoing, prior to the expiration of the term of office of the Directors then in office, the Members may, at a general meeting attended by Members in person or by proxy representing more than one-half of the total issued shares, elect a new Board of Directors, which vote shall be calculated in accordance with Article 85 above, whereupon all the Directors then in office shall be automatically removed from office notwithstanding their remaining term of office, unless otherwise resolved by the Members.

90. Where a Director has, in the course of performing his/her duties, committed any act resulting in material damages to the Company or in serious violation of applicable laws, regulations and/or these Articles, but not removed by a Supermajority Resolution of a general meeting, the Member(s) holding 3% or more of the total number of outstanding shares of the Company may, within 30 days after that general meeting, institute a lawsuit in the court for a judgment to remove such Director. The Taipei District Court, ROC, may be court of the first instance for this matter.

Remuneration of Directors

91. The remuneration of the Directors may only be paid in cash. The amount of such remuneration is authorized to be decided by the Board of Directors by reference to the standard generally adopted by other enterprises in the same industry, and shall be paid regardless whether the Company has profits or suffers losses. The Directors may also be paid all travel, hotel and other expenses properly incurred by them in attending and returning from the meetings of the Board of Directors, any committee appointed by the Board of Directors, general meetings of the Company, or in connection with the business of the Company or their duties as Directors generally. A Director is also entitled to other remuneration as may be appropriate in accordance with the Companies Law, the Applicable Public Company Rules, the service agreement or other similar contract that he/she has entered into with the Company.

Proxy of Director

92. Any Director may appoint another Director to be the proxy of that Director to attend and vote on his behalf, in accordance with instructions given by that Director at a meeting or meetings of the Directors which that Director is unable to attend personally. The instrument appointing the proxy shall be in writing under the hand of the appointing Director and shall be in any usual or common form or such other form as the Directors may approve, and must be lodged with the chairman of the meeting of the Directors at which such proxy is to be used, or first used, prior to the commencement of the meeting.

Powers and Duties of Directors

93. Subject to the provisions of the Companies Law, these Articles (including, without limitation, Article 21-1), Applicable Public Company Rules and any resolutions made in a general meeting, the business of the Company shall be managed by the Board of Directors, who may pay all expenses incurred in setting up and registering the Company and may exercise all powers of the Company. All acts done by any meeting of the Board of Directors or of a committee of Directors shall, notwithstanding that it be afterwards discovered that there was some defect in the election of any Director, or that they or any of them were disqualified, be as valid as if every such person had been duly elected and qualified to be a Director as the case may be.

94. Subject to Article 93 hereof, the Board of Directors may:

(a) from time to time appoint any person, whether or not a Director to hold such office in the Company as the Board of Directors may think necessary for the administration of the Company, including but not limited to, the office of president, one or more vice-presidents, treasurer, assistant treasurer, manager or controller, and for such term and at such remuneration (whether by way of salary or commission or participation in profits or partly in one way and partly in another), and with such powers and duties as the Board of Directors may think fit. Any person so appointed by the Board of Directors may be removed by the Board of Directors. The Board of Directors may also appoint one or more of their number to the office of managing director, upon like terms, but any such appointment shall ipso facto determine if any managing director ceases from any cause to be a Director, or if the Company by Special Resolution resolves that his tenure of office be terminated;

(b) 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 they think fit. Any Secretary or Assistant Secretary so appointed by the Board of Directors may be removed by the Board of Directors;

(c) delegate any of their powers to committees consisting of such member or members of their body as they think fit; any committee so formed shall in the exercise of the powers so delegated conform to any directions that may be imposed on it by the Board of Directors. Subject to any directions or regulations made by the Board of Directors for this purpose, the meetings and proceedings of any such committee shall be governed by the provisions of these Articles regulating the meetings and proceedings of the Board of Directors;

(d) from time to time and at any time by power of attorney appoint any company, firm or person or body of persons, whether nominated directly or indirectly by the Directors, to be the attorney or attorneys of the Company for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Directors under these Articles) and for such period and subject to such conditions as they may think fit, and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Directors may think fit, and may also authorise any such attorney to delegate all or any of the powers, authorities and discretion vested in him;

(e) from time to time provide for the management of the affairs of the Company in such manner as they shall think fit and the provisions contained in the two next following sub-paragraphs of this Article shall not limit the general powers conferred by this sub-paragraph;

(f) from time to time and at any time may establish any committees, local boards or agencies for managing any of the affairs of the Company and may appoint any persons to be members of such committees or local boards and may appoint any managers or agents of the Company and may fix the remuneration of any such persons; and

(g) from time to time and at any time may delegate to any such committee, local board, manager or agent any of the powers, authorities and discretions for the time being vested in the Directors and may authorise the members for the time being of any such local board, or any of them to fill any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any person so appointed and may annul or vary any such delegation, but no person dealing in good faith and without notice of any such annulment or variation shall be affected thereby.

Borrowing Powers of Directors

95. Subject to these Articles, the Directors may exercise all the powers of the Company to borrow

money and to mortgage or charge its undertaking, and property, to issue debentures, debenture stock and other securities whenever money is borrowed or as security for any debt, liability or obligation of the Company or of any third party.

The Seal

96. The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of the Seal and if given after may be in general form confirming a number of affixing of the Seal. The Seal shall be affixed in the presence of a Director or a Secretary (or an Assistant Secretary) or in the presence of any one or more persons as the Directors may appoint for the purpose and every person as aforesaid shall sign every instrument to which the Seal is so affixed in their presence.

97. The Company may maintain a facsimile of the Seal in such countries or places as the Directors may appoint and such facsimile Seal shall not be affixed to any instrument except by the authority of a resolution of the Board of Directors provided always that such authority may be given prior to or after the affixing of such facsimile Seal and if given after may be in general form confirming a number of affixing of such facsimile Seal. The facsimile Seal shall be affixed in the presence of such person or persons as the Directors shall for this purpose appoint and such person or persons as aforesaid shall sign every instrument to which the facsimile Seal is so affixed in their presence and such affixing of the facsimile Seal and signing as aforesaid shall have the same meaning and effect as if the Seal had been affixed in the presence of and the instrument signed by a Director or a Secretary (or an Assistant Secretary) or in the presence of any one or more persons as the Directors may appoint for the purpose.

98. Notwithstanding the foregoing, a Secretary or any Assistant Secretary shall have the authority to affix the Seal, or the facsimile Seal, to any instrument for the purposes of attesting authenticity of the matter contained therein but which does not create any obligation binding on the Company.

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

Disqualification of and Action against Directors

100. The office of Director shall be vacated, if the Director:

(a) becomes bankrupt or makes any arrangement or composition with his creditors or had liquidation proceeding commenced against him by a court, and such Director has not been reinstated to his rights and privileges;

(b) is found to be or becomes of unsound mind;

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

(d) is removed from office by Supermajority Resolution;

(e) is the subject in an order is made by any competent court or official on the grounds that he is or will be suffering from mental disorder or is otherwise incapable of managing his affairs, or his/her legal capacity is restricted according to the applicable laws, or he has been adjudicated of the commencement of assistantship and such assistantship or declaration have not been revoked;

(f) having committed an offence as specified in the ROC statute of prevention of organizational crimes and subsequently adjudicated guilty by a final judgment, and having not commenced to serve the term of the sentence yet, or having commenced to serve the term of sentence but not served the full term, or less than five years having elapsed from the date of completion of the full sentence, the date of expiry of the probation period or the date on which he has been pardoned;

(g) having committed an offence involving fraud, breach of trust or misappropriation and subsequently punished with imprisonment for a term of more than one year by a final judgement, and having not commenced to serve the term of the sentence yet, or having commenced to serve the term of sentence but not served the full term, or less than two years having elapsed from the date of completion of the full sentence, the date of expiry of the probation period or the date on which he has been pardoned;

(h) having been adjudicated guilty by a final judgment for committing the offense as specified in the Anti-corruption Act of the ROC, and having not commenced to serve the term of the sentence yet, or having commenced to serve the term of sentence but not served the full term, or less than two years having elapsed from the date of completion of the full sentence, the date of expiry of the probation period or the date on which he has been pardoned;

(i) having been dishonored for unlawful use of credit instruments, and the term of such sanction has not expired yet; or

(j) the Director is removed in accordance with Articles 100-2 or 100-3.

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

100-1. To the extent permitted under the laws of the Cayman Islands, Members continuously holding one per cent (1%) or more of the total issued shares of the Company for six (6) consecutive months or longer may:

(a) request in writing the Board to authorise any Independent Director of the Audit Committee to file a petition with the Taipei District Court, ROC for and on behalf of the Company against any of the Directors; or

(b) request in writing any Independent Director of the Audit Committee to file a petition with the Taipei District Court, ROC for and on behalf of the Company against any of the Directors;

within thirty (30) days after the Member(s) having made the request under the preceding clause (a) or (b), if (i) in the case of clause (a), the Board fails to make such authorisation or the Independent Director of the Audit Committee having been authorised by the Board fails to file such petition, or (ii) in the case of clause (b), the Independent Director of the Audit Committee fails to file such petition, to the extent permitted under the laws of the Cayman Islands, such Member(s) may file a petition with the Taipei District Court, ROC for and on behalf of the Company against any of the Directors.

100-2. Notwithstanding Article 89, if during a Director's term of office (not including Independent Directors), such Director transfers some or all of his Shares such that he holds less than one half of the total number of Shares which he held as at the date of the general meeting at which his appointment was approved, such Director shall, be vacated from office automatically. For the avoidance of doubt, for any Director who was elected at the annual general meeting of the Company on June 25, 2013 and has, before the adoption of this Article 100-2, transferred more than one half of the Shares being held by him at the time he was elected, he shall, ipso facto, be removed automatically from the office of Director with immediate effect and in such case no approval from the Members shall be required if, on or after the date of the adoption of this Article 100-2, he further transfers one or more Shares.

100-3. If any person is proposed for appointment as a Director (not including Independent Directors, each such person a "proposed director") at a general meeting (the "relevant general meeting"), such proposed director's appointment shall not become effective (regardless of whether such appointment is purportedly approved at the relevant general meeting, and any resolution which purports to approve such appointment shall be invalid and ineffective), if the proposed director sells or transfers more than one half of the total number of Shares which he holds (or held) at the time of the relevant general meeting, either:

(a) during the period after the relevant meeting, but prior to the commencement of such proposed director's term of office; or

(b) during the period when the Register of Members of the Company is closed for transfers of Shares prior to the relevant general meeting.

PROCEEDINGS OF DIRECTORS

MEETINGS OF THE BOARD OF DIRECTORS

101. The Board of Directors may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a meeting of the Board of Directors shall be carried by the affirmative votes of a majority of the votes cast. Before the shares are listed on the TSE, at least 48 hours prior notice shall be given for any meeting of Board of Directors provided that in the case of urgent circumstances as agreed by a majority of the Directors, a meeting of the Board of Directors may be convened on short notice, or be held any time after notice have been given to every directors or be convened without prior notice if all directors agree. For so long as the shares are listed on the TSE, at least seven days' prior notice shall be given for any meeting of the Board of Directors provided that in the case of urgent circumstances as agreed by a majority of the Directors, a meeting of the Board of Directors may be convened on short notice, or be held any time after notice have been given to every directors or be convened without prior notice if all directors agree.

102. A Director may, or the Secretary on the requisition of a Director shall, summon a meeting of the Board of Directors in accordance with Article 101. Notice of a meeting of the Board of Directors shall be deemed to be duly given to a Director if it is sent to such Director in writing, by post, cable, telex, telecopier, facsimile, electronic mail or other mode of representing words in a legible form at such Director's last known address or any other address given by such Director to the Company for this purpose.

103. Directors may participate in any meeting of the Board of Directors by video conference or other communication facilities by means of which all persons participating in the meeting can see and communicate with each other at the same time, and participation in such a meeting shall constitute presence in person at such meeting.

Quorum at Meetings of the Board of Directors

104. The quorum necessary for the transaction of the business of the Directors shall be more than one-half of the Board of Directors. A Director represented by proxy at any meeting shall be deemed to be present for the purposes of determining whether or not a quorum is present.

105. The continuing Directors may act notwithstanding any vacancy in their body but if and so long as their number is reduced below the number fixed by or pursuant to these Articles as the

necessary quorum of Directors, the continuing Directors may act for summoning a general meeting of the Company, but for no other purpose.

Conflict of Interest

106. Notwithstanding anything to the contrary contained in these Articles, a Director who has a personal interest in the matter under discussion at a meeting of the Board of Directors shall disclose to the meeting his or her interest and the material information regarding such interest. If the Company proposes to enter into any transaction specified in Article 75 or effect other forms of mergers and acquisitions in accordance with applicable laws, a Director who has a personal interest in such transaction shall declare the essential contents of such personal interest and the reason why he or she believes that the transaction is advisable or not advisable at the relevant meeting of the Board of Directors and the general meeting as required by the applicable laws. Where the spouse, a blood relative within the second degree of kinship of a Director, or any company which has a controlling or subordinate relation with a Director has a personal interests in the matters under discussion at a meeting of the Board of Directors in the preceding paragraph, such Director shall be deemed to have a personal interest in the matter. A Director who has a personal interest in the matter under discussion at a meeting of the Directors, which may conflict with and impair the interest of the Company shall not vote nor exercise voting rights on behalf of another Director; the voting right of such Director who cannot vote or exercise any voting right as prescribed above shall not be counted in the number of votes of Directors present at the board meeting.

107. A Director who does anything for himself or on behalf of another person that is within the scope of the Company's business shall declare the essential contents of such behaviour to the general meeting and be approved by Supermajority Resolution. Failure in obtaining such approval shall cause the Director being so interested be liable to account to the Company for any profit realised by any such behaviour if the general meeting so resolves by an Ordinary Resolution within one year from such behaviour.

107-1. Without prejudice to the duties owed by a Director or an officer (being a manager or secretary of the Company who are authorized to act on its behalf in a senior management capacity) to the Company under common law of the Cayman Islands and subject to the Companies Law and the Applicable Public Company Rules, a Director and officer shall assume fiduciary duties towards the Company and, without limitation, shall exercise due care and skill in conducting the business operations of the Company. Should any such Director or officer violate any such duty or applicable laws, without prejudice to the rights and remedies available under applicable laws, the Company may (i) take actions against such Director or officer for indemnification of the damages caused to the Company, and (ii) require such Director or officer to bear joint and several liability for indemnification of the damages payable by the Company to other Person(s), and (iii) the

Company may, by an Ordinary Resolution, take any action permitted by applicable laws and laws of the Cayman Islands to account for any profits and benefits and request payment to the Company such profits or benefits gained in respect of the breach of their fiduciary duties or violation of the applicable laws.

108. Notwithstanding the preceding Articles, a Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Directors 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 or as vendor, purchaser or otherwise. A Director, notwithstanding his interest, may be counted in the quorum present at any meeting of the Directors whereat he or any other Director is appointed to hold any such office or place of profit under the Company or whereat the terms of any such appointment are arranged and he may vote on any such appointment or arrangement.

109. Subject to these Articles, any Director may act by himself or his firm in a professional capacity for the Company, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director; provided that nothing herein contained shall authorise a Director or his firm to act as auditor to the Company.

Chairman to Preside

110. The Directors shall, by a resolution, establish rules governing the procedure of meeting(s) of the Directors and report such rules to a general meeting, and such rules shall be in accordance with these Articles and the Applicable Public Company Rules.

111. A committee appointed by the Board of Directors may elect a chairman of its meetings. If no such chairman is elected, or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their number to be chairman of the meeting.

112. A committee appointed by the Board of Directors may meet and adjourn as it thinks proper. Questions arising at any meeting shall be determined by a majority of votes of the committee members present and in case of an equality of votes the chairman shall have a second or casting vote.

CORPORATE RECORD

Minutes

113. The Directors shall cause minutes to be made in books or loose-leaf folders provided for the purpose of recording:

(a) all appointments of officers made by the Board of Directors;

(b) the names of the Directors present at each meeting of the Board of Directors and of any committee appointed by the Board of Directors; and

(c) all resolutions and proceedings at all general meetings, meetings of the Board of Directors, and meetings of committees appointed by the Board of Directors.

DIVIDENDS, BONUS, AND RESERVE

114. Upon the annual final settlement of the Company's accounts, if there is surplus profits on the Company's net profits before tax (before deducting any employees' compensation and Directors' compensation), the Board of Directors shall, upon approval by a majority of the Directors present at a meeting attended by two-thirds or more of the total number of the Directors, set aside employees' compensation and Directors' compensation in accordance with the following manner, and report such distribution of compensation to the general meeting. However, if the Company has accumulated losses, the Company shall reserve an amount thereof first to offset the losses:

(a) up to 3% as employees' compensation;

(b) up to 3% as Directors' compensation.

Employees' compensation stated in Article 114(a) above may be distributed by way of cash or by way of applying such sum in paying up in full unissued shares, or a combination of both; employees entitled to the compensation includes those of the Company' Subsidiaries who meet certain qualifications.

The Company may distribute the profits according to a distribution plan proposed and approved by the Board of Directors and sanctioned by an Ordinary Resolution. In formulating the distribution plan, the Board of Directors shall take into consideration the volatility of the business environment; whether the Company is in a growth stage of its business life cycle; the requirements of future expansion projects; the proportion of dividend distributed by the Company by way of cash and/or the interest of shareholders of paying dividends, the Board of Directors shall formulate the distribution plan in accordance with the following principles:

(a) Profits will first be used to offset the Company's losses of the current year or prior years;

(b) 10% of the remaining profits will then be set aside as a legal reserve until such time as the legal reserve is equal to the paid-in capital pursuant to the applicable laws and regulations of the jurisdiction or jurisdictions where the Company's securities are listed for trading;

(c) (i) a portion of the remaining profits will then be set aside as a special reserve, if so required by the competent authority of the jurisdiction where the Company is incorporated or the competent securities authority of any jurisdiction where the Company's securities are listed for trading; and

(ii) an amount equal to the unrealized amount of investment property appreciation in the current year will then be set aside as a special reserve pursuant to the International Financial Reporting Standards, provided that such special reserve may be reduced by an amount equal to the portion of any unrealized cumulative recognized losses on Investment Property for previous years which are reversed into appreciation in the current year. If the unrealized appreciation becomes realized in the following year, such realized amount shall be reversed from the special reserve into undistributed profits and shall be deducted or distributed in accordance with (d) below; and then

(d) after deductions have been made in accordance with (a) to (c) above, the remaining profits (the "**Remaining Profits of Current Year**") plus undistributed retained earnings of the previous years, in part or in whole, may be distributed as dividends in such amounts as the Board of Directors determine to be appropriate having considered the financial, business and operational factors; provided, that the total dividends to be distributed shall be no less than 30% of the Remaining Profits of Current Year and provided further that dividends to be paid in cash shall be no less than 20% of the total dividends to be distributed unless such cash amount would be less than New Taiwan Dollar 0.1 per share, in which case the dividends may be paid entirely by way of a capitalization of distributable amounts (subject to approval of such capitalization in accordance with Article 65(a)).

115. The Directors may, before recommending distribution of any dividend or bonus, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, in the absolute discretion of the Directors be applicable for meeting contingencies, or for meeting the deficiencies for implementing dividend distribution plans or for any other purpose to which those funds may be properly applied and pending such application may in the absolute discretion of the Directors, either be employed in the business of the Company or be invested in such investments as the Directors may from time to time think fit. The Directors may also, without placing the same to reserve, carry forward any profit which they decide not to distribute.

116. Any dividend, interest or other monies payable in cash in respect of the shares may be paid by wire transfer to the Members or by cheque sent through the post to the registered address of the Member in the Register of Members.

117. In the case of joint holders of shares, any dividend, interest or other monies payable in cash in respect of the shares may be paid to the holder first named in the Register of Members, or to such person and to such address as the joint holders may in writing direct. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.

118. Subject to any rights and restrictions for the time being attached to any class or classes of shares, all dividends shall be declared and paid according to the amounts paid on the shares.

119. No unpaid distribution shall bear interest as against the Company.

ACCOUNTS AND AUDIT

120. The books of account relating to the Company's affairs shall be kept in such manner as may be determined from time to time by the Directors.

121. The books of account shall be kept at the registered office of the Company, or at such other place or places as the Directors think fit, and shall always be open to the inspection of the Directors.

122. The Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no Member (not being a Director) shall have any right of inspecting any account or book or document of the Company except as conferred by these Articles, the Companies Law, Applicable Public Company Rules, or authorised by the Directors or by the Company by Ordinary Resolution.

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

124. The Board of Directors shall submit business reports, financial statements and proposals for distribution of profits or losses prepare by it for the purpose of annual general meeting of the Company for ratification by the Member as required by the Applicable Public Company Rules. After ratification by the annual general meeting, the Board of Directors shall distribute copies or make a public announcement of the ratified financial statements and the Company's resolutions on the allocation and distribution of profits or loss, to each Member.

125. The Board of Directors shall keep copies of the yearly business report and financial statements

at the office of its Shareholders' Service Agent before ten (10) days of the annual general meeting and any of its Members is entitled to inspect such documents during normal business hours of such Agent.

126. The accounts relating to the Company's affairs shall only be audited in such manner and with such financial year end as may be determined from time to time by the Directors, or required by the Applicable Public Company Rules.

CAPITALISATION

127. Subject to Article 65 (a), the Board of Directors may capitalize any sum outstanding to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or any sum standing to the credit of profit and loss account or otherwise available for distribution and to appropriate such sum to Members in proportion to their shareholding by way of Dividend in the form of new shares and to apply such sum on their behalf in paying up in full unissued Shares for allotment and distribution credited as fully paid-up to and amongst them in the proportion aforesaid. In such event, the Board of Directors shall do all acts and matters required to give effect to such capitalisation, with full power to the Directors to make such provisions as they think fit such that Shares shall not become distributable in fractions (including provisions whereby the benefit of fractional entitlements accrue to the Company rather than to the Members concerned). The Directors may authorise any person to enter on behalf of all of the interested Members into an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

SHARE PREMIUM ACCOUNT

128. The Board of Directors shall in accordance with Section 34 of the Companies Law establish a share premium account and shall carry to the credit of such account from time to time a sum equal to the amount or value of the premium paid on the issue of any share.

129. There shall be debited to any share premium account on the redemption or purchase of a share the difference between the nominal value of such share and the redemption or purchase price provided always that at the discretion of the Board of Directors such sum may be paid out of the profits of the Company or, if permitted by Section 37 of the Companies Law, out of capital.

AUDIT COMMITTEE

130. The Company shall establish an Audit Committee. The Audit Committee shall comprise solely

of Independent Directors and the number of committee members shall not be less than three. One of the Audit Committee members shall be appointed as the convener to convene meetings of the Audit Committee from time to time and at least one of the Audit Committee members shall have accounting or financial expertise. A valid resolution of the Audit Committee requires approval of one-half or more of all its members.

131. Any of the following matters of the Company shall require the consent of one-half or more of all Audit Committee members and be submitted to the Board of Directors for resolution:

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

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

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

(d) any matter relating to the personal interest of the Directors;

(e) a material asset or derivatives transaction;

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

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

(h) the hiring or dismissal of an attesting certified public accountant, or the compensation given thereto;

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

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

(k) any other matter so determined by the Company from time to time or required by any competent authority overseeing the Company.

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

131-1 Subject to compliance with the Companies Law, before the Board of Directors resolves any matter specified in Article 75 or other mergers and acquisitions in accordance with the applicable laws, the Audit Committee shall review the fairness and reasonableness of the relevant merger and acquisition plan and transaction, and report its review results to the Board of Directors and the general meeting; provided, however, that such review results need not be submitted to the general meeting if the approval of the Members is not required under the applicable laws. When the Audit Committee conducts the review, it shall engage an independent expert to issue an opinion on the fairness of the share exchange ratio, cash consideration or other assets to be offered to the Members. The review results of the Audit Committee and the fairness opinion issued by the independent expert shall be distributed to the Members, along with the notice of the general meeting; provided, however, that the Company can only report matters relating to such merger and acquisition at the next following general meeting if the approval of the Members is not required under the applicable laws. Such review results and fairness opinion shall be deemed to have been distributed to the Members if the same have been uploaded onto the website designated by the FSC and made available to the Members for their inspection and review at the venue of the general meeting.

COMPENSATION COMMITTEE

132. The Board of Directors shall, in accordance with the Applicable Public Company Rules, establish a Compensation Committee comprised of at least three members, one of which shall be the Independent Director. The professional qualifications of the members of the Compensation Committee, the responsibilities, powers and other related matters of the Compensation Committee shall comply with the Applicable Public Company Rules. Upon the establishment of the Compensation Committee, the Board of Directors shall, by a resolution, adopt a charter for the Compensation Committee in accordance with these Articles and the Applicable Public Company Rules.

133. The compensation to be proposed by the Compensation Committee referred in the preceding Article shall include the compensation, stock options and other incentive payments payable to Directors and managers of the Company.

TENDER OFFER

134. Within seven days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its litigation or non-litigation agent appointed pursuant to the Applicable Public Company Rules, the Board of Directors shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:

(a) The types and number of the shares held by the Directors and the Members holding more than 10% of the outstanding shares in their own names or in the names of other persons;

(b) Recommendations to the Members on the tender offer, which shall set forth 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 submission of the latest financial report and an explanation of the change, if any; and

(d) The types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Members holding more than 10% of the outstanding shares held in their own names or in the name of other persons.

NOTICES

135. Except as otherwise provided in these Articles, any notice or document may be served by the Company or by the person entitled to give notice to any Member either personally, by facsimile or by sending it through the post in a prepaid letter or via a recognised courier service, fees prepaid, addressed to the Member at his address as appearing in the Register of Members, or to the extent permitted by all applicable laws and regulations, by electronic means by transmitting it to any electronic mail number or address such Members may have positively confirmed in writing for the purpose of such service of notices. In the case of joint holders of a share, all notices shall be given to that one of the joint holders whose name stands as their representative in the Register of Members in respect of the joint holding, and notice so given shall be sufficient notice to all the joint holders.

136. 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 and, where requisite, of the purposes for which such meeting was convened.

137. Any notice or other document, if served by (a) post, shall be deemed to have been served at the time when the letter containing the same is posted, or, (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 at 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. In proving service by post or courier service it shall be sufficient to prove that the letter containing the notice or documents was properly addressed and duly posted or delivered to the courier service.

138. Any notice or document delivered or sent by post to or left at the registered address of any Member in accordance with the terms of 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 holder, unless his name shall at the time of the service of the notice or

document, have been removed from the Register of Members as the holder of the share, and such service shall for all purposes be deemed a sufficient service of such notice or document on all persons interested (whether jointly with or as claiming through or under him) in the share.

139. Notice of every general meeting of the Company shall be given to:

(a) all Members holding shares with the right to receive notice and who have supplied to the Company an address for the giving of notices to them; and

(b) every person entitled to a share in consequence of the death or bankruptcy of a Member, who but for his death or bankruptcy would be entitled to receive notice of the meeting.

No other person shall be entitled to receive notices of general meetings.

INFORMATION

140. The Board of Directors shall keep at the office of its Shareholders' Service Agent in Taiwan copies of the Memorandum of Association, the Articles, the minutes of every meeting of the Members, the financial statements, the Register of Members and the counterfoil of corporate bonds issued by the Company. Any Shareholder of the Company may request, by submitting evidentiary document(s) to show his/her interests involved and indicating the scope of interested matters, an access to inspect, transcribe and to make copies of the Memorandum of Association, the Articles and accounting books and records. The Company shall procure its Shareholders' Service Agent to provide such Member(s) with access to above documents.

INDEMNITY

141. Unless otherwise provided in these Articles, every Director, Secretary, Assistant Secretary, or other officer for the time being and from time to time of the Company (but not including the Company's auditors) and the personal representatives of the same shall be indemnified and secured harmless out of the assets and funds of the Company against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by him in or about the conduct of the Company's business or affairs or in the execution or discharge of his duties, powers, authorities or discretions, including without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by him in defending (whether successfully or otherwise) any civil proceedings concerning the Company or its affairs in any court whether in the Cayman Islands or elsewhere. PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud, wilful default or dishonesty which may attach to any of the said persons or breach of fiduciary duties as referred to in Article 107-1.

142. Unless otherwise provided in these Articles, no such Director, Secretary, Assistant Secretary or other officer of the Company (but not including the Company's auditors) shall be liable (a) for the acts, receipts, neglects, defaults or omissions of any other such Director or officer or agent of the Company or (b) for any loss on account of defect of title to any property of the Company or (c) on account of the insufficiency of any security in or upon which any money of the Company shall be invested or (d) for any loss incurred through any bank, broker or other similar person or (e) for any loss occasioned by any negligence, default, breach of duty, breach of trust, error of judgement or oversight on his part or (f) for any loss, damage or misfortune whatsoever which may happen in or arise from the execution or discharge of the duties, powers authorities, or discretions of his office or in relation thereto, unless the same shall happen through his own dishonesty. PROVIDED THAT this Article shall not extend to any matter in respect of any fraud, wilful default or dishonesty which may attach to any of the said persons or breach of fiduciary duties as referred to in Article 107-1.

FINANCIAL YEAR

143. The financial year end of the Company shall be 31st December in each year but, subject to any direction of the Company in general meeting, the Board of Directors may from time to time prescribe some other period to be the financial year, provided that the Board of Directors may not without the sanction of an Ordinary Resolution prescribe or allow any financial year longer than twelve months.

WINDING UP

144. If the Company shall be wound up, and the assets available for distribution amongst the Members shall be insufficient to repay the whole of the share capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Member 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.

145. If the Company shall be wound up the liquidator may, subject to Article 66, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as it deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator

may, subject to Article 66, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the contributories as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

AMENDMENT OF ARTICLES OF ASSOCIATION

146. Subject to the Companies Law and these Articles, the Company may at any time and from time to time by Special Resolution alter or amend these Articles and/or Memorandum of Association with respect to any objects, powers or other matters contained therein, in whole or in part.

REGISTRATION BY WAY OF CONTINUATION

147. The Company may by Special Resolution resolve to be registered by way of continuation in a jurisdiction outside the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing. In furtherance of a resolution adopted pursuant to this Article, the Directors may cause an application to be made to the Registrar of Companies to deregister the Company in the Cayman Islands or such other jurisdiction in which it is for the time being incorporated, registered or existing and may cause all such further steps as they consider appropriate to be taken to effect the transfer by way of continuation of the Company.

148. So long as the Shares are listed on the TSE, the Company shall, by a resolution of the Directors, appoint or remove a litigious and non-litigious agent pursuant to the Applicable Public Company Rules to act as the Company's responsible person in the ROC to handle matters stipulated in the ROC Securities and Exchange Act and the relevant rules and regulations thereto.

OTHERS

149. Subject to the Companies Law and Cayman Islands' law, so long as the Shares are listed on the TSE, the qualifications, composition, appointment, removal, exercise of functions and other matters with respect to the Directors, Independent Directors, Compensation Committee and Audit Committee which are required to be followed by the Company shall comply with the applicable ROC securities laws and regulations.

150. So long as the Shares are listed on the TSE, in the course of conducting its business, the Company shall comply with the Applicable Public Company Rules and business ethics and may take corporate actions to promote public interests in order to fulfill its social responsibilities.

Appendix 2

SINO HORIZON HOLDINGS LIMITED

The Rules Governing the Shareholders Meeting

(Rules Governing the Shareholders' Meeting)

Article 1 These Rules were established in accordance with the Company's Articles of Incorporation and applicable laws and regulations to establish sound governance over the Company's shareholders' meetings, and thereby enhance the supervisory and managerial functions of shareholders.

Article 2 Unless otherwise specified by law or Articles of Incorporation, the company shall proceed its shareholders' meetings according to the terms of this policy.

Article 3 Unless otherwise specified by the law or Articles of Incorporation, shareholders' meetings are convened by the Board of Directors.

Notices or announcements shall be sent to all shareholders for the convening of shareholders' meetings at least thirty (30) days in advance of the meetings; an extraordinary shareholders' meeting may be convened as needed, and shareholders shall be informed or notified of such meeting at least fifteen days in advance.

Agenda items must be explained in detail in the meeting notices and announcements.

Subject to agreement by the receiving party, meeting notices may also be delivered electronically.

Agenda items that involve election or dismissal of directors, changes to the Articles of Incorporation, liquidation, mergers, demergers, or other matters that cannot be raised as special motions in accordance with the Company's Articles of Incorporation shall be covered in the meeting notice and shall not be raised as special motions.

Shareholders who own more than 1% of the Company's outstanding shares are entitled to propose, in writing, agenda items for discussion in annual shareholders' meetings. Each shareholder may only propose one agenda item; any further proposals will be excluded from discussion. The Board of Directors may disregard shareholders' proposals if the proposed agenda item involves other matters that cannot be raised as motions in accordance with the Company's Articles of Incorporation.

The Company shall announce, before the book closure date, the conditions, places and time in which shareholders' proposals may be accepted. The period of acceptance shall be no shorter than ten days.

Shareholders shall limit their proposed agenda items to 300 words; proposals that exceed 300 words shall be excluded from the agenda. Shareholders who have successfully proposed agenda items shall attend the annual shareholder's meeting in person or through proxy attendance and participate in the discussion.

The Company shall notify the proposing shareholders of the outcome of their proposed agenda items before the date the meeting notice is sent. Meanwhile, agenda items that satisfy the conditions listed in this article shall be included as part of the meeting notice. During the shareholders' meeting, the Board of Directors shall explain the reasons why certain proposed agenda items are excluded from discussion.

Article 4 Shareholders may appoint proxies to attend shareholders' meetings by completing the Company's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must be delivered to the Company at least five days before the shareholders' meeting. In the event that multiple proxy forms are issued, the proxy form that arrives first shall prevail. However, exceptions shall be granted if the shareholder issues a declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholders' meeting personally after a proxy form has been submitted to the Company, a written notice must be sent to the company no later than one day before the meeting commences to withdraw the proxy arrangement. If the withdrawal is made after the prescribed period, then the voting decision exercised by the proxy shall prevail.

Article 5 Shareholders' meetings shall, pursuant to the Company's Articles of Incorporation, be held at locations within the borders of the Republic of China that are suitable and convenient for shareholders to attend, unless otherwise approved by the Taiwan Stock Exchange. Meetings shall not begin earlier than 9 AM or later than 3 PM. Independent directors' opinions shall be fully taken into consideration in the selection of meeting venue and time.

Article 6 The Company shall specify in its shareholders' meeting notices the time during which shareholder attendance registrations will be accepted, the place to register for attendance, and other matters that require attention.

The time during which shareholder attendance registrations will be accepted, as stated in the preceding paragraph, shall be at least 30 minutes prior to the time the meeting commences. The place at which attendance registrations are accepted shall be clearly marked and a sufficient number of suitable personnel assigned to handle the registrations.

Shareholders and their proxies (collectively, "shareholders") shall attend shareholders meetings based on attendance cards, sign-in cards, or other certificates of attendance. Shareholders who wish to acquire a proxy form must present proof of identity for verification.

The Company shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.

Shareholders who attend the meeting shall be given a copy of the meeting manual, annual report, attendance pass, opinion slip, agenda ballots and any information relevant to the meeting. Shareholders shall also be given election ballots where election of directors is to take place.

Where the shareholder is a government agency or corporate entity, more than one representative may attend the shareholders' meetings on their behalf. Corporate entities that have been designated as proxy attendants shall only appoint one representative to attend the shareholders' meeting.

Article 7 Shareholders' meetings that are convened by the Chairman shall be chaired by the Chairman. If the Chairman is unable to perform such duties due to leave of absence or any reason, the Vice Chairman shall act on the Chairman's behalf. If the Vice Chairman is also unavailable or is a vacant position, the Chairman may appoint one of the directors to act on the Chairman's behalf. If the Chairman does not appoint a delegate, one shall be elected among the attending directors to act on the Chairman's behalf.

When a managing director or a director serves as chairperson, 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 chairperson.

Shareholders' meetings that are convened by the Board of Directors should have more than half of the Board attending.

For shareholders' meetings convened by any authorized party other than the Board of Directors, the convener will act as the meeting's chairperson. If there are two or more conveners at the same time, one shall be appointed from among them to chair the meeting.

The Company may summon its lawyers, certified public accountants, and any relevant personnel to be present at the shareholders' meeting.

Article 8 The Company 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, beginning from the time it accepts shareholder attendance registrations.

The recorded materials of the preceding paragraph shall be retained for at least 1 year. However, in situations where a shareholder makes a litigious claim against the Company pursuant to the Company's Articles of Incorporation, the records shall be kept until the litigation is concluded.

Article 9 Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares represented during the meeting is calculated based on the total amount registered in the attendance log or the attendance cards collected, plus the amount of shares where voting rights are exercised in writing or through electronic means.

The chairperson shall announce the commencement of the meeting as soon as the appointed time arrives. However, if those in attendance represent less than half of the Company's outstanding shares, the chairperson shall immediately announce postponement of the meeting up to two times, for a period totaling no more than one hour. If the quorum is not met after two postponements and the attending shareholders still represent less than the minimum required by the Company's Articles of Incorporation, the chairperson shall declare the meeting adjourned. However, if a shareholders' meeting is still deemed as necessary, another shareholders' meeting shall be convened in accordance with the Articles of Incorporation.

Article 10 If the shareholders' meeting is convened by the Board of Directors, the Board of Directors shall determine the meeting proceedings. The proceedings shall not be changed unless resolved during the shareholders' meeting.

The above rule also applies if the shareholders' meeting is convened by any authorized party other than the Board of Directors.

Unless by the resolution of the shareholders' meeting, the chairperson may not declare the meeting ended until all items on the agenda (including special motions) arranged in the preceding two paragraphs have been completed. If the chairperson violates the meeting policy by dismissing the meeting when it is not allowed to do so, other members of the Board shall immediately assist the attending shareholders to elect another chairperson with the support of more than half of voting rights represented and continue the meeting.

The chairperson must allow adequate time to explain and discuss the various agenda items, amendments or special motions proposed during the meeting. The Chairman may announce to discontinue further discussion if the issue in question is considered to have been sufficiently discussed to proceed with the voting.

Article 11 Shareholders who wish to speak during the meeting must fill in an opinion slip detailing the topics and the shareholder's account number (or the attendance card number). The order of shareholders' comments shall be determined by the chairperson.

If any shareholder present at the meeting submits an opnion slip but does not speak, no speech shall be deemed to have been made by such a shareholder. If the contents of the statement do not conform to the contents of the opinion slip, the contents of the opinion slip shall govern.

Each shareholder shall speak no more than twice, for five minutes each time, on the same agenda item unless otherwise agreed by the chairperson. The chairperson may stop shareholders from speaking if they violate the rules or speak outside the agenda item under discussion.

While a shareholder is speaking, other shareholders shall not speak simultaneously or interfere in any way unless agreed by the chairperson and the person speaking. Any violators shall be restrained by the chairperson.

Where a corporate shareholder has appointed two or more representatives to attend the shareholders' meeting, only one representative may speak per agenda item.

After a shareholder present at the meeting speaks, the chairperson may reply in person or assign relevant personnel to reply.

Article 12 Votes in a shareholders' meeting are determined by the number of shares represented during the meeting.

Shares that do not carry voting rights are excluded from the calculation of outstanding shares when voting for the final resolution.

Shareholders cannot vote, or appoint proxies to vote, on any agenda items in which they have a conflict of interest that would be detrimental to the best interests of the Company.

The number of shares held by shareholders who are not permitted to vote shall be excluded from the total voting rights represented in the meeting.

Unless otherwise stipulated by the Company's Articles of Incorporation, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation.

Article 13 Unless otherwise prescribed by the Company's Articles of Incorporation, a shareholder shall have one voting right per share he or she is in possession of.

Voting rights may be exercised electronically or in writing during a shareholders' meeting. The shareholders' meeting notice must explain the methods through which shareholders may exercise voting rights in writing or in electronic form. Shareholders who have voted in writing or using the electronic method are considered to have appointed the chairperson to vote on their behalf. However, they are considered to have waived their rights to participate in any special motions or amendments to the original agenda items that may arise during the shareholders' meeting.

Instructions to exercise written and electronic votes must be delivered to the Company at least five days before the shareholders' meeting. In the event where there are duplicate submissions, the earliest submission shall prevail. However, exceptions shall be granted if the shareholder issues a proper declaration to withdraw the previous vote.

If the shareholder decides to attend the shareholders' meeting in person after submitting a written or electronic vote, a proper declaration of withdrawal must be issued in the same method as the original vote no later than one day before the shareholders' meeting. If the withdrawal is not received in time, then the written or electronic vote shall prevail. If a shareholder has exercised written or electronic votes, and at the same time delegated a proxy to attend the shareholders meeting, then the voting decision exercised by the proxy shall prevail.

Unless otherwise regulated by the Company's Articles of Incorporation, an agenda item is passed when supported by shareholders who represent more than half of the total voting rights in the meeting. While voting is in progress, the chairperson or delegate thereof shall announce the total number of voting rights represented in the meeting for every agenda item discussed.

An agenda item is considered passed if the chairperson receives no objections from any meeting attendants. This voting method has the same effect as the conventional ballot method. If any objections are raised, the agenda item shall be voted on according to the rules outlined above. Shareholders who wish to propose additional agenda items or alternatives or amendments to existing agenda items must have their proposals seconded by another shareholder.

When there is an amendment or alternative to a proposal, the chairperson shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. If any of these proposals is approved, the other proposals shall be treated as rejected and not be voted on separately.

The chairperson shall appoint an election monitor and a voting counter; the election monitor must be a shareholder.

Vote counting for shareholders’ meeting proposals or elections shall be conducted in public at the place of the shareholders’ meeting. Immediately after vote counting has been completed, the results of the voting, including the statistical tallies of the numbers of votes, shall be announced on-site at the meeting, and a record made of the vote.

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 the Company, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected.

The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitors and kept in proper custody for at least one year. However, in situations where a shareholder makes a litigious claim against the company pursuant to the Company's Articles of Incorporation, the records shall be kept until the litigation is concluded.

Article 15 Shareholders' meeting resolutions shall be compiled into detailed minutes, signed or sealed by the chairperson, and then delivered to each shareholder no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form.

The minutes must detail the date and venue of the meeting, the chairperson's name, the method of resolution, and the proceedings and results of various meeting agenda items. These minutes must be retained for as long as the Company is in existence.

Any resolutions that are passed with shareholders expressing no objection to the chairperson's inquiry shall be remarked as "Passed without objection from any shareholders present in the meeting". If shareholders do raise any objection, then the resolution must specify the voting method adopted and the number and percentage of rights voted in favor.

Article 16 During the shareholders' meeting, the Company shall publish information regarding the number of shares acquired by solicitors and the number of shares represented by proxies using the prescribed format.

If matters put to a resolution at a shareholders' meeting constitute material information under applicable laws or regulations, the Company shall upload the content of such resolution to the website designated by the competent authority within the prescribed time period.

Article 17 Organizers of the shareholders' meeting must wear proper identification or arm badges.

The Chairman may instruct marshals or security staff to help maintain order in the meeting. While maintaining order in the meeting, all marshals or security staff must wear arm bands which identify their roles as "Marshal".

The chairperson may stop anyone who attempts to speak using speaker equipment not provided by the Company.

The chairperson may instruct marshals or security staff to remove shareholders who continue to violate the meeting rules despite being warned by the chairperson.

Article 18 The chairperson may put the meeting in recess at appropriate times. In the occurrence of force majeure events, the Chairman may suspend the meeting temporarily and resume at another time.

If the shareholders' meeting is unable to conclude all scheduled agenda items (including special motions) before the venue is due to be returned, participants may resolve to continue the meeting at an alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next five days, according to the Company's Articles of Incorporation.

Article 19 The adoption and amendment of these Rules shall be approved at the meeting of the Board of Directors and shall be reported in the shareholders' meeting.

These Rules shall take effect on the day when the Board of Directors of the Taiwan Stock Exchange resolves upon and approves the first listing of the Company's stocks in Taiwan.

Appendix 3

Shareholding of All Directors

1. The statutory requirements and number of shares held by the Company's directors as of the book closure date (April 27) of the 2021 shareholders' meeting:

   The number of ordinary shares issued by the Company was 1,740,296,982.

   The statutory shareholding requirement for all directors should be 41,767,128 shares.

   Note on the statutory shareholding requirement for all supervisors: Not applicable for the Company as it has established an Audit Committee.

2. The shareholding of directors individually and jointly as recorded in the shareholder registry up until the book closure date (April 27, 2021) of the current shareholders' meeting is as follows:

April 27, 2021

Title	Name	No. of shares currently held	
		No. of shares	Percentage of shares
Chairman	Great Sino Development Ltd. (Represented by Hung-Pen Chang)	339,971,396	19.54%
Director	True Elite Holdings Limited (Represented by Chien-Shen Chang)	677,880,352	38.95%
Director	Great Sino Development Ltd. (Represented by Neng-Yao Chang)	339,971,396	19.54%
Director	True Elite Holdings Limited (Represented by Madeline D. Chang)	677,880,352	38.95%
Director	An-Yi Feng	165,080	0.01%
Director	Feng-Cheng Lin	-	-
Director	Ching-Chung Chen	-	-
Director	Tu-Chun Wang	-	-
Independent Director	Li-Teh Hsu	-	-
Independent Director	Su-Chun Kuo	-	-
Independent Director	Cheng-Hung Chen	-	-

Note: The number of shares held by all directors of the Company was 1,018,016,828 shares as of the book closure date of the shareholders' meeting, pursuant to Article 26 of the Securities and Exchange Act.

Appendix 4

The effects of the bonus shares proposed by the shareholders' meeting on the Company's business performance and earnings per share:

N/A. The Company did not issue bonus shares this year.