

Kuangli Bio-Tech Holdings Co., Ltd.

Handbook for the First Special Shareholders' Meeting of 2026

Meeting time: on 9am, January 28th, 2026

Place: 2F, No. 99, Fuxing North Road, Songshan District, Taipei, Taiwan

**Meeting Room 209, Conference Hall 2F, Primasia Conference &
Business Center**

Table of Contents

	Pages
I. Meeting Procedure	1
II. Meeting Agenda.....	2
III. Discussion Matters.....	3
IV. Election Matters	4
V. Questions and Motions	4
VI. Attachment.....	5
1. List of Independent Director Candidates	5
2. Comparison Table of the Amended Provisions of the “Procedures for Lending Funds to Other Parties”.....	6
3. Comparison Table of the Amended Provisions of the “Procedures for Endorsements and Guarantees”.....	7
VII. Appendix.....	8
1. English Version of Corporate Charter.....	8
2. Rules of Procedure for Shareholders’ meetings.....	61
3. Procedures for Lending Funds to Other Parties	
(Before Amendment)	65
4. Procedures for Endorsements and Guarantees	
(Before Amendment)	71
5. Director Election Procedures.....	75
6. Shareholding of all directors	77

I. Meeting Procedure

Kuangli Bio-Tech Holdings Co., Ltd.

Procedure for the 2026 Special Meeting of Shareholders

1. All the Meeting to Order
2. Chairperson Remarks
3. Matters for Discussion
4. Matters Relating to the Election
5. Questions and Motions
6. Adjournment

II. Meeting Agenda

Kuangli Bio-Tech Holdings Co., Ltd.

Year 2026

Agenda of Special Meeting of Shareholders

1. Time: 9:00 a.m. on Wednesday January 28, 2026
2. Place: Meeting Room, Conference Hall 2F, Primasia Conference & Business Center (2F, No. 99, Fuxing North Road, Songshan District, Taipei, Taiwan)
3. Meeting Format: Physical Shareholders' Meeting
4. Report on the number of shares present, the chairman calls the meeting to order.
5. Chairperson Remarks
6. Matters for Discussion
 - (1). Proposal to Amend Certain Articles of the Company's Procedures for Lending Funds to Other Parties.
 - (2). Proposal to Amend Certain Articles of the Company's Procedures for Endorsements and Guarantees.
7. Matters Relating to the Election
 - (1). Proposal for the By-election of One Independent Director.
8. Questions and Motions
9. Adjournment

III. Matters for Discussion

Report NO.1

Proposed by the Board

Proposal: Proposal to Amend Certain Articles of the Company's Procedures for Lending Funds to Other Parties.

Explanation:

- (1). In order to meet the company's operating needs, it is proposed to amend the Company's "Procedures for Lending Funds to Others." Please refer to page 6 of this handbook for the comparison table of amended articles.
- (2). This case has been reviewed and approved by the Audit Committee and the Board of Directors.

Resolution:

Report NO.2

Proposed by the Board

Proposal: Proposal to Amend Certain Articles of the Company's Procedures for Endorsements and Guarantees.

Explanation:

- (1). In order to meet the company's operating needs, it is proposed to amend the Company's "Procedures for Endorsement Guarantees." Please refer to page 7 of this handbook for the comparison table of amended articles.
- (2). This case has been reviewed and approved by the Audit Committee and the Board of Directors.

Resolution:

IV. Election Matters

Report NO.1

Proposed by the Board

Proposal: Re-election of one independent director seat, please elect.

Explanation:

The chairman and general manager of the Company are the same person. According to Article 4 of the "Key Points for the Establishment and Exercise of Powers by the Board of Directors of Companies Listed on the Taiwan Stock Exchange Corporation," the number of independent directors should not be less than four. It is proposed to re-elect one independent director, using the candidate nomination system.

The newly elected independent director will take office immediately after election, with a term from January 28, 2026 to May 28, 2028, the same as the term of the sixth board of directors. Please refer to page 5 of this handbook for the list of candidates for the re-elected independent director.

This case has been reviewed and approved by the Board of Directors.

Election Results:

V. Questions and Motions

Adjournment

VI. Attachment

Attachment I

Kuangli Bio-Tech Holdings Co., Ltd.

List of Independent Director Candidates

Name	Education	Experience	Current Position	Shares Held	Reasons for nominating an independent director who has served three consecutive terms
Jiang Ping Lun	Doctor of Philosophy in Biomedical Engineering, National Taiwan University	Deputy Director, Medical Engineering R&D Division Medical Industry Technology Development Center. Assistant Professor, Office of Research and Development Providence University.	Director of Medical Engineering R&D Division and Director of Natural Product R&D Division, Pharmaceutical Industry Technology Development Center Director of the Planning Division of the Pharmaceutical Industry Technology Development Center	0	NA

Appendix II

Kuangli Bio-Tech Holdings Co., Ltd.

Comparison Table of the Amended Provisions of the “Procedures for Lending Funds to Other Parties”

Article	Original Article	Revised Article	Remarks
Article 8, Paragraph 2	The Company's internal auditors shall audit the procedures and implementation of lending funds to others <u>at least quarterly</u> and prepare written records. Should any material violations be discovered, they shall immediately notify the independent directors in writing. If material violations are identified, managers and responsible personnel shall be disciplined according to the severity of the breach.	The Company's internal auditors shall conduct <u>monthly</u> audits of the procedures and implementation of funds lending to third parties, maintaining written records. Should any material violations be discovered, they shall immediately notify the independent directors in writing. If material violations are identified, managers and responsible personnel shall be disciplined according to the severity of the breach.	Revise the text according to the company's operational requirements.
Article 13, Paragraph 3	This <u>Code</u> was amended and approved by the Board of Directors on <u>March 25, 2022</u> , and further amended and approved by the Shareholders' Meeting on <u>June 21, 2022</u> .	This <u>procedure</u> was amended and approved by the Board of Directors on <u>December 10, 2025</u> , and further amended and approved by the Shareholders' Meeting on <u>January 28, 2026</u> .	Revise the text according to the company's operational requirements.

Appendix III

Kuangli Bio-Tech Holdings Co., Ltd.

Comparison Table of the Amended Provisions of the “Procedures for Endorsements and Guarantees”

Article	Original Article	Revised Article	Remarks
Article 11, Paragraph 4	Internal auditors of the Company shall <u>periodically</u> audit the compliance of each subsidiary with its “Endorsement and Guarantee Procedures,” preparing audit reports accordingly. Findings and recommendations in the audit reports shall be communicated to the audited subsidiaries for improvement after approval, with periodic follow-up reports prepared to ensure timely implementation of appropriate corrective measures.	The internal auditors of this company shall conduct <u>monthly</u> audits of each subsidiary's compliance with its “Endorsement and Guarantee Procedures,” preparing audit reports accordingly. Findings and recommendations in the audit reports shall be notified to the audited subsidiaries for improvement after approval, with periodic follow-up reports prepared to ensure timely implementation of appropriate corrective measures.	Revise the text according to the company's operational requirements.
Article 13, Paragraph 3	This <u>Code</u> was amended and approved by the Board of Directors on <u>March 25, 2022</u> , and further amended and approved by the Shareholders' Meeting on <u>June 21, 2022</u> .	This <u>procedure</u> was amended and approved by the Board of Directors on <u>December 10, 2025</u> , and further amended and approved by the Shareholders' Meeting on <u>January 28, 2026</u> .	Revise the text according to the company's operational requirements.

X. Appendix

Appendix I.

NINTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION OF

Kuangli Bio-Tech Holdings Co., Ltd.

光麗生技控股股份有限公司

(Adopted by a Special Resolution passed on May 29, 2025)

THE COMPANIES ACT (AS AMENDED)
Company Limited by Shares

NINTH AMENDED AND RESTATED

MEMORANDUM OF ASSOCIATION
OF

Kuangli Bio-Tech Holdings Co., Ltd.

光麗生技控股股份有限公司

(Adopted by a Special Resolution passed on May 29, 2025)

1. The name of the Company is **Kuangli Bio-Tech Holdings Co., Ltd.** 光麗生技控股股份有限公司
2. The Registered Office of the Company shall be at the offices of Portcullis (Cayman) Ltd, The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KY1-1208, Cayman Islands or at such other place as the Directors may from time to time decide.
3. The objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by any law as provided by the Companies Act (As Amended).
4. The Company shall have and be capable of exercising all the functions of a natural person of full capacity irrespective of any question of corporate benefit as provided by the Companies Act (As Amended).
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 Act (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 each Member is limited to the amount from time to time unpaid on such Member's shares.
8. The authorised share capital of the Company is New Taiwan Dollars 1,500,000,000 divided, which shall be divided into 110,000,000 ordinary shares, 13,330,000 Class A preferred shares and 26,670,000 Class B preferred shares, all of which shall have the par value of New Taiwan Dollars 10.00 each provided always that subject to the provisions of the Companies Act (As Amended) 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.

**NINTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF
Kuangli Bio-Tech Holdings Co., Ltd. 光麗生技控股股份有限公司
(Adopted by a Special Resolution passed on May 29, 2025)**

TABLE OF CONTENTS

Table A INTERPRETATION

1. Definitions

SHARES

2. Power to Issue Shares

3. Redemption and Purchase of Shares

4. Rights Attaching to Shares

5. Share Certificates

6. Preferred Shares

REGISTRATION OF SHARES

7. Register of Members

8. Registered Holder Absolute Owner

9. Transfer of Registered Shares

10. Transmission of Registered Shares

ORDINARY

RESOLUTION,

SPECIAL

RESOLUTION AND

SUPERMAJORITY

RESOLUTION

11. Alteration of Capital

12. Special Resolution and Supermajority Resolution

13. Variation of Rights Attaching to Shares

DIVIDENDS AND CAPITALISATION

14. Dividends

15. Capital Reserve and Power to Set Aside Profits

16. Method of Payment

17. Capitalisation

MEETINGS OF MEMBERS

18. Annual General Meetings

19. Extraordinary General Meetings

20. Notice

21. Giving Notice

22. Postponement of General Meeting

23. Quorum and Proceedings at General Meetings

24. Chairman to Preside

25. Voting on Resolutions

26. Proxies

27. Proxy Solicitation

28. Dissenting Member's Appraisal Right

29. Shares that May Not be Voted

30. Voting by Joint Holders of Shares

31. Representation of Corporate Member

32. Adjournment of General Meeting

33. Directors Attendance at General Meetings

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors

35. Election of Directors

36. Removal of Directors

37. Vacation of Office of Director

38. Compensation of Directors

39. Defect in Election of Director

40. Directors to Manage Business

41. Powers of the Board of Directors

42. Register of Directors and Officers

43. Officers

44. Appointment of Officers

45. Duties of Officers

46. Compensation of Officers

47. Conflict of Interest

48. Indemnification and Exculpation of Directors and Officers

MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings

50. Notice of Board Meetings

51. Participation in Meetings by Video Conference

52. Quorum at Board Meetings

53. Board to Continue in the Event of Vacancy

54. Chairman to Preside

55. Validity of Prior Acts of the Board

CORPORATE RECORDS

56. Minutes

57. Register of Mortgages and Charges

58. Form and Use of Seal

TENDER OFFER AND ACCOUNTS

59. Tender Offer

60. Books of Account

61. Financial Year End

AUDIT COMMITTEE

62. Number of Audit

Committee Members

63. Power of Audit Committee

VOLUNTARY DISSOLUTION AND WINDING-UP

64. Voluntary Dissolution and Winding-Up

CHANGES TO CONSTITUTION

65. Changes to Articles

LITIGIOUS AND NON- LITIGIOUS AGENT

66. Appointment of Litigious and Non-Litigious Agent

OTHERS

67. ROC Securities Laws and Regulations

THE COMPANIES ACT (AS AMENDED)
Company Limited by Shares

NINTH AMENDED AND RESTATED ARTICLES OF ASSOCIATION
OF

Kuangli Bio-Tech Holdings Co., Ltd.

光麗生技控股股份有限公司

(Adopted by a Special Resolution passed on May 29, 2025)

Table A

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

INTERPRETATION

1. Definitions

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

Applicable Law	the Applicable Public Company Rules, the Law or such other rules or legislation applicable to the Company;
Applicable Public Company Rules	the ROC laws, rules and regulations (including, without limitation, the Company Law of the ROC, the Securities and Exchange Law of the ROC, the rules and regulations promulgated by the FSC, the rules and regulations promulgated by the TPEx and the rules and regulations promulgated by the TSE, as amended from time to time) affecting public reporting 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;
Appointed Representative	has the meaning given thereto in Article 35.5;
Articles	the Articles of Association as altered from time to time;
Audit Committee	the audit committee of the Board, which shall comprise solely of all the Independent Directors of the Company;
Board	the board of directors appointed or elected pursuant to the Articles and acting at a meeting of directors at which there is a quorum in accordance with the Articles;

Capital Reserve	for the purpose of the Articles only, comprises of the premium paid on the issuance of any share and income from endowments received by the Company from the Members;
Chairman	the Director elected amongst all the Directors as the chairman of the Board, externally representing the Company;
Company	Kuangli Bio-Tech Holdings Co., Ltd. 光麗生技控股股份有限公司;
Compensation Committee	a committee of the Board, which shall be comprised of professional individuals and having the functions, in each case, prescribed by the Applicable Public Company Rules;
Cumulative Voting	the voting mechanism for an election of Directors as described in Article 35.2 hereof;
Directors	the directors for the time being of the Company and shall include any and all Independent Director(s);
Electronic Record	has the same meaning as in the Electronic Transactions Law;
Electronic Transactions Law	the Electronic Transactions Law of the Cayman Islands;
ESM	the emerging stock market of the ROC;
Family Relationship within Second Degree of Kinship	in respect of a person, means another person who is related to the first person either by blood or by marriage of a member of the family and within the second degree shall include the parents, siblings, grandparents, children and grandchildren of the first person as well as the parents, siblings and grandparents of the first person's spouse;
FSC	the Financial Supervisory Commission of the ROC;
Independent Directors	the Directors who are elected as "Independent Directors" in accordance with the Applicable Public Company Rules or the Articles;
Joint Operation Contract	a contract between the Company and one or more person(s) or entit(ies) where the parties thereto agree to pursue the same business venture and jointly bear losses and enjoy profits arising out of such business venture in accordance with the terms thereof;
Law	The Companies Act(As Amended) of the Cayman Islands and every modification, reenactment or revision thereof for the time being in force;

Lease Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) lease or rent from the Company the necessary means and assets to operate the whole business of the Company in the name of such person, and as consideration, the Company receives a pre-determined compensation from such person;
Litigious and Non-Litigious Agent	a person appointed by the Company pursuant to the Applicable Law as the Company's process agent for purposes of service of documents in the relevant jurisdiction and the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC;
Management Contract	a contract or arrangement between the Company and any other person(s) pursuant to which such person(s) manage and operate the business of the Company in the name of and for the benefit of the Company, and as consideration, such person(s) receive a pre-determined compensation from the Company while the Company continues to be entitled to the profits (or losses) of such business;
Market Observation Post System	the public company reporting system maintained by the TSE;
Member	the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires;
Memorandum	the memorandum of association of the Company;
Merger	means: (a) a "merger" or "consolidation" as defined under the Law ; or (b) other forms of mergers and acquisitions which fall within the definition of "merger and/or consolidation" under the Applicable Public Company Rules;
Subdivision	Subdivision” refers to the transferring company transfers a portion of its independent operation or the entire business to an existing or a newly incepted company, in a trade-off for assuming the existing or newly incepted company’s shares, cash or other assets paid to the transferring company or transferring company’s shareholders;

month	calendar month;
Notice	written notice as further provided in the Articles unless otherwise specifically stated;
Officer	any person appointed by the Board to hold an office in the Company;
Ordinary Resolution	a resolution passed at a general meeting (or, if so specified, a meeting of Members holding a class of shares) of the Company by not less than a simple majority vote of the Members present at the meeting, in person or by proxy. For these purposes, where votes represented but not cast at the meeting will be deemed to be votes cast against the resolution;
Preferred Shares	has the meaning given thereto in Article 6;
Private Placement	means, for so long as the shares are traded on the ESM or listed in Taiwan, the private placement by the Company of shares or other securities of the Company as permitted by the Applicable Public Company Rules;
Register of Directors and Officers	the register of directors and officers referred to in Article 42 hereof;
Register of Members	the register of members of the Company maintained in accordance with the Law and (as long as the shares of the Company are traded on the ESM or listed in Taiwan) the Applicable Public Company Rules;
Registered Office	the registered office for the time being of the Company;
Replacement	has the meaning given thereto in Article 35.6;
Restricted Shares	has the meaning given thereto in Article 2.5;
ROC	Taiwan, the Republic of China;
Seal	the common seal or any official or duplicate seal of the Company;
share(s)	share(s) of par value New Taiwan Dollars 10.00 each in the Company;
Special Resolution	Subject to the Law, means a resolution passed at a general meeting of the Company by a majority of at least two-thirds of the votes cast by such Members who, being entitled to do so, vote in person or by their proxies, or, in the case of Members that are corporations or other non-natural person, by their duly authorised representatives by computing the number of votes to which each Member is entitled;

Subsidiary	with respect to any company, (1) the entity, more than one half of whose total number of the issued voting shares or the total amount of the share capital are directly or indirectly held by such company; or (2) the entity that such company has a direct or indirect control over its personnel, financial or business operation;
Supermajority Resolution	a resolution passed by a majority vote of the Members present at a general meeting attended by Members who represent two-thirds or more of the total issued shares or, if the total number of shares represented by the Members present at the general meeting is less than two-thirds of the total issued shares, but more than one half of the total issued shares, means instead, a resolution passed by two-thirds or more of votes cast by the Members present at such general meeting. For these purposes, where votes represented but not cast at the meeting will be deemed to be votes cast against the resolution;
TDCC	the Taiwan Depository & Clearing Corporation;
TPEX	the Taipei Exchange;
Treasury Shares	means shares of the Company held in treasury pursuant to the Law and the Articles;
TSE	the Taiwan Stock Exchange Corporation;
Vice Chairman	the Director elected amongst all the Directors as the vice chairman of the Board; and
year	calendar year.

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

- (a) words denoting the plural number include the singular number and vice versa;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) "written" and "in writing" include all modes of representing or reproducing words in visible form, including the form of an Electronic Record;

- (f) a reference to statutory provision shall be deemed to include any amendment or re-enactment thereof;
- (g) unless otherwise provided herein, words or expressions defined in the Law shall bear the same meaning in the Articles; and
- (h) Section 8 of the Electronic Transactions Law shall not apply to the extent that it imposes obligations or requirements in addition to those set out in the Articles.

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

SHARES

2. Power to Issue Shares

- 2.1** Subject to the Applicable Law, the Articles and any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares of the Company on such terms and conditions as it may determine and any shares or class of shares (including the issue or grant of options, warrants and other rights, renounceable or otherwise in respect of shares) may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe, provided that no share shall be issued at a discount except in accordance with the Law and the Applicable Public Company Rules.
- 2.2** The authorized capital of the Company is NTD1,500,000,000, which shall be divided into 110,000,000 ordinary shares, 13,330,000 Class A preferred shares and 26,670,000 Class B preferred shares, all of which shall have the par value of NTD10 per share. Unless otherwise provided in the Articles, the issue of new shares of the Company shall be approved by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors. The issue of new shares shall at all times be subject to the sufficiency of the authorized capital of the Company.
- 2.3** After the application for trading of the shares on the ESM or listing in Taiwan has been approved by the TPEx or the TSE, as applicable, where the Company increases its issued share capital by issuing new shares for cash consideration in the ROC, the Company shall allocate 10% of the total amount of the new shares to be issued, for offering in the ROC to the public ("**Public Offering Portion**") unless it is not necessary or appropriate, as determined by the FSC, the TSE or the TPEx for the Company to conduct the aforementioned public offering or otherwise provided by Applicable Law. However, if a percentage higher than the aforementioned 10% is resolved by the Members in a general meeting by Ordinary Resolution to be offered, the percentage determined by such resolution shall prevail and shares corresponding to such percentage shall be reserved as Public Offering Portion. The Company may also reserve 10%

to 15% of such new shares for subscription by the employees of the Company and its Subsidiaries (the "**Employee Subscription Portion**"). The Company may prohibit such employees from transferring the shares so subscribed within a certain period; provided, however, that such a period cannot be more than two years.

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

If the subscriber delays payment for shares, the Company shall fix a period of not less than one month and call upon such subscribers to pay up, declaring that in case of default of payment within the stipulated period their right shall be forfeited. After the Company has made the aforesaid call, the subscribers who fail to pay accordingly shall forfeit their rights and the shares subscribed to by them shall be otherwise sold. Under the aforesaid circumstances, compensation for loss or damage, if any, may still be claimed against such defaulting subscribers.

- 2.5 Subject to the provisions of the Applicable Law, the Company may issue new shares with restricted rights ("**Restricted Shares**") to employees of the Company and its Subsidiaries with the sanction of a Supermajority Resolution provided that Article 2.3 hereof shall not apply in respect of the issue of such shares. For so long as the shares are traded on the ESM or listed in Taiwan, the terms of issue of Restricted Shares, including but not limited to the number of Restricted Shares so issued, issue price of Restricted Shares and other related matters shall be in accordance with the rules promulgated by the Applicable Public Company Rules.

- 2.6** The pre-emptive right of Members under Article 2.4 shall not apply in the event that new shares are issued due to the following reasons or for the following purposes:
- (a) in connection with a Merger, spin-off, or pursuant to any reorganization of the Company;
 - (b) in connection with meeting the Company's obligations under share subscription warrants and/or options, including those rendered in Articles 2.8 and 2.11 hereof;
 - (c) in connection with the issue of Restricted Shares in accordance with Article 2.5 hereof;
 - (d) in connection with meeting the Company's obligations under convertible bonds or corporate bonds vested with rights to acquire shares;
 - (e) in connection with meeting the Company's obligations under Preferred Shares vested with rights to acquire shares; or
 - (f) in connection with Private Placement of the securities issued by the Company.
- 2.7** The Company shall not issue any unpaid shares or partly paid-up shares.
- 2.8** Notwithstanding Article 2.5 hereof, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, adopt one or more employee incentive programmes and may issue shares or options, warrants or other similar instruments, to employees of the Company and its Subsidiaries, and for the avoidance of doubt, resolution of the Members is not required.
- 2.9** Options, warrants or other similar instruments issued in accordance with Article 2.8 above are not transferable save by inheritance.
- 2.10** Directors of the Company and its Subsidiaries shall not be eligible for Restricted Shares pursuant to Article 2.5 hereof or the incentive programmes pursuant to Article 2.8 hereof, provided that Directors who are also employees of the Company or its Subsidiaries may subscribe for Restricted Shares or participate in an incentive programme in their capacity as an employee and not as a Director of the Company or its Subsidiaries.
- 2.11** The Company may enter into agreements with employees of the Company and/or the employees of its Subsidiaries in relation to the incentive programme approved pursuant to Article 2.8 above, whereby employees may subscribe for, within a specific period, a specific number of the shares. The terms and conditions of such agreements shall be no less restrictive on the relevant employee than the terms specified in the applicable incentive programme.
- 2.12** Without prejudice to any provisions in this Article 2, where shares are issued by the Company for purposes of changing the currency denomination of share capital of the Company as approved by the members at a general meeting (the "**Redenomination**"), to the extent that the percentage of shareholding interest of the members of the Company will not be affected and the members

are not required to pay any amounts for any new shares issued in connection with the Redenomination in excess of the proceeds of any share buy back of their existing shares which are subject to the Redenomination, no further approval or consent of the Member or Members shall be required.

- 2.13** After its establishment, the Company may issue new shares as the consideration for obtaining the shares of other company, which shall be adopted by the resolution of the Board meeting with a majority vote of the directors present at the Board meeting attended by directors representing two-thirds or more of the Board, and is not subject to the restriction under Article 2.3 and 2.4 hereof.

3. Redemption and Purchase of Shares

- 3.1** Subject to the Law, the Company is authorised to issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or a Member.
- 3.2** The Company is authorised to make payments in respect of the redemption of its shares out of capital or out of any other account or fund authorised for this purpose in accordance with the Law.
- 3.3** The redemption price of a redeemable share, or the method of calculation thereof, shall be fixed by the Board at or before the time of issue.
- 3.4** Every share certificate relating to redeemable share shall indicate that the share is redeemable.
- 3.5** (i) Subject to the Applicable Law and the Articles, the Company may, upon approval by a majority of the Directors at a meeting attended by two-thirds or more of the total number of the Directors, purchase its own shares (including any redeemable shares) on such terms and in such manner as the Directors may determine and hold them as Treasury Shares in accordance with the Applicable Law PROVIDED THAT if any purchase of the Company's own shares involves any immediate cancellation of shares of the Company, such repurchase of shares is subject to approval by the Members by way of an Ordinary Resolution and the number of shares of the Company to be cancelled shall be allocated among all the Members as of the date of such cancellation on a pro rata basis (as rounded up or down to the nearest whole number as determined by the Directors) based on the then prevailing percentage of shareholding of the Members, unless otherwise provided for in the Law or the Applicable Public Company Rules.
- (ii) Upon approval by Members by way of an Ordinary Resolution to repurchase and cancel shares of the Company, the repurchase price may be paid in any manner authorized by the Law, including in cash or in kind, provided that where any repurchase price is to be paid in kind, the monetary equivalent value of such payment in kind shall be (a) assessed by an ROC certified public accountant before being submitted by the Board to the Members for approval as part of the Ordinary Resolution authorising the repurchase and cancellation of shares of the Company; and (b) agreed to individually by each Member who will be receiving the repurchase price in

kind.

(iii) Without prejudice to Article 3.5, in the case of a repurchase of shares by the Company for purposes of changing the currency denomination of share capital of the Company, consent of the holders of the shares subject to such repurchase shall not be required.

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

3.7 For so long as the shares are traded on the ESM or listed in Taiwan, the Company is authorised to purchase any share traded on the ESM or listed in Taiwan in accordance with the following manner of purchase:

- (a) the total price of the shares purchased by the Company shall not exceed the sum of retained earnings minus earnings distribution resolved by the Board or the general meeting, plus the following realized capital reserve:
 - (i) the premium received from the disposal of assets that has not been booked as retained earnings;
 - (ii) the premium paid on the issuance of any share and income from endowments received by the Company provided however that income from the shares shall not be included before such shares have been transferred to others;
- (b) the maximum number of shares purchased by the Company shall not exceed ten percent of the total number of issued and outstanding shares of the Company; and
- (c) the purchase shall be at such time, at such price and on such other terms as determined and agreed by the Board in its sole discretion provided however that:
 - (i) such purchase transactions shall be in accordance with the applicable ROC securities laws and regulations and the Applicable Public Company Rules; and
 - (ii) such purchase transactions shall be in accordance with the Law.

3.8 Subject to Article 3.5 and the Applicable Public Company Rules, the redemption or repurchase price may be paid in any manner permissible under the Law as determined by the Board.

3.9 A delay in payment of the redemption price shall not affect the redemption but, in the case of a delay of more than thirty days, interest shall be paid for the period from the due date until actual payment at a rate which the Directors, after due enquiry, estimate to be representative of the rates

being offered by banks holding “A” licenses (as defined in the Banks and Trust Companies Act (Revised) of the Cayman Islands) in the Cayman Islands for thirty day deposits in the same currency.

- 3.10** The Directors may exercise as they think fit the powers conferred on the Company by Section 37(5) of the Law (payment out of capital) but only if and to the extent that the redemption could not otherwise be made (or not without making a fresh issue of shares for this purpose).
- 3.11** Subject as aforesaid, the Directors may determine, as they think fit all questions that may arise concerning the manner in which the redemption of the shares shall or may be effected.
- 3.12** No share may be redeemed unless it is fully paid-up.
- 3.13** The Board may designate as Treasury Shares any of its shares that it purchases or redeems, or any shares surrendered to it, in accordance with the Applicable Law.
- 3.14** No dividend may be declared or paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to Members on a winding up of the Company) may be made to the Company in respect of a Treasury Share.
- 3.15** The Company shall be entered in the Register of Members as the holder of the Treasury Shares provided that:
- (a) the Company shall not be treated as a Member for any purpose and shall not exercise any right in respect of the Treasury Shares, and any purported exercise of such a right shall be void;
 - (b) a Treasury Share shall not be voted, directly or indirectly, at any meeting of the Company and shall not be counted in determining the total number of issued shares at any given time, whether for the purposes of the Articles or the Law.
- 3.16** After the Company purchases the shares traded on the ESM or listed in Taiwan, any proposal to transfer the Treasury Shares to the employees of the Company and its Subsidiaries at a price below the average actual repurchase price must be approved by Special Resolution in the next general meeting and the items required by the Applicable Public Company Rules shall be specified in the notice of the general meeting and may not be proposed as an extemporary motion. The aggregate number of Treasury Shares resolved at all general meetings and transferred to the employees of the Company and its Subsidiaries shall not exceed 5% of the total issued shares, and each employee may not subscribe for more than 0.5% of the total issued shares in aggregate. The Company may prohibit such employees from transferring such Treasury Shares within a certain period; provided, however, that such a period cannot be more than two years.
- 3.17** Subject to Article 3.16 and the Applicable Public Company Rules, Treasury Shares may be disposed of by the Company on such terms and conditions in accordance with the Applicable

Law as determined by the Directors.

4. Rights Attaching to Shares

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

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

5. Share Certificates

- 5.1** The Company may issue shares in uncertificated/scripless form or issue share certificates. Where share certificates are issued, every Member shall be entitled to a certificate issued under the Seal (or a facsimile thereof), which shall be affixed or imprinted with the authority of the Board, specifying the number and, where appropriate, the class of shares held by such Member. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means. For so long as the shares are traded on the ESM or listed in Taiwan, shares of the Company shall be issued in uncertificated/scripless form unless the issuance of share certificates is required by the provisions of the Applicable Public Company Rules.
- 5.2** If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.
- 5.3** Share may not be issued in bearer form. Those who adopt the par value shares shall not be converted into non par value shares and adopt the non par value shares shall not be converted into par value shares.
- 5.4** When the Company shall issue share certificates pursuant to Article 5.1 hereof, the Company shall deliver the share certificates to the subscribers within thirty (30) days from the date such share certificates may be issued pursuant to the Law, the Memorandum, the Articles, and the Applicable Public Company Rules, and shall make a public announcement prior to the delivery

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

- 5.5** Where the Company shall issue the shares in uncertificated/scripless form, the Company shall upon the issue of such shares cause the name of the subscriber and other particulars to be entered onto the Register of Members in accordance with the Law and the Applicable Public Company Rules.

6. Preferred Shares

- 6.1** The Company may by Special Resolution designate one or more classes of shares with preferred or other special rights as the Company, by Special Resolution, may determine (shares with such preferred or other special rights, the "Preferred Shares"), and cause to be set forth in the Articles.
- 6.2** For so long as the shares are traded on the ESM or listed in Taiwan, the rights and obligations of Preferred Shares may include (but not limited to) the following terms and shall be consistent with the Applicable Public Company Rules:
- (a) the order of priority and fixed amount or fixed ratio of allocation of dividends and bonus on Preferred Shares;
 - (b) the order of priority and fixed amount or fixed ratio of allocation of surplus assets of the Company;
 - (c) the order of priority for or restriction on the voting right(s) (including declaring no voting rights whatsoever) of the Members holding the Preferred Shares;
 - (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.
- 6.3** The Company issues Series A Preferred Shares, with the rights, obligations and other important matters set forth as follows:
- (a) The Company may, in the case that it has surplus profits after the annual final account, after covering its cumulative loss, paying all taxes, setting aside ten (10) percent of the said profits as legal reserve and another sum as special reserve in accordance with the laws and regulations, preferentially allocate the balance of such surplus profits, together with the cumulative retained surplus profits of past years, as the dividends for Series A Preferred Shares for the current year.
 - (b) The annual interest rate of dividends for Series A Preferred Shares shall not exceed five (5) percent.
 - (c) The Company has discretion on the allocation of dividends for Series A Preferred Shares. The proposal of surplus profits allocation shall be made by the Board in accordance with this Articles of Association and submitted to the annual general meeting of Members for

ratification. The dividends for Series A Preferred Shares shall be calculated based on the actual issuing price. After the annual meeting of Members ratifying the final accounts and statements, the Board shall set the ex-dividend date of Series A Preferred Shares and pay the dividends for Series A Preferred Shares for the last year with one-off cash payment. The dividends for the year of the issuance of Series A Preferred Shares shall be calculated in accordance with the actual days of issuance of Series A Preferred Shares of the current year. The record date of capital increase shall be set as the issuance date.

- (d) If, after the final account of the year, the Company has no or insufficient surplus profits for allocating the dividends for Series A Preferred Shares or there is any other consideration for not doing so, it may decide not to allocate the dividends for Series A Preferred Shares by the resolution of the Members Meeting. The unallocated or insufficiently allocated dividends shall not be deferred and accumulated to the year in which there is surplus profits.
- (e) From the next day after two (2) years of delivery of the Series A Preferred Shares, except for the book closure period in accordance with the laws that during which the transfer of shares of the Company is not allowed, Members of the Series A Preferred Shares may transfer one (1) Preferred Share into one (1) Ordinary Share.
- (f) The Series A Preferred Shares issued under this private placement and the Ordinary Shares so transferred shall not be publicly listed during the period that they are outstanding, provided that from the next day after three (3) years of delivery of the Series A Preferred Shares, the Board is authorized, on its sole discretion and depending on the situation at that time, to apply with the competent authorities for public offering and public listing of such Ordinary Shares if the Series A Preferred Shares have been fully transferred into Ordinary Shares.
- (g) For Series A Preferred Shares transferred into Ordinary Shares prior to the ex-right (ex-dividend) date, Members of which shall be allocated with the surplus profits or additional paid-in capital of last year retained for the Ordinary Shares which have been resolved by the general meeting of the year of transfer, and shall abandon the dividends for Preferred Shares last year which have been resolved by the general meeting of the year of transfer. For Series A Preferred Shares transferred into Ordinary Shares after the ex-right (ex-dividend) date, Members of which shall be allocated with dividends for Preferred Shares which have been resolved by the general meeting of the year of transfer, and shall not be allocated with the surplus profits or additional paid-in capital of last year retained for Ordinary Shares which have been resolved by the general meeting of the year of transfer. Members whose Preferred Shares have been transferred into Ordinary Shares shall not be entitled to dividends for Preferred Shares for the year of transfer, but may be entitled to the allocation of surplus profits or additional paid-in capital retained for Ordinary Shares in the year of transfer. Dividends for Preferred Shares and Dividends for Ordinary Shares in the same year shall not be repetitively allocated.

- (h) Except for dividends for Preferred Shares, the Series A Preferred Shares shall not be entitled to the allocation of surplus profit and additional paid-in capital for Ordinary Shares.
- (i) The residual assets of the Company shall be firstly allocated to the Series A Preferred Shares then to the Ordinary Shares, but in no event shall the amount allocated to the Series A Preferred Shares exceeds the amount of issuance of the same.
- (j) Series A Preferred Shares entitles neither voting rights nor the right to vote and the right to be elected as the Board of Directors and Supervisors.
- (k) Members of the Series A Preferred Shares and Ordinary Shares entitle the same preemptive rights in terms of cash issuance of new shares by the Company.
- (l) Prior to the transfer of all Series A Preferred Shares into Ordinary Shares, if the Company intends to amend this Articles of Association which may affect the rights of Members of Series A Preferred Shares, such amendment shall be made by the resolution adopted by a majority vote of the Members present at a meeting attended by Members who represent two-thirds (2/3) or more of the total issued Series A Preferred Shares.
- (m) Issuing conditions for Series A Preferred Shares not articulated herein shall be handled in accordance with the laws, regulations and orders given by the competent authorities. If the issuing conditions for Series A Preferred Shares is required to be adjusted by the competent authorities, the Board is authorized to so adjust accordingly.

6.4 The Company issues Series B Preferred Shares, with the rights, obligations and other important matters set forth as follows:

- (a) The Company may, in the case that it has surplus profits after the annual final account, after covering its cumulative loss, paying all taxes, setting aside ten (10) percent of the said profits as legal reserve and another sum as special reserve in accordance with the laws and regulations, preferentially allocate the balance of such surplus profits, together with the cumulative retained surplus profits of past years, firstly as the dividends for Series A Preferred Shares for the current year, and then as the dividends for Series B Preferred Shares for the current year.
- (b) The annual interest rate of dividends for Series B Preferred Shares shall not exceed five (5) percent.
- (c) The Company has discretion on the allocation of dividends for Series B Preferred Shares. The proposal of surplus profits allocation shall be made by the Board in accordance with this Articles of Association and submitted to the annual general meeting of Members for ratification. The dividends for Series B Preferred Shares shall be calculated based on the actual issuing price. After the annual meeting of Members ratifying the final accounts and statements, the Board shall set the ex-dividend date of Series B Preferred Shares and pay the dividends for Series B Preferred Shares for the last year with one-off cash payment.

The dividends for the year of the issuance of Series B Preferred Shares shall be calculated in accordance with the actual days of issuance of Series B Preferred Shares of the current year. The record date of capital increase shall be set as the issuance date.

- (d) If, after the final account of the year, the Company has no or insufficient surplus profits for allocating the dividends for Series B Preferred Shares or there is any other consideration for not doing so, it may decide not to allocate the dividends for Series B Preferred Shares by the resolution of the Members Meeting. The unallocated or insufficiently allocated dividends shall not be deferred and accumulated to the year in which there is surplus profits.
- (e) From the next day after two (2) years of delivery of the Series B Preferred Shares, except for the book closure period in accordance with the laws that during which the transfer of shares of the Company is not allowed, Members of the Series B Preferred Shares may transfer one (1) Preferred Share into one (1) Ordinary Share.
- (f) The Series B Preferred Shares issued under this private placement and the Ordinary Shares so transferred shall not be publicly listed during the period that they are outstanding, provided that from the next day after three (3) years of delivery of the Series B Preferred Shares, the Board is authorized, on its sole discretion and depending on the situation at that time, to apply with the competent authorities for public offering and public listing of such Ordinary Shares if the Series B Preferred Shares have been fully transferred into Ordinary Shares.
- (g) For Series B Preferred Shares transferred into Ordinary Shares prior to the ex-right (ex-dividend) date, Members of which shall be allocated with the surplus profits or additional paid-in capital of last year retained for the Ordinary Shares which have been resolved by the general meeting of the year of transfer, and shall abandon the dividends for Preferred Shares last year which have been resolved by the general meeting of the year of transfer. For Series B Preferred Shares transferred into Ordinary Shares after the ex-right (ex-dividend) date, Members of which shall be allocated with dividends for Preferred Shares which have been resolved by the general meeting of the year of transfer, and shall not be allocated with the surplus profits or additional paid-in capital of last year retained for Ordinary Shares which have been resolved by the general meeting of the year of transfer. Members whose Preferred Shares have been transferred into Ordinary Shares shall not be entitled to dividends for Preferred Shares for the year of transfer, but may be entitled to the allocation of surplus profits or additional paid-in capital retained for Ordinary Shares in the year of transfer. Dividends for Preferred Shares and Dividends for Ordinary Shares in the same year shall not be repetitively allocated.
- (h) Except for dividends for Preferred Shares, the Series B Preferred Shares shall not be entitled to the allocation of surplus profit and additional paid-in capital for Ordinary Shares.
- (i) The residual assets of the Company shall be firstly allocated to the Series A Preferred

Shares, then to the Series B Preferred Shares, and finally to the Ordinary Shares, but in no event shall the amount allocated to the Series B Preferred Shares exceeds the amount of issuance of the same.

- (j) Series B Preferred Shares entitles neither voting rights nor the right to vote and the right to be elected as the Board of Directors and Supervisors.
- (k) Members of the Series B Preferred Shares and Ordinary Shares entitle the same preemptive rights in terms of cash issuance of new shares by the Company.
- (l) Prior to the transfer of all Series B Preferred Shares into Ordinary Shares, if the Company intends to amend this Articles of Association which may affect the rights of Members of Series B Preferred Shares, such amendment shall be made by the resolution adopted by a majority vote of the Members present at a meeting attended by Members who represent two-thirds (2/3) or more of the total issued Series B Preferred Shares.
- (m) Issuing conditions for Series B Preferred Shares not articulated herein shall be handled in accordance with the laws, regulations and orders given by the competent authorities. If the issuing conditions for Series B Preferred Shares is required to be adjusted by the competent authorities, the Board is authorized to so adjust accordingly.

REGISTRATION OF SHARES

7. Register of Members

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

8. Registered Holder Absolute Owner

Except as required by law:

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

9. Transfer of Registered Shares

- 9.1** Title to shares traded on the ESM or listed in Taiwan may be evidenced and transferred in a manner consistent with the Applicable Public Company Rules (including through the book-entry system of the TDCC).

- 9.2** All transfers of shares which are in certificated form may be effected by an instrument of transfer in writing in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor and, if the Board so requires, by or on behalf of the transferee. Without prejudice to the foregoing, the Board may also resolve, either generally or in any particular case, upon request by either the transferor or transferee, to accept mechanically executed transfers. Notwithstanding the foregoing, an instrument of transfer shall not be required for a repurchase of shares by the Company for purposes of changing the currency of share capital of the Company.
- 9.3** The Board may refuse to recognise any instrument of transfer in respect of shares in certificated form unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
- 9.4** The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased Member may transfer any such share to the executors or administrators of such deceased Member.
- 9.5** The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share in certificated form in the event such registration of transfer would (i) conflict with the Applicable Law; or (ii) conflict with the Memorandum and/or the Articles. If the Board refuses to register a transfer of any share, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.

10. Transmission of Registered Shares

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

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

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

ORDINARY RESOLUTION, SPECIAL RESOLUTION AND SUPERMAJORITY RESOLUTION

11. Alteration of Capital

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

- (a) increase its share capital by new shares of such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;
- (b) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares;
- (c) convert all or any of its paid up shares into stock and reconvert that stock into paid up shares of any denomination;
- (d) sub-divide its existing shares, or any of them into shares of a smaller amount provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived and may by such resolution determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred, deferred or other rights or be subject to any such restrictions as compared with the other or others as the Company has power to attach to unissued or new shares; or
- (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

- 11.2** The Board may settle as it considers expedient any difficulty which arises in relation to any consolidation and division under the last preceding Article and in particular but without prejudice to the generality of the foregoing may issue certificates in respect of fractions of shares or arrange for the sale of the shares representing fractions and the distribution of the new proceeds of sale (after deduction of the expenses of such sale) in due proportion amongst the Members who would have been entitled to the fractions, and for this purpose the Board may authorise some person to transfer the shares representing fractions to their purchaser or resolve that such net proceeds be paid to the Company for the Company's benefit. Such purchaser

will not be bound to see to the application of the purchase money nor will his title to the shares be affected by any irregularity or invalidity in the proceedings relating to the sale.

12. Special Resolution and Supermajority Resolution

12.1 Subject to the Law and the Articles, the Company may from time to time by Special Resolution:

- (a) change its name;
- (b) alter or add to the Articles;
- (c) alter or add to the Memorandum with respect to any objects, powers or other matters specified therein;
- (d) reduce its share capital and any capital redemption reserve fund; or
- (e) effect a Merger under the Law.

12.2 Subject to the Law, the Company may, by Special Resolution, issue securities by way of Private Placement within the territory of the ROC in accordance with Applicable Public Company Rules; provided that, for issuance of corporate bonds which do not involve the grant of a warrant, option, or right of conversion or otherwise grant the holders of the bonds the right to acquire equity or similar rights by way of Private Placement within the territory of the ROC, the Company may do so by resolution of the Board in different tranches within one year from the date of the resolution of the Board in accordance with Applicable Public Company Rules..

12.3 Subject to the Law and Article 12.4 hereof, the following actions by the Company shall require the approval of the Members by a Supermajority Resolution:

- (a) effecting any capitalization of distributable dividends and/or bonuses and/or any other amount prescribed under Article 17 hereof;
 - (b) distributing its Capital Reserve or Statutory Reserve, in whole or in part, to its existing Members in proportion to the number of shares being held by each of them in cash, provided that in the case of distribution of the Statutory Reserve (as defined in Article 14.4), only the portion of Statutory Reserve which exceeds twenty five percent (25%) of the issued share capital may be distributed;
 - (c) effecting any Merger (except for any Merger which falls within the definition of "merger" and/or "consolidation" under the Law, which requires the approval of the Company by Special Resolution only) or spin-off of the Company;
 - (d) entering into, amend, or terminate any Lease Contract, Management Contract or Joint Operation Contract;
 - (e) the transferring of the whole or any essential part of the business or assets of the Company;
- or

- (f) acquiring or assuming the whole business or assets of another person, which has a material effect on the Company's operation.

However, the company participating in a merger and consolidation resulting in ceasing to exist, or in a collective assumption, share swap or subdivision to be delisted, and the sustaining, assuming, existing or newly incepted company is also not a public listed (over-the-counter-traded) company, shall be consented by a quorum of over two-thirds or more of shareholders representing total company issued shares.

- (g) share exchange: the Company may, by a resolution made by the meeting of the Members, through share exchange, be acquired by other existing or newly established company as its wholly owned subsidiary.

12.4 Subject to the Law, the Company may be wound up voluntarily:

- (a) if the Company resolves by Ordinary Resolution that it be wound up voluntarily because the Company is unable to pay its debts as they fall due; or
- (b) if the Company resolves by Special Resolution that it be wound up voluntarily for reasons other than set out in Article 12.4(a) above.

13. Variation of Rights Attaching to Shares

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

DIVIDENDS AND CAPITALISATION

14. Dividends

- 14.1** The Board may, subject to approval by the Members by way of Ordinary Resolution or, in the case of Article 12.3(a), Supermajority Resolution and subject to the Articles and any direction of the Company in general meeting, declare a dividend to be paid to the Members in proportion to the number of shares held by them, and such dividend may be paid in cash or shares.

- 14.2** Subject to the Applicable Law, no dividends or other distribution shall be paid except out of

profits of the Company, realised or unrealised, out of share premium account or any reserve, fund or account as otherwise permitted by the Law. Except as otherwise provided by the rights attached to any shares, all dividends and other distributions shall be paid according to the number of the shares that a Member holds. If any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividends accordingly.

14.3 Subject to the Law and this Article and except as otherwise provided by the rights attached to any shares, the Company may distribute profits in accordance with a proposal for profits distribution approved by the Board and sanctioned by the Members by an Ordinary Resolution, in annual general meetings.

14.4 The Company operates in the growth stage. The Board shall prepare the dividend proposal by taking into account the profit of each half of the fiscal year, overall development, financial plans, capital need, projection of the industry and the Company's prospects and so on and submit the proposal for the Members' approval. For so long as the shares are traded on the ESM or listed in Taiwan, if there are profits, in making the profits distribution recommendation, the Board shall set aside out of the profits of the Company for each financial year: (i) a reserve for payment of tax for the relevant financial year; (ii) an amount to offset losses incurred in previous years; (iii) ten per cent (10%) as reserve ("Statutory Reserve"); and (iv) a special surplus reserve as required by the applicable securities authority of the ROC under the Applicable Public Company Rules. If there are any remaining profits, they shall be allocated in the following manner and order:

- (a) no more than fifteen per cent (15%) as remuneration to employees, including employees of the Company's Subsidiaries, of which the qualification shall be determined by the Board;
- (b) no more than three per cent (3%) as remuneration for the Directors (excluding the Independent Directors); and
- (c) the remaining balance, if any, together with a part or whole of accumulated undistributed profits in the previous years, subject to the Law and the Applicable Public Company Rules and after having considered the financial, business and operational factors of the Company, may be distributed as dividends to Members in proportion to their shareholdings in the amount of no less than ten per cent (10%) of profit distributable surplus of the relevant year. In the event that dividends are distributed to Members in a combination of share dividend and cash dividend, cash dividend shall be no less than ten per cent (10%) of the total dividends.

14.5 The proposal for the Company's allocation of earnings or covering of loss for the first half of the fiscal year, together with the business reports and financial statements, shall be firstly audited by the Audit Committee, and then submitted to the Board for further resolution. Considering that the Company's primary operation locates in the Mainland China, the Board

is authorized to declare a cash dividend allocation with the currency of CNY as well as an adjustment for the fluctuation of the exchange ratio. The Company may stipulate in the Articles to authorize the distributable dividends and bonuses in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors; and in addition thereto a report of such distribution shall be submitted to the Members' meeting. The Board shall fix any date as the record date for determining the Members entitled to receive any dividend or other distribution.

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

14.7 No unpaid dividend shall bear interest as against the Company.

15. Capital Reserve and Power to Set Aside Profits

15.1 The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such sum as it thinks proper as a reserve to be used to meet contingencies or for meeting the deficiencies for implementing dividend distribution plans or for any other purpose to which those funds may be properly applied. Pending application, such sums may be in the absolute discretion of the Board either be employed in the business of the Company or invested in such investment as the Board may from time to time think fit, and need not be kept separate from other assets of the Company. The Board may also, without placing the same to reserve, carry forward any profit which it decides not to distribute.

15.2 Subject to any direction from the Company in general meeting, the Board may on behalf of the Company exercise all the powers and options conferred on the Company by the Law in regard to the reserve. Subject to compliance with the Applicable Law and these Articles, the Board may on behalf of the Company set off accumulated losses against credits standing in the reserve and make distributions out of the reserve.

16. Method of Payment

16.1 Any dividend, interest, or other monies payable in cash in respect of the shares may be paid by wire transfer to the Member's designated account or by cheque or draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the holder may in writing direct.

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

16.3 For so long as the shares are traded on the ESM or listed in Taiwan, the payment of any dividend shall comply with the Applicable Public Company Rules and the Law.

17. Capitalisation

Subject to the Applicable Law and Article 12.3(a), the Board may, with the authority of a Supermajority Resolution, capitalize any sum for the time being standing to the credit of the Capital Reserve, or any sum standing to the credit of the Statutory Reserve which exceeds the issued share capital or any sum standing to the credit of other reserves which are available and permitted for distribution under Applicable Public Company Rules by applying such sum in paying up unissued shares to be allotted as fully paid shares to the Members in proportion to their respective shareholdings in the Company.

MEETINGS OF MEMBERS

18. Annual General Meetings

18.1 The Company shall hold a general meeting as its annual general meeting within six months following the end of each fiscal year, which shall be called by the Board.

18.2 Subject to Article 18.1, the annual general meeting of the Company may be held at such time and place as the Board shall determine.

18.3 For so long as the shares are traded on the ESM or listed in Taiwan, unless otherwise provided by the Law, the physical general meetings shall be held in the ROC.

19. Extraordinary General Meetings

19.1 General meetings other than annual general meetings shall be called extraordinary general meetings.

19.2 The Board may convene an extraordinary general meeting of the Company whenever in their judgment such a meeting is necessary or is desirable.

19.3 For so long as the shares are traded on the ESM or listed in Taiwan, the Board shall on a Member's requisition as defined in Article 19.4 forthwith proceed to convene an extraordinary general meeting of the Company.

19.4 A Member's requisition set forth in Article 19.3 is a requisition of one or more Members of the Company holding in the aggregate at the date of deposit of the requisition not less than three per cent (3%) of the total number of issued shares of the Company which as at that date have been held by such Member(s) for at least one year.

19.5 The Member's requisition must state in writing the matters to be discussed at the extraordinary general meeting and the reason therefor.

19.6 If the Board does not within fifteen (15) days from the date of the deposit of the Member's requisition dispatch the notice of an extraordinary general meeting, the requisitionists may

themselves convene an extraordinary general meeting in the same manner, as nearly as possible, as that in which general meetings may be convened by the Board. If it is proposed that the extraordinary general meeting be held physically, it shall be held within the territory of the ROC.

- 19.7** The shareholders who hold the total shares issued over one-half of company shares for consecutive three months or longer may convene an interim shareholders' meeting on their own. The calculation of the shareholding count during the shareholders' shareholding period shall heed to the shareholdings held at the time of ceasing to transfer the stock titles.

20. Notice

- 20.1** (1) The general meeting of the Company can be held by means of visual communication network or other methods announced by the competent authority under the Company Act of ROC. However, under the circumstances of natural disaster, incidents or other force majeure, the Company may, authorized by the ruling promulgated by the competent authority under the Company Act of ROC, within a certain period of time hold the general meeting by means of visual communication network or other promulgated methods, even its Articles has no such provision.

- (2) In case the general meeting is proceeded via visual communication network, the Member(s) taking part in such a visual communication meeting shall be deemed to have attended the meeting in person.

- (3) The Applicable Listing Rules shall govern the relevant conditions, process and other regulations that the Company shall abide by with regard to the general meeting proceeded via visual communication network.

- 20.2** For so long as the shares are traded on the ESM or listed in Taiwan, at least thirty (30) days' notice of an annual general meeting, and at least fifteen (15) days' notice of an extraordinary general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held and the general nature of the business to be considered at the meeting. The notice may, as an alternative, be given by means of electronic transmission, after obtaining a prior written consent from the recipient(s) thereof.

The Company shall make the announcement about the notice of the general meetings, proxy forms and the reasons and the descriptions related to proposals for approval, discussion and the election or discharge of Directors at least 30 days and 15 days prior to any annual general meeting and extraordinary general meetings, respectively.

If a shareholders' meeting adopts the written method of exercising voting rights, the preceding information and the written form of exercising voting rights shall be given to the shareholders at the same time.

- 20.3** For so long as the shares are traded on the ESM or listed in Taiwan, the Board shall fix a record

date for determining the Members entitled to receive notice of and to vote at any general meeting of the Company in accordance with Applicable Public Company Rules and close its Register of Members accordingly in accordance with Applicable Public Company Rules

- 20.4** Subject to Article 23.4, the accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 20.5** The Company shall prepare a manual for each general meeting, and such manual and relevant materials shall be transmitted to the Market Observation Post System twenty-one (21) days prior to the scheduled date of the relevant annual general meeting and fifteen (15) days prior to the scheduled date of the relevant extraordinary general meeting pursuant to the Applicable Public Company Rules. However, in the case that the Company with paid-in capital reaching NT\$ 2 billion or more as of the last day of the most recent fiscal year, or in which the aggregate shareholding percentage of foreign investors and Mainland Chinese investors reached 30% or more as recorded in the Register at the time of holding of the annual general meeting in the most recent fiscal year, it shall upload the aforesaid electronic file by thirty (30) days prior to the day on which the annual general meeting is to be held.
- 20.6** For so long as the shares are traded on the ESM or listed in Taiwan, the following matters shall be stated in the notice of a general meeting, with a summary of the major content to be discussed, and shall not be proposed as an extemporary motion;the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice :
- (a) election or discharge of Directors,
 - (b) alteration of the Memorandum or Articles,
 - (c) reduction of capital;
 - (d) applying to cease the open stock issue;
 - (e) (i) dissolution, Merger, transfer of shares or spin-off, (ii) entering into, amending, or terminating any Lease Contract, Management Contract or Joint Operation Contract, (iii) transfer of the whole or any essential part of the business or assets of the Company, and (iv) acquisition or assumption of the whole of the business or assets of another person, which has a material effect on the operations of the Company,
 - (f) ratification of an action by Director(s) who engage(s) in business for himself or on behalf of another person that is within the scope of the Company's business,
 - (g) distribution of the whole or part of the surplus profit of the Company in the form of new shares, capitalization of Capital Reserve and any other amount in accordance with Article 17,
 - (h) making distributions of new shares or cash out of the Statutory Reserve , the premium received on the issuance of any shares and income from endowments received by the

Company to its Members, and

(i) Private Placement of any equity-related securities to be issued by the Company.

- 20.7** For so long as the shares are traded on the ESM or listed in Taiwan, the Board shall keep the Memorandum and Articles, minutes of general meetings, financial statements, the Register of Members, and the counterfoil of any corporate bonds issued by the Company at the Registered Office (if applicable) and the Company's stock affairs agent located in the ROC. Members may request, from time to time, by submitting document(s) evidencing his interests involved and indicating the designated scope of the inspection, access to inspect, transcribe and to make copies of the document(s) ; if the document(s) are kept in a shareholder service agent, the company shall make such agent to provide with the access.
- 20.8** For so long as the shares are traded on the ESM or listed in Taiwan, the Company shall make available all the statements and records prepared by the Board and the report prepared by the Audit Committee which will be submitted to the Members at the annual general meeting at the Registered Office (if applicable) and its stock affairs agent located in the ROC ten (10) days prior to such annual general meeting in accordance with Applicable Public Company Rules. Members may inspect and review the foregoing documents from time to time and may be accompanied by their lawyers or certified public accountants for the purpose of such inspection and review.
- 20.9** The board of directors or other authorized conveners of shareholders' meetings may require a company or its shareholder service agent to provide with the roster of shareholders.

21. Giving Notice

- 21.1** Any Notice or document, whether or not to be given or issued under the Articles from the Company to a Member, shall be in writing either by delivering it to such Member in person or by sending it by letter mail or courier service to such Member at his registered address as appearing in the Register of Members or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the shareholder in writing.
- 21.2** Any Notice or other document shall be deemed to be effective when it is sent in accordance with Articles 20 and 21 of these Articles. Any Notice or document may be given to a Member either in the Chinese language or the English language, subject to due compliance with all Applicable Law, rules and regulations.

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

22. Postponement of General Meeting

The Board may postpone any general meeting called in accordance with the provisions of the Articles provided that notice of postponement is given to each Member before the time for such meeting. A notice stating the date, time and place for the postponed meeting shall be given to each Member in accordance with the provisions of the Articles provided that in the event that the Members resolve to postpone the general meeting to a specified date which is not more than five days, Articles 20.1, 20.2, 20.3, 20.4, 20.5, 20.6 and 21 do not apply and notice of the adjournment shall not be required.

23 Quorum and Proceedings at General Meetings

- 23.1** No resolutions shall be adopted unless a quorum is present. Unless otherwise provided for in the Articles, Members present in person or by proxy or in the case of a corporate Member, by corporate representative, representing more than one-half of the total issued shares of the Company entitled to vote, shall constitute a quorum for any general meeting.
- 23.2** For so long as the shares are traded on the ESM or listed in Taiwan, the Board shall submit business reports, financial statements and proposals for distribution of profits or allocation of losses prepared by it for the purposes of annual general meetings of the Company for ratification by the Members in a manner consistent with the Applicable Public Company Rules. After ratification by the Members at the general meeting, the Board shall distribute copies of or announce to the public the ratified financial statements and the Company's resolutions on distribution of profits or allocation of losses, to each Member or otherwise make the same available to the Members in accordance with the Applicable Public Company Rules.
- 23.3** Unless otherwise provided in the Articles, a resolution put to the vote of the meeting shall be decided on a poll.
- 23.4** For so long as the shares are traded on the ESM or listed in Taiwan, if and to the extent permitted under the Law, nothing in the Articles shall prevent any Member from initiating proceedings in a court of competent jurisdiction for an appropriate remedy in connection with the convening of any general meeting or the passage of any resolution in violation of applicable laws or regulations or the Articles within 30 days after passing of such resolution. The Taiwan Taipei District Court, ROC, may be the court for adjudicating any disputes arising out of the foregoing.
- 23.5** Unless otherwise expressly required by the Law, the Memorandum or the Articles, any matter which has been presented for resolution, approval, confirmation or adoption by the Members at any general meeting may be passed by an Ordinary Resolution.
- 23.6** For so long as the shares are traded on the ESM or listed in Taiwan, member(s) holding one per cent (1%) or more of the Company's total issued shares immediately prior to the relevant book close period, during which the Company closed its Register of Members, may propose to the Company in writing or by way of electronic transmission one matter for discussion at an annual general meeting. The Company shall give a public notice in such manner and at such time as permitted by Applicable Law specifying the place and a period of not less than ten (10) days for Members to submit proposals. Unless any of the following circumstances is satisfied, the board of directors of the company shall include the proposal submitted by a shareholder in the list of

proposals to be discussed at a regular meeting of shareholders: where (a) the proposing Member(s) holds less than one cent (1%) of the Company's total issued shares, (b) the matter of such proposal may not be resolved by a general meeting; (c) the proposal is more than 300 words, or the proposing Member(s) has proposed more than one proposal; or (d) the proposal is submitted to the Company after the date fixed and announced by the Company for accepting Member(s)' proposal(s).

A shareholder proposal proposed for urging a company to promote public interests or fulfill its social responsibilities may still be included in the list of proposals to be discussed at a regular meeting of shareholders by the board of directors.

- 23.7** The rules and procedures of general meetings shall be established by the Board and approved by an Ordinary Resolution, and such rules and procedures shall be in accordance with the Law, these Articles and the Applicable Public Company Rules.

24. Chairman to Preside

- 24.1** In the event that the general meeting is convened by the Board, the Chairman shall act as chairman at all meetings of the Members at which such person is present. If the Chairman is on leave or absent or cannot exercise his power and authority for any cause, the Vice Chairman shall act on his behalf. If there is no Vice Chairman or the Vice Chairman is also on leave or absent or unable to exercise his power and authority for any cause, the Directors who are present at the meeting of Members shall elect one from among themselves to act as the chairman at such meeting in lieu of the Chairman and the Vice Chairman.

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

25. Voting on Resolutions

- 25.1** Subject to any rights, privileges or restrictions attached to any share, every Member who (being an individual) is present in person or by proxy or (in the case of a corporation or other non-natural person) by duly authorized corporate representative(s) or by proxy shall have one vote for every share of which he is the holder. A Member who holds shares for benefit of others, need not use all his votes or cast all the votes he holds in the same way as he uses his votes in respect of shares he holds for himself. The qualifications, scope, methods of exercise, operating procedures and other matters with respect to exercising voting power separately shall comply with the Applicable Public Company Rules.

- 25.2** No person shall be entitled to vote at any general meeting or at any separate meeting of the holders of a class of shares unless he is registered as a Member on the record date for such meeting and has paid all the calls on all shares held by such Member.

- 25.3** Votes may be cast either in person or by proxy. A Member may appoint another person as his proxy by specifying the scope of appointment in the proxy instrument prepared by the Company

to attend and vote at a general meeting, provided that a Member may appoint only one proxy under one instrument to attend and vote at such meeting.

- 25.4** Subject to the Law, for so long as the shares are traded on the ESM or listed in Taiwan, the Board may determine that the voting power of a Member at a general meeting may be exercised by way of a written ballot or by way of electronic transmission; provided, however, that the Company shall provide the Members with a method for exercising their voting power by way of a written ballot or electronic transmission if a general meeting is to be held outside the ROC or otherwise required under the Applicable Public Company Rules. The method for exercising such voting power shall be described in the general meeting notice to be given to the Members if the voting power may be exercised by way of a written ballot or electronic transmission. Any Member who intends to exercise his voting power by way of a written ballot or by way of electronic transmission shall serve the Company with his voting decision at least two (2) days prior to the date of such general meeting. Where more than one voting decision are received from the same Member by the Company, the first voting decision shall prevail, unless an explicit written statement is made by the relevant Member to revoke the previous voting decision in the later-received voting decision. A Member who exercises his voting power at a general meeting by way of a written ballot or by electronic transmission shall be deemed to have appointed the chairman of the general meeting as his proxy to vote his shares at the general meeting only in the manner directed by his written instrument or electronic document. The chairman of the general meeting as proxy shall not have the power to exercise the voting rights of such Members with respect to any matters not referred to or indicated in the written or electronic document and/or any amendment to resolution(s) proposed at the said general meeting. For the purpose of clarification, such Members voting in such manner shall be deemed to have waived their voting rights with respect to any extemporary matters or amendment to resolution(s) proposed at the general meeting.
- 25.5** In the event any Member who intended to exercise his voting power by way of a written ballot or electronic transmission and has served his voting decision on the Company pursuant to Article 25.4 hereof later intends to attend the general meetings in person, he shall, at least two (2) days prior to the date of such general meeting, serve the Company with a separate notice revoking his previous voting decision. Such separate notice shall be sent to the Company in the same manner (e.g., by courier, registered mail or electronic transmission, as applicable) as the previous voting decision under Article 25.4 was given to the Company. Votes by way of a written ballot or electronic transmission shall remain valid if the relevant Member fails to revoke his voting decision before the prescribed time.
- 25.6** A Member who has served the Company with his voting decision in accordance with Article 25.4 for the purpose of exercising his voting power by way of a written ballot or by way of electronic transmission may appoint a person as his proxy to attend the meeting in accordance with the Articles, in which case the vote cast by such proxy shall be deemed to have revoked his previous voting decision served on the Company and the Company shall only count the vote(s) cast by

such expressly appointed proxy at the meeting.

26. Proxies

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

unless an explicit written statement is made by the relevant Member to revoke the previous proxy in the later-received instrument.

27. Proxy Solicitation

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

28. Dissenting Member's Appraisal Right

28.1 Subject to compliance with the Law, in the event any of the resolutions with respect to any of the following matters, any Member with objection against which may request the Company to repurchase his/her shares:

- (a) spin-off or merger, acquisition or share exchange with other company;
- (b) Entering into, amending, or terminating any contract for lease of the company's business in whole, or for entrusted business, or for regular joint operation with others; or transferring the whole or any essential part of its business or assets; or accepting the transfer of another's whole business or assets, which has great bearing on the business operation of the company.

28.2 The Member filing a request under Article 28.1 shall make it in writing within 20 days since the resolution of the meeting of Members was made and specify the price for buying back. In the event the price of the Shares repurchase is negotiated and agreed upon by and between the Company and the selling Member, the Company shall pay the repurchase price to such selling Member within 90 days upon the resolution date of the meeting of Members. If the Company and the selling Member fail to reach an agreement on the price of Shares repurchase, the Company shall pay the repurchase price that it determines as fair price to the Member who has not so agreed on the repurchase price. Company fails to so pay the repurchase price to the selling Member shall deemed that it has agreed upon the repurchase price specified by the selling Member.

The selling Member who has voted against such matter during the meeting or expressed his objection and waived his voting right may file a request under Article 28.1. The selling Member fail to reach an agreement on the price of Shares repurchase within 60 days upon the resolution date of the meeting of Members, the Company shall, within 30 days upon the lapse of such 60-day period, file a motion with the Taiwan Taipei District Court, in which all selling Members who disagree with the repurchase price are listed as respondents, to issue a ruling on the repurchase price.

In the event the Company and the selling Member fail to reach an agreement on the price of Shares repurchase within 60 days upon the resolution date of the meeting of Members, the Company shall, within 30 days upon the lapse of such 60-day period, file a motion with the Taiwan Taipei District Court, in which all selling Members who disagree with the repurchase price are listed as respondents, to issue a ruling on the repurchase price.

28.3 The number of shares held by the selling Member who has waived his voting right shall not be counted toward the number of votes represented by the shareholders present at a shareholders meeting.

29. Shares that May Not be Voted

29.1 Shares held:

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

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

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

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

30. Voting by Joint Holders of Shares

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

31. Representation of Corporate Member

- 31.1** A corporation or non-natural person which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting of the Members and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation or such non-natural person which such person represents as that corporation or non-natural person could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.
- 31.2** Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation or non-natural person which is a Member.

32. Adjournment of General Meeting

The chairman of a general meeting may, with the consent of a majority in number of the Members present at any general meeting at which a quorum is present, and shall if so directed, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned and the meeting is adjourned for more than five (5) days, a notice stating the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with the provisions of the Articles.

33. Directors Attendance at General Meetings

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

DIRECTORS AND OFFICERS

34. Number and Term of Office of Directors

- 34.1** There shall be a Board consisting of no less than seven (7) and no more than ten (10) persons. The term of office for each Director shall not exceed a period of three (3) years provided that in the event the expiration of the term of office of such Directors would otherwise leave the Company with no Directors, the term of office of such Directors shall be extended automatically to the date of the general meeting next following the expiration of such term, at which new Directors will be elected to assume office. Directors may be eligible for re-election. The Company may from time to time by Special Resolution increase or reduce the number of Directors, subject to the foregoing and the Applicable Law.
- 34.2** For so long as the shares are traded on the ESM or listed in Taiwan, the number of Directors having a spousal relationship or familial relationship within the second degree of kinship with any other Directors shall be less than half of the total number of Directors.
- 34.3** In the event that the Company convenes a general meeting for the election of Directors and any of the Directors elected does not meet the requirements provided in Article 34.2 hereof, the non-

qualifying Director(s) who was elected with the fewest number of votes shall be deemed not to have been elected, to the extent necessary to meet the requirements provided for in Article 34.2 hereof. Any person who has already served as a Director but is in violation of the aforementioned requirements shall be automatically discharged from his office effective from such violation without any action required on behalf of the Company.

- 34.4** For so long as the shares are traded on the ESM or listed in Taiwan, unless otherwise permitted under the Applicable Public Company Rules, there shall be at least three (3) Independent Directors and the number of Independent Directors shall not be less than one-fifth of the total number of Directors. To the extent required by the Applicable Public Company Rules, at least one of the Independent Directors shall be domiciled in the ROC and at least one of them shall have accounting or financial expertise. Before the shares are listed in Taiwan, the Board may resolve that the Company shall hold an election of Independent Director(s) at the general meeting.
- 34.5** The Company's Directors (including Independent Directors) nominated by adopting the candidate nomination system specified in the Applicable Public Company Rules provided for so long as the shares are traded on the ESM or listed in Taiwan.
- 34.6** Independent Directors shall have professional knowledge and shall maintain independence within the scope of their directorial duties, and shall not have any direct or indirect interests in the Company. The professional qualifications, restrictions on shareholdings and concurrent positions, and assessment of independence with respect to Independent Directors shall be consistent with the Applicable Public Company Rules.

35. Election of Directors

- 35.1** The Company may at a general meeting elect any person to be a Director, which vote shall be calculated in accordance with Article 35.2 below. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to elect one or more Directors.
- 35.2** The Director(s) shall be elected by Members upon a poll vote by way of cumulative voting (the manner of voting described in this Article to be referred to as "**Cumulative Voting**") in the following manner:
- (a) on an election of Directors, the numbers of votes attached to each voting share held by a Member shall be cumulative and correspond to the number of Directors nominated for appointment at the general meeting;
 - (b) the Member(s) may vote all or part of their cumulated votes in respect of one or more Director candidates;
 - (c) such number of Director candidates receiving the highest number of votes in the same category (namely, independent or non-independent) of Directors to be elected shall be

appointed; and

- (d) where two or more Director candidates in the same category receive the same number of votes and as a result the total number of new Directors in such category intended to be appointed is exceeded, there shall be a draw by such Director candidates receiving the same number of votes to determine who shall be appointed; the chairman of the meeting shall draw for a Director nominated for appointment who is not present at the general meeting.

35.3 For so long as the shares are traded on the ESM or listed in Taiwan, if the number of Independent Directors is less than three (3) persons due to the resignation or removal of such Independent Directors for any reason, the Company shall hold an election of Independent Directors at the next following general meeting. If all of the Independent Directors are resigned or removed, the Board shall hold, within sixty (60) days from the date of resignation or removal of last Independent Director, a general meeting to elect succeeding Independent Directors to fill the vacancies.

35.4 For so long as the shares are traded on the ESM or listed in Taiwan, if the number of Directors is less than seven (7) persons due to the vacancy of Director(s) for any reason, the Company shall call an election of Director(s) at the next following general meeting to fill the vacancies. When the number of vacancies in the Board of the Company equals to one third of the total number of Directors elected, the Board shall hold, within sixty (60) days from the date of the occurrence of vacancies, a general meeting to elect succeeding Directors to fill the vacancies.

35.5 Any corporation (or other legal entity) which is a Member shall be entitled to appoint such person or persons as its representative to be elected as a Director (the "**Appointed Representative**"). The election of an Appointed Representative as a Director is subject to the approval of Members in accordance with the provisions of this Article 35.

35.6 Where the Appointed Representative has been elected as a Director of the Company, the corporation (or other legal entity) which is a Member which has appointed the Appointed Representative to be elected as a Director, may at any time, serve notice on the Company giving notice to replace the Appointed Representative with another person. Such replacement of the Appointed Representative as a Director (the "**Replacement**") shall take effect from the date specified in the notice or in the absence of such date, from the date on which the notice was served on the Company, and will not require any shareholders' approval. Accordingly, Articles 35.1, 35.2 and 35.5 do not apply in respect of the Replacement.

36. Removal of Directors

36.1 The Company may from time to time by Supermajority Resolution remove any Director from office. Where re-election of all Directors is effected by a resolution adopted at a general meeting prior to the expiration of the term of office of existing Directors, the term of office of all current Directors is deemed to have expired on the date of the re-election or any other date as otherwise

resolved by the Members at the general meeting if the Members do not resolve that all current Directors will only retire at the expiration of their present term of office. Members present in person or by proxy, representing more than one-half of the total issued shares shall constitute a quorum for any general meeting to re-elect all Directors. If the term of office of all Directors expires at the same time and no general meeting was held before such expiry for re-election, their term of office shall continue and be extended to such time when new Directors are elected or re-elected in the next general meeting and they commence their office.

36.2 For so long as the shares are traded on the ESM or listed in Taiwan, in case a Director has, in the course of performing his duties, committed any act resulting in material damages to the Company or is in serious violation of applicable laws, regulations and/or the Articles, but has not been removed by a Supermajority Resolution, the Member(s) holding three per cent (3%) or more of the total number of issued shares of the Company may, within thirty (30) days after such general meeting, to the extent permissible under Applicable Law, institute a lawsuit to remove such Director. The Taiwan Taipei District Court, ROC, may be the court of for this matter.

37. Vacation of Office of Director

37.1 The office of Director shall be vacated:

- (a) if the Director is removed from office pursuant to the Articles;
- (b) if the Director dies;
- (c) if the Director is automatically discharged from his office in accordance with Article 34.3;
- (d) if the Director resigns his office by notice in writing to the Company;
- (e) if the Director is the subject of a court order for his removal in accordance with Article 36.2;
- (f) if the Director is automatically removed in accordance with Article 37.2;
- (g) if the Director ceases to be a Director in accordance with Article 37.3; or
- (h) with immediate effect without any action required on behalf of the Company if
 - (i) the Director has been adjudicated bankrupt, or has been adjudicated of the commencement of liquidation process by a court and has not been reinstated to his rights and privileges;
 - (ii) an order is made by any competent court or official on the grounds that the Director has no legal capacity, or his legal capacity is restricted according to Applicable Law;
 - (iii) the Director has committed a felony(including but not limited to the crimes stipulated in the R.O.C“Organized Crime Prevention Act”) and has been adjudicated guilty by a final judgment, and has not started serving the sentence, has not completed serving the sentence, or 5 years have not elapsed since completion of serving the sentence,

expiration of the probation, or pardon;

- (iv) the Director has been sentenced to imprisonment for a term of more than one year by a final judgment for commitment of fraud, breach of trust or misappropriation, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon;
- (v) the Director has been adjudicated guilty by a final judgment for committing the offense as specified in the Anti-corruption Act, and has not started serving the sentence, has not completed serving the sentence, or 2 years have not elapsed since completion of serving the sentence, expiration of the probation, or pardon; or
- (vi) the Director has been dishonored for use of credit instruments, and the term of such sanction has not expired yet.
- (vii) Has been adjudicated of the commencement of assistantship and such assistantship having not been revoked yet;

In the event that any of the foregoing events specified in Article 37(h) has occurred in relation to a candidate for election of Director, such person shall be disqualified from being elected as a Director.

37.2 In case a Director(excluding independent directors) has, during the term of office as a Director, transferred more than one half of the Company's shares being held by him/her at the time he/she is elected, he/she shall, ipso facto, be removed automatically from the position of Director with immediate effect and no shareholders' approval shall be required.

37.3 If any Director(excluding independent directors) has, after having been elected as a Director and before his/her inauguration of the office of Director, transferred more than one half of the Company's shares being held by him/her at the time of his/her election as a Director, then he/she shall immediately cease to be a Director and no shareholders' approval shall be required. If any Director has, after having been elected as a Director, transferred more than one half of the Company's shares then being held by him/her within the share transfer prohibition period prior to the convention of a shareholders' meeting according to the Applicable Public Company Rules, then he/she shall immediately cease be a Director and no shareholders' approval shall be required.

38. Compensation of Directors

38.1 For so long as the shares are traded on the ESM or listed in Taiwan, the Board shall, in accordance with the Applicable Public Company Rules, establish a Compensation Committee comprised of at least three members, one of whom shall be an Independent Director. The professional qualifications of the members of the Compensation Committee, the responsibilities, powers and other related matters of the Compensation Committee shall comply with the Applicable Public

Company Rules. Upon the establishment of the Compensation Committee, the Board shall, by a resolution, adopt a charter for the Compensation Committee the provisions of which shall be consistent with the Applicable Public Company Rules. Before the shares are traded on the ESM or listed in Taiwan, the Board may resolve to establish a Compensation Committee.

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

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

39. Defect in Election of Director

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

40. Directors to Manage Business

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

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

41. Powers of the Board of Directors

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

- (a) appoint, suspend, or remove any manager, clerk, agent or employee of the Company and may fix their compensation and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise

grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;

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

42. Register of Directors and Officers

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

(a) first name and surname; and

(b) address.

42.2 The Board shall, within the period of thirty days from the occurrence of:-

(a) any change among its Directors and Officers; or

(b) any change in the particulars contained in the Register of Directors and Officers,

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

43. Officers

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

44. Appointment of Officers

The Officers shall be appointed by the Board.

45. Duties of Officers

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

46. Compensation of Officers

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

47. Conflicts of Interest

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

47.2 Notwithstanding anything to the contrary contained in this Article 47, a Director who is directly or indirectly interested in any matter under discussion at a meeting of the Directors or a contract or proposed contract or arrangement with the Company shall declare the nature and the essential contents of such interest at the relevant meeting of the Directors as required by the Applicable Law. In the merger/consolidation and acquisition by the Company, the director who has a

personal interest in the transaction of merger/consolidation and acquisition shall explain to the Board meeting and the meeting of Members the essential contents of such personal interest and the cause of approval or dissent to the resolution of merger /consolidation or acquisition. The Company shall also elaborate the essential contents of the Director's personal interest and the reason for approving or dissenting the resolution of the Acquisition in the reasons for convening this general meeting; such content shall be published on a website designated by the Taiwan securities competent authorities or the Company, and the URL of such website shall be specified on the general meeting notice. 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 interests in the matters under discussion in the meeting of the preceding paragraph, such director shall be deemed to have a personal interest in the matter.

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

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

48. Indemnification and Exculpation of Directors and Officers

48.1 (A) The Directors are subject to the fiduciary duty to the Company, which shall include but not limited to the observance of the general duty of loyalty, the duty of care and the avoidance of conflict between duties and self-interest. Unless otherwise stipulated under the Cayman Islands laws, (i) if the Director has violated this provision and thus caused damage to the Company, he/she shall be liable for the damage to the Company; and (ii) in case the Director does anything for himself/herself or on behalf of another person, the general meeting may, by a resolution, consider the earnings in such an act as earnings of the company.

(B) Unless otherwise stipulated under the Cayman Islands laws, if the Director has, in the course of conducting the business operations, violated any provision of the applicable laws and/or regulations and thus caused damage to any other person, he/she shall be liable, jointly and severally with the Company, for the damage to such other person.

(C) Managers, in the course of conducting the business operation, shall be liable for the compensation as the Directors are.

48.2 The Company may purchase and maintain insurance for the benefit of any Director or Officer of the Company against any liability incurred by him in his capacity as a Director or Officer of the

Company or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any Subsidiary thereof.

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

- (a) request in writing the Board to authorise 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 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

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

48.4 Without prejudice and subject to the general directors' duties that a Director owe to the Company and its shareholders under common law principals and the laws of the Cayman Islands, a Director shall perform his fiduciary duties of loyalty and due care of a good administrator in the course of conducting the Company's business, and shall indemnify the Company, to the maximum extent legally permissible, from any loss incurred or suffered by the Company arising from breach of his fiduciary duties. If a Director has made any profit for the benefit of himself or any third party as a result of any breach of his fiduciary duties, the Company shall, if so resolved by the Members by way of an Ordinary Resolution, take all such actions and steps as may be appropriate and to the maximum extent legally permissible to seek to recover such profit from such relevant Director. If a Director has, in the course of conducting the Company's business, violated any laws or regulations that causes the Company to become liable for any compensation or damages to any person, such Director shall become jointly and severally liable for such compensation or damages with the Company and if any reason such Director is not made jointly and severally liable with the Company, such Director shall indemnify the Company for any loss incurred or suffered by the Company caused by a breach of duties by such Director. The Officers, in the course of performing their duties to the Company, shall assume such duties and obligations to indemnify the Company in the same manner as if they are Directors.

MEETINGS OF THE BOARD OF DIRECTORS

49. Board Meetings

49.1 Board meetings shall be convened by the Chairman, and the Board may meet for the transaction

of business, adjourn and otherwise regulate its meetings as it sees fit.

49.2 For so long as the shares are traded on the ESM or listed in Taiwan, the Company shall hold regular meetings of the Board at least on a quarterly basis and in compliance with the Applicable Public Company Rules.

49.3 A resolution shall be passed by a majority vote of the Directors present at the meeting and entitled to vote on such resolution, and in the case of equality of votes the resolution shall fail. For these purposes, where Directors present and entitled to vote at the meeting do not cast a vote at the meeting, such Directors will be deemed to vote against the resolution.

50. Notice of Board Meetings

50.1 The Chairman may at any time summon a meeting of the Board.

50.2 Before the shares are traded on the ESM or listed in Taiwan, at least 48 hours prior notice shall be given for any meeting of the Board provided that in the case of urgent circumstances as agreed by more than one-half of the total number of the Directors, a meeting of the Board may be convened on short notice, or be held anytime after notice has been given to every Director or be convened without prior notice if all Directors agree. For so long as the shares are traded on the ESM or listed in Taiwan, to convene a meeting of the Board, a notice setting forth therein the matters to be considered and if appropriate, approved at the meeting shall be given to each Director no later than seven (7) days prior to the scheduled meeting date. However, in the case of emergency as agreed by more than one-half of the total number of the Directors, the meeting may be convened with a shorter notice period in a manner consistent with the Applicable Public Company Rules. For the purposes of this Article, a notice may be sent via electronic means if so agreed to by the Directors.

51. Participation in Meetings by Video Conference

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

52. Quorum at Board Meetings

The quorum for a meeting of the Board shall be more than one-half of the total number of the Directors.

53. Board to Continue in the Event of Vacancy

The Board may act notwithstanding any vacancy in its number.

54. Chairman to Preside

The Chairman, if there be one, shall act as chairman at all meetings of the Board at which such person is present. In his absence a chairman shall be appointed or elected in accordance with the Applicable

Public Company Rules.

55. Validity of Prior Acts of the Board

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

CORPORATE RECORDS

56. Minutes

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

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

57. Register of Mortgages and Charges

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

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

58. Form and Use of Seal

58.1 The Seal shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf.

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

58.3 The Company may have one or more duplicate Seals, as permitted by the 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.

TENDER OFFER AND ACCOUNTS

59. Tender Offer

For so long as the shares are traded on the ESM or listed in Taiwan, within seven (7) days after the receipt of the copy of a tender offer application form and relevant documents by the Company or its

Litigious and Non-Litigious Agent, the Board shall resolve to recommend to the Members whether to accept or object to the tender offer and make a public announcement of the following:

- (a) the types and number of the shares held by the Directors and the Members holding more than ten per cent (10%) of the total issued shares in their own names or in the names of other persons.
- (b) 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.
- (d) the types, numbers and amount of the shares of the tender offeror or its affiliates held by the Directors and the Members holding more than ten per cent (10%) of the total number of issued shares held in their own names or in the name of other persons.

60. Books of Account

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

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

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

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

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

61. Financial Year End

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

- (a) shall end on 31st December in the year of its incorporation and each following year; and

- (b) shall begin when it was incorporated and on 1st January each following year.

AUDIT COMMITTEE

62. Number of Audit Committee Members

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

63. Powers of Audit Committee

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

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

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

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

- 63.2** Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Independent Directors of the Audit Committee shall supervise the execution of business operations of the Company, and may at any time or from time to time investigate the business and financial conditions of the Company, examine, copy or duplicate the accounting books and documents, and request the Board or officers to report on matters referred to above. Subject to the Applicable Law and to the extent permitted under the laws of the Cayman Islands, the Board may authorise any Independent Director of the Audit Committee to appoint on behalf of the Company, a practicing lawyer and independent auditors to conduct the examination.
- 63.3** The Audit Committee shall audit the various financial statements and records prepared by the Board for submission to the general meeting, and shall report their findings and opinions at such meeting.
- 63.4** (Deleted)
- 63.5** Before any resolution of merger/consolidation and acquisition by the Board of Directors, the Audit Committee or the Special Committee (applicable to those company with Supervisors) of the company shall review the fairness and reasonableness of the plan and transaction of the merger/consolidation or acquisition, and then to report the review results to the Board of Directors and the meeting of Members; provided that the Audit Committee or the Special Committee may restrain from reporting to the meeting of Members if the Law does not require the merger/consolidation or acquisition to be resolved by the meeting of Members.

When the Audit Committee (or Special Committee) reviews matters, it shall seek opinions from an independent expert on the justification of the share exchange ratio or distribution of cash or other assets.

The review results of the Audit Committee (or Special Committee) and the opinions from the independent expert shall be sent to the Members together with the notice of the meeting of Members; provided that such matters regarding merger/consolidation and acquisition shall be reported to the latest meeting of Members if the laws of the foreign issuer's registered country does not require the merger/consolidation or acquisition to be resolved by the meeting of Members.

If the Company announces the same content as in those documents prescribed under the

preceding paragraph on a website designated by the competent securities authority of R.O.C. and those documents are prepared at the venue of the meeting of Members by the Company, those documents shall be deemed as having been sent to Members.

VOLUNTARY DISSOLUTION AND WINDING-UP

64. Voluntary Dissolution and Winding-Up

64.1 The Company may be voluntarily wound-up in accordance with Article 12.4.

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

CHANGES TO CONSTITUTION

65. Changes to Articles

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

LITIGIOUS AND NON-LITIGIOUS AGENT

66. Appointment of Litigious and Non-Litigious Agent

For so long as the shares are traded on the ESM or listed in Taiwan, the Company shall appoint a Litigious and Non-Litigious Agent pursuant to the Applicable Law to act as the Company's responsible person in the ROC under the Securities and Exchange Law of the ROC to handle matters stipulated in the Securities and Exchange Law of the ROC and the relevant rules and regulations thereto. The Litigious and Non-Litigious Agent shall be an individual who has a residence or domicile in the ROC.

OTHERS

67. ROC Securities Laws and Regulations

For so long as the shares are traded on the ESM or listed in Taiwan, 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.

Appendix II.

Kuangli Bio-Tech Holdings Co., Ltd. ("the Company") Rules of Procedure for Shareholders' meetings (the "Rules")

Approved in the Shareholders' Meeting on August 13, 2021.

Article 1 Accordingly

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

Article 2 Scope

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

Article 3 Calling of Shareholders' Meeting

1. Unless otherwise provided by law or regulation, this Corporation's shareholders' meetings shall be convened by the Board of Directors.
2. The Company shall send the notice of the shareholders' meeting, the proxy form, the agenda and explanatory information of each motion for recognition, discussion, election or dismissal of directors, etc. to the Market Observation Post System (MOPS) as an electronic file 30 days before the regular shareholders' meeting or 15 days before the shareholders' meeting. The shareholders' meeting booklet and supplementary information will be electronically transmitted to the Market Observation Post System no later than 21 days prior to the regular shareholders' meeting or 15 days prior to the extraordinary shareholders' meeting. Fifteen days prior to the shareholders' meeting, the shareholders' meeting manual and supplementary information shall be made available to the shareholders at any time and shall be displayed at the Company and its stock agent, and shall be distributed at the shareholders' meeting.
3. For virtual-only shareholders' meetings, electronic files shall be shared on the virtual meeting platform.
4. Election or dismissal of directors or supervisors, amendments to the articles of incorporation, reduction of capital, application for the approval of ceasing its status as a public company, approval of competing with the Company by directors, surplus profit distributed in the form of new shares, reserve distributed in the form of new shares, the dissolution, merger, or demerger of the corporation, or any matter under Article 185, paragraph 1 of the Company Act, Articles 26-1 and 43-6 of the Securities Exchange Act, Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers shall be set out and the essential contents explained in the notice of the reasons for convening the shareholders' meeting. None of the above matters may be raised by an extraordinary motion.
5. Where re-election of all directors and supervisors as well as their inauguration date is stated in the notice of the reasons for convening the shareholders' meeting, after the completion of the re-election in said meeting such inauguration date may not be altered by any extraordinary motion or otherwise in the same meeting.
6. A shareholder holding one percent or more of the total number of issued shares may submit to this Corporation a proposal for discussion at a regular shareholders' meeting. The number of items so proposed is limited to one only, and no proposal containing more than one item will be included in the meeting agenda. When the circumstances of any subparagraph of Article 172-1, paragraph 4 of the Company Act apply to a proposal put forward by a shareholder, the Board of Directors may exclude it from the agenda. A shareholder may propose a recommendation for urging the corporation to promote public interests or fulfill its social responsibilities, provided procedurally the number of items so proposed is limited only to one in accordance with Article 172-1 of the Company Act, and no proposal containing more than one item will be included in the meeting agenda.
7. Prior to the book closure date before a regular shareholders' meeting is held, this Corporation shall publicly announce its acceptance of shareholder proposals in writing or electronically, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.
8. Shareholder-submitted proposals are limited to 300 words, and no proposal containing more than 300 words will be included in the meeting agenda. The shareholder making the proposal shall be present in person or by proxy at the regular shareholders' meeting and take part in discussion of the proposal.
9. Prior to the date for issuance of notice of a shareholders' meeting, this Corporation shall inform the shareholders who submitted proposals of the proposal screening results, and shall list in the meeting notice the proposals that conform to the provisions of this article. At the shareholders' meeting the Board of Directors shall explain the reasons for exclusion of any shareholder proposals not included in the agenda.

Article 4 Proxy Form

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

Article 5 Principles determining the time and place of a shareholders' meeting

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

Article 6 Preparation of signature books and other documents and attendance of shareholders by proxy

1. This Corporation shall specify in its shareholders' meeting notices the time during which attendance registrations for shareholders, solicitors and proxies (collectively "shareholders") will be accepted, the place to register for attendance, and other matters for attention.
2. 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.
3. Shareholders shall attend shareholders' meetings based on attendance cards, sign-in cards, or other certificates of attendance. This Corporation may not arbitrarily add requirements for other documents beyond those showing eligibility to attend presented by shareholders. Solicitors soliciting proxy forms shall also bring identification documents for verification.
4. This Corporation shall furnish the attending shareholders with an attendance book to sign, or attending shareholders may hand in a sign-in card in lieu of signing in.
5. This Corporation shall furnish attending shareholders with the meeting agenda book, annual report, attendance card, speaker's slips, voting slips, and other meeting materials. Where there is an election of directors or supervisors, pre-printed ballots shall also be furnished.
6. When the government or a juristic person is a shareholder, it may be represented by more than one representative at a shareholders' meeting. When a juristic person is appointed to attend as proxy, it may designate only one person to represent it in the meeting.

Article 7 The chair and proxy of shareholders' meeting

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

Article 8 Documentation of a shareholders' meeting by audio or video

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

Article 9 Attendance and Voting at Shareholders' Meetings

1. Attendance at shareholders' meetings shall be calculated based on numbers of shares. The number of shares in attendance shall be calculated according to the shares indicated by the attendance book and sign-in cards handed in, and the shares checked in on the virtual meeting platform, plus the number of shares whose voting rights are exercised by correspondence or electronically.
2. The chair shall call the meeting to order at the appointed meeting time and disclose information concerning the number of nonvoting shares and number of shares represented by shareholders attending the meeting. However, when the attending shareholders do not represent a majority of the total number of issued shares, the chair may announce a postponement, provided that no more than two such postponements, for a combined total of no more than one hour, may be made. If the quorum is not met after two postponements and the attending shareholders still represent less than one third of the total number of issued shares, the chair shall declare the meeting adjourned. In the event of a virtual shareholders' meeting, this Corporation shall also declare the meeting adjourned at the virtual meeting platform.
3. If the quorum is not met after two postponements as referred to in the preceding paragraph, but the attending shareholders represent one third or more of the total number of issued shares, a tentative resolution may be adopted pursuant to Article 175, paragraph 1 of the Company Act; all shareholders shall be notified of the tentative resolution and another shareholders' meeting shall be convened within one month.
4. When, prior to conclusion of the meeting, the attending shareholders represent a majority of the total number of issued shares, the chair may resubmit the tentative resolution for a vote by the shareholders' meeting pursuant to Article 174 of the Company Act.

Article 10 Discussion of proposals

1. If a shareholders' meeting is convened by the Board of Directors, the meeting agenda shall be set by the Board of Directors, which may not be changed without a resolution of the shareholders' meeting.
2. The provisions of the preceding paragraph apply mutatis mutandis to a shareholders' meeting convened by a party with the power to convene that is not the Board of Directors.
3. The chair may not declare the meeting adjourned prior to completion of deliberation on the meeting agenda of the preceding two paragraphs (including extraordinary motions), except by a resolution of the shareholders' meeting. If the chair declares the meeting adjourned in violation of the rules of procedure, the other members of the Board of Directors shall promptly assist the attending shareholders in electing a new chair in accordance with statutory procedures, by agreement of a majority of the votes represented by the attending shareholders, and then continue the meeting.
4. The chair shall allow ample opportunity during the meeting for explanation and discussion of proposals and of amendments or extraordinary motions put forward by the shareholders; when the chair is of the opinion that a proposal has been discussed sufficiently to put it to a vote, the chair may announce the discussion closed, call for a vote, and schedule sufficient time for voting.

Article 11 Shareholder speech

1. Before speaking, an attending shareholder must specify on a speaker's slip the subject of the speech, his/her shareholder account number (or attendance card number), and account name. The order in which shareholders speak will be set by the chair.
2. A shareholder in attendance who has submitted a speaker's slip but does not actually speak shall be deemed to have not spoken. When the content of the speech does not correspond to the subject given on the speaker's slip, the spoken content shall prevail.
3. Except with the consent of the chair, a shareholder may not speak more than twice on the same proposal, and a single speech may not exceed 5 minutes. If the shareholder's speech violates the rules or exceeds the scope of the agenda item, the chair may terminate the speech.
4. When an attending shareholder is speaking, other shareholders may not speak or interrupt unless they have sought and obtained the consent of the chair and the shareholder that has the floor; the chair shall stop any violation.
5. When a juristic person shareholder appoints two or more representatives to attend a shareholders meeting, only one of the representatives so appointed may speak on the same proposal.
6. After an attending shareholder has spoken, the chair may respond in person or direct relevant personnel to respond.

Article 12 Calculation of voting shares

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

Article 13 Exercise of Voting Rights

1. A shareholder shall be entitled to one vote for each share held, except when the shares are restricted shares or are deemed non-voting shares under Article 179, paragraph 2 of the Company Act.
2. When this Corporation holds a shareholders' meeting, it shall adopt exercise of voting rights by electronic means and may adopt exercise of voting rights by correspondence. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders' meeting notice. A shareholder exercising voting rights by correspondence or electronic means will be deemed to have attended the meeting in person, but to have waived his/her rights with respect to the extraordinary motions and amendments to original proposals of that meeting.
3. A shareholder intending to exercise voting rights by correspondence or electronic means under the preceding paragraph shall deliver a written declaration of intent to this Corporation before two days before the date of the shareholders' meeting. When duplicate declarations of intent are delivered, the one received earliest shall prevail, except when a declaration is made to cancel the earlier declaration of intent.
4. After a shareholder has exercised voting rights by correspondence or electronic means, in the event the shareholder intends to attend the shareholders' meeting in person or online, a written declaration of intent to retract the voting rights already exercised under the preceding paragraph shall be made known to this Corporation, by the same means by which the voting rights were exercised, before two business days before the date of the shareholders' meeting. If the notice of retraction is submitted after that time, the voting rights already exercised by correspondence or electronic means shall prevail. When a shareholder has exercised voting rights both by correspondence or electronic means and by appointing a proxy to attend a shareholders' meeting, the voting rights exercised by the proxy in the meeting shall prevail.
5. Except as otherwise provided in the Company Act and in this Corporation's articles of incorporation, the passage of a proposal shall require an affirmative vote of a majority of the voting rights represented by the attending shareholders. At the time of a vote, for each proposal, the chair or a person designated by the chair shall first announce the total number of voting rights represented by the attending shareholders, followed by a poll of the shareholders. After the conclusion of the meeting, on the same day it is held, the results for each proposal, based on the numbers of votes for and against and the number of abstentions, shall be entered into the MOPS.

6. If there is no objection from all shareholders present, the motion shall be deemed to be passed with the same effect as a poll; if there is any objection, a poll shall be taken in accordance with the preceding provisions.

7. When there is an amendment or an alternative to a proposal, the chair shall present the amended or alternative proposal together with the original proposal and decide the order in which they will be put to a vote. When any one among them is passed, the other proposals will then be deemed rejected, and no further voting shall be required.
8. Vote monitoring and counting personnel for the voting on a proposal shall be appointed by the chair, provided that all monitoring personnel shall be shareholders of this Corporation.
9. 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 Election of directors and supervisors

1. The election of directors or supervisors at a shareholders' meeting shall be held in accordance with the applicable election and appointment rules adopted by this Corporation, and the voting results shall be announced on-site immediately, including the names of those elected as directors and supervisors and the numbers of votes with which they were elected, and the names of directors and supervisors not elected and number of votes they received.
2. The ballots for the election referred to in the preceding paragraph shall be sealed with the signatures of the monitoring personnel and kept in proper custody for at least one year. If, however, a shareholder files a lawsuit pursuant to Article 189 of the Company Act, the ballots shall be retained until the conclusion of the litigation.

Article 15 Shareholders' Meeting Minutes

1. Matters relating to the resolutions of a shareholders' meeting shall be recorded in the meeting minutes. The meeting minutes shall be signed or sealed by the chair of the meeting and a copy distributed to each shareholder within 20 days after the conclusion of the meeting. The meeting minutes may be produced and distributed in electronic form.
2. This Corporation may distribute the meeting minutes of the preceding paragraph by means of a public announcement made through the MOPS.
3. The meeting minutes shall accurately record the year, month, day, and place of the meeting, the chair's full name, the methods by which resolutions were adopted, and a summary of the deliberations and their voting results (including the number of voting rights), and disclose the number of voting rights won by each candidate in the event of an election of directors or supervisors. The minutes shall be retained for the duration of the existence of this Corporation.

Article 16 Public disclosure

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

Article 17 Maintaining order at the meeting place

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

Article 18 Recess and resumption of a shareholders' meeting

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

Article 19 Implementation and Revision

These Rules shall take effect after having been submitted to and approved by a shareholders' meeting. Subsequent amendments thereto shall be affected in the same manner.

Appendix IV

KUANGLI BIO-TECH HOLDINGS CO., LTD. ("the Company")

Procedures for Lending Funds to Other Parties (the " Procedures ")

Article 1: Purpose

These Procedures are established, in accordance with the relevant provisions of the *Regulations Governing Loaning of Funds and Making of Endorsements and Guarantees by Public Companies* of the Republic of China, to ensure proper compliance in matters relating to the loaning of funds to others by the Company (including its subsidiaries and sub-subsidiaries).

Article 2: Eligible Borrowers

Pursuant to the provisions of the Company Act of the Republic of China, the Company shall not loan its funds to shareholders or any other parties, except under the following circumstances:

1. Companies or firms with which the Company has business transactions.
2. Companies or firms that require short-term financing and have a legitimate need for such funds.

The term "short-term" as referred to in the preceding paragraph means a period of one year or one operating cycle, whichever is longer.

Where the responsible person of the Company violates the relevant regulations, such person shall be jointly and severally liable with the borrower for the repayment of the loan. If the Company suffers any damages as a result, such responsible person shall also be liable for compensation of damages.

Article 3: Purpose and Necessity of Loaning of Funds to Others

Where the Company engages in the loaning of funds to other companies or firms due to business transactions, such loaning shall be conducted in accordance with Paragraph 2 of Article 4 hereof.

Where the Company engages in the loaning of funds due to short-term financing needs, such loaning shall be limited to the following circumstances:

1. Investee companies accounted for under the equity method by the Company that require funds for repayment of bank borrowings, acquisition of equipment, or operating capital needs.
2. Companies in which the Company directly or indirectly holds 50% or more of the shares, which require funds for repayment of bank borrowings, acquisition of equipment, or operating capital needs.
3. Companies in which the Company directly or indirectly holds 50% or more of the shares, which require funds for reinvestment purposes, provided that such reinvestment businesses are related to the Company's scope of operations and are beneficial to the Company's future business development.
4. Other companies or firms that require short-term financing for procurement of materials or operating capital needs.
5. Other loaning of funds approved by the Board of Directors of the Company.

Article 4: Aggregate Amount and Limits for Individual Borrowers

The aggregate amount of funds loaned by the Company to others shall not exceed 40% of the Company's net worth as stated in the most recent financial statements audited, reviewed, or certified by a certified public accountant.

For companies or firms with which the Company has business transactions, the amount of funds loaned to any single counterparty shall not exceed the higher of the purchase or sales amount between the Company and such counterparty for the most recent year or for the current year up to the time of the loaning of funds. For companies or firms that require short-term financing, the amount of funds loaned to any single counterparty shall not exceed 40% of the Company's net worth as stated in the most recent financial statements audited or certified by a certified public accountant.

Article 4-1: Determination of Subsidiaries and Parent Company

The subsidiaries and the parent company referred to in these Procedures shall be determined in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the Republic of China.

Article 4-2: Determination of Net Worth

The term "net worth" referred to in these Procedures means the equity attributable to owners of the parent as presented in the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the Republic of China.

Article 5: Procedures for Loaning of Funds

1. Credit Investigation

(1) When the Company intends to loan funds to others, the borrower shall first submit a written application for a financing limit together with necessary corporate information and financial data to the Company.

(2) Upon receipt of the application, the Company's finance department shall conduct an investigation and evaluation of the borrower's business operations, financial condition, debt repayment capability and credit standing, profitability, and the intended use of the loaned funds, and shall prepare an assessment report accordingly.

(3) The finance department shall conduct a detailed investigation, evaluation, and review of the loan applicant. The evaluation items shall at least include the following:

1. The necessity and reasonableness of loaning funds to others.
2. Whether the loan amount is necessary in light of the financial condition of the borrower.
3. Whether the accumulated loan amount remains within the prescribed limits.
4. The impact on the Company's operational risk, financial condition, and shareholders' equity.
5. Whether collateral should be obtained and the appraised value of such collateral.
6. Credit investigation records and risk assessment documentation of the borrower.

2. Security Measures

When the Company provides loans to others and collateral is required, the borrower shall provide such collateral and complete the procedures for the establishment of pledges or mortgages.

With respect to the foregoing debt security, where the debtor provides an individual or company with adequate financial capacity and credit standing as a guarantor in lieu of providing collateral, the Board of Directors may, based on the credit investigation report prepared by the finance department, approve such

arrangement. Where a company acts as a guarantor, attention shall be paid to whether its articles of incorporation permit the provision of guarantees.

3. Scope of Authorization

(1) Any loaning of funds by the Company, after completion of credit investigation by the finance department, shall be submitted to the Chairperson for approval and then to the Board of Directors for resolution prior to implementation. No authorization shall be delegated to any other person.

(2) Loans of funds between the Company and its subsidiaries, or among its subsidiaries, shall be submitted to the Board of Directors for resolution in accordance with the preceding subparagraph. The Board of Directors may authorize the Chairperson to disburse the loans in installments or on a revolving basis to the same borrower within a specified amount approved by the Board and for a period not exceeding one year.

(3) When the Company loans funds to others, the opinions of independent directors shall be fully considered. Any explicit opinions of approval or opposition, together with the reasons for opposition, shall be recorded in the minutes of the Board of Directors meeting.

Article 6: Loan Term and Interest Calculation

1. Where loans are provided due to short-term financing needs, the loan term shall be limited to one year.

Where loans are provided due to business transactions or between overseas companies in which the Company directly or indirectly holds 100% of the voting shares, the loan term shall not exceed three years.

2. The interest rate for loans shall not be lower than the highest short-term borrowing rate of the Company from financial institutions.

As a general principle, loan interest shall be calculated and paid on a monthly basis. In the event of special circumstances, adjustments may be made based on actual needs upon approval by the Board of Directors.

3. With respect to loans of funds provided between overseas companies in which the Company directly or indirectly holds 100% of the voting shares, the interest calculation method may be handled in accordance with Paragraph 2 of this Article.

Article 7: Post-Loan Control Measures and Procedures for Overdue Receivables

1. After the disbursement of a loan, the Company shall continuously monitor the financial condition, business operations, and related credit status of the borrower and any guarantor.

Where collateral has been provided, attention shall also be paid to any changes in the value of such collateral. In the event of any material change, the Chairperson shall be notified immediately, and appropriate actions shall be taken in accordance with the Chairperson's instructions.

2. When the borrower repays the loan upon or prior to maturity, the interest payable shall be calculated first. The borrower shall repay both the principal and accrued interest in full before any promissory notes or other loan instruments are cancelled and returned to the borrower, or before any mortgage or security interest is released or deregistered.
3. The borrower shall repay the principal and interest in full upon maturity. If the borrower fails to repay upon maturity, the Company may, in accordance with applicable laws and regulations, proceed to dispose of the collateral provided or seek recovery from the guarantor.

Article 8: Internal Control

1. The Company shall establish a record register for all loaning of funds, detailing the borrowers, loan amounts, dates of Board approval, dates of fund disbursement, and all matters requiring careful evaluation in accordance with these Procedures, for record-keeping and reference purposes.
2. The Company's internal audit personnel shall conduct audits of the procedures for loaning funds to others at least quarterly and prepare written records of such audits.
In the event of any material violation, the internal audit personnel shall immediately notify the independent directors in writing. Depending on the severity of the violation, disciplinary action may be taken against the responsible managers and personnel in charge.
3. Where changes in circumstances result in borrowers no longer meeting the eligibility requirements of these Procedures, or the outstanding loan amounts exceeding the prescribed limits, an improvement plan shall be formulated and submitted to all independent directors. Such improvements shall be completed in accordance with the scheduled plan.

Article 9: Public Announcement and Reporting:

1. The Company shall, in accordance with the "Regulations Governing Loans and Guarantees by Publicly Issued Companies" promulgated by the Financial Supervisory Commission of the Republic of China, publicly announce the outstanding balances of loans extended by the Company and its subsidiaries for the preceding month by the 10th day of each month.
2. Where the Company's outstanding loan balances meet any of the following criteria, public disclosure and reporting shall be made within two days from the date of occurrence:
 - (1) The aggregate outstanding loan balances extended by the Company and its subsidiaries to third parties reach 20% or more of the Company's net worth as stated in its most recent financial statements.
 - (2) The outstanding loan balance extended by the Company and its subsidiaries to a single enterprise reaches 10% or more of the Company's net worth as stated in its most recent financial statements.
 - (3) New loans extended by the Company or its subsidiaries amounting to NT\$10 million or more and reaching 2% or more of the Company's net worth as stated in its most recent financial statements.
3. Where a subsidiary of the Company is not a publicly listed company in the same jurisdiction as the Company, the Company shall make the public announcement and report required under the preceding paragraph for such subsidiary.

The calculation of the loan balance-to-net worth ratio for the subsidiary referred to in the preceding paragraph shall be based on the ratio of the subsidiary's loan balance to the Company's net worth.

The "date of occurrence" referred to in this procedure means the earlier of the contract date, payment date, board resolution date, or any other date sufficient to determine the loan recipient and amount.

Article 10: Control of Loans to Subsidiaries

1. When a subsidiary of the Company intends to extend a loan to another party, it shall follow the subsidiary's internal procedures for lending funds to others.
2. When a subsidiary of the Company intends to extend a loan to another party, it shall submit the matter to the parent company's board of directors for resolution approval before proceeding. After disbursing the loan, the subsidiary shall regularly report the follow-up status of the loaned amount to the parent company.

Loans between subsidiaries of the Company shall be subject to the aforementioned board resolution requirement. The board may authorize the chairman of a subsidiary to disburse loans in installments or utilize revolving credit facilities to the same borrower within a specific limit and for a period not exceeding one year as resolved by the board.

When loans are made for financing purposes between foreign companies in which the Company directly or indirectly holds 100% of the voting shares, or between the Company and such foreign companies, the total amount shall not exceed 200% of the net worth of the foreign company receiving the loan. The limit for individual counterparties shall not exceed 150% of the net worth of the foreign company receiving the loan. The term “specified amount” shall, in addition to the foregoing, mean that the authorized lending limit for each subsidiary to a single enterprise shall not exceed 10% of the subsidiary's net worth as stated in its most recent financial statements.

3. The accounting unit shall obtain a detailed statement of the outstanding balances of funds lent by each subsidiary to others at the beginning of each month.
4. The Company's finance department shall periodically evaluate whether the subsequent control measures and overdue debt handling procedures implemented by each subsidiary for its outstanding loans are appropriate.
5. The Company's internal auditors shall periodically audit each subsidiary's compliance with its “Procedures for Lending Funds to Others,” preparing audit reports. Findings and recommendations in audit reports shall be communicated to the audited subsidiaries for improvement after approval, with periodic follow-up reports prepared to confirm timely implementation of appropriate corrective actions.

Article 11: Accounting Treatment

The accounting unit shall evaluate the status of funds lent and establish adequate allowances for doubtful accounts. It shall appropriately disclose relevant information in financial reports and provide certified public accountants with pertinent materials to perform necessary audit procedures.

Article 12: Penalties

Should managers or principal officers of the Company violate the “Regulations Governing Loans and Guarantees by Publicly Issued Companies” of the Republic of China or the provisions of this procedure while handling fund lending operations, such violations shall be reported in accordance with the Company's personnel reward and disciplinary regulations and penalized based on the severity of the circumstances.

Article 13: Implementation and Amendment

1. Upon approval by the Audit Committee and the Board of Directors, this Procedure shall be submitted to the Shareholders' Meeting for consent before implementation. The same procedure shall apply for amendments.
2. Where the Company has established an Audit Committee, the formulation or amendment of this Procedure shall require the consent of more than half of all Audit Committee members and shall be submitted to the Board of Directors for resolution. If approval from more than half of all Audit Committee members is not obtained, approval from more than two-thirds of all directors may be substituted, and the Audit Committee's resolution shall be recorded in the minutes of the Board meeting.

3. This Code was amended and approved by the Board of Directors on March 25, 2022, and further amended and approved by the Shareholders' Meeting on June 21, 2022.

Appendix V

KUANGLI BIO-TECH HOLDINGS CO., LTD. ("the Company")

Procedures for Endorsements and Guarantees (the " Procedures ")

Article 1 Purpose

These Procedures are established to govern matters relating to endorsements and guarantees provided by the Company (including its subsidiaries and sub-subsidiaries). Any matters not provided herein shall be handled in accordance with applicable laws and regulations.

Article 2 Scope of Application

1. Financing Endorsements and Guarantees:

Refers to endorsements or guarantees provided for bill discounting, financing of other companies, or issuance of negotiable instruments for financing purposes to non-financial institutions.

2. Customs Endorsements and Guarantees:

Refers to endorsements or guarantees provided in connection with customs-related matters of the Company or other companies.

3. Other Endorsements and Guarantees:

Refers to endorsements or guarantees that cannot be classified under the preceding two subparagraphs.

4. Where the Company provides movable or immovable property as collateral (including pledges, mortgages, or other security interests of an endorsement or guarantee nature) for borrowings of other companies, such matters shall also be handled in accordance with these Procedures.

Article 3 Eligible Counterparties for Endorsements and Guarantees

1. Companies with which the Company has business relationships.

2. Companies in which the Company directly or indirectly holds more than 50% of the voting shares.

3. Companies that directly or indirectly hold more than 50% of the voting shares of the Company.

4. Endorsements and guarantees between companies in which the Company directly or indirectly holds 90% or more of the voting shares may be provided and shall be handled in accordance with Paragraph 2 of Article 4.

5. Endorsements and guarantees provided to an investee company by all investing shareholders in proportion to their shareholdings due to joint investment relationships are not subject to the limitations of the preceding paragraphs.

6. The term "investment" in the preceding paragraph refers to direct investment by the Company or investment through subsidiaries in which the Company holds 100% of the voting shares.

7. The Company shall not accept applications for endorsements or guarantees under any of the following circumstances:

(1) The endorsement or guarantee amount would exceed the prescribed limits.

(2) The applicant has poor credit standing, including bad loan records or debt disputes.

(3) The applicant is not an entity approved by the Board of Directors.

Article 3-1 Definition of Subsidiaries and Parent Company

The determination of subsidiaries and the parent company referred to herein shall be made in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the Republic of China.

Article 4 Limits on Endorsements and Guarantees

1. Aggregate Limit:

Except for endorsements and guarantees between companies in which the Company directly or indirectly holds 100% of the voting shares, the aggregate amount shall not exceed 40% of the Company's net worth.

2. Limit per Counterparty:

The endorsement or guarantee amount for a single enterprise shall not exceed 10% of the Company's net worth, except for companies in which the Company directly or indirectly holds 100% of the voting shares.

3. Consolidated Limits:

The aggregate amount of endorsements and guarantees provided by the Company and its subsidiaries shall not exceed 50% of the Company's net worth, and the amount for a single enterprise shall not exceed 20%.

4. Business Relationship Endorsements and Guarantees:

The amount shall be assessed based on the transaction volume between the Company and the counterparty over the most recent twelve months, defined as the higher of the purchase or sales amount between the two parties.

5. The term "net worth" refers to the amount stated in the most recent financial statements audited, reviewed, or certified by a certified public accountant.

Article 4-1 Definition of Net Worth

The net worth referred to herein means equity attributable to owners of the parent as shown on the balance sheet in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers of the Republic of China.

Article 5 Decision-Making and Authorization Levels

Any endorsement or guarantee provided by the Company shall be approved by a resolution of the Board of Directors prior to implementation.

Article 6 Procedures for Handling and Review of Endorsements and Guarantees

1. Application Procedures

(1) Applicants shall submit basic information, financial data, and a completed application form to the responsible endorsement and guarantee management unit.

(2) The responsible unit shall review the necessity and reasonableness of the endorsement or guarantee, the need for collateral, and compliance with the limits set forth in Article 4.

(3) Upon completion and compliance, the application may be forwarded to the credit management unit for credit investigation.

2. Credit Investigation and Risk Assessment

(1) The credit management unit shall conduct credit investigations upon receipt of complete application documents.

(2) Credit standing and operational conditions of the applicant shall be collected, analyzed, and evaluated, with a written report submitted to the responsible unit and the Chairperson or the Board of Directors for risk assessment reference.

3. Collateral Evaluation

Where collateral is required, the applicant shall provide such collateral for valuation by the credit management unit, and the evaluation results shall be submitted to the Chairperson or the Board of Directors.

4. Approval of Endorsements and Guarantees

(1) The responsible unit shall submit relevant review materials, including credit investigation results, collateral valuation reports, impact on operations, financial condition, shareholders' equity, and guarantee terms, to the Board of Directors for resolution, or to the Chairperson for approval within the authorized limit, subject to subsequent ratification by the Board.

(2) Where independent directors are in place, their opinions shall be fully considered, and any dissenting opinions and reasons shall be recorded in the board meeting minutes.

5. Approval Notification

(1) Approved cases shall be promptly notified to the applicant, specifying terms such as amount, duration, and collateral, for execution within the prescribed period.

(2) Disapproved cases shall be promptly replied to with reasons.

6. Collateral Perfection and Insurance

(1) Applicants shall complete pledge or mortgage registration promptly upon notification.

(2) Except for land and marketable securities, collateral shall be insured with coverage not less than the collateral value, naming the Company as beneficiary.

(3) The responsible unit shall ensure timely renewal of insurance coverage.

7. Execution of Agreements

(1) Contract terms shall be drafted and executed after review.

(2) Agreements shall be consistent with approved conditions and duly counter-signed.

8. Guarantees may be provided only after all procedures in the preceding paragraphs have been completed and verified.

Article 7 Termination of Endorsements and Guarantees

Upon elimination of the underlying cause of an endorsement or guarantee, the applicant shall notify the Company immediately to release the Company's obligations, and the termination shall be recorded in the endorsement and guarantee register.

Article 8 Use and Custody of Seals

The Company seal used for endorsements and guarantees shall be kept by personnel approved by the Board of Directors. Any change shall likewise require board approval. Use of the seal or issuance of negotiable instruments shall comply with internal procedures. Guarantees issued to foreign entities shall be signed by persons authorized by the Board.

Article 9 Matters Requiring Attention

1. A register shall be maintained detailing counterparties, amounts, approval dates, guarantee dates, evaluation matters, collateral details, and termination conditions.
2. All relevant documents, negotiable instruments, collateral certificates, insurance policies, and correspondence shall be verified and properly kept.
3. Internal audit shall conduct quarterly audits and notify independent directors in writing of any material violations.
4. If changes result in non-compliance with eligibility or limits, corrective plans shall be reported to the Board and independent directors.
5. Exceeding prescribed limits for business needs requires Board approval, joint liability of more than half of the directors, amendment of these Procedures, and ratification by shareholders.
6. A monthly endorsement and guarantee detail report shall be prepared by the 10th day of each month.
7. Contingent losses shall be assessed, recognized, and properly disclosed in financial reports.

Article 10 Information Disclosure

1. Monthly endorsement and guarantee balances of the Company and its subsidiaries shall be reported to the FSC-designated website by the 10th day of each month.
2. Public disclosure shall be made within two days of occurrence if any statutory threshold is met.
3. For non-public subsidiaries, disclosures shall be made by the Company.
4. The “date of occurrence” refers to the earliest of contract execution, payment, board resolution, or other determinable dates.

Article 11 Control over Subsidiaries’ Endorsements and Guarantees

1. Subsidiaries shall comply with these Procedures when providing endorsements or guarantees.
2. Prior approval from the Company is required, with assessment by finance and designated personnel.
3. Monthly reports on changes in subsidiaries’ endorsement and guarantee amounts shall be obtained.
4. Internal audit shall conduct monthly compliance reviews and follow up on corrective actions.

Article 12 Penalties

Managers and responsible personnel who violate applicable regulations or these Procedures shall be subject to disciplinary actions in accordance with the Company’s personnel policies.

Article 13 Implementation and Amendments

1. These Procedures shall take effect upon approval by the Audit Committee, Board of Directors, and shareholders’ meeting.
2. Amendments shall follow the same procedure and comply with audit committee approval requirements.
3. These Procedures were last amended and approved by the Board of Directors on March 25, 2022, and by the shareholders’ meeting on June 21, 2022.

Appendix VI

KUANGLI BIO-TECH HOLDINGS CO., LTD. ("the Company")

Director Election Procedures (the " Procedures ")

- Article 1 To ensure the fair, just, and open election of directors, these Procedures are adopted in accordance with the Articles of Incorporation of the Company and relevant laws and regulations.
- Article 2 Unless otherwise provided by law or the Articles of Incorporation, the election of directors of the Company shall be conducted in accordance with these Procedures.
- Article 3 The election of directors shall consider the overall composition of the Board of Directors. Members of the Board shall possess the knowledge, skills, and qualities necessary to perform their duties. The overall abilities of the Board shall include:
1. Operational judgment ability.
 2. Accounting and financial analysis ability.
 3. Business management ability.
 4. Crisis management ability.
 5. Industry knowledge.
 6. International market perspective.
 7. Leadership ability.
 8. Decision-making ability.
- Article 4 Independent directors of the Company shall meet the qualifications set forth in Articles 2, 3, and 4 of the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies." The appointment of independent directors shall comply with Articles 5 through 9 of the aforementioned regulations and be handled in accordance with Article 24 of the "Corporate Governance Best Practice Principles for TWSE/GTSM Listed Companies."
- Article 5 The election of directors shall adopt a cumulative voting system. Each share shall have voting rights equal to the number of directors to be elected, and such rights may be concentrated on one or more candidates.
- Article 6 The Board shall prepare ballots equal in number to the directors to be elected, with the number of voting rights indicated thereon, and distribute them to shareholders present at the shareholders meeting. The voter's name may be represented by the shareholder's attendance card number printed on the ballot.
- Article 7 The directors shall be elected according to the number of seats provided in the Articles of Incorporation, with independent and non-independent directors elected separately. Those receiving the highest number of votes shall be elected sequentially. If two or more candidates receive the same number of votes and exceed the intended number of seats, a draw shall be conducted. The chairman shall draw on behalf of absentees.
- Article 8 Before the election begins, the chairman shall appoint scrutineers and vote counters from among the shareholders present. The ballot box shall be prepared by the Board and inspected publicly by the scrutineers before voting commences.
- Article 9 If the candidate is a shareholder, the voter shall fill in the candidate's name and shareholder number. If the candidate is not a shareholder, the voter's ballot shall indicate the candidate's name and identification number. If a government or corporate shareholder is the candidate, the name of the government or corporation shall be filled in, with or without its representative's name. If multiple representatives exist, each name shall be filled in separately.
- Article 10 A ballot shall be deemed invalid under any of the following circumstances:
1. Use of a ballot not prepared by the Board.
 2. Submission of a blank ballot.
 3. Illegible or altered entries.
 4. Discrepancy between the filled name/shareholder number and the register, or identification number not matching if not a shareholder.
 5. Any entries beyond the candidate's name or shareholder number and allocation of votes.
 6. Candidate name identical to another shareholder without a distinguishing shareholder number or identification number.
 7. Ballot not cast into the ballot box.
 8. Total votes cast exceed the voter's entitled number of votes.
- Article 11 After voting, ballots shall be opened on-site, and the chairman shall announce the election results, including the names of elected directors and supervisors.

Article 12 The Company shall issue certificates of election to the elected directors and supervisors..

Article 13 These Procedures shall be implemented after approval by the shareholders meeting. The same shall apply to amendments. If there are changes to relevant laws after the adoption of these Procedures, they shall be amended accordingly and approved by the Board and shareholders meeting.

Appendix VII

Kuangli Bio-Tech Holdings Co., Ltd.

Shareholding of Directors and Supervisors

1. The paid-in capital of the Company is NT\$ 973,988,350 , and the number of issued shares is 97,398,835 shares. (Including private placement of common stock).
2. Director's shareholding is not subject to the provisions of the Article 26, of the Securities and Exchange Act.
3. The number of shares held by individual directors and all directors recorded in the register of shareholders as of the closing date of the general meeting of shareholders for this year (December 30, 2025) is as follows:

Position	Name	Date elected	Term	Shareholding while elected		Current shareholding	
				Shares	Shareholding ratio (%)	Shares	Shareholding ratio (%)
Chairman	TEC INNOVATION CO.,LTD. Legal representative : CHIA-WEI WANG	20250529	3 Years	31,496,000 (Note 1)	32.33	40,894,000 (Note 2)	41.98
Director	BRIGHTNESS CO., LTD. Legal representative : KUAN-CHUNG CHEN	20250529	3 Years	2,898,000 (Note 1)	2.97	2,898,000 (Note 2)	2.97
Director	TEC INNOVATION CO.,LTD. Legal representative : CHING-HUEI CHANG	20250529	3 Years	31,496,000 (Note 1)	32.33	40,894,000 (Note 2)	41.98
Director	TEC INNOVATION CO.,LTD. Legal representative : HSIAO-WEI FANG	20250529	3 Years	31,496,000 (Note 1)	32.33	40,894,000 (Note 2)	41.98
Director	Vacancy						
Director	Vacancy						
Independent director	HSI-LIN CHIU	20250529	3 Years	0	0	0	0
Independent director	CHIA-WEI WU	20250529	3 Years	0	0	0	0
Independent director	YI-SHENG YANG	20250529	3 Years	0	0	0	0

Note 1: TEC INNOVATION CO.,LTD. and BRIGHTNESS CO., LTD. Shareholdings of the two offshore legal persons are held through sub-brokerage.

Note 2: As of December 30, 2025, TEC INNOVATION CO.,LTD. and BRIGHTNESS CO., LTD. Shareholdings of the two offshore legal persons are held through sub-brokerage.

Note 3: Former director CHING-LIEN CHANG was dismissed on August 22, 2025. Former corporate director TEC INNOVATION CO.,LTD. and legal representative CHING-HSIANG LIN resigned on November 21, 2025.