

泰昇國際(控股)有限公司

TAISUN INT'L (HOLDING) CORP

Annual
Shareholders'
Meeting
**MEETING
AGENDA
2020**



Meeting Date & Time :
Monday, June 29th, 2020 / 10:00 AM

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TAISUN INT’L (HOLDING) CORP.
Meeting Procedures of 2020 Regular Shareholders Meeting

I. Announcing meeting in session

II. Chairman's address

III. Matters to be reported

IV. Matters for ratification

V. Matters for discussion

VI. Elections

VII. Other Proposals

VIII. Special motions

IX. Adjournment

TAISUN INT'L (HOLDING) CORP.

Agenda of 2020 Regular Shareholders Meeting

Time: June 29 (Monday), 2020, 10:00 AM

Place: B1F., No. 85, Sec. 4, Roosevelt Rd., Da'an Dist., Taipei City (GIS NTU Convention Center)

I. Announcing meeting in session

II. Chairman's address

III. Matters to be reported

Case 1: 2019 Business Report.

Case 2: Audit Committee's Review Report of 2019 Business Report and Financial Statements

Case 3: Distribution of Employee Bonus and Remunerations to Directors in 2019.

Case 4: Report on Endorsements, Guarantees Made and Funds Lent to Others Ended December 31, 2019.

Case 5: Amendments of part of the "Rules of Procedure for Board of Directors Meetings"

Case 6: Amendments of part of the "Corporate Social Responsibility Best Practice Principles".

Case 7: Amendment of part of the "Procedures for Ethical Management and Guidelines for Conduct".

IV. Matters for ratification

Case 1: Ratification of 2019 Business Report and Financial Statements.

Case 2: Ratification of the distribution of earnings in 2019.

V. Matters for discussion

Case 1: Amendment of part of the "Articles of Incorporation".

Case 2: Amendment of part of the "Rules of Procedure for Shareholders Meetings"

VI. Elections

The Election of 3rd Board of Directors.

VII. Other Proposals

Cancellation of the restriction of non-competition on new directors.

VIII. Special motions

IX. Adjournment

Three. Matters to be reported

Case 1:

Summary: 2019 Business Report.

Description: Please refer to the 2019 Business Report (Attachment I).

Case 2:

Summary: Audit Committee's Review Report of 2019 Business Report and Financial Statements.

Description: Please refer to the report on 2019 Business Report and Financial Statements (Attachment II).

Case 3:

Summary: Distribution of Employee Bonus and Remunerations to Directors in 2019.

Description: TAISUN's net income after tax in 2019 was NT\$345,162,254. Now, it is proposed to distribute NT\$11,080,000 as employee bonus and NT\$880,000 as remunerations to directors as stated in the "Articles of Incorporation"; after this proposal is ratified at the board meeting and shareholders meeting, the Chairman will be authorized to make such distribution based on the amounts duly decided.

Case 4:

Summary: Report on Endorsements, Guarantees Made and Funds Lent to Others Ended December 31, 2019.

Description: US\$5 million was lent to the subsidiary Winsun (Cambodia) Co., Ltd., and the actual appropriated amount was US\$3.5 million.

Case 5:

Summary: Amendments of part of the “Rules of Procedure for Board of Directors Meetings”

Description: In coordination with the laws promulgated by the competent authority(ies) to satisfy the Company’s needs in its business operations, it is proposed to partially amend the Company’s “Rules of procedure for meetings of board of directors” For more details of the contents in amendment in comparison, please refer to (Attachment III).

Case 6:

Summary: Amendment of “Corporate Social Responsibility Best Practice Principles”.

Description: In coordination with the laws promulgated by the competent authority(ies) to satisfy the Company’s need in business operation, it is proposed to partially amend the Company’s “Corporate Social Responsibility Best Practice Principles” For more details of the contents in amendment in comparison, please refer to (Attachment IV).

Case 7:

Summary: Amendment of part of the “Procedures for Ethical Management and Guidelines for Conduct”.

Description: In coordination with the laws promulgated by the competent authority(ies) to satisfy the Company’s need in business operation, it is proposed to partially amend the Company’s “Procedures for Ethical Management and Guidelines for Conduct” For more details of the contents in amendment in comparison, please refer to (Attachment V).

Four. Matters for ratification

Case 1: (proposed by the Board of Directors)

Summary: Ratification of 2019 Business Report and Financial Statements.

Description: 1. The 2019 consolidated financial statements, business reports and final accounts (Attachment VI) of TAISUN and subsidiaries were audited in writing and attested by Yu-Shiou Su and Wen-Yea Shyu, CPAs of Deloitte Taiwan. The 2019 business reports were also reviewed by the Audit Committee, with a review report issued accordingly.

2. These documents are hereby presented for ratification.

Resolution:

Case 2: (proposed by the Board of Directors)

Summary: Ratification of the distribution of earnings in 2019.

Description: 1. In 2019, TAISUN's net income after tax was NT\$345,162,254, and the ending distributable earnings was NT\$644,194,951. It is proposed to allocate the cash dividends to shareholders, i.e. NT\$6.2 per share and NT\$243,474,000 in total as stated in TAISUN's "Articles of Incorporation".

2. TAISUN's 2019 Earnings Appropriation Statement (Attachment VII) is hereby presented for examination.

3. The Chairman is authorized to make separate decisions on the date of distribution of cash dividends and other matters not covered herein as actually scheduled.

4. These documents are presented for ratification.

Resolution:

Five. Matters for discussion

Case 1: (proposed by the Board of Directors)

Summary: Amendment of part of the “Articles of Incorporation”

Description: 1. In coordination with the laws promulgated by the competent authority(ies) to satisfy the Company’s need in business operation, it is proposed to partially amend the Company’s “Articles of Incorporation” For more details of the contents in amendment in comparison, please refer to (Attachment VIII).
2. This proposal is presented for resolution.

Resolution:

Case 2: (proposed by the Board of Directors)

Summary: Amendment of part of the “Rules of Procedure for Shareholders Meetings”

Description: 1. In coordination with the laws promulgated by the competent authority(ies) to satisfy the Company’s need in business operation, it is proposed to partially amend the Company’s “Rules of Procedures Shareholders’ Meetings” For more details of the contents in amendment in comparison, please refer to (Attachment IX).
2. This proposal is presented for resolution.

Resolution:

Six. Elections

Case 1: (proposed by the Board of Directors)

Summary: Election of 3rd Board of Directors.

Description: 1. Where the tenure of office of the Company's incumbent directors is about due, it is proposed that in accordance with the Company's "Articles of Incorporation," 7 directors (including 4 independent directors) should be elected in the present annual shareholder's meeting. The tenure of office of the incumbent directors expires upon completion of the present annual shareholder's meeting.

2. The directors newly elected in the present shareholders' meeting are to take office forthwith upon completion of the present shareholders' meeting, with a three-year tenure of office, *i.e.*, June 29, 2020 to June 28, 2023.

3. The list of candidates successfully passed in the review by the Board of Directors on May 6, 2020 are as enumerated below:

Categories of the nominees	Nominee Name	Education Background	Work Experience	Current position	Number of shares held (Expressed in number of shares)	Title(s) of the government or juristic person (s) represented	Other relevant information and data
Director	Everlink Overseas Inc.	N/A	N/A	N/A	16,907,000	N/A	N/A
Director	KT Look Int'l Inc.	N/A	N/A	N/A	8,539,300	N/A	N/A
Director	LIU WU HSIUNG	EMBA of Commerce, National Taiwan University Master of Business Administration (MBA) in Global Economy and Trading, National Chengchi University	President, Director, Vice President of Sanyang Motor Vietnam Representative of Vietnam Representative Office, Ching Feng Group Business Dept. Manager of VMEP Corporation Vietnam, Manager of West District Branch Executive Director, VMEPH Corporation Supervisor of AREC Inc. Consultant, Chia Yin Educational Group Director, San Shen Machinery Industrial (Xiamen) Co., Ltd. Director, Shang Yang Assets Co., Ltd. Director, San Yueh Nanyang Huanyu Co., Ltd. Director, Sanyang Kuayhuch Motors Co., Ltd.	Chairman and executive Director of Vietnam Manufacturing and Export Processing (Holding) Limited	5,400	N/A	N/A

			Director of Kinetic Motor Co., Ltd. Secretary to the Board of Directors, Xia Xing Motor Co., Ltd. Director, Taihai Petroleum Co., Ltd., Vietnam Director, Vietnam Shih Dian Co., Ltd., Jian Da Tire Co., Ltd., Development Industrial Co., Ltd. in Tonghai Province, Vietnam, as investees of Ching Feng Group.				
Independent Director	YU SHANG WU	PhD in Finance, University of Birmingham	Dean of College of Business & Management, Jinwen University of Science and Technology Chair Professor & Dean of College of Management and Language, Yuanpei University of Medical Technology Vice President & Dean of College of Management, TUNGNAN UNIVERSITY Dean of College of Informatics, Takming University of Science and Technology Head & Dean of Student Affairs, Department of Information Management, National Taiwan University of Science and Technology Director of First Financial Holding Co., Ltd. Director of First Commercial Bank Director of International Securities Holding Co., Ltd. Secretary of the Minister's Office, Fair Trade Commission (FTC), Executive Yuan Secretary of the Deputy Minister's Office, Ministry of Economic Affairs (MOEA) Director of Taiwan Stock Exchange	Independent director of TXC Corporation Chair Professor of College of Management and Design, Ming Chi University of Technology (MCUT)	0	N/A	N/A

Independent Director	HSIEN JAU HWANG	Department of Accounting, National Cheng Kung University (NCKU)	Chief Financial Officer of Vedan International (Holdings) Limited Vice President of Financial Division, Central Trading & Development Corporation Manager of Vietnam Branch Office, Chinfon Commercial Bank Co., Ltd. Manager of Foreign Department, Chinfon Commercial Bank Co., Ltd.	Chief Strategy Officer of Vedan International (Holdings) Limited Director of GIA HEN INTERNATIONAL CO., LTD. Independent Director of Chung-Yu Technologies Inc. Independent director of Welcome to kaiser furniture	0	N/A	N/A
Independent Director	CHEN MIN HUN	Department of Economics, Soochow University	Director of Sales Department, China Steel Corporation (CSC) Assistant Vice President, China Steel Corporation (CSC) Chairman of China Steel Structure Co., Ltd. (CSSC) Chairman & President, China Steel Sumikin Vietnam Joint Stock Company (CSVC) Chairman of China Steel Global Trading Corporation Chairman of Tang Eng Iron Works Co., Ltd.	Consultant of CHINA STEEL MANAGEMENT CONSULTING CORPORATION	3,300	N/A	N/A
Independent Director	HOU GUE FENG	Department of Journalism, National Chengchih University	Special Circulatory Reporter to Southeast Asia, Commercial Times Financial and Economic Head, TVBS Interpretation Department head, Anue Network Era Television Director of Economic Research, Commercial Weekly Senior Deputy Editor-in-Chief, Commonwealth Magazine Responsible person of CSR, Commonwealth Magazine	Editor-in-Chief of Common Health Magazine	0	N/A	N/A

IV. Please proceed with the election process

Resolution:

Seven. Other Proposals

Case 1: (proposed by the Board of Directors)

Summary: Cancellation of the restriction of non-competition on new directors.

Description: 1. As required under Article 209 of the Company Act, lifting of prohibition of business strife from directors calls for approval by the shareholders' meeting.

2. In response to its business needs, under the principle of not untowardly affecting the Company's normal business operations, it is proposed that the Board of Directors should lift prohibition of business strife from the newly elected directors and representatives thereof.

3. After the present motion is approved by the Board of Directors, it is proposed to the shareholders' meeting for consent to lift the newly elected directors from prohibition of business strife.

4. This proposal is presented for resolution.

Eight. Special motions

Nine. Adjournment

[Attachment I] 2019 Business Report

Dear Ladies and gentlemen,

In Year 2019, our operating profit hit a new high for which we should profoundly appreciate our entire staff, consumers, partners and shareholders and board members for their continuous and uninterrupted support. I hereby express the Company's most profound appreciation toward all cherished shareholders for their support and encouragement. Our equivalent appreciation should, as well, go to all employees for their hard work and contribution in the past year. TAISUN's operation conditions in 2019, prospects and future targets are represented as follows:

I. Operating Results in 2019:

With the efforts of all staff under the leadership of our management team, TAISUN's net revenue in 2019 was NT\$1,977,366 thousand, with an increase by 13.37% compared with NT\$1,744,175 thousand in the previous year; the operating income in 2019 was increased to NT\$315,009 thousand from NT\$284,515 thousand in 2018, with a growth by 10.72%; the net income after tax in 2019 was increased to NT\$345,164 thousand from NT\$298,691 thousand in 2017, with a growth by 15.56%; and the EPS after tax was NT\$8.79. Overall, in 2018, our Company benefited from the rapid economic growth momentum of the ASEAN emerging countries notably Vietnam, Cambodia and Myanmar and the decline in the prices of major raw materials that further increased our gross profit and profitability. Counterfeit goods virtually affected the market performance in Cambodia in the first half of the year. Fortunately, the subsequent sound management boosted the sound restoration of growth. The overall after-tax net profit still showed a 15% up growth.

II. Budget Execution

No financial forecast was published by TAISUN in 2019.

III. Financial revenues and expenditures, profitability and research & development performance in 2018

(I) In terms of financial revenue and expenditure, the net cash inflow from operating activities in 2018 amounted to NT\$384.882 million due primarily to overall revenue and profit growth; the net cash outflow from investment activities amounted to NT\$777.173 million, due primarily to the fact that the fund was converted into time deposit to the banks. The net cash inflow from financing activities amounted to NT\$178.398 million due primarily to the increase of short-term bank loans to pay off procurement and allocation of dividends.

(II) Profitability

Return on asset: 15.36%

Return on shareholders' equity: 20.47%

Profit margin before tax: 17.46%

EPS: NT\$8.79

- (III) In terms of research and development performance, we continually invested in the research and development of core technologies, continually focused on the upgrading of original products, and developed thinner, softer and breathable products through product design and testing of new materials to bring end users with refreshing experience. On the other hand, through the acquisition of market demand information, the development of new products and applications is also the main goal of our research and development activities, helping the Company to develop new markets in new fields.

V. Summary of 2020 Business Plans

(I) Business policies

1. Continuously explore Vietnam as dominant market, and build channels and brands in Cambodia to improve the market share.
2. In coordination with the launch of new products, we put forth maximum possible efforts to promote plans to strengthen marketing and channel expansion to seize market share and further increase the Company's revenue and profit.
3. Actively develop the markets for international marketing and pay attention to other potential markets to increase the strength for future operation growth.
4. Search for potential merger or strategic alliance opportunities to improve the corporate competitiveness and enter new markets.
5. By means of promotion of corporate governance projects, the Company further enhanced the Company's operational transparency, management efficiency to ensure the maximum possible interests toward shareholders.
6. We actively fulfilled corporate social responsibilities. In addition to giving back to the society, we spared no effort to boost brand image improve employee morale and loyalty and gain added support from investors.

(II) Estimated sales volume and basis

No financial forecast was published by TAISUN in 2020.

(III) Key production/sales policies

1. Actively expand the domestic sales and wholesale channels in Vietnam and fortify the sales deployment in central and north Vietnam.
2. Support the development trend of existing marketing channels and enhance the investment in and deployment of modern channels (e.g. supermarket and e-commerce).
3. Planning and execution for the launch of new products
4. Evaluation on development and potential market evaluation toward new export-oriented markets.
5. We spare no effort to enhance optimization of manufacturing process for products and materials to maximize competitive edge.

V. Prospects of future business operations

The current coronavirus pandemic has cast a significant impact upon consumer behaviors. In the face of the post-pandemic era, the Company has formulated the following countermeasures:

(I) Digital operations transformation

The pandemic control measures would significantly and inevitably restrict the movement of people and goods and our production and sales rely more upon the digital management. Therefore, the Company would fully promote the transformation of digital operations, internally strengthen the operational efficiency in the Company's various departments, and increase the strength of the brand names by increasing the proportion of digital marketing externally in response to channel expansion to better satisfy future trends and consumer needs.

(II) Management to strengthen supply chains

The lockdowns of the cities throughout the world amidst the coronavirus pandemic outbreaks have caused a chaos in the supply chains of all walks of life. This virtually reminds us in the Company to re-examine and strengthen the management of our existent supply chains. The Company will further implement the decentralization of supplier sources and origins to avoid potential risks against our supply chains.

(III) Integration of strategic investments

Other than efforts in digital operation transformation and supply chain management, the integration of upstream and downstream industries is also an important issue incurred by coronavirus pandemic outbreaks. Here at the Company, we plan to actively invest in and integrate upstream key raw materials and downstream strategic channels to enhance industrial competitiveness and minimize operating risks and further boost the Company's revenue and profit.

Finally, TAISUN's management team and all staff will strive for achieving various operational objectives in the future based on the corporate spirit of "Growing Together" and meeting expectations of the shareholders.

We wish you all good health and success in your career!

Chairman: Chao-Jung Tai



TAISUN INT'L (HOLDING) CORP.
Audit Committee's Review Report

The board of directors was approved to submit TAISUN's 2019 Business Report and consolidated financial statements; Yu-Hsiu Su and Wen-Ya Hsu, CPAs of Deloitte Taiwan, were retained by the board of directors to audit the consolidated financial statements and have issued an audit report relating to the financial statements. The aforesaid business report and financial statements have been audited by the Audit Committee and have complied with relevant regulations. Therefore, they are hereby presented for verification in accordance with Article 14-4 of the Securities and Exchange Act and Article 219 of the Company Act.

Best Regards

2020 Regular Shareholders Meeting

TAISUN INT'L (HOLDING) CORP.

Member of the Auditor Committee: Shang-Wu Yu

Member of the Auditor Committee: Chao-Huang Hsieh

Member of the Audit Committee: Ming-Han Chen



February 27, 2020

[Attachment III] Table for comparison of “Rules of Procedure for Board of Directors Meetings” before and after amendments

After amendment	Existing clauses	Description
<p>Article 7: The Company should bring the key issues as enumerated below into the board of directors for studies and discussion.</p> <ol style="list-style-type: none"> 1. Corporate business plans. 2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested. 3. We should enact or update internal control system in accordance with Article 14-1 of the Act <u>and conduct performance evaluation toward the effectiveness of the internal control system.</u> 4. In accordance with Article 36-1 of the Act, we should enact or update handling procedures for acquisition or disposal of assets, derivative financial instruments transactions, loaning of funds and making of endorsements/guarantees and such significant financial behaviors. 5. The offering, issuance, or private placement of any equity-type securities. 6. The appointment and dismissal of the Finance, Accounting, or Internal Audit Officer; 7. Donation to a related party or a significant donation to a non-related party. provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition. 8. Significant issues per Article 14-3 of the Act, other laws and ordinances concerned, decisions resolved in the shareholders’ meeting or board of directors or as required by the competent authority(ies). <p><u>The “related party” in Paragraph 7 in the preceding paragraph refers to the “related party” described in the “Regulations Governing the Preparation of Financial Reports by Securities Issuers.” The alleged “significant donation to a non-related party” refers to the donation amount of each transaction or the cumulative donation amount to one done within one year for over NTD100 million, 1%</u></p>	<p>Article 7: The Company shall bring the issues as enumerated below into the board of directors for discussion:</p> <ol style="list-style-type: none"> 1. Corporate business plans. 2. Annual and semi-annual financial reports, with the exception of semi-annual financial reports which, under relevant laws and regulations, need not be CPA audited and attested. 3. To enact or update internal control system in accordance with Article 14-1 of the Act. 4. In accordance with Article 36-1 of the Act, we should enact or update handling procedures for acquisition or disposal of assets, derivative financial instruments transactions, loaning of funds and making of endorsements/guarantees and such significant financial behaviors. 5. The offering, issuance, or private placement of any equity-type securities. 6. The appointment and dismissal of the Finance, Accounting, or Internal Audit Officer; 7. Donation to a related party or a significant donation to a non-related party. provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition. 8. Significant issues per Article 14-3 of the Act, other laws and ordinances concerned, decisions resolved in the shareholders’ meeting or board of directors or as required by the competent authority(ies). <p>The objection or reserved opinion by a participating director shall be expressly stated in the minutes of the board of directors meeting. After the independent directors have been set up, on issues under Article 14-3 of the Securities and Exchange Act to be resolved in the board of directors, all independent directors shall</p>	<ol style="list-style-type: none"> 1. Where “performance evaluation of effectiveness of internal control system” within responsibilities and powers of Audit Committee under Article 14-5 of Securities and Exchange Act is a significant issue and should be posed into the board of directors for discussion, the contents are added under Sub-paragraph 3, Paragraph 1. 2. For clarifying the authority and responsibility of the Independent Directors, and a higher level of participation in the performance of the Board, the particulars specified in Paragraph 5 shall be revised to explicitly state the seats of independent Directors reserved by the Company with at least 1 seat present in the session of the Board. In the resolution for motions presented in the Board session as stated in Paragraph 1, the presence of all Independents Directors is required. If particular Independent Director cannot attend the meeting in person, another Independent Director shall be appointed as proxy to the meeting. 3. The “criteria for outlaw” as stated in Paragraph 5 is not the “criteria for effective”. Violation of Paragraph 5 shall be subject to administrative penalty pursuant to Subparagraph 7, Paragraph 1, Article 178 of the Securities and Exchange Act. If the a quorum is granted for a session of the Board, the absence of Independent Directors in the session will be irrelevant with the validity of such session of the Board. 4. Wording adjustment for Paragraphs 2, 3.

<p><u>of the net operating income stated in the most recent financial report audited by the CPAs, or 5% of the paid-in capital. The alleged “within one year” in the preceding paragraph is the year prior to the current Board meeting convening date, retroactively; also, the proposal that is already resolved in the Board meeting is not subject to this requirement.</u></p> <p><u>For a foreign company’s stock share without a par value or without a NTD10 par value, the criteria of “5% of paid-in capital” stated in Paragraph 2 in the preceding paragraph will be replaced with “2.5% of shareholders’ equity.”</u></p> <p><u>Where the Company has set up independent directors, at least one independent director shall participate in in the board meeting. A decision to be resolved in the board of directors under Paragraph 1 shall be resolved in the board of directors with plenary participation. An independent director who is unavailable to participate in in a board meeting shall authorize another independent director to attend as his or her proxy agent. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.</u></p>	<p>participate and an independent director who is unavailable shall authorize another independent director to act as his or her proxy agent. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.</p>	
<p>Article 9. The board of directors’ meeting shall be chaired by the chairman <u>if convened by the chairman</u>. However, where the first meeting of each newly elected board of directors is called by the director who received votes representing the largest portion of voting rights at the shareholders’ meeting in which the directors were elected, the meeting shall be chaired by that director; if there are two or more directors so entitled to call the meeting, they shall choose one person by and from among themselves to chair the meeting.</p> <p><u>Where a meeting of the board of directors is called by a majority of directors on their own initiative in accordance with Article 203, paragraph 4 or Article 203-1, paragraph 3 of the</u></p>	<p>Article 9. The board meeting shall be convened and chaired by the chairman. However, the first board meeting of each term is to be convened and chaired by the director that receives the most ballots in the shareholders’ meeting. If there are two or more directors with right to convene the meeting, one of them is to be elected for the position.</p> <p>Where the chairman is unavailable to exercise responsibilities and powers, the chairman shall appoint one director to act as his substitute. Where the chairman does not appoint a substitute, one shall be elected from among directors to act as the substitute.</p>	<ol style="list-style-type: none"> 1. Wording adjustment as appropriate for the first paragraph. 2. In accordance with Paragraph 4, Article 203 amended and promulgated on August 1, 2018 of the Company Act, the first board of directors of each session may be convened by more than half of the directors elected, and Paragraph 3, Article 203-1 provides that the board of directors may be convened by more than half of the directors. Therefore, Paragraph 2 is added to specify that the board of directors shall be

<p><u>Company Act, the directors shall choose one person by and from among themselves to chair the meeting.</u></p> <p><u>If the Chairman is unable to perform duties due to leave of absence or any reason, the Deputy Chairman shall perform duties on behalf of the absent Chairman. Where there is no position of deputy chairman, or such Deputy Chairman is also unable to perform duties due to leave of absence or any reason, the Chairman shall designate an executive director as proxy; if there is no position of executive director, a director shall be designated as proxy. If the Chairman fails to designate a proxy, either the executive director or a director shall be elected on behalf of the Chairman.</u></p>		<p>convened by more than half of the directors (including the first board of directors of each session when the board of directors is convened by more than half of the directors elected by themselves), the directors shall elect one of each other as chairman.</p> <p>3. With current Paragraph 2 moved to Paragraph 3.</p>
<p>Article 14 In the event that a director or a juristic person represented by a director is an interested party with respect to any agenda issue, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda issue, and further, shall enter recusal during discussion and voting on that issue and may not act as another director's proxy to exercise voting rights on that matter.</p> <p><u>Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</u></p> <p>The provisions of Article 180, paragraph 2 of the Company Act, as applied mutatis mutandis under Article 206, paragraph 4 of that Act, apply to resolutions of board of directors meetings when a director is prohibited by the preceding two paragraphs from exercising voting rights.</p>	<p>Article 14 In the event that a director or a juristic person represented by a director is an interested party with respect to any agenda issue, the director shall state the important aspects of the interested party relationship at the respective meeting. When the relationship is likely to prejudice the interests of the company, the director may not participate in discussion or voting on that agenda issue, and further, shall enter recusal during discussion and voting on that issue and may not act as another director's proxy to exercise voting rights on that matter.</p> <p>For the directors who cannot exercise their balloting rights in accordance with the provisions referred to above, according to Article 206, paragraph 3 of the Company Act, the resolution of the board of directors can be handled in accordance with Article 180, paragraph 2 of the Company Act.</p>	<p>1. In cooperation with the amendment and promulgation of Paragraph 3, Article 206 of the Company Act on August 1, 2018, the Paragraph 2 has been added to stipulates that where any director' spouse, second level blood relatives or a company which has a controlling subordinate relationship with a director, and has an interest in the matters of the meeting, shall be deemed to have its own interest in the matter.</p> <p>2. The current Paragraph 2 shall be changed to the Paragraph 3 and the Paragraph 3 of Article 206 shall be changed to Paragraph 4 in accordance with the amendment and announcement of the Company Act on August 1, 2018 and the Paragraph cited shall be amended accordingly.</p>

[Attachment IV] Table for comparison of “Corporate Social Responsibility Best Practice Principles” before and after amendments

After amendment	Existing clauses	Description
<p>Article 3</p> <p>In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p> <p><u>The Company should conduct risk assessments on environmental, social and corporate governance issues related to the Company's operations and formulate relevant risk management policies or strategies based on the principle of materiality.</u></p>	<p>Article 3</p> <p>In fulfilling corporate social responsibility initiatives, the Company shall, in its corporate management guidelines and business operations, give due consideration to the rights and interests of stakeholders and, while pursuing sustainable operations and profits, also give due consideration to the environment, society and corporate governance.</p>	<p>In coordination with the Corporate Governance Blueprints in new version (2018 to 2020), Project with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority's “Regulations Governing Handling of Internal Control System by Public Companies” in coordination with the Corporate Governance Blueprints in new version “The difference between the substantial performance in corporate social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof”, Paragraph 1 is evaluated and Paragraph 2 is added.</p>
<p>Article 18</p> <p><u>The Company should evaluate the potential risks and opportunities of climate change to the Company now and in the future and take measures to cope with climate-related issues.</u></p> <p><u>The Company should adopt the standards or guidelines commonly used at home and abroad to perform and disclose the Company's greenhouse gas inventory check and its scope should include:</u></p> <p>1. <u>Direct greenhouse gas emissions: The source of greenhouse gas emissions is owned or controlled by the Company itself.</u></p> <p>2. <u>Indirect greenhouse gas emissions: Produced by the use of purchased energy, heat or steam.</u></p> <p>The Company should <u>conduct</u> statistics on <u>greenhouse gas emissions, water consumption and total weight of waste</u>, and formulate policies for <u>energy conservation and carbon reduction, greenhouse gas reduction, water and other waste management</u> and incorporate the acquisition of carbon rights into the Company's carbon reduction strategy planning and, according to the promotion, minimize the impact of the Company's operating activities amidst climate change.</p>	<p>Article 18</p> <p>The company should <u>closely watch</u> the impact of climate change upon the <u>Company's operating activities</u>, and formulate the <u>Company's energy-saving carbon reduction and greenhouse gas reduction strategies</u> according to the operating conditions and greenhouse gas inventory results, and incorporate the acquisition of carbon rights into the Company's carbon reduction strategy planning and put it into enforcement accordingly so as to minimize the impact of the Company's operating activities on the climate change.</p>	<ol style="list-style-type: none"> 1. The current Paragraph 2 is moved into Paragraph 1. In coordination with the Corporate Governance Blueprints in new version (2018 to 2020), project with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority's “Regulations Governing Handling of Internal Control System by Public Companies.” In coordination with the Corporate Governance Blueprints in the new version “The difference between the substantial performance in corporate social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof,” Paragraph 3 (III) is evaluated to amend the contents of this paragraph. 2. Current Paragraph 1 is moved to Paragraph 2, with contents remaining unchanged. 3. The current Paragraph 2 is moved to Paragraph 3 after the aft part is amended. In coordination with the Corporate Governance Blueprints in new version (2018 to 2020); project with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority's “Regulations Governing Handling of Internal Control System by Public Companies” In coordination with the Corporate Governance Blueprints in new version “The difference between the substantial performance in corporate

		social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof,” Paragraph III (4) is evaluated, with contents of the present paragraph duly updated.
<p>Article 22</p> <p>The Company should create a good environment for employees’ career development and establish an effective career development training program.</p> <p><u>The Company should formulate and implement reasonable employee welfare measures (including remunerations, vacations, and other benefits) and appropriately reflect business performance or results on employee’s remuneration to ensure the recruitment, retention and encouragement of human resources in order to achieve a sustainable operation.</u></p>	<p>Article 22</p> <p>The Company should create a good environment for employees’ career development and establish an effective career development training program.</p>	<p>In coordination with the Corporate Governance Blueprints in new version (2018 to 2020); reject with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority’s “Regulations Governing Handling of Internal Control System by Public Companies.” In coordination with the Corporate Governance Blueprints in new version “The difference between the substantial performance in corporate social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof.” Paragraph (IV) (II) is evaluated with contents of Paragraph 2 duly updated.</p>
<p>Article 25</p> <p>The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>The Company shall follow relevant laws, regulations and international guidelines when <u>customer health and safety, customer privacy,</u> marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers’ trust or damage consumers’ rights or interests.</p>	<p>Article 25</p> <p>The Company shall ensure the quality of their products and services by following the laws and regulations of the government and relevant standards of their industries.</p> <p>The Company shall follow relevant laws, regulations and international guidelines when marketing or labeling their products and services and shall not deceive, mislead, commit fraud or engage in any other acts which would betray consumers’ trust or damage consumers’ rights or interests.</p>	<p>In coordination with the Corporate Governance Blueprints in new version (2018 to 2020); project with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority’s “Regulations Governing Handling of Internal Control System by Public Companies.” In coordination with the Corporate Governance Blueprints in new version “The difference between the substantial performance in corporate social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof,” Paragraph (IV) (V) is evaluated with contents of Paragraph 2 duly updated.</p>
<p>Article 27</p> <p>The Company should evaluate the impact of procurement actions upon the environment and society of the source community, and cooperate with its suppliers to work together to faithfully fulfill corporate social responsibility.</p> <p><u>The Company should duly stipulated supplier management policies whereunder all suppliers are required to faithfully comply with the specifications toward environmental protection, occupational safety & health, labor related human rights and such issues. Before start of business transactions, the Company should check and make sure whether the suppliers have previously left unsound records against environmental protection and society and should refrain from transactions with a supplier in conflict</u></p>	<p>Article 27</p> <p>The Company should evaluate the impact of procurement actions upon the environment and society of the source community, and cooperate with its suppliers to work together to faithfully fulfill corporate social responsibility.</p>	<p>In coordination with the Corporate Governance Blueprints in new version (2018 to 2020) Project with strengthened disclosure of non-financial information in the annual report, with reference to the key development trends in the international community and the form 2-2-2 of competent authority’s “Regulations Governing Handling of Internal Control System by Public Companies.” In coordination with the Corporate Governance Blueprints in new version “The difference between the substantial performance in corporate social responsibility (CSR) and the Corporate Social Responsibility Best-Practice Principles for TSEC/GTSM Listed Companies and the causes thereof.” Paragraph (IV) (VI) is evaluated with contents of Paragraph 2 duly updated.</p>

<p>with corporate social responsibility (CSR).</p> <p><u>Where the Company executes a contract with a supplier, the contract so executed shall expressly include the corporate social responsibility (CSR) both parties agree that should comply with and the definite terms and conditions whenever a supplier proves gets involved in or in contravention of such policies where the supplier might adversely affect the environment and society in the community as the supplier sources, the Company is entitled to terminate or rescind the contract in full.</u></p>		
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[Attachment V] Table for comparison of “Procedures for Ethical Management and Guidelines for Conduct” before and after amendments

After amendment	Existing clauses	Description
<p>Article 5 (Responsible unit)</p> <p>This Corporation shall designate the <u>President Office</u> as the solely responsible unit (hereinafter, "responsible unit") under the board of directors and in charge of the amendment, implementation, interpretation, <u>and advisory services with respect to these Procedures and Guidelines</u>, the recording and filing of reports, and the monitoring of implementation. The responsible unit shall be in charge of the following matters and <u>also submit regular reports</u> to the board of directors:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. <u>Analyzing and assessing on a regular basis the risk of involvement in unethical conduct within the business scope</u>, adopting accordingly programs to prevent unethical conduct, and setting out in each program the standard operating procedures and conduct guidelines with respect to the company's operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures. 	<p>Article 5 (Unit(s) of dedicated responsibility)</p> <p>The Company assigns the <u>President Office</u> to serve as the dedicated unit (hereinafter referred to as the Company's Dedicated Unit) under jurisdiction of the Board of Directors to take charge of amendment, enforcement, interpretation, consultation, services and reports of relevant contents, archiving and operations and supervision of these Operating Procedures and Behavioral Guidelines to primarily take charge of the key issues as enumerated below and report to the Board of Directors on a regular basis:</p> <ol style="list-style-type: none"> 1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and malfeasance to ensure ethical management in compliance with the requirements of laws and regulations. 2. Adopt programs to prevent unethical conduct, and set out in each program the standard operating procedures <u>and</u> guidelines for conduct with respect to the Company's operations and business. 3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct. 4. Promoting and coordinating awareness and educational activities with respect to ethics policy. 5. Developing a whistle-blowing system and ensuring its operating effectiveness. 6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures. 	<ol style="list-style-type: none"> 1. In coordination with Article 17 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” with efforts to provide adequate resources and eligible human resources to the dedicated unit and to report to the board of directors at least once per annum. The sub-title and preface of this Article are duly amended. 2. In coordination with Article 17 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” where under the dedicated unit should primarily take charge of analyses and evaluation on a regular basis into the potential risks to be incurred by acts of bad faith within the scope of business operation. Provisions of Paragraph 2 are duly amended. 3. In coordination with Article 8 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” aiming at the Best-Practice Principles on Good Faith Management in policies, declaration, commitment and enforcement, the Company should duly work out documented information and put it into prudential custody. Paragraph 7 is, therefore, duly added.

<p><u>7. Produce and put into prudential custody the integrity management policy and its compliance statement, and implement relevant commitments and implementation status and other relevant documented information.</u></p>		
<p>Article 11 (Recusal)</p> <p>When a <u>matter for meeting</u> at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, supervisors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p> <p><u>Where the spouse or a blood relative within the second degree of kinship of a director, or a company which has a controlling or subordinate relation with a director, is an interested party with respect to an agenda item as described in the preceding paragraph, such director shall be deemed to be an interested party with respect to that agenda item.</u></p> <p>If in the course of conducting company business, any personnel of this Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.</p> <p>No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.</p>	<p>Article 11 (Recusal)</p> <p>When a <u>proposal</u> at a given board of directors meeting concerns the personal interest of, or the interest of the juristic person represented by, any of the directors, supervisors, managers, and other stakeholders attending or present at board meetings of the Company, the concerned person shall state the important aspects of the relationship of interest at the given board meeting. If his or her participation is likely to prejudice the interest of the company, the concerned person may not participate in discussion of or voting on the proposal and shall recuse himself or herself from the discussion or the voting, and may not exercise voting rights as proxy for another director. The directors shall exercise discipline among themselves, and may not support each other in an inappropriate manner.</p> <p>If in the course of conducting company business, any personnel of this Corporation discovers that a potential conflict of interest exists involving themselves or the juristic person that they represent, or that they or their spouse, parents, children, or a person with whom they have a relationship of interest is likely to obtain improper benefits, the personnel shall report the relevant matters to both his or her immediate supervisor and the responsible unit, and the immediate supervisor shall provide the personnel with proper instructions.</p> <p>No personnel of this Corporation may use company resources on commercial activities other than those of this Corporation, nor may any personnel's job performance be affected by his or her involvement in the commercial activities other than those of this Corporation.</p>	<ol style="list-style-type: none"> 1. Amendment in wording for Paragraph 1 of Article 16 in coordination with Regulations Governing Meeting Affairs of Public Companies, with amendment of wording in Paragraph 1. 2. In cooperation with the amendment and promulgation of Paragraph 3, Article 206 of the Company Act, the Paragraph 2 has been added to stipulates that where any director' spouse, second level blood relatives, or a company which has a controlling subordinate relationship with a director and has an interest in the matters of the meeting, shall be deemed to have its own interest in the matter. 3. The current Paragraph 2 is moved to Paragraph 3, with contents remaining unchanged. 4. The current Paragraph 3 is moved to Paragraph 4, with contents remaining unchanged.
<p>Article 13 (Prohibition <u>upon act to engage in unfair competition</u>)</p> <p>This Corporation shall follow the Fair</p>	<p>Article 13 (Prohibition <u>against disclosure of confidential information</u>)</p> <p>This Corporation shall follow the Fair</p>	<p>This Article is enacted in coordination with “Ethical Corporate Management</p>

Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.	Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.	Best Practice Principles for TWSE/GTSM Listed Companies” Article 15 regarding prohibition upon act to engage in unfair competition, with amendment to the sub-title of this Article)
<p>Article 14 (<u>Efforts to prevent impairment to related parties with products or services</u>)</p> <p>This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.</p> <p>This Corporation shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Whenever mass media reports or facts sufficiently indicate the Company’s products or services are likely to jeopardize the safety and health of consumers or other interested parties, the Company shall immediately recall the batch of products or stop the involved services within <u>30</u> days, and investigate and justify whether the reports are true and work out corrective action plans accordingly.</p> <p>The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.</p>	<p>Article 14 (<u>Prohibition against insider trading</u>)</p> <p>This Corporation shall collect and understand the applicable laws and regulations and international standards governing its products and services which it shall observe and gather and publish all guidelines to cause personnel of this Corporation to ensure the transparency of information about, and safety of, the products and services in the course of their research and development, procurement, manufacture, provision, or sale of products and services.</p> <p>This Corporation shall adopt and publish on its website a policy on the protection of the rights and interests of consumers or other stakeholders to prevent its products and services from directly or indirectly damaging the rights and interests, health, and safety of consumers or other stakeholders. Whenever mass media reports or facts sufficiently indicate the Company’s products or services are likely to jeopardize the safety and health of consumers or other interested parties, the Company shall immediately recall the batch of products or stop the involved services within <u>30</u> days, and investigate and justify whether the reports are true and work out corrective action plans accordingly.</p> <p>The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.</p>	<p>This Article is duly added in accordance with Article 16 of “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies” to safeguard interested parties with involved products or services, with the subtitle of this Article duly amended.</p>
<p>Article 16 (<u>Follow and declare the integrity management policy</u>)</p> <p><u>The Company shall request their directors and senior management to issue a statement of compliance with the ethical management policy and require in the terms of employment that employees comply with such policy.</u></p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events</p>	<p>Article 16 (<u>Announcement</u> of policy of ethical management to outside parties)</p> <p>The Company shall disclose its policy of ethical management in its internal rules, annual reports, on the company's websites, and in other promotional materials, and shall make timely announcements of the policy in events held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.</p>	<p>1. In accordance with the amendment of Article 8 of the “Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies,” listed and OTC companies should require directors and top management to issue a statement to abide by the integrity management policy and require employees to abide by</p>

held for outside parties such as product launches and investor press conferences, in order to make its suppliers, customers, and other business-related institutions and personnel fully aware of its principles and rules with respect to ethical management.		the integrity management policy in terms of employment conditions. Therefore, paragraph 1 of this article is added and the title of this article is amended. 2. The current content is moved to Paragraph 2, with the contents remaining unchanged.
<p>Article 21 (Handling of unethical conduct by personnel of this Corporation)</p> <p>As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.</p> <p>This Corporation shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. A whistleblower shall at least furnish the following information:</p> <ol style="list-style-type: none"> 1. The whistleblower's name and I.D. number, and an address, telephone number and e-mail address where it can be reached. 2. The informed party's name or other information sufficient to distinguish its identifying features. 3. Specific facts available for investigation. <p>Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing. The responsible unit of this Corporation <u>shall observe</u> the following procedure:</p> <ol style="list-style-type: none"> 1. The case should be reported to the department if the reported issue involves general staff and should be reported to the independent director(s) or supervisor(s) if the reported issue involves a director or a ranking executive. 2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall 	<p>Article 21 (Handling of unethical conduct by personnel of this Corporation)</p> <p>As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.</p> <p>This Corporation shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. A whistleblower shall at least furnish the following information:</p> <ol style="list-style-type: none"> 1. Use the informant's name, Serial number of ID Card to contact the whistleblower through his or her address, phone number, e-mail. 2. The informed party's name or other information sufficient to distinguish its identifying features. 3. Specific facts available for investigation. <p>Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing. The Company's Dedicated Unit shall take charge of the case through the procedures below:</p> <ol style="list-style-type: none"> 1. The case should be reported to the department if the reported issue involves general staff and should be reported to the independent director(s) or supervisor(s) if the reported issue involves a director or a ranking executive. 2. The responsible unit of this Corporation and the department head or personnel being reported to in the 	<p>In coordination with Article 23 of the "Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies" to permit an anonymous report. After the investigation of the reported case is completed, appropriate follow-up actions should be taken. The contents of Sub-paragraph 1, Paragraph 2, Paragraph 4 of this Article and the wording of Sub-paragraph 3 of the same Paragraph are duly amended. is duly amended.</p>

<p>immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</p> <p>3. If a person being informed of is confirmed to have indeed violated the applicable laws and regulations or this Corporation's policy and regulations of ethical management, this Corporation shall immediately require the violator to cease the conduct and shall make an appropriate disposition. When necessary, <u>the Company should report to the competent authority(ies), refer the case to the judicial authority or</u> this Corporation will institute legal proceedings and seek damages to safeguard its reputation and its rights and interests.</p> <p>4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p> <p>5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>6. The responsible unit of this Corporation shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.</p>	<p>preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.</p> <p>3. Where the alleged offender proves to have indeed violated the relevant laws or the Company's integrity management policies and regulations, the alleged offender should be immediately asked to stop the relevant behavior and be appropriately disposed of, and if necessary, through legal procedures to claim the alleged offender for damage indemnity so as to safeguard the Company in goodwill and interests.</p> <p>4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.</p> <p>5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.</p> <p>6. The responsible unit of this Corporation shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.</p>	
<p>Article 23 (<u>Internal advocacy, establishment of a system for rewards, penalties, and complaints, and related disciplinary measures</u>)</p> <p>The Company's Dedicated Unit shall launch internal publicity either on a regular basis or from time to time on a nonscheduled basis every year and shall arrange the chairman, general manager or ranking management to publicize the key importance of Best-Practice Principles on Good Faith Management toward directors, employees and appointees.</p> <p>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.</p> <p>If any personnel of this Corporation</p>	<p>Article 23 (Establishment of a system for rewards, penalties, and complaints, and related disciplinary measures)</p> <p>The Company's Dedicated Unit shall launch internal publicity either on a regular basis or from time to time on a nonscheduled basis every year and shall arrange the chairman, general manager or ranking management to publicize the key importance of Best-Practice Principles on Good Faith Management toward directors, employees and appointees.</p> <p>The Company shall link ethical management to employee performance evaluations and human resources policy, and establish clear and effective systems for rewards, penalties, and complaints.</p> <p>If any personnel of this Corporation seriously violates ethical conduct, this</p>	<p>Where Paragraph 1 of this Article involves the internal publicity, the subtitle of this Article is duly amended.</p>

<p>seriously violates ethical conduct, this Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Corporation.</p> <p>This Corporation shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p>	<p>Corporation shall dismiss the personnel from his or her position or terminate his or her employment in accordance with applicable laws and regulations or the personnel policy and procedures of this Corporation.</p> <p>This Corporation shall disclose on its intranet information the name and title of the violator, the date and details of the violation, and the actions taken in response.</p>	
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INDEPENDENT AUDITORS' REPORT

The Board of Directors and Stockholders
Taisun Int'l (Holding) Corporation

Opinion

We have audited the accompanying consolidated financial statements of Taisun Int'l (Holding) Corporation and its subsidiaries (collectively referred to as the "Group"), which comprise the consolidated balance sheets as of December 31, 2019 and 2018, and the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as of December 31, 2019 and 2018, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers, and International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) endorsed and issued into effect by the Financial Supervisory Commission of the Republic of China.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2019. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter identified in the Group's consolidated financial statements for the year ended December 31, 2019 is stated as follows:

Key Audit Matter

The recognition of the credit sales of the Group is the most important to operating performance because credit sales have a significant impact on the consolidated financial statements; therefore, we considered credit sales as a key audit matter.

By performing control tests, we understood the process of credit sales recognition and the design and implementation of the related internal controls. Additionally, we also performed the following audit procedures:

1. We analyzed and compared the significant changes in major clients between the current year and the prior year.
2. We analyzed the changes in the main products' gross margins between the current year and the prior year.
3. We took samples of the credit sales of 2019 and checked the relevant vouchers to evaluate the authenticity of sale recognition.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended December 31, 2019 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audit resulting in this independent auditors' report are Yu-Shiou Su and Wen-Yea Shyu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

February 27, 2020

Notice to Readers

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

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

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars or U.S. Dollars)

ASSETS	2019			2018		
	NTD	USD	%	NTD	USD	%
CURRENT ASSETS						
Cash and cash equivalents (Note 6)	\$ 161,945	\$ 5,402	6	\$ 373,429	\$ 12,158	18
Financial assets at fair value through other comprehensive income - current (Note 7)	24,252	809	1	15,656	510	1
Financial assets at amortized cost - current (Note 8)	1,278,261	42,637	50	562,574	18,316	28
Notes receivable	252	8	-	400	13	-
Trade receivables (Note 9)	74,295	2,478	3	55,404	1,804	3
Other receivables	34,657	1,156	1	21,597	703	1
Inventories (Note 10)	249,052	8,307	10	289,115	9,413	14
Prepayment for leases (Note 14)	-	-	-	1,621	53	-
Other current assets (Note 15)	67,139	2,256	3	50,312	1,637	2
Total current assets	1,889,833	63,033	74	1,370,108	44,607	67
NON-CURRENT ASSETS						
Financial assets at amortized cost - non-current (Note 8)	-	-	-	40,147	1,307	2
Property, plant and equipment (Note 12)	487,662	16,267	19	364,389	11,863	18
Right-of-use assets (Note 13)	145,040	4,838	6	-	-	-
Other intangible assets	576	19	-	963	31	-
Deferred tax assets (Note 22)	7,354	245	-	4,623	151	-
Prepayments for equipment	23,255	776	1	137,341	4,471	7
Long-term prepayments for leases (Notes 3 and 14)	-	-	-	94,815	3,087	4
Other non-current assets (Note 15)	4,295	144	-	35,630	1,160	2
Total non-current assets	668,182	22,289	26	677,908	22,070	33
TOTAL	\$ 2,558,015	\$ 85,322	100	\$ 2,048,016	\$ 66,677	100
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term loans (Note 16)	\$ 604,254	\$ 20,155	24	\$ 228,171	\$ 7,429	11
Trade payables	114,595	3,822	5	99,971	3,255	5
Other payables (Note 17)	71,598	2,388	3	65,151	2,121	3
Current tax liabilities (Note 22)	7,719	257	-	10,062	328	1
Lease liabilities - current (Notes 3 and 13)	5,813	194	-	-	-	-
Other current liabilities	10,858	362	-	5,017	162	-
Total current liabilities	814,837	27,178	32	408,372	13,295	20
NON-CURRENT LIABILITIES						
Deferred income tax liabilities (Note 22)	101	3	-	223	7	-
Lease liabilities - non-current (Notes 3 and 13)	6,831	228	-	-	-	-
Guarantee deposits received	1,181	39	-	2,798	91	-
Total non-current liabilities	8,113	270	-	3,021	98	-
Total liabilities	822,950	27,448	32	411,393	13,393	20
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY						
(Note 19)						
Ordinary shares	392,700	12,667	15	392,700	12,667	19
Capital surplus	653,216	21,364	26	653,216	21,364	32
Retained earnings						
Legal reserve	84,046	2,756	3	54,177	1,794	3
Special reserve	91,193	3,013	4	112,024	3,684	5
Unappropriated earnings	644,195	20,444	25	515,697	16,190	25
Other equity	(130,285)	(2,370)	(5)	(91,191)	(2,415)	(4)
Total equity	1,735,065	57,874	68	1,636,623	53,284	80
TOTAL	\$ 2,558,015	\$ 85,322	100	\$ 2,048,016	\$ 66,677	100

Note: These consolidated financial statements were originally presented in U.S. dollars. For the purpose of comparison, the consolidated balance sheets have been subsequently translated to New Taiwan dollars at an exchange rate of NTS29.98:US\$1 and NTS30.715:US\$1 as of December 31, 2019 and 2018, respectively. Since the par value of shares is NTS10, the historical exchange rate of the issue date in the Company's Articles of Incorporation is used to calculate the shares.

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

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

(In Thousands of New Taiwan Dollars or U.S. Dollars, Except Earnings Per Share)

	2019			2018		
	NTD	USD	%	NTD	USD	%
SALES (Note 20)	\$ 1,977,366	\$ 63,968	100	\$ 1,744,175	\$ 57,852	100
COST OF GOODS SOLD (Note 21)	<u>1,364,686</u>	<u>44,147</u>	<u>69</u>	<u>1,222,866</u>	<u>40,561</u>	<u>70</u>
GROSS PROFIT	<u>612,680</u>	<u>19,821</u>	<u>31</u>	<u>521,309</u>	<u>17,291</u>	<u>30</u>
OPERATING EXPENSES (Note 21)						
Selling and marketing expenses	190,263	6,155	9	139,296	4,620	8
General and administrative expenses	91,897	2,973	5	83,387	2,766	5
Research and development expenses	15,418	499	1	14,111	468	1
Expected credit loss	<u>93</u>	<u>3</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>297,671</u>	<u>9,630</u>	<u>15</u>	<u>236,794</u>	<u>7,854</u>	<u>14</u>
PROFIT FROM OPERATIONS	<u>315,009</u>	<u>10,191</u>	<u>16</u>	<u>284,515</u>	<u>9,437</u>	<u>16</u>
NON-OPERATING INCOME AND EXPENSES						
Other income (Note 21)	74,315	2,404	4	48,520	1,609	3
Other gains (Note 21)	1,838	59	-	5,403	179	-
Finance costs (Note 21)	<u>(10,884)</u>	<u>(352)</u>	<u>-</u>	<u>(2,596)</u>	<u>(86)</u>	<u>-</u>
Total non-operating income and expenses	<u>65,269</u>	<u>2,111</u>	<u>4</u>	<u>51,327</u>	<u>1,702</u>	<u>3</u>
PROFIT BEFORE INCOME TAX	380,278	12,302	20	335,842	11,139	19
INCOME TAX EXPENSE (Note 22)	<u>35,114</u>	<u>1,136</u>	<u>2</u>	<u>37,151</u>	<u>1,232</u>	<u>2</u>
NET PROFIT FOR THE YEAR	<u>345,164</u>	<u>11,166</u>	<u>18</u>	<u>298,691</u>	<u>9,907</u>	<u>17</u>
OTHER COMPREHENSIVE INCOME (LOSS)						
Items that will not be reclassified subsequently to profit or loss:						
Unrealized gain (loss) on investments in equity instruments at fair value through other comprehensive income	648	21	-	(2,273)	(74)	-
Exchange differences on translation to the presentation currency	<u>(40,498)</u>	<u>-</u>	<u>(2)</u>	<u>50,522</u>	<u>-</u>	<u>3</u>
Items that maybe reclassified subsequently to profit or loss:						
Exchange differences on translating the financial statements of foreign operations	<u>1,259</u>	<u>41</u>	<u>-</u>	<u>(27,416)</u>	<u>(910)</u>	<u>(2)</u>
Other comprehensive income (loss) for the year, net of income tax	<u>(38,591)</u>	<u>62</u>	<u>(2)</u>	<u>20,833</u>	<u>(984)</u>	<u>1</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>\$ 306,573</u>	<u>\$ 11,228</u>	<u>16</u>	<u>\$ 319,524</u>	<u>\$ 8,923</u>	<u>18</u>
NET PROFIT ATTRIBUTABLE TO:						
Owners of the Company	<u>\$ 345,164</u>	<u>\$ 11,166</u>	<u>17</u>	<u>\$ 298,691</u>	<u>\$ 9,907</u>	<u>17</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:						
Owners of the Company	<u>\$ 306,573</u>	<u>\$ 11,228</u>	<u>16</u>	<u>\$ 319,524</u>	<u>\$ 8,923</u>	<u>18</u>

(Continued)

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018

(In Thousands of New Taiwan Dollars or U.S. Dollars, Except Earnings Per Share)

	2019			2018		
	NTD	USD	%	NTD	USD	%
EARNINGS PER SHARE (Note 23)						
From continuing and discontinued operations						
Basic	\$ 8.79	\$ 0.28		\$ 7.61	\$ 0.25	
Diluted	\$ 8.77	\$ 0.28		\$ 7.59	\$ 0.25	

Note: These consolidated financial statements were originally presented in U.S. dollars. For the purpose of comparison, the consolidated statements of comprehensive income have been subsequently translated to New Taiwan dollars at an average exchange rate of NT\$30.912:US\$1 and NT\$30.149:US\$1 for the years ended December 31, 2019 and 2018, respectively. Since the par value of shares is NT\$10, the historical exchange rate of the issue date in the Company's Articles of Incorporation is used to calculate the shares.

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

(Concluded)

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of New Taiwan Dollars)

	Ordinary Shares (Note 19)		Retained Earnings (Note 19)					Other		Total Equity
	Shares (in Thousands)	Share Capital	Capital Surplus	Legal Reserve	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income		
BALANCE AT JANUARY 1, 2018	35,700	\$ 357,000	\$ 653,216	\$ 28,792	\$ 1,346	\$ 531,919	\$ (113,088)	\$ 1,064	\$ 1,460,249	
Appropriation of 2017 earnings	-	-	-	25,385	-	(25,385)	-	-	-	
Legal reserve	-	-	-	-	110,678	(110,678)	-	-	-	
Special reserve	-	-	-	-	-	(142,800)	-	-	(142,800)	
Cash dividends distributed by the Company	-	-	-	-	-	(35,700)	-	-	-	
Share dividends to be distributed	3,570	35,700	-	-	-	-	-	-	-	
Net profit for the year ended December 31, 2018	-	-	-	-	-	298,691	-	-	298,691	
Other comprehensive income (loss) for the year ended December 31, 2018, net of income tax	-	-	-	-	-	-	23,106	(7,273)	20,833	
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	-	298,691	23,106	(7,273)	319,524	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(3,520)	-	-	(3,520)	
BALANCE AT DECEMBER 31, 2018	39,270	392,700	653,216	54,177	112,024	515,697	(89,982)	(1,209)	1,636,623	
Appropriation of 2018 earnings	-	-	-	29,869	-	(29,869)	-	-	-	
Legal reserve	-	-	-	-	(20,831)	20,831	-	-	-	
Special reserve	-	-	-	-	-	(208,131)	-	-	(208,131)	
Cash dividends distributed by the Company	-	-	-	-	-	-	-	-	-	
Net profit for the year ended December 31, 2019	-	-	-	-	-	345,164	-	-	345,164	
Other comprehensive income (loss) for the year ended December 31, 2019, net of income tax	-	-	-	-	-	-	(39,292)	648	(38,491)	
Total comprehensive income (loss) for the year ended December 31, 2019	-	-	-	-	-	345,164	(39,292)	648	306,523	
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(503)	-	-	(503)	
BALANCE AT DECEMBER 31, 2019	39,270	\$ 392,700	\$ 653,216	\$ 84,046	\$ 91,193	\$ 644,195	\$ (129,271)	\$ (1,064)	\$ 1,735,065	

Note: These consolidated financial statements were originally presented in U.S. dollars. For the purpose of comparison, the consolidated statements of changes in equity have been subsequently translated to New Taiwan dollars at an average exchange rate of NT\$30.912/US\$1 and NT\$30.149/US\$1 for the years ended December 31, 2019 and 2018, respectively. Since the par value of shares is NT\$10, the historical exchange rate of the issue date in the Company's Articles of Incorporation is used to calculate the shares.

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

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018
(In Thousands of U.S. Dollars)

	Ordinary Shares (Note 19)		Retained Earnings (Note 19)		Unappropriated Earnings		Other		Total Equity
	Shares (In Thousands)	Share Capital	Capital Surplus	Foreign Operations	Special Reserve	Unappropriated Earnings	Exchange Differences on Translating the Financial Statements of Foreign Operations	Unrealized Gain (Loss) on Financial Assets at Fair Value Through Other Comprehensive Income	
BALANCE AT JANUARY 1, 2018	35,700	\$ 11,403	\$ 21,364	\$ 959	\$ 45	\$ 16,638	\$ (1,460)	\$ 35	\$ 49,068
Appropriation of 2017 earnings:									
Legal reserve	-	-	-	835	-	(835)	-	-	-
Special reserve	-	-	-	-	3,639	(3,639)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(4,696)	-	-	(4,696)
Share dividends to be distributed	3,570	1,174	-	-	-	(1,174)	-	-	-
Net profit for the year ended December 31, 2018	-	-	-	-	-	9,907	-	-	9,907
Other comprehensive income (loss) for the year ended December 31, 2018, net of income tax	-	-	-	-	-	-	(910)	(74)	(984)
Total comprehensive income (loss) for the year ended December 31, 2018	-	-	-	-	-	9,907	(910)	(74)	8,923
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	(11)	-	-	(11)
BALANCE AT DECEMBER 31, 2018	39,270	12,607	21,364	1,794	3,684	16,190	(2,370)	(39)	53,284
Appropriation of 2018 earnings:									
Legal reserve	-	-	-	982	-	(982)	-	-	-
Special reserve	-	-	-	-	(671)	671	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	(6,638)	-	-	(6,638)
Net profit for the year ended December 31, 2019	-	-	-	-	-	11,166	-	-	11,166
Other comprehensive income for the year ended December 31, 2019, net of income tax	-	-	-	-	-	-	41	21	62
Total comprehensive income for the year ended December 31, 2019	-	-	-	-	-	11,166	41	21	11,228
Disposal of investments in equity instruments at fair value through other comprehensive income	-	-	-	-	-	17	-	(17)	-
BALANCE AT DECEMBER 31, 2019	39,270	\$ 12,607	\$ 21,364	\$ 2,756	\$ 3,013	\$ 20,444	\$ (2,330)	\$ (35)	\$ 57,874

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

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars or U.S. Dollars)

	2019		2018	
	NTD	USD	NTD	USD
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	\$ 380,278	\$ 12,302	\$ 335,842	\$ 11,139
Adjustments for:				
Depreciation expenses	93,157	3,013	58,458	1,940
Amortization expenses	529	17	515	17
Amortization of prepayments for leases	-	-	1,599	53
Finance costs	10,884	352	2,596	86
Interest income	(72,739)	(2,353)	(48,042)	(1,593)
Dividend income	(1,576)	(51)	(478)	(16)
Loss on disposal of property, plant and equipment	651	21	-	-
Expected credit loss	93	3	-	-
Allowance for inventory valuation and obsolescence loss	1,886	61	-	-
Gain on lease modification	(115)	(4)	-	-
Changes in operating assets and liabilities				
Notes receivable	155	5	(362)	(12)
Trade receivables	(20,927)	(677)	(25,325)	(840)
Other receivables	(1,917)	(62)	874	29
Inventories	32,303	1,045	(45,103)	(1,496)
Prepayments	(18,362)	(594)	(25,295)	(839)
Other current assets	(155)	(5)	60	2
Trade payables	17,527	567	(5,276)	(175)
Other payables	7,450	241	20,109	667
Other current liabilities	6,182	200	(511)	(17)
Cash generated from operations	435,304	14,081	269,661	8,945
Interest paid	(10,083)	(326)	(2,428)	(81)
Income tax paid	(40,339)	(1,305)	(30,820)	(1,022)
Net cash generated from operating activities	384,882	12,450	236,413	7,842
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchases from sale of financial assets at fair values through other comprehensive income	(12,519)	(405)	(19,412)	(632)
Proceeds from financial assets at fair values through other comprehensive income	3,837	128	10,075	328

(Continued)

TAISUN INT'L (HOLDING) CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018 (In Thousands of New Taiwan Dollars or U.S. Dollars)

	2019		2018	
	NTD	USD	NTD	USD
Purchases from sale of financial assets at amortized cost	\$ (711,409)	\$ (23,014)	\$ (73,955)	\$ (2,453)
Payments for property, plant and equipment	(60,445)	(1,956)	(55,067)	(1,827)
Increase in other non-current assets	(10,015)	(324)	(32,923)	(1,092)
Payments for intangible assets	(153)	(5)	-	-
Increase in prepayments for equipment	(48,686)	(1,575)	(127,229)	(4,220)
Interest received	60,641	1,962	44,618	1,480
Dividends received	<u>1,576</u>	<u>51</u>	<u>478</u>	<u>16</u>
Net cash used in investing activities	<u>(777,173)</u>	<u>(25,138)</u>	<u>(253,415)</u>	<u>(8,400)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from short-term borrowings	393,386	12,726	110,587	3,668
Refunds of guarantee deposits received	(1,607)	(52)	(60)	(2)
Repayment of the principal portion of lease liabilities	(5,250)	(168)	-	-
Dividends paid to owners of the Company	<u>(208,131)</u>	<u>(6,638)</u>	<u>(142,800)</u>	<u>(4,696)</u>
Net cash generated from (used in) financing activities	<u>178,398</u>	<u>5,868</u>	<u>(32,273)</u>	<u>(1,030)</u>
EFFECTS OF EXCHANGE RATE CHANGES ON THE BALANCE OF CASH AND CASH EQUIVALENTS HELD IN FOREIGN CURRENCIES	<u>2,409</u>	<u>64</u>	<u>(6,213)</u>	<u>(667)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(211,484)	(6,756)	(55,488)	(2,255)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>373,429</u>	<u>12,158</u>	<u>428,917</u>	<u>14,413</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>\$ 161,945</u>	<u>\$ 5,402</u>	<u>\$ 373,429</u>	<u>\$ 12,158</u>

Note: These consolidated financial statements were originally presented in U.S. dollars. For the purpose of comparison, the consolidated statements of cash flows have been subsequently translated to New Taiwan dollars at an average exchange rate of NT\$30.912:US\$1 and NT\$30.149:US\$1 for the years ended December 31, 2019 and 2018, respectively. Since the par value of shares is NT\$10, the historical exchange rate of the issue date in the Company's Articles of Incorporation is used to calculate the shares.

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

(Concluded)

[Attachment VII] Earnings Appropriation Statement


 TAISUN INTERNATIONAL (HOLDING) CORP.
 Earnings Appropriation Statement

Year 2019

Unit: NT\$1

Item	Amount
Net profit after tax of Year 2019	\$ 345,162,254
Plus: Investments gains/losses on disposal of equity instruments at fair value through other comprehensive income	503,104
Plus: Accumulated undistributed earnings in the previous year	298,529,593
Accumulated distributable current earnings	644,194,951
Less: 10% statutory surplus reserves	(34,516,225)
Plus: Special surplus reserves reversed by law	(39,091,272)
Less: Cash dividends to shareholders (\$6.2 per share)	(243,474,000)
Accumulated closing undistributed earnings	\$ 327,113,454

Notes:

- | | |
|--|--------------|
| 1. Employee bonus payable (in cash) | \$11,080,000 |
| 2. Remuneration to directors (in cash) | \$880,000 |



Chairman: Chao-Jung Tai President: Chao-Jung Tai Chief Accounting Officer: Keng-Ping Lin
 (Representative of EVERLINK OVERSEAS INC.)

[Attachment VIII] Comparison Table for the Amendments of the "Articles of Incorporation"
(This Chinese translation version is provided for reference only. For accurate contents, only the English version shall prevail.)

After amendment	Before amendment	Explanation to the amendments
<p>TAISUN INT'L (HOLDING) CORP.</p> <p>The 5th amendment and re-emphasis of the outlines and contents of the Article.</p> <p>Comparison Table for the Amendments</p>		
<p>1.1 In the Articles of Incorporation under the present amendment and re-emphasis, the following wording and terminology shall be defined as enumerated below in the principle of no conflict in the context:</p> <p>“Applicable laws” Referring to Regulations Governing Listed Public Companies, Company Act of the British Cayman Islands or other regulations, laws and ordinances applicable to the Company.</p> <p>“Regulations Governing Listed Public Companies” Referring to the laws, rules and regulations of the Republic of China (including but not limited to Company Act, Securities and Exchange Act, the laws promulgated by the Financial Supervisory Commission (as defined hereunder), the rules and regulations promulgated by Taiwan Stock Exchange Corporation (TWSE) or Taipei Exchange (TPEX) (as defined hereunder) enacted by the relevant competent authority(ies) aiming at listed public companies or any and all TWSE/TPEX listed companies in the Republic of China and the subsequent updates thereof as requested by the competent authority(ies) to apply to the Company.</p> <p>“Articles of Incorporation” Referring to these Articles of Incorporation updated from time to time</p> <p>“Audit Committee” Referring to the Audit Committee under jurisdiction of the Board of Directors to be organized by the Company's independent directors in full.</p> <p>“Board of Directors” Referring to the Board of Directors assigned by elected in accordance with these Articles of Incorporation to exercise the powers and authorities in the</p>	<p>1.1 In the Articles of Incorporation under the present amendment and re-emphasis, the following wording and terminology shall be defined as enumerated below in the principle of no conflict in the context:</p> <p>“Applicable laws” Referring to Regulations Governing Listed Public Companies, Company Act of the British Cayman Islands or other regulations, laws and ordinances applicable to the Company.</p> <p>“Regulations Governing Listed Public Companies” Referring to the laws, rules and regulations of the Republic of China (including but not limited to Company Act, Securities and Exchange Act, the laws promulgated by the Financial Supervisory Commission (as defined hereunder), the rules and regulations promulgated by Taiwan Stock Exchange Corporation (TWSE) or Taipei Exchange (TPEX) (as defined hereunder) enacted by the relevant competent authority(ies) aiming at listed public companies or any and all TWSE/TPEX listed companies in the Republic of China and the subsequent updates thereof as requested by the competent authority(ies) to apply to the Company.</p> <p>“Articles of Incorporation” Referring to these Articles of Incorporation updated from time to time</p> <p>“Audit Committee” Referring to the Audit Committee under jurisdiction of the Board of Directors to be organized by the Company's independent directors in full.</p>	<p>Pursuant to the contents of the “Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” amended on December 25, 2019, the definitions of shareholders with objection, share conversion and demerger are newly added.</p>

“Capital reserves”	Board of Directors up to the specified quorum specified under these Articles of Incorporation. Toward the objectives of these Articles of Incorporation, referring to the amount of the issued shares of the Company with premium added with donation in accordance with the Company Act of the British Cayman Islands.	“Board of Directors”	Referring to the Board of Directors assigned by elected in accordance with these Articles of Incorporation to exercise the powers and authorities in the Board of Directors up to the specified quorum specified under these Articles of Incorporation.
“Chairman”	Referring to all directors who elect the chairman of the board of directors from among directors themselves.	“Capital reserves”	Toward the objectives of these Articles of Incorporation, referring to the amount of the issued shares of the Company with premium added with donation in accordance with the Company Act of the British Cayman Islands.
“The Company”	TAISUN INT’L (HOLDING) CORP.	“Chairman”	Referring to all directors who elect the chairman of the board of directors from among directors themselves.
“Remuneration Committee”	Under the jurisdiction of the board of directors, the committees of various functions to be organized by professionals in accordance with Regulations Governing Listed Public Companies	“The Company”	TAISUN INT’L (HOLDING) CORP.
“Accumulated balloting system”	Referring to the balloting mechanism to elect directors in accordance with Article 35.2 of the Articles of Incorporation.	“Remuneration Committee”	Under the jurisdiction of the board of directors, the committees of various functions to be organized by professionals in accordance with Regulations Governing Listed Public Companies
“Director”	Referring to the Company's incumbent directors including any and all independent directors.	“Accumulated balloting system”	Referring to the balloting mechanism to elect directors in accordance with Article 35.2 of the Articles of Incorporation.
“Shareholders with objection”	<u>To be defined per Article 28.2 of these Articles of Incorporation.</u>	“Director”	Referring to the Company's incumbent directors including any and all independent directors.
“Electronic records”	Duly defined as per <Electronic Transaction Act>.	“Electronic records”	Duly defined as per <Electronic Transaction Act>.
“Electronic Transaction Act”	Referring to <Electronic Transaction Act> of the British Cayman Islands (As amended in 2003).	“Electronic Transaction Act”	Referring to <Electronic Transaction Act> of the British Cayman Islands (As amended in 2003).
“Emerging stocks”	Referring to the emerging stock markets in the Republic of China	“Emerging stocks”	Referring to the emerging stock markets in the Republic of China
“kindred within the 2nd tier under the Civil Code”	For any person, it refers to that the other person has a relative relationship with such person due to blood or marriage and is a blood relative within the second degree of kinship should include any such person's parents, siblings, grandparents, children, grandchildren of the person, and parents, siblings, and grandparents of the spouse of such person.		
“Financial Supervisory Commission”	Referring to the Financial Supervisory Commission of the Republic of China.		
“Independent Director”	Referring to independent directors elected in accordance with Regulations Governing Listed Public Companies or these Articles of Incorporation.		

“Joint operating contract”	Referring to a contract executed by any company with others or other institutions where under all parties agree to jointly operate a certain business in accordance with the terms and conditions set forth under the contract to jointly bear the loss and jointly enjoy the profits.	“kindred within the 2nd tier under the Civil Code”	For any person, it refers to that the other person has a relative relationship with such person due to blood or marriage and is a blood relative within the second degree of kinship should include any such person’s parents, siblings, grandparents, children, grandchildren of the person, and parents, siblings, and grandparents of the spouse of such person.
“Company Act of the British Cayman Islands”	Referring to the Company Act and all current laws prevalent in the British Cayman Islands, the amendment, enactment anew or amendment thereof.	“Financial Supervisory Commission”	Referring to the Financial Supervisory Commission of the Republic of China.
“Lease agreement on business operation”	Referring to an agreement or agreement executed by any company with another where under the company would lease its necessary machinery and equipment and assets to the counterparty, where that another would operate business in full in its own company name. The company would receive from another the remuneration as accorded beforehand as the consideration.	“Independent Director”	Referring to independent directors elected in accordance with Regulations Governing Listed Public Companies or these Articles of Incorporation.
“Litigious, non-litigious affairs agent”	Referring to the facts where for the documents in a venue of relevant jurisdiction the Company should receive, the Company would designate agent of service in accordance with the applicable laws and to serve as the responsible person for the Company within the territories of the Republic of China in accordance with the Securities and Exchange Act of the Republic of China.	“Joint operating contract”	Referring to a contract executed by any company with others or other institutions where under all parties agree to jointly operate a certain business in accordance with the terms and conditions set forth under the contract to jointly bear the loss and jointly enjoy the profits.
“Agreement on commissioned business operation”	Referring to an agreement or accord executed by any company with another. Under the agreement or accord, that company commissions the counterparty to operate business in the name of that company for the interest of that company. That company would pay remuneration to the counterparty in the amount as accorded beforehand. The profit and loss of that business shall still be entitled to and borne by that company.	“Company Act of the British Cayman Islands”	Referring to the Company Act and all current laws prevalent in the British Cayman Islands, the amendment, enactment anew or amendment thereof.
“Market Observation Post System (MOPS)”	Referring to the declaration system for public companies under maintenance by the Taiwan Stock Exchange Corporation (TWSE) (as defined hereunder)	“Lease agreement on business operation”	Referring to an agreement or agreement executed by any company with another where under the company would lease its necessary machinery and equipment and assets to the counterparty, where that another would operate business in full in its own company name. The company would receive from another the remuneration as accorded beforehand as the consideration.
“Shareholder”	Referring to the shareholders holding the Company's shares as registered in the register of shareholders. Where shares are held and registered for two or more	“Litigious, non-litigious affairs agent”	Referring to the facts where for the documents in a venue of relevant jurisdiction the Company should receive, the Company would designate agent of service in accordance with the applicable laws and to serve as the responsible person for the Company within the territories of the Republic of

“Outlines of Articles of Incorporation”	two persons, the first registered in the register of shareholders shall be registered as the joint holder or joint holder in full, as applicable as per context. Referring to the Outlines of the Articles of Incorporation.	“Agreement on commissioned business operation”	China in accordance with the Securities and Exchange Act of the Republic of China. Referring to an agreement or accord executed by any company with another. Under the agreement or accord, that company commissions the counterparty to operate business in the name of that company for the interest of that company. That company would pay remuneration to the counterparty in the amount as accorded beforehand. The profit and loss of that business shall still be entitled to and borne by that company.	
“Consolidated”	Referring to the transactions defined below: (a) The “merger/acquisition (M&A)” or “merger” as defined under the Company Act of the British Cayman Islands; or (b) Other absorption merger and/or newly incorporated merger consistent with Regulations Governing Listed Public Companies.	“Market Observation Post System (MOPS)”	Referring to the declaration system for public companies under maintenance by the Taiwan Stock Exchange Corporation (TWSE) (as defined hereunder)	
“Month”	Referring to calendar month	“Shareholder”	Referring to the shareholders holding the Company's shares as registered in the register of shareholders. Where shares are held and registered for two or more two persons, the first registered in the register of shareholders shall be registered as the joint holder or joint holder in full, as applicable as per context.	
“Notice”	Referring to the documented notices under these Articles of Incorporation unless otherwise specified	“Outlines of Articles of Incorporation”	Referring to the Outlines of the Articles of Incorporation.	
“Manager”	Referring to any person appointed by the board of directors to serve the Company with duties.	“Consolidated”	Referring to the transactions defined below: (a) The “merger/acquisition (M&A)” or “merger” as defined under the Company Act of the British Cayman Islands; or (b) Other absorption merger and/or newly incorporated merger consistent with Regulations Governing Listed Public Companies.	
“Ordinary resolution”	Referring to the resolutions resolved by a simple majority of the attending shareholders (either in person or through proxy agents) at the shareholders’ meeting of the Company (or, if specifically indicated, the shareholders’ meeting holding specific types of shares) (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)	“Month”	Referring to calendar month	
“Preferred shares”	As defined under Article 6 of the Articles of Incorporation.	“Notice”	Referring to the documented notices under these Articles of Incorporation unless otherwise specified	
“Private placement”	Referring to the securities offered by the Company through private placement in accordance with Regulations Governing Listed Public Companies emerging stocks or registered during TWSE/TPEX listing in the Republic of China.	“Manager”	Referring to any person appointed by the board of directors to serve the	
“List of director and manager”	The rosters of directors and managerial officers as defined under Articles of Incorporation in Article 42			

<p>“List of shareholders”</p> <p>Referring to the register of shareholders prepared by the Company in accordance with the Company Act of the British Cayman Islands and in case of emerging stocks or registered during TWSE/TPEx listing in the Republic of China, it would refer to the register of shareholders prepared by the Company in accordance with Regulations Governing Listed Public Companies</p>	<p>Referring to the register of shareholders prepared by the Company in accordance with the Company Act of the British Cayman Islands and in case of emerging stocks or registered during TWSE/TPEx listing in the Republic of China, it would refer to the register of shareholders prepared by the Company in accordance with Regulations Governing Listed Public Companies</p>
<p>“Venues of registration”</p> <p>Referring to the venue at the time when the Company proceeded with registration</p>	<p>Referring to the resolutions resolved by a simple majority of the attending shareholders (either in person or through proxy agents) at the shareholders’ meeting of the Company (or, if specifically indicated, the shareholders’ meeting holding specific types of shares) (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)</p>
<p>“Restricted stocks”</p> <p>As defined under Article 2.5 of the Articles of Incorporation.</p>	
<p>“R.O.C.”</p> <p>Referring to Republic of China on Taiwan</p>	
<p>“Stamp”</p> <p>Referring to the seal in the Company’s general use or official seal or duplicate seal.</p>	
<p>“Secretary”</p> <p>Any person appointed to perform all the Company’s secretarial duties, including any acting or assistant secretary and any person appointed by the board of directors to perform that secretarial duties.</p>	
<p>“Shares”</p> <p>Refers to the Company’s shares of NT \$ 10.00 per share</p>	
<p>“Share conversion”</p> <p>Just as share conversion as defined under the <u>Business Mergers and Acquisitions Act of the Republic of China</u>, where under the <u>Company (hereinafter referred to as Acquiring Company) would acquire outstanding issued shares of another company in full and would take the Acquiring Company’s shares, cash or other properties as the consideration.</u></p>	
<p>“Special resolution”</p> <p>When not in contravention of the Company Act of the British Cayman Islands, it refers to a decision resolved in the Company’s shareholders’ meeting which is attended by shareholders entitled to voting powers either in person or through proxy agents, or the representatives authorized lawfully by juristic person shareholders or non-natural person (individual) shareholders through two-thirds majority at least after calculation of the voting power entitled to each and every shareholder. (For such purposes, shareholders</p>	
<p>“Ordinary resolution”</p> <p>Referring to the resolutions resolved by a simple majority of the attending shareholders (either in person or through proxy agents) at the shareholders’ meeting of the Company (or, if specifically indicated, the shareholders’ meeting holding specific types of shares) (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)</p>	
<p>“Preferred shares”</p> <p>As defined under Article 6 of the Articles of Incorporation.</p>	
<p>“Private placement”</p> <p>Referring to the <u>securities</u> offered by the Company through private placement in accordance with <u>Regulations Governing Listed Public Companies</u> emerging stocks or registered during TWSE/TPEx listing in the Republic of China.</p>	
<p>“List of director and manager”</p> <p>The rosters of directors and managerial officers as defined under Articles of Incorporation in Article 42</p>	
<p>“List of shareholders”</p> <p>Referring to the register of shareholders prepared by the Company in accordance with the Company Act of the British Cayman Islands and in case of emerging stocks or registered during TWSE/TPEx listing in the Republic of China, it would refer to the register of shareholders prepared by the Company in accordance with Regulations Governing Listed Public Companies</p>	
<p>“Venues of registration”</p> <p>Referring to the venue at the time when the Company proceeded with registration</p>	
<p>“Restricted stocks”</p> <p>As defined under Article 2.5 of the Articles of Incorporation.</p>	
<p>“R.O.C.”</p> <p>Referring to Republic of China on Taiwan</p>	
<p>“Stamp”</p> <p>Referring to the seal in the</p>	

<p><u>“Spin-off”</u></p>	<p>having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting) <u>Just as demerger as defined under the Business Mergers and Acquisitions Act of the Republic of China, referring to a fact where the Company transfers the business operated by it independently to another existent or newly incorporated or company (hereinafter referred to as “Acquirer”) where the Acquirer’s shares, cash or other properties as the consideration shall be taken as consideration.</u></p>	<p>“Secretary”</p>	<p>Company’s general use or official seal or duplicate seal. Any person appointed to perform all the Company's secretarial duties, including any acting or assistant secretary and any person appointed by the board of directors to perform that secretarial duties.</p>	
<p>“Affiliates”</p>	<p>In terms of any single company, it refers to (1) a company with total shares with voting powers for outstanding issued shares or total capital held by that company either directly or indirectly by one half majority; or (2) a company with direct or indirect control power over personnel, finance or business operation of that company.</p>	<p>“Shares”</p>	<p>Refers to the Company's shares of NT \$ 10.00 per share</p>	
<p>“Major resolution”</p>	<p>With participation by shareholders representing two-thirds majority of the Company's total outstanding issued shares, it refers to a decision resolved by one half majority of the participating shareholders; or in the event where the total shares represented by the participating shareholders are less than two-thirds of the Company's total outstanding issued shares but are one half majority of the Company's total outstanding issued shares, a decision resolved by two-thirds majority of the participating shareholders. (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)</p>	<p>“Special resolution”</p>	<p>When not in contravention of the Company Act of the British Cayman Islands, it refers to a decision resolved in the Company's shareholders’ meeting which is attended by shareholders entitled to voting powers either in person or through proxy agents, or the representatives authorized lawfully by juristic person shareholders or non-natural person (individual) shareholders through two-thirds majority at least after calculation of the voting power entitled to each and every shareholder. (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)</p>	
<p>“Taipei Exchange”</p>	<p>Referring to Taipei Exchange (TPEX).</p>			
<p>“Treasury stock”</p>	<p>Referring to treasury shares held by the Company in accordance with Company Act of the British Cayman Islands and these Articles of Incorporation.</p>			

“Taiwan Depository & Clearing Corporation”	Referring to Taiwan Depository and Clearing Corporation (TDCC). Taiwan Stock Exchange Corporation.	“Affiliates”	In terms of any single company, it refers to (1) a company with total shares with voting powers for outstanding issued shares or total capital held by that company either directly or indirectly by one half majority; or (2) a company with direct or indirect control power over personnel, finance or business operation of that company.	
“Taiwan Stock Exchange Corporation”		“Major resolution”	With participation by shareholders representing two-thirds majority of the Company's total outstanding issued shares, it refers to a decision resolved by one half majority of the participating shareholders; or in the event where the total shares represented by the participating shareholders are less than two-thirds of the Company's total outstanding issued shares but are one half majority of the Company's total outstanding issued shares, a decision resolved by two-thirds majority of the participating shareholders. (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)	
“Year”	Calendar year	“Taipei Exchange”	Referring to Taipei Exchange (TPEX).	

	<p>“Treasury stock” Referring to treasury shares held by the Company in accordance with Company Act of the British Cayman Islands and these Articles of Incorporation.</p> <p>“Taiwan Depository & Clearing Corporation” Referring to Taiwan Depository and Clearing Corporation (TDCC).</p> <p>“Taiwan Stock Exchange Corporation” Taiwan Stock Exchange Corporation.</p> <p>“Year” Calendar year</p>	
<p>2.4 Except a different decision separately resolved by the shareholders’ meeting through an ordinary resolution, where the Company proceeds with capital increase through cash injection in accordance with Article 2.3 of the Articles of Incorporation, appropriates the part into open sales to public in accordance with Article 2.3 of the Articles of Incorporation (to prevent ambiguity, including new shares issued under capital increase in accordance with Article 2.3 of the Articles of Incorporation, external issuance to public at home in the Republic of China and abroad in excess of 10% of the total outstanding issued shares as resolved in the shareholders’ meeting, the part in excess of 10% of the newly issued shares) and the part of employee stock option certificates. Such facts shall be informed to original shareholders entitled to subscribe to the remaining new shares <i>pro rata</i> to the original shareholding ratios. The Company shall expressly declare in the aforementioned public announcement the methods to exercise such preferential employee stock options. Where the shareholding ratio of an original shareholder is inadequate to subscribe to one new share, the shareholding ratio may be consolidated in accordance with the terms resolved in the board of directors and Regulations Governing Listed Public Companies to jointly subscribe to one or multiple share(s) in the name of a single shareholder. Where an original shareholder does not subscribe to in full within the aforementioned timeframe, the Company may put it into open sales or approach a specific person to subscribe to for the unsubscribed portion in accordance with the Regulations Governing Listed Public Companies.</p> <p><u>Where a subscriber fails to pay off the share amount for new shares in full within the time limit specified by the Company to pay off the share amount (in exercise of the aforementioned preferential privilege for subscription or the right to subscribe to the open sales or employee stock options), the Company shall urge that subscriber to pay off within the specified time limit more than one month with a declaration that such subscriber</u></p>	<p>2.4 Except a different decision separately resolved by the shareholders’ meeting through an ordinary resolution, where the Company proceeds with capital increase through cash injection in accordance with Article 2.3 of the Articles of Incorporation, appropriates the part into open sales to public in accordance with Article 2.3 of the Articles of Incorporation (to prevent ambiguity, including new shares issued under capital increase in accordance with Article 2.3 of the Articles of Incorporation, external issuance to public at home in the Republic of China and abroad in excess of 10% of the total outstanding issued shares as resolved in the shareholders’ meeting, the part in excess of 10% of the newly issued shares) and the part of employee stock option certificates. Such facts shall be informed to original shareholders entitled to subscribe to the remaining new shares <i>pro rata</i> to the original shareholding ratios. The Company shall declare in the aforementioned public announcement the method to exercise the privilege for preferential subscription. A shareholder who fails to exercise the subscription within the specified time limit shall be deemed to have forfeited such right. Where the shareholding ratio of an original shareholder is inadequate to subscribe to one new share, the shareholding ratio may be consolidated in accordance with the terms resolved in the board of directors and Regulations Governing Listed Public Companies to jointly subscribe to one or multiple share(s) in the name of a single shareholder. Where an original shareholder does not subscribe to in full within the aforementioned timeframe, the Company may put it into open sales or approach a specific person to subscribe to for the unsubscribed portion in accordance with the Regulations Governing Listed Public Companies.</p>	<p>Pursuant to the contents of “Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” as amended on December 25, 2019, the Company would amend the provisions regarding subscription to the new shares. Where the timeframe scheduled by the Company to pay for subscription is more than one month and where a subscriber fails to pay off within the specified time limit, that subscriber forfeits his or her right. In the event that the timeframe scheduled by the Company to pay for a subscription is shorter than one month and where a subscriber fails to pay off within the specified time limit, the Company shall still grant a period more than one month and urge that subscriber to pay off with a declaration for forfeiture of such right in case of</p>

<p><u>shall forfeit the privilege in case of failure in payment within the specified time limit. The Company shall not declare forfeiture of a subscriber's right to subscribe to unless that subscriber fails to pay off within the time limit specified by the Company. Notwithstanding the aforementioned provisions, where the timeframe scheduled by the Company is more than one month and where a subscriber fails to pay off within the specified time limit, he or she shall forfeit his or her right where the Company is not required to proceed with the procedures to further urge that subscriber. After a subscriber forfeits the right, the unsubscribed shares shall be separately offered in accordance with Regulations Governing Listed Public Companies.</u></p>		<p>failure to pay within the specified time limit.</p>
<p>2.6 The provisions for preferential subscription by the Company's employees in accordance with Article 2.3 of the Articles of Incorporation and the provisions for preferential subscription by the Company's shareholders in accordance with Article 2.4 of the Articles of Incorporation do not apply to the new shares issued by the Company because of the following reasons or the following objectives:</p> <p>(a) Where the Company proceeds with merger, <u>share conversion</u>, demerger or corporate reorganization.</p> <p>(b) The obligations to be fulfilled by the Company for share subscription warrant and/or option powers, include those specified under Articles 2.8 and 2.11 of the Articles of Incorporation. The provisions for preferential subscription do not apply to shares issued to employees under Article 2.8 of the Articles of Incorporation.</p> <p>(c) The Company issues restricted stocks in accordance with Article 2.5 of Articles of Incorporation.</p> <p>(d) The Company fulfills the obligations under convertible corporate bonds or corporate bonds with warrants.</p> <p>(e) The Company fulfills the obligations for preferred shares of corporate bonds with warrants.</p> <p>(f) The Company issues share certificates in accordance with Article 14.6 or Article 17 of the Articles of Incorporation, or</p> <p>(g) Where the Company proceeds with private placement of negotiable securities.</p>	<p>2.6 The provisions for preferential subscription by the Company's employees in accordance with Article 2.3 of the Articles of Incorporation and the provisions for preferential subscription by the Company's shareholders in accordance with Article 2.4 of the Articles of Incorporation do not apply to the new shares issued by the Company because of the following reasons or the following objectives:</p> <p>(a) The Company proceeds with merger, demerger, or corporate reorganization.</p> <p>(b) The obligations to be fulfilled by the Company for share subscription warrant and/or option powers, include those specified under Articles 2.8 and 2.11 of the Articles of Incorporation. The provisions for preferential subscription do not apply to shares issued to employees under Article 2.8 of the Articles of Incorporation.</p> <p>(c) The Company issues restricted stocks in accordance with Article 2.5 of Articles of Incorporation.</p> <p>(d) The Company fulfills the obligations under convertible corporate bonds or corporate bonds with warrants.</p> <p>(e) The Company fulfills the obligations for preferred shares of corporate bonds with warrants.</p> <p>(f) The Company issues share certificates in accordance with Article 14.6 or Article 17 of the Articles of Incorporation, or</p> <p>(g) Where the Company proceeds with private placement of negotiable securities.</p>	<p>In the event that the contents of amendment to "Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration" dated December 25, 2019, the Company amends this Article with the addition of share conversion.</p>
<p>12.3 When not violating the Company Act of the British Cayman Islands and Article 12.4 of the Articles of Incorporation, the following acts taken by the Company shall be subject to permit by shareholders by means of supermajority:</p> <p>(a) Use of the allocated dividends and/or bonus and/or other gains under Article 17 of the Articles of Incorporation to expand</p>	<p>12.3 When not violating the Company Act of the British Cayman Islands and Article 12.4 of the Articles of Incorporation, the following acts taken by the Company shall be subject to permit by shareholders by means of supermajority:</p> <p>(a) Use of the allocated dividends and/or bonus and/or other gains under Article 17 of the Articles of Incorporation to expand</p>	<p>In the event that the contents of amendment to "Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration"</p>

<p>capital.</p> <p>(b) Merger (Except for “Merger/acquisition (M&A) and/or Merger” satisfactory to the Company Act of the British Cayman Islands which call for only special resolution, <u>share conversion</u> or demerger;</p> <p>(c) Execution, change or termination of lease agreement on business operation, agreement on commissioned business operation or joint operating contract;</p> <p>(d) Transfer of operation or properties in full or for majority or</p> <p>(e) Acquisition or inward transfer of others’ properties in full which would have significant impact upon the Company's business operation.</p>	<p>capital.</p> <p>(b) Merger (Except “Merger/acquisition (M&A) and/or Merger” satisfactory to the Company Act of the British Cayman Islands which call for only special resolution) or demerger;</p> <p>(c) Execution, change or termination of lease agreement on business operation, agreement on commissioned business operation or joint operating contract;</p> <p>(d) Transfer of operation or properties in full or for majority or</p> <p>(e) Acquisition or inward transfer of others’ properties in full which would have significant impact upon the Company's business operation.</p>	<p>dated December 25, 2019, the Company amends this Article with the addition of share conversion.</p>
<p>14.3 Upon allocation of dividend after end of a fiscal year, the Company shall faithfully comply with the requirements and procedures set forth under Articles 14.4 to 14.9 of the Articles of Incorporation.</p>	<p>14.3 Other than the dividend to be allocated after end of a fiscal year, the Company may, as well, allocate <i>interim</i> dividends on a quarterly basis. <u>Where the board of directors resolves not to allocate interim dividend, the board of directors shall, after a relevant quarter, confirm no allocation of <i>interim</i> dividends through a resolution.</u> Upon allocation of dividend after end of a fiscal year, the Company shall faithfully comply with the requirements and procedures set forth under Articles 14.4 to 14.6; 14.10 to 14.12 of the Articles of Incorporation. Upon allocation of quarterly dividend, the Company shall faithfully comply with the requirements and procedures set forth under Articles 14.7 to 14.12 of the Articles of Incorporation.</p>	<p>An amendment to this Article with deletion of provisions regarding allocation of interim dividend in response to substantial need in business operation.</p>
<p>14.7 <u>The board of directors shall fix target (base) date to resolve the shareholders entitled to allocation of dividend or other allocation.</u></p>	<p>14.7 <u>The Company is entitled to allocate interim dividend in accordance with the decision resolved in the board of directors for allocation of earnings. In the event that the interim dividend is to be allocated with the price paid up in full not yet for issuance, nevertheless, nevertheless, other than the decision resolved in the board of directors, it still calls for a decision to be resolved in the shareholders’ meeting with supermajority.</u></p>	<p>Deletion of the provision regarding allocation of <i>interim</i> dividends in this Article in response to substantial need in business operation. Original Article 14.10 of the Articles of Incorporation is moved to this Article.</p>
<p>14.8 <u>In an attempt to resolve shareholders entitled to allocation of dividend or other allocations, the board of directors may resolve that the register of shareholders shall not be changed within five days prior to relevant target (base) date or other period consistent with the Regulations Governing Listed Public Companies and Company Act of the British Cayman Islands.</u></p>	<p>14.8 <u>In an attempt to allocate <i>interim</i> dividends, the motions for allocation of earnings or surplus earnings distribution or loss make-up proposal along with business report and financial statement (such financial statement shall be duly audited or certified by the certified public accountant in accordance with Regulations Governing Listed Public Companies) shall be submitted to the Audit Committee for resolution before being submitted to the board of directors for</u></p>	<p>Deletion of the provision regarding allocation of <i>interim</i> dividends in this Article in response to substantial need in business operation. Original Article</p>

	<u>resolution.</u>	14.11 of the Articles of Incorporation is moved to this Article.
14.9 <u>For the unallocated dividend, the Company does not pay interest at all.</u>	14.9 <u>Where allocating <i>interim</i> dividends, the Company shall (a) first estimate and retain sum for payable tax, (b) Make up previous loss, if any, and (c) amortize legal reserve (Unless the legal reserve is up to the Company's paid-in capital).</u>	Deletion of the provision regarding allocation of <i>interim</i> dividends in this Article in response to substantial need in business operation. Original Article 14.12 of the Articles of Incorporation is moved to this Article.
	14.10 <u>The board of directors shall fix target (base) date to resolve the shareholders entitled to allocation of dividend or other allocation.</u>	This Article is moved to Article 14.7.
	14.11 <u>The board of directors shall fix target (base) date to resolve the shareholders entitled to allocation of dividend or other allocation.</u>	This Article is moved to Article 14.8.
	14.12 <u>The board of directors shall fix target (base) date to resolve the shareholders entitled to allocation of dividend or other allocation.</u>	This Article is moved to Article 14.9.
20.6 During the period while the shares are registered to emerging stocks or exchange-listed stocks and over-the-counter stocks in the Republic of China, the key points below shall be expressly stated in the notice of the shareholders' meeting with descriptions of the key contents and shall not be posed by means of extemporaneous (unscheduled) motion: (a) Election or discharge of directors; (b) Amendment to the Outlines of Articles of Incorporation or these Articles of Incorporation. (c) Decapitalization; (d) Application for discontinuance from issuance of the Company's shares to public. (e) (i) Dissolution, merger, <u>share conversion</u> or demerger, (ii) Execution, change or termination of a lease agreement on business operation, agreement on commissioned business operation or joint operating contract, (iii) Outward transfer of the Company's business or properties in full or for a majority, and (iv) Acquisition or inward transfer of another's business operation or properties with a significant impact upon the	20.6 During the period while the shares are registered to emerging stocks or exchange-listed stocks and over-the-counter stocks in the Republic of China, the key points below shall be expressly stated in the notice of the shareholders' meeting with descriptions of the key contents and shall not be posed by means of extemporaneous (unscheduled) motion: (a) Election or discharge of directors; (b) Amendment to the Outlines of Articles of Incorporation or these Articles of Incorporation. (c) Decapitalization; (d) Application for discontinuance from issuance of the Company's shares to public. (e) (i)Dissolution, merger or demerger, (ii) Execution, change or termination of a lease agreement on business operation, agreement on commissioned business operation or joint operating contract, (iii)Outward transfer of the Company's business or properties in full or for a majority, and (iv)Acquisition or inward transfer of another's business operation or properties with a significant impact upon the Company's business operation; (f) A permit to directors for acts within the	In accordance with the contents of amendment to "Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration" dated December 25 2019, this Article is duly amended to add terms for the share conversion. The wording of competent authority in charge of securities is adjusted into Financial Supervisory Commission.

<p>Company's business operation;</p> <p>(f) A permit to directors for acts within the scope of the Company's business operation toward themselves or others;</p> <p>(g) In accordance with Article 17 of the Articles of Incorporation, an act to allocate earnings either in whole or in part by means of the issuance of new shares or with capital reserve or other amounts.</p> <p>(h) An act to allocate legal reserve, premium in share certificates issuance or income received from donation to the original shareholders by means of new share issuance or cash; and</p> <p>(i) The negotiable securities attributed in equity issued by the Company by means of private placement.</p> <p>The key contents of the aforementioned issues may be promulgated through the website(s) designated by the <u>Financial Supervisory Commission</u> or the Company and the URL(s) of such website(s) shall be expressly stated on the notice of the shareholders' meeting.</p>	<p>scope of the Company's business operation toward themselves or others;</p> <p>(g) In accordance with Article 17 of the Articles of Incorporation, an act to allocate earnings either in whole or in part by means of the issuance of new shares or with capital reserve or other amounts.</p> <p>(h) An act to allocate legal reserve, premium in share certificates issuance or income received from donation to the original shareholders by means of new share issuance or cash; and</p> <p>(i) The negotiable securities attributed in equity issued by the Company by means of private placement.</p> <p>The key contents of the aforementioned issues may be promulgated through the website(s) designated by the <u>competent authority in charge of securities</u> or the Company and the URL(s) of such website(s) shall be expressly stated on the notice of the shareholders' meeting.</p>	
<p>28 Rights to request shareholders with objection for acquisition of shares.</p> <p>28.1 Where not violating the Company Act of the British Cayman Islands where a decision regarding any motion among those as enumerated below is to be resolved in a shareholders' meeting, a shareholder who objects in writing <u>or orally before or during progress of the meeting (as expressly recorded in the minutes)</u> with waiver of the voting power may request the Company to purchase his or her shares in full at the fair price prevalent that time:</p> <p>(a) Where the Company enters into, changes or terminates any lease agreement on business operation, agreement on commissioned business operation or joint operating contract;</p> <p>(b) Where the Company transfers its business or properties in full or for majority except a transfer by the Company prior to dissolution.</p> <p>(c) Where the Company acquires or accepts transfer of business operation or properties in full with significant impact upon the Company's business operation.</p> <p>(d) <u>Where the Company intends to proceed with merger, share conversion or demerger, or</u></p> <p>(e) <u>Where the Company generally accepts properties or liabilities in full from another, or generally transfers its properties and liabilities in full.</u></p> <p>28.2 <u>Where not violating the Company Act of the British Cayman Islands, a shareholder</u></p>	<p>28 Rights to request shareholders with objection for acquisition of shares.</p> <p>28.1 When not violating the Company Act of the British Cayman Islands and where the shareholders' meeting resolves a decision regarding any one among those circumstances enumerated below, <u>a shareholder who informs the Company with his or her objections</u> in writing prior to the meeting and expressly objects during the meeting may request the Company to purchase his or her shares in full at the fair price prevalent that time.</p> <p>(a) Where the Company enters into, changes or terminates any lease agreement on business operation, agreement on commissioned business operation or joint operating contract;</p> <p>(b) Where the Company transfers its business operation or properties in full or for the majority except a transfer by the Company for the purposes of dissolution.</p> <p>(c) Where the Company acquires or accept transfer of business or properties from another in full with significant impact upon the Company's business operation.</p> <p>28.2 <u>In a circumstance where the Company's business operation is dividend or merged, a shareholder who objects in writing or objects orally before or during the resolution for the division or merger with the objection entered into the minutes who has further waived the voting power may request the Company to purchase his or her shares at the fair price prevalent that time.</u></p>	<p>In accordance with the contents of the "Protecting Rights of Foreign Issuer's Shareholders in the Country of Registration" as amended on December 25, 2019, the Company amends the procedures set forth under this Article for a shareholder with an objection to exercise the right to request purchase of his or her shares.</p>

<p><u>who requests in accordance with Article 28.1 of Articles of Incorporation (hereinafter referred to as “shareholder with objection”) shall submit the request in writing within twenty days from the date of the decision resolved in the shareholders’ meeting and shall expressly enumerate the price of requested purchase. Where the shareholder with objection and the Company come to an accord regarding the price of purchase, the Company shall grant payment of the price within ninety days after the decision resolved in the shareholders’ meeting. Where the shareholder with objection and the Company fail to come to an accord regarding the price of purchase, the Company shall, within ninety days after the decision resolved in the shareholders’ meeting, pay the shareholder with objection with whom the Company does not come to an accord at the price deemed as the fair price. Where the Company does not grant payment at the price deemed as fair price within the aforementioned ninety days period, the Company is deemed to have agreed to the price requested by the shareholder with objection.</u></p> <p><u>28.3 When not violating the Company Act of the British Cayman Islands and where the shareholder with objection and the Company do not come to an accord regarding the price to purchase the shares held by the shareholder with objection within sixty days after the decision resolved in the shareholders’ meeting, the Company shall take all shareholders with objections without reaching an accord as the counterparts and petition to the court to render ruling regarding the fair price of all shares held by the all shareholders with objection without reaching an accord within thirty days thereafter and may take Taiwan Taipei District Court as the jurisdictional court for the first instance. Notwithstanding the provisions set forth under Article 28 of the Articles of Incorporation, the provision set forth under this Article does not at all ban a shareholder from applying for payment of his or her shares at the fair price in accordance with Article 238 of the Company Act of the British Cayman Islands when he or she objects to the merger.</u></p>		
<p>34.1 The Company's board of directors shall set directors not less than five as the minimum and not more than nine as maximum. Each and every director is entitled to a <u>three years</u> tenure of office which may be extended until the date on which the shareholders’ meeting for the directors of the next terms is convened after expiry of the tenure of office. Directors are entitled to</p>	<p>34.1 The Company's board of directors shall set directors not less than five as the minimum and not more than nine as maximum. Each and every director is entitled to a <u>two years</u> tenure of office which may be extended until the date on which the shareholders’ meeting after expiry of the tenure of office is convened if the expiry of the tenure of office would lead to no director</p>	<p>An amendment to this Article to change the tenure of office of directors into a three years tenure of office in response to the substantial need</p>

reelection. In the very premise as consistent with the applicable laws and the scope of the aforementioned numbers of directors, the Company may increase or decrease the number of directors by means of a special resolution at any time.	to the Company. Directors are entitled to reelection. In the very premise as consistent with the applicable laws and the scope of the aforementioned numbers of directors, the Company may increase or decrease the number of directors by means of a special resolution at any time.	of the Company's business operation.
34.5 During the period of registration in the emerging stocks or listing in TWSE/TPEX in the Republic of China, the candidates for directors (<u>including independent directors and non-independent directors</u>) shall be duly nominated under candidates nomination system in accordance with Regulations Governing Listed Public Companies	34.5 The candidates for <u>independent</u> directors shall be duly nominated in <u>candidates nomination system in accordance with Regulations Governing Listed Public Companies</u> . During the period of registration in the emerging stocks or listing in TWSE/TPEX in the Republic of China, the candidates for independent directors shall be duly nominated under candidates nomination system in accordance with Regulations Governing Listed Public Companies. <u>The candidates for directors other than independent directors shall be duly nominated in candidates nomination system in accordance with Regulations Governing Listed Public Companies. During the period of registration in the emerging stocks or listing in TWSE/TPEX in the Republic of China, such candidates shall be duly nominated under candidates nomination system in accordance with Regulations Governing Listed Public Companies.</u>	Pursuant to contents of amendment to “Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” on December 25, 2019, this Article is duly amended. During the period of registration in the emerging stocks or listing in TWSE/TPEX by the Company, candidates for directors shall be nominated in accordance with the candidates nomination system.
47.2 Notwithstanding the provision on the contrary set forth under Article 47 of the Articles of Incorporation, where a director involves interest relationship with a motion to be discussed in the board of directors, a contract of the Company, an agreement or contract the Company is about to execute either directly or indirectly, such a director shall expressly state the attribute and key contents of the interest relationship in accordance with the applicable laws. <u>Where the Company intends to proceed with a transaction in accordance with Article 28.1 of the Articles of Incorporation or other merger/acquisition (M&A) in accordance with the applicable laws where a director involves the interest relationship, that director shall expressly state the key contents of the interest relationship in accordance with the applicable laws to the board of directors and shareholders’ meeting as well as the reason of their pro or con about that transaction.</u> Where a director’s spouse, blood relative within the second degree of kinship or a company in control or auxiliary relationship with that director falls within the interest relationship with an issue being discussed in the board of directors, that director is deemed to have interest relationship with the said issue. The	47.2 Notwithstanding the provision on the contrary set forth under Article 47 of the Articles of Incorporation, where a director involves interest relationship with an agreement or contract the Company is about to execute either directly or indirectly, such a director shall expressly state the attribute and key contents of the interest relationship in accordance with the applicable laws. Where a director’s spouse, blood relative within the second degree of kinship or a company in control or auxiliary relationship with that director falls within the interest relationship with an issue being discussed in the board of directors, that director is deemed to have interest relationship with the said issue. The terms “control” “auxiliary relationship” shall be defined in accordance with Regulations Governing Listed Public Companies.	Pursuant to contents of amendment to “Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” on December 25, 2019, this Article is duly amended to add the obligations of directors of disclosure in case of involvement in interest relationship.

terms “control” “auxiliary relationship” <u>set forth under this Article</u> shall be defined in accordance with Regulations Governing Listed Public Companies.		
<p>63.4 When not violating the Company Act of the British Cayman Islands and before the board of directors resolves a decision under Article 28.1 of Articles of Incorporation or is about to proceed with merger/acquisition (M&A) in accordance with applicable laws, the Audit Committee shall review the fairness, rationality of the merger/acquisition (M&A) plan or transaction and submit the review result to the board of directors and shareholders’ meeting. Where such fact is not subject to a decision to be resolved in the shareholders’ meeting, nevertheless, report to the shareholders’ meeting may be exempted. Where the Audit Committee proceeds with the review process, the independent experts shall be requested to provide opinions about the rationality of the ratio of share swap or the cash or other properties to be allocated to shareholders. The review results by the Audit Committee and opinions by the independent experts about rationality shall be served to all shareholders along with the notice of the shareholders’ meeting but shall be reported to the most recent shareholders’ meeting on the issues of merger/acquisition (M&A) if resolution by the shareholders’ meeting is not required under applicable laws. Where the same contents of the aforementioned documents to be served to shareholders have been promulgated by the Company into the website designated by the Financial Supervisory Commission, such same documents are deemed to have been served to shareholders.</p>		<p>Pursuant to contents of amendment to “Protecting Rights of Foreign Issuer’s Shareholders in the Country of Registration” on December 25, 2019, this Article is newly added so that before merger/acquisition (M&A), the Audit Committee shall review over the fairness and rationality and independent experts should be requested to offer opinions regarding rationality .</p>

[Attachment IX] Table for comparison of “Rules of Procedure for Shareholders Meetings” before and after amendments

After amendment	Existing clauses	Description
<p>Article 3 Paragraph 1, 2, 3 omitted.</p> <p>Matters pertaining to election or discharge of directors and supervisors, alteration of the Articles of Incorporation, <u>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, dissolution, merger, spin-off, or any matters as set forth in Paragraph I, Article 185 hereof shall be itemized in the causes or subjects to be described and the essential contents shall be explained in the notice to convene a meeting of shareholders, and shall not be brought up as Special motions; the essential contents may be posted on the website designated by the competent authority in charge of securities affairs or the company, and such website shall be indicated in the above notice.</u></p> <p><u>The reasons for the convening of the shareholders' meeting have indicated the full re-election of directors and supervisors, and the date of appointment. After the re-election of the shareholders' meeting is completed, the date of appointment shall not be changed by temporary motion or other means at the same meeting.</u></p> <p>Shareholder(s) holding one percent (1%) or more of the total number of outstanding shares of a company may propose to the company a proposal for discussion at a regular shareholders' meeting, provided that only one matter shall be allowed in each single proposal, and in case a proposal contains more than one matter, such proposal shall not be included in the agenda. <u>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.</u> The board of directors will not list any motion proposed by a shareholder as described under Paragraph 4 of Article 172-1 of the Company Act.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, the Company shall publicly announce that it will receive shareholder proposals, <u>correspondence or electronic means</u>, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p>	<p>Article 3 Paragraph 1, 2, 3 omitted.</p> <p>Election or dismissal of directors and supervisors, amendment of Articles of Incorporation, dismissal of the Company, merger, spin-off, and any issues listed in Paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" must be notified in advance as part of the meeting agenda, and can not be raised in the form of special motion.</p> <p>Each shareholder holding more than 1% of all outstanding shares can put forward one proposal <u>in writing</u> for TAISUN's shareholder meeting agenda; any proposal exceeding one shall be excluded. The board of directors will not list any motion proposed by a shareholder as described under Paragraph 4 of Article 172-1 of the Company Act.</p> <p>Prior to the book closure date before a regular shareholders meeting is held, TAISUN shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.</p>	<p>In line with the amendment to Paragraph 5, Article 172 of the Company Act, Paragraph 4 shall be amended.</p> <p>The Paragraph 5 of this Article has been added in cooperation with the Letter of Jin-Shang-Zi No. 10702417500 dated August 6, 2018.</p> <p>Paragraph is amended into Paragraph 6, with the addition of Paragraph 5 in coordination with the newly amended Paragraph 1, Article 172-1 of the Company Act.</p> <p>Paragraph is amended into Paragraph 7, with amendment as appropriate in coordination with the newly amended Paragraph 2, Article 172-1 of the Company Act.</p>

<p>Each shareholder proposal shall be described in 300 words. Any additional content will not be listed in the agenda. The proposing shareholder shall attend the regular shareholders meeting in person or appoint an agent, and participate in the discussion of that proposal.</p> <p>TAISUN shall notify the proposing shareholders about the results of their proposals before the notification date of the shareholder meeting, and specify the proposals which has met the requirements of this Article in the meeting notice. For any shareholder proposal that is not listed in the agenda, the board of directors shall explain why those are excluded at the shareholder meeting.</p>	<p>Each shareholder proposal shall be described in 300 words. Any additional content will not be listed in the agenda. The proposing shareholder shall attend the regular shareholders meeting in person or appoint an agent, and participate in the discussion of that proposal.</p> <p>TAISUN shall notify the proposing shareholders about the results of their proposals before the notification date of the shareholder meeting, and specify the proposals which has met the requirements of this Article in the meeting notice. For any shareholder proposal that is not listed in the agenda, the board of directors shall explain why those are excluded at the shareholder meeting.</p>	<p>Paragraph is amended into Paragraph 8.</p> <p>Paragraph is amended into Paragraph 9.</p>
<p>Article 10</p> <p>If the shareholders' meeting is convened by the board of directors, its agenda shall be determined by the board of directors. <u>Relevant motions (including temporary motions and amendments to the original motion) shall be decided by vote on a case by case basis.</u> The meeting shall be conducted in accordance with the scheduled agenda and shall not be changed without the resolution of the shareholders' meeting.</p> <p>Paragraph 2 to 3 omitted.</p> <p>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, <u>the chair may announce the discussion closed and call for a vote and arrange sufficient time for voting.</u></p>	<p>Article 10</p> <p>If the shareholder meeting is convened by the board of directors, the board of directors will determine the meeting proceeding. The proceeding can not be changed unless resolved during the shareholder meeting.</p> <p>Paragraph 2 to 3 omitted.</p> <p>The chairperson shall provide opportunities for sufficiently explaining and discussing topics and amendments proposed by shareholders or Special motions. The chairperson may announce to discontinue further discussions if the topic is considered to have been sufficiently discussed to proceed with the vote.</p>	<p>The first paragraph was amended in line with the comprehensive adoption of electronic voting by listed and OTC companies since 2018 and the implementation of the voting by poll.</p> <p>In order to prevent the convener of the shareholders' meeting from excessively limiting the voting time of shareholders and thus affecting the shareholders' exercise of voting rights due to the delay in voting, the Paragraph 4 is amended.</p>
<p>Article 13</p> <p>Paragraph 1 omitted.</p> <p>When this Corporation holds a shareholders meeting, it may allow the shareholders to exercise voting rights by correspondence or electronic means. When voting rights are exercised by correspondence or electronic means, the method of exercise shall be specified in the shareholders meeting notice. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholder meeting in person. However, they are considered to have waived their rights to participate in any Special motions or amendments to the original discussions that may arise during the shareholder meeting. For this reason, TAISUN</p>	<p>Article 13</p> <p>Paragraph 1 omitted.</p> <p><u>When a shareholder meeting is held by TAISUN, voting rights can be exercised by using the electronic method or in writing (for the companies subject to the electronic voting system as stated in Paragraph 1, Article 177-1 of the Company Act:</u> when a shareholder meeting is held by the Company, voting rights can be exercised by using the electronic method or in writing). Voting rights can be exercised using the electronic method or in writing. Instructions for exercising voting rights in writing or using the electronic form must be clearly stated on the shareholder meeting advice. Shareholders who have voted in writing or using the electronic method are</p>	<p>In line with the comprehensive adoption of electronic voting by listed and OTC companies since 2018, Paragraph 2 is amended.</p>

<p>should avoid proposing Special motions and amendments to the original agendas where possible.</p> <p>Omitted hereinafter.</p>	<p>considered to have attended shareholder meeting in person. However, they are considered to have waived their rights to participate in any Special motions or amendments to the original discussions that may arise during the shareholder meeting. For this reason, TAISUN should avoid proposing Special motions and amendments to the original agendas where possible.</p> <p>Omitted hereinafter.</p>	
<p>Article 15 Paragraph 1, 2 omitted.</p> <p>The year, month, day, place, name of the chairman, method of resolution, essentials of the meeting process and <u>voting</u> results <u>(including the statistical weight)</u> shall be recorded in the minutes of the meeting. <u>When there is an election of directors, supervisors, the number of votes obtained by each candidate shall be disclosed.</u> During the existence of the company, it should be kept permanently.</p>	<p>Article 15 Paragraph 1, 2 omitted.</p> <p>The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various discussions. These minutes must be retained for as long as TAISUN exists.</p>	<p>Amended paragraph 3 in accordance with the recommendations of Asia Corporate Governance Association to implement voting by motion.</p>

[Appendix I]

TAISUN INT'L (HOLDING) CORP.
Rules of Procedure for Shareholder Meeting (before the amendment)

Date of enactment: 2016.01.08

Article 1

The Rules of Procedure are formulated in accordance with Article 5 of the "Corporate Governance Best Practice Principles for TWSE or TPEX Listed Companies" to set up a good shareholder meeting and corporate governance system, assist the board of directors in supervising and managing TAISUN's operations.

Article 2

TAISUN's "Rules of Procedure for Shareholder Meeting" shall proceed according to the following rules unless otherwise specified by law or the Articles of Incorporation.

Article 3 (Convening Shareholder Meeting and Meeting Notice)

Unless otherwise specified by law, shareholder meetings are to be convened by the board of directors.

TAISUN shall compile an electronic file that contains the meeting advice, a proxy form, a detailed agenda of topics to be acknowledged or discussed during the meeting, and notes on the re-election or dismissal of directors and supervisors and post it onto the Market Observation Post System (MOPS) at least 30 days before an annual general meeting, or 15 days before an extraordinary shareholder meeting. At least 21 days before an annual general meeting, or 15 days before an extraordinary shareholder meeting, an electronic copy of the shareholder meeting manual and supplementary information shall be prepared and posted onto MOPS. Physical copies of the shareholder meeting manual and supplementary information shall be prepared at least 15 days before the meeting, and made accessible to shareholders upon request. These documents must also be placed within TAISUN's premises and at the share administration agency, and distributed on-site during the shareholder meeting.

The meeting advice and announcement must state clearly the agenda to be discussed during the meeting, and can be issued in electronic form if consented by the recipient.

Election or dismissal of directors and supervisors, amendment of Articles of Incorporation, dismissal of the Company, merger, spin-off, and any issues listed in Paragraph 1, Article 185 of the Company Act, Articles 26-1 and 43-6 of the Securities and Exchange Act, and Articles 56-1 and 60-2 of the Regulations Governing the Offering and Issuance of Securities by Securities Issuers must be notified in advance as part of the meeting agenda, and cannot be raised in the form of special motion.

Each shareholder holding more than 1% of all outstanding shares can put forward one proposal in writing for TAISUN's shareholder meeting agenda; any proposal exceeding one shall be excluded. The board of directors will not list any motion proposed by a shareholder as described under Paragraph 4 of Article 172-1 of the Company Act.

Prior to the book closure date before a regular shareholders meeting is held, TAISUN shall publicly announce that it will receive shareholder proposals, and the location and time period for their submission; the period for submission of shareholder proposals may not be less than 10 days.

Each shareholder proposal shall be described in 300 words. Any additional content will not

be listed in the agenda. The proposing shareholder shall attend the regular shareholders meeting in person or appoint an agent, and participate in the discussion of that proposal. TAISUN shall notify the proposing shareholders about the results of their proposals before the notification date of the shareholder meeting, and specify the proposals which has met the requirements of this Article in the meeting notice. For any shareholder proposal that is not listed in the agenda, the board of directors shall explain why those are excluded at the shareholder meeting.

Article 4

Shareholders may appoint proxies to attend shareholder meetings on their behalf by completing TAISUN's proxy form and specifying the scope of delegated authority.

Each shareholder may issue one proxy form and delegate one proxy only. All proxy forms must be received by TAISUN at least 5 days before the shareholder meeting. In cases where multiple proxy forms are issued, the one that arrives first shall prevail. However, this excludes situations where the shareholder has issued a proper declaration to withdraw the previous proxy arrangement.

Should the shareholder decide to attend shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by TAISUN, a written notice must be sent to TAISUN by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, the vote of the proxy attendant shall prevail.

Article 5 (Principle of Venue and Time of Shareholder Meeting)

Shareholder meetings shall be held at locations of TAISUN that are suitable and convenient for shareholders to attend. Meetings must not commence anytime earlier than 9:00 AM or later than 3:00 PM. In this regard, the independent directors' opinions shall be fully considered.

Article 6 (Preparation of Attendance Logs and Other Necessary Documents)

The meeting advice must specify details such as meeting time, venue, and important notes where relevant.

Admission of meeting participants shall begin at least 30 minutes before the meeting commences. The reception area must be clearly labeled and stationed with competent personnel.

Shareholders and representatives thereof (collectively referred to as shareholders) shall attend shareholder meetings by presenting valid conference pass, attendance card or other document of similar nature. TAISUN may not request shareholders to present additional documentary proof unless specified in advance. Proxy form acquirers are required to bring identity proof for verification.

Attendance logs shall be signed by attending shareholders; alternatively, attendance cards shall be presented by shareholders in presence.

Shareholders who attend the meeting shall be given a copy of the meeting manual, annual report, attendance pass, opinion slip, agenda ballots and any information relevant to the meeting. Prepare additional ballots if director and/or supervisor election is also being held during the meeting.

Where the shareholder is a government agency or corporate entity, more than one representative may attend shareholder meetings on their behalf. Corporate entities that have

been designated as proxy attendants can only appoint one representative to attend shareholder meeting.

Article 7 (Chairperson and Attendances of the Shareholder Meetings)

If the shareholder meeting is convened by the board of directors, the Chairman shall act as chairperson. If the Chairman is unable to perform duties due to leave of absence or any reason, the Deputy Chairman shall perform duties on behalf of the absent Chairman. Where there is no position of deputy chairman, or such Deputy Chairman is also unable to perform duties due to leave of absence or any reason, the Chairman shall designate an executive director as proxy; if there is no position of executive director, a director shall be designated as proxy. If the Chairman fails to designate a proxy, either the executive director or a director shall be elected on behalf of the Chairman.

The role of acting chairperson mentioned above shall be assumed by an executive director or a director who has been on the board for more than six months and understands the Company's financial and business performance. The same applies if the chairperson is a representative of a corporate director.

Shareholder meetings that are convened by the board of directors should be chaired by the Chairman and attended personally by more than half of the board and at least one supervisor, with at least one representative from each functional committee present at the meeting. Attendance of the above participants shall be recorded in details in the shareholder meeting minutes.

For shareholder meetings that are convened by any authorized party other than the board of directors, the convener shall chair the meeting. If there are two or more eligible conveners at the same time, one shall be appointed among themselves to chair the meeting. TAISUN may summon its lawyers, certified public accountants, and any relevant personnel to be present at shareholder meetings.

Article 8 (Recording or Videotaping the Process of the Shareholder Meetings)

TAISUN shall record non-stop, in audio or video, from the time admission is accepted and throughout the entire meeting proceeding, voting and vote counting. These recordings need to be maintained for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of the Company Act, the abovementioned documents must be retained until the end of the litigation.

Article 9

Attendance during shareholder meetings shall be calculated based on number of shares held. The number of attending shareholders shall be based on the attendance logs or such card presented by shareholders in presence as well as the number of shareholders who have exercised written or electronic votes. The chairperson should announce the commencement of meeting as soon as it is due. However, if current attendants represent less than half of the Company's outstanding shares, the chairperson may announce to postpone the meeting up to two times, for a period totaling no more than one hour. If the attending shareholders represent more than one-thirds but less than half of outstanding shares after two postponements, the chairperson shall announce adjournment. If the attending shareholders represent more than one-thirds but less than half of outstanding shares after such two postponements, the attending shareholders may reach a tentative resolution according to Paragraph 1, Article 175 of the Company Act. This tentative resolution shall then be

communicated to every shareholder and another shareholder meeting shall be held within the next month. If the number of shares represented accumulate to more than half of all outstanding shares as the meeting progresses, the chairperson may propose the tentative resolutions for final vote according to Article 174 of the Company Act.

Article 10 (Motion Discussion)

If the shareholder meeting is convened by the board of directors, the board of directors will determine the meeting proceeding. The proceeding cannot be changed unless resolved during the shareholder meeting.

The above rule also applies if the shareholder meeting is convened by any authorized party other than the board of directors.

In the arrangements described above, the chairperson cannot dismiss the meeting while two agenda items (including Special motions) are still in progress. If the chairperson is found to have dismissed the meeting in violation of the conference rules, other board members shall immediately assist the attending shareholders according to the legal procedure in electing a separate chairperson who has the support of more than half of voting rights represented at the meeting; as a result, the meeting may continue.

The chairperson shall provide opportunities for sufficiently explaining and discussing topics and amendments proposed by shareholders or Special motions. The chairperson may announce to discontinue further discussions if the topic is considered to have been sufficiently discussed to proceed with the vote.

Article 11 (Shareholders' Speech)

Shareholders who wish to speak during the meeting must first produce an opinion slip detailing the topic and shareholder account number (or conference pass serial number).

The order of shareholders' comments shall be determined by the chairperson. Shareholders who submit an opinion slip without actually speaking are considered to have remained silent. If the shareholder's actual comments differ from those stated in the opinion slip, the actual comments expressed shall be taken into record. Shareholder cannot speak for more than two times, for 5 minutes each, on the same topic without the consent of the chairperson. The chairperson may restrain shareholders in violation of the above rule or interrupt any comments that are irrelevant to the topics discussed.

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

Where a corporate shareholder has appointed two or more representatives to attend the shareholder meeting, only one representative may speak for each discussed topic.

After a shareholder has finished speaking, the chairperson may answer the shareholder's queries personally or appoint any relevant personnel to do so.

Article 12 (Calculation of the Number of Shares on a Poll and the Mechanism of Recusal)

Voting rights in a shareholder meeting are calculated based on the number of shares represented.

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

Shareholders may not vote on decisions that pose a conflicting interest between them and

the Company, and neither shall they exercise voting rights on behalf of other shareholders. The number of shares held by shareholders who are not permitted to vote shall be excluded from the calculation of total voting rights.

With the exception of trust enterprises and certain share administration agencies approved by the competent securities authority, a proxy may not represent more than 3% of total voting rights in aggregate when representing two or more shareholders during the meeting. Voting rights that exceed this threshold shall be excluded from calculation.

Article 13

Shareholders are entitled to one vote per share, except for shares that are subject to voting restrictions or situations outlined in Paragraph 2, Article 179 of the Company Act.

When a shareholder meeting is held by TAISUN, voting rights can be exercised by using the electronic method or in writing (for the companies subject to the electronic voting system as stated in Paragraph 1, Article 177-1 of the Company Act: when a shareholder meeting is held by the Company, voting rights can be exercised by using the electronic method or in writing). Voting rights can be exercised using the electronic method or in writing. Instructions for exercising voting rights in writing or using the electronic form must be clearly stated on the shareholder meeting advice. Shareholders who have voted in writing or using the electronic method are considered to have attended shareholder meeting in person. However, they are considered to have waived their rights to participate in any Special motions or amendments to the original discussions that may arise during the shareholder meeting. For this reason, TAISUN should avoid proposing Special motions and amendments to the original agendas where possible.

Instructions to exercise written and electronic votes must be delivered to the Company at least 2 days before the shareholder meeting. In the event of duplicate submissions, the earliest submission shall be taken into record. However, exception is granted if the shareholder issues a proper declaration to withdraw the previous instruction.

Shareholders who wish to attend the shareholder meeting in person after exercising their voting rights in writing or using electronic methods are required to withdraw their votes using the same method by which the vote was cast in the first place, and by no later than two days before the day of shareholder meeting. The written/electronic vote shall prevail if not withdrawn before the cutoff time. If the shareholder has exercised written or electronic votes and at the same time delegated a proxy to attend the shareholder meeting, then the voting decision exercised by the proxy shall prevail.

Unless otherwise specified in the Company Act or the Articles of Incorporation, a decision is passed with the consent of shareholders representing more than half of total voting interests in the meeting. When voting, the chairperson or delegate thereof shall announce the total number of voting rights represented by attending shareholders for every agenda item discussed, and have shareholders vote on a case-by-case basis. Details on the number of votes in favor, against, and abstained for each discussion shall be uploaded onto MOPS on the same day after the shareholder meeting has ended.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The chairperson will appoint a ballot examiner and a ballot counter; the ballot examiner must be a shareholder.

Discussion and election votes are to be counted openly at the shareholder meeting. Results of the vote, including the final tally, must be announced on-site and recorded in minutes.

Article 14 (Elections)

Shareholder meetings that involve election of directors and supervisors shall proceed according to the Company's election policy. Results of the election, including the list of elected directors and supervisors and the final tally, must be announced on-site. All ballots used in the above election shall be sealed, signed and held in proper custody for at least one year. However, if a shareholder raises a litigious claim against the Company according to Article 189 of the Company Act, the abovementioned documents must be retained until the end of the litigation.

Article 15

Shareholder meeting resolutions shall be compiled into detailed minutes, and signed or sealed by the chairperson, and disseminated to each shareholder by no later than 20 days after the meeting. Preparation and distribution of meeting minutes can be made in electronic form. TAISUN may disseminate meeting minutes by posting details onto MOPS.

The minutes shall detail the date and venue of the meeting, the chairperson's name, the method of resolution, the proceeding and results of various discussions. These minutes must be retained for as long as TAISUN exists.

Article 16 (Public Notice)

During the shareholder meeting, TAISUN shall publish information regarding the number of shares acquired by proxy form acquirers and the number of shares represented by proxies using the prescribed format.

TAISUN must disclose on MOPS any shareholder meeting resolutions that constitute material information as defined by law or the rules Taiwan Stock Exchange Corporation (Taipei Exchange ("TPEX")).

Article 17 (Maintaining the Order at the Meeting)

Organizers of the shareholder meeting must wear proper identification or arm badges.

The chairperson may appoint picketers or security staff to help maintain order in the meeting. While maintaining order in the meeting, all picketers or security staff must wear arm badges that identify their role as "Picketeer" or proper identification.

The chairperson may stop anyone who attempts to speak using instruments that are not provided by TAISUN.

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

Article 18 (Break and Continuing the Meeting)

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

If the shareholder meeting is unable to conclude all agenda items (including Special motions) before the venue is due for return, participants may resolve to continue the meeting at an alternative location.

Shareholders may also resolve to postpone or resume the meeting within the next 5 days,

according to Article 182 of the Company Act.

Article 19

The above rules shall take effect immediately once approved during shareholder meeting; the same applies to all subsequent revisions.

[Appendix II]

TAISUN INT'L (HOLDING) CORP.
Rules of Procedure for Board of Directors Meetings

Date of enactment: 2016.01.08

Article 1: (Authority for enactment)

These Specifications are duly enacted in accordance with Article 2 of “Regulations Governing Board of Directors Meeting of Public Companies” to set up a sound board of directors governance system for the Company to assure sound and strengthened managerial functions.

Article 2: (Scope of specifications)

Rules of procedure for meetings of board of directors in the Company, the key contents of the meeting, operating procedures, key points to be stated in the minutes, public announcement and other compliance shall be duly handled exactly in accordance with these Regulations.

Article 3: (Convening of a board of directors' meeting)

The Board of the Company shall convene once quarterly.

The reasons for the session shall be specified in the notice, which shall be delivered to the Directors and Supervisors 7 days in advance. A special session may be called for at any time in case of an emergency.

All matters set forth under the Paragraph 1, Article 7 of these Rules shall be specified in the notice of the reasons for convening a board meeting. None of these matters may be raised by an extraordinary motion except in the case of emergency or for other legitimate reasons.

Article 4: (The principles of the venue and time of the Board Meeting)

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

Article 5: (Unit in charge of the meeting and data of the meeting)

The Board appoints the Financial Division to administer all sessions of the Board.

The unit responsible for board meetings shall draft the agenda and prepare sufficient meeting materials and deliver them together with the notice of the meeting. A director who is of the opinion that the meeting materials provided are insufficient may request their supplementation by the unit responsible for board meetings.

If a director is of the opinion that materials concerning any proposal are insufficient, the deliberation of such proposal may be postponed by a resolution of the board of directors.

Article 6: (Contents of regular board meetings)

The regular session of the Board shall cover at least the following on the agenda:

1. Matters to be reported:

- (1) Minutes of last meeting and status of execution.
- (2) Important financial business report
- (3) Internal auditing business report

- (4) Other important reporting matters
- 2. Discussion Matters
 - (1) Discussion matters unresolved from last meeting.
 - (2) Discussion matters contemplated for current meeting.
- 3. Extraordinary Motions

Article 7: (Matters required for discussion by the Board)

The issues as enumerated below shall be posed to the Company's board of directors meeting into discussion:

- 1. The Company's operating plan
- 2. Annual and semi-annual financial reports.
- 3. The internal control system duly enacted or amended in accordance with Article 14-1 of Securities and Exchange Act (hereinafter referred to as the Act or Securities and Exchange Act in full as appropriate under the circumstances) and performance evaluation of the validity of the internal control system.
- 4. Establishment or revision of the procedures in accordance with Article 36-1 of Securities and Exchange Act for important financial or business acts such as acquisition or disposal of asset, derivatives trading, loaning of funds and provision of endorsements or guarantees.
- 5. Offering, issuance or private placement of equity securities.
- 6. Hiring and dismissal of financial, accounting or internal audit executives.
- 7. Donation to a related party or a significant donation to a non-related party. provided that a public-interest donation of disaster relief for a major natural disaster may be submitted to the next board meeting for retroactive recognition.
- 8. Other key issues to be resolved in the shareholders' meeting or the board of directors according to Article 14-3 of Securities and Exchange Act or significant issues promulgated by the competent authority(ies).

The objection or reserved opinion by a participating director shall be expressly stated in the minutes of the board of directors meeting. After the independent directors are set up, at least one independent director shall participate in a board of directors meeting in person. On an issue enumerated under Paragraph 1 subject to resolution by the board of directors, the board of directors meeting shall be attended in plenary by all independent directors. An independent director who is unavailable to participate in the meeting in person shall authorize another independent director to participate as his or her proxy agent. When an independent director has a dissenting or qualified opinion, it shall be noted in the minutes of the board of directors meeting; if the independent director cannot attend the board meeting in person to voice his or her dissenting or qualified opinion, he or she should provide a written opinion before the board meeting unless there are justifiable reasons for failure to do so, and the opinion shall be noted in the minutes of the board of directors meeting.

Article 8: (Preparation of the sign-in book and participation by directors in person or through commissioned proxy agents)

A sign-in registry shall be prepared for the Directors to sign-in for the session as a reference.

Directors shall attend board meetings in person. A director unable to attend in person may appoint another director to attend the meeting on his behalf in accordance with the Articles of Association of the Company. Attendance by video conference shall

be deemed attendance in person.

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

The director acting on proxy under the second paragraph shall represent no more than one other person.

Article 9: (Chairman of the Board session and proxy)

The Company's Chairman is to convene and chair the board meeting. However, the first board meeting of each term is to be convened and chaired by the director that receives the most ballots in the shareholders' meeting. If there are two or more directors with right to convene the meeting, one of them is to be elected for the position.

Where the chairman is on leave or unavailable to exercise his responsibilities and powers, the chairman shall, in advance, appoint one director to act as his substitute. Where the chairman does not appoint a substitute, one director shall be elected from among themselves to act as the substitute.

Article 10: (Non-voting (guest) participants in the board of directors meeting and principles to announce start of the meeting)

The Financial Division shall prepare all related information for the Directors' reference at the time of the Board Meeting.

The management of the relevant departments who is not a board director may be notified to attend the board meeting depending on the contents of the proposal. Where necessary, certified public accountants, lawyers or other professionals may be invited to participate as non-voting (guest) participants but shall quit from the venue during the discussion or voting process.

The chairman shall call the board meeting to order at the designated meeting time and when a quorum of the majority of all directors has been met. Where a majority of all directors do not yet participate in the meeting when the time is up, the chairperson may announce a postponement of the meeting and the postponements shall not exceed twice in maximum and the accumulated period of the postponement(s) shall not exceed an hour. If the quorum is still not met after two adjournments, the chairman may re-call the meeting in accordance with the procedure under Paragraph 2, Article 3.

The board directors referred to in the Section referred to above and, Section 2, Paragraph 2, Article 15 meant for the incumbents.

Article 11: (Principles for discussion of motions and adjournment of the meeting)

The Company's board of directors meeting shall be duly handled exactly in accordance with the procedures specified in the notice of the board meeting. Such procedures, nevertheless, may be duly changed by one half majority of the participating directors.

The chairman shall not announce adjournment of the meeting until the contents arranged in the procedures and the extemporaneous (unscheduled) motion are concluded unless agreed upon by one half majority of directors.

During the proceeding of a board meeting, if the number of directors present in the meeting falls below the majority of all attending directors, pursuant to the proposal by the directors present in the meeting, the chairman shall declare a suspension of the meeting and the Paragraph 3, Article 8 shall apply mutatis mutandis.

Article 12: (Principles for voting of motions)

Amidst discussion process of a motion, while the chairperson considers it is up to the extent for voting process, the chairperson may announce discontinuance from discussion and announce the voting process.

Where a motion is posed into voting process for resolution, an issue which proves to have no objection in response to the inquiry by the chairperson is deemed to have been duly resolved in the validity same as an issue duly resolved through voting process. Where an objection is voiced in response to inquiry by the chairperson, that motion shall be put into voting process.

The chairman shall select one of the following voting methods. However, if any attending director voices an objection, the voting method shall be determined by the majority of attending directors:

1. Balloting by raising hands or voting device
2. The roll-call balloting
3. Balloting
4. Voting process in a means chosen by the Company itself

The directors presented at the meeting in the second paragraph referred to above does not include the directors that cannot exercise the balloting rights in accordance with the provisions of Section 1, Article 14.

Article 13: (Resolution and counting of votes)

Unless otherwise provided for in the Securities and Exchange Act and Company Act, decisions in the board of directors meeting shall be resolved by over one half majority in the meeting attended by directors representing over one half majority of the total number of directors.

In cases where several amendment or alternative solutions have been proposed at the same time, the chairperson shall determine the order in which the proposals are voted. However, if any solution is passed, all other proposals shall be deemed rejected and no further voting is necessary.

The Chairman is to appoint the controllers of ballot and tally clerks who are board directors for the proposals put to vote, if any.

The result of voting shall be announced on site and recorded.

Article 14: (The system for withdrawal from conflict involvement (recusal) by directors)

Where a motion in a board of directors meeting involves a director or the juristic person represented thereby with interest relationship likely harmful to the Company's interests, that director shall expressly state the key contents of such interest relationship. In the event that such interest relationship is likely harmful to the Company, such director shall not participate in the voting process and shall withdraw from conflict involvement (recusal) from the discussion and voting process and shall not exercise the voting power as a proxy agent on behalf of another director.

In relation to the directors prevented from exercising their voting rights in relation to a board resolution in accordance with the previous paragraph, Paragraph 2, Article 180 of the Company Act applies mutatis mutandis in accordance with the Paragraph 2, Article 206 of the Company Act.

Article 15: (Minutes of meeting on record and signatures)

The discussions in board meetings of the Company shall be recorded in meeting minutes. The minutes shall duly record the following matters in detail:

1. Session (or year), time and location of the meeting.
2. The name of the chairman
3. Director attendance, including the names and number of attendees, those on leave and those absent.
4. Names and titles of the attendees.
5. Names of the record keepers.
6. Matters to be reported.
7. Issues to be discussed: The resolution methods and results of each motion, the statement summary of the directors, supervisors, specialists, and others, the names of the directors who are stakeholders according to Paragraph I of the preceding Article, the content of the stake, the reasons for having themselves excused or not-excused, recusal situations, objections or reservations in writing or documented, and the written statements and opinions of independent directors issued pursuant to Paragraph 2, Article 7;
8. Extraordinary Motion: The name of the motion proposer, resolution methods and results of each motion, the statement summary of the directors, supervisors, specialists, and others, the names of the directors who are stakeholders according to Paragraph I of the preceding Article, the content of the stake, the reasons for having themselves excused or not-excused, recusal situations, and objections or reservations in writing or documented;
9. Additional information.

In case of any of the below events during board resolutions, in addition to recording the event in the minutes of the meeting, a public filing shall also be made in the information filing website designated by the Financial Supervisory Commission within 2 days from the board meeting:

1. Any independent director's objection or reservation, with records or written statements.
2. Motions not passed by the Independent Director of the Company shall be sustained at the consent of two third or more of the Directors.

The board meeting attendance sheet is an integral part of the minutes and shall be kept in due custody during the period of existence of the Company.

The minutes of the meeting shall be signed or affixed with seals by the chairperson and the meeting secretary and shall be served to all directors and supervisors within twenty days after the meeting. The minutes shall be covered within the Company's key files and put into prudential custody throughout the period while the Company exists.

The minutes under the first paragraph may be prepared and distributed in electronic manners.

Article 16: (The principle of authorization of the Board)

Except the issues set forth under Article 7 to be posed into the board of directors for discussion, during the period of recess of the board of directors while the board of directors authorizes for exercise of the board of directors responsibilities and powers according to laws or Articles of Incorporation, the grade level of authorization, contents or key issues shall be concrete and definite and shall not be generalized authorization.

In case of a new increase in the credit lines for a financial institution, to meet the statutory timeframe of limitation, the decision may be resolved by the chairman in

advance before such decision is posed to the most recent board of directors meeting for retrospective acknowledgement.

Article 17: (Archiving of audio and videotaping records for a board of directors meeting)

Proceedings of board meetings of the Company shall be recorded in audio or video in their entirety. Such recordings shall be maintained for at least 5 years. Such recordings may be maintained in an electronic manner.

If legal action has been instituted by a third party before the expiration of the aforementioned retention period, related voice records or videotapes kept as minutes of the meeting on record of the Board on certain resolutions shall be kept until the conclusion of the legal action.

Audiovisual data on videoconferences of the Board shall be kept as an integral part of the minutes of the meeting on record, and shall be kept within the perpetuity of the Company.

Article 18: (Miscellaneous)

The “Rules of Procedure for Board of Directors Meetings” must be stipulated with the approval of the Company’s board of directors and presented in the shareholders’ meeting. If there are any amendments in the future, the board of directors shall be authorized for resolution of the amendments.

Article 19: These Regulations are duly enacted on January 8, 2016.

[Appendix III]

TAISUN INT'L (HOLDING) CORP.
Corporate Social Responsibility Best Practice Principles

Date of enactment: 2014.12.31

Chapter I Purpose and basis

- Article 1: In an attempt to practice corporate social responsibility and promote the balance and sustainable development of the economy, society and environmental ecology, the Company shall duly enact the Corporate Social Responsibility Best Practice Principles to deal with its environmental and social risks and their impacts as the sound grounds to comply with.
- Article 2: The CSR scope covers the overall business operation and events of the Company and the entire Group.
At the same while upon engaging in business operations, we proactively practice corporate social responsibility to live up to the international trend of balanced environment, social and corporate governance development, and through corporate citizenship, we further enhance economic contributions toward the country, improve the quality of life of employees, communities and society toward corporate responsibility-based competitive advantage.
- Article 3: The efforts of the Company's corporate social responsibility aim at respecting social ethics with close watchfulness toward the rights and interests of other stakeholders. While pursuing sustainable operation and profitability, we should be closely watchful of environmental, social and corporate governance factors to incorporate them into the Company's management and operation.
- Article 4: Here at the Company, we shall fulfill corporate social responsibility (CSR) through the guiding principles as enumerated below:
1. Proper pursuit of corporate governance.
 2. Environment for Sustainable Development.
 3. Protection of Public Interests.
 4. Enhance disclosure of corporate social responsibility information.
- Article 5: Here at the Company, we shall we shall faithfully abide by the provisions of the laws and regulations, the contracts and related specifications signed with the competent authority(ies) (Taiwan Stock Exchange Corporation (TWEC) or Taipei Exchange (TPEX)) and should take into account the development trend of corporate social responsibility at home and abroad, the business activities of the Company itself and its group companies as a whole to formulate corporate social responsibility policies, systems or related management systems to be resolved in the board of directors.

Chapter II Exercising Corporate Governance

- Article 6: The Company's board of directors shall faithfully exercises due diligence as a *bona fide* administrator to urge enterprises to fulfill corporate social responsibility (CSR) and to assess the performance in hands-on practice with continual and uninterrupted enhancement to assure perfect implementation of the corporate social responsibility (CSR).
The Company's board of directors shall faithfully implement thoroughly corporate social responsibility (CSR) through the efforts as enumerated below:
1. Include CSR in the Company's business activities and development directions.

2. Propose CSR missions (or visions, value) and establish the CSR policy and statement.
 3. Ensure the disclosure of information in relation to CSR.
- Article 7: In an effort to enhance the management of corporate social responsibility, the Company should set up a full-time (part-time) unit to promote corporate social responsibility, assume the responsibility toward the proposal and implementation of corporate social responsibility policies or systems, and, on a regular basis, report the performance to the board of directors.
- Article 8: The Company should, toward respecting the rights and interests of the stakeholders, put forth maximum possible efforts to identify the stakeholders of the Company, and look into their reasonable expectations and needs through appropriate communication methods and through participation of the stakeholders, and properly respond to the important corporate social responsibility issues concerned by the stakeholders.
- Article 9: The Company shall, with reference to the Corporate Governance Best-Practice Principles for TSEC/TPEX Listed Companies and Ethical Code for Exchange-listed and/or OTC-listed Companies, set up effective corporate governance frameworks and relevant ethical standards/criteria to assure wholesome corporate governance.
- Article 10: In the business activities, the Company shall faithfully comply with laws and ordinances concerned, put into implementation thoroughly the key guidelines as enumerated below to formulate a sound ambiance for fair competition:
1. The Company should refrain from unfair competitions.
 2. The Company shall faithfully fulfill the obligation of tax payment.
 3. The Company shall faithfully upholds the policy of anti-bribery and corruption, and establishes an appropriate management system.
 4. Corporate donation in a manner consistent with the internal operating procedures.
- Article 11: The Company should, on a regular basis, organize corporate ethics oriented educational and training programs for directors, supervisors and employees, and publicize the key issues set forth under the preceding Paragraph, and combine them with the employee performance evaluation system to establish a very sound and effective reward and punishment system.

Chapter III Development of a sustainable environment

- Article 12: The Company shall faithfully comply with environmental laws and regulations and relevant international norms to properly protect the natural environment and should be committed to the goal of environmental sustainability when carrying out business activities.
- Article 13: The shall put forth maximum possible efforts to maximize the efficiency of the use of various resources and use recycled materials with low impact on the environmental load, so that the earth's resources can be put into sustainable use.
- Article 14: The Company shall set up appropriate environmental management system oriented to its industrial characteristics. The Company's environmental management system should include the key contents as enumerated below:
1. The efforts to collect and evaluate sufficient and timely information on the impact upon operating activities on the natural environment.
 2. The efforts to set up measurable goals and review on a regular basis the continuity and relevance of these goals.
 3. The efforts to review on a regular basis the progress of environmental sustainability goals or objectives.

- Article 15: The Company shall set up dedicated units or personnel toward environmental management to implement the environmental management related systems, and regularly sponsor environmental education courses oriented to both management and employees.
- Article 16: The Company shall take into account the impact upon ecological benefits, promote and educate consumers into the concept of sustainable consumption, and engage in research and development, production, and service operations in accordance with the following principles to minimize the impact upon the Company's operations on the natural environment:
1. The efforts to minimize resources and energy consumption of products and services.
 2. The efforts to minimize the discharge of pollutants, toxic substances and waste, and the waste should be properly disposed of.
 3. The efforts to enhance the recyclability and reuse of raw materials or products.
 4. The efforts to maximize the sustainable use of renewable resources.
 5. The efforts to prolong the durability of products.
 6. The efforts to maximize the effectiveness of products and services.
- Article 17: In an attempt to upgrade the efficiency of the use of water resources, the Company should properly and continuously use water resources and formulate relevant management measures toward such goals.
Amidst the routine business operation, the Company shall try to avoid contaminating water, air and land. In an event where contamination proves unavoidable, the Company should try its utmost to reduce the adverse effects on human health and the environment and adopt the best possible pollution prevention method, taking into account cost-effectiveness, technology and financial viability measures toward prevention and control technology.
- Article 18: The Company shall be closely watchful of the impact of climate change upon its operating activities and formulate the Company's energy-saving carbon reduction and greenhouse gas reduction strategies according to the operating conditions and greenhouse gas inventory results and further incorporate carbon rights acquisition into the Company's carbon reduction strategy planning into faithful implementation to minimize the potential impact upon the Company's operations on the natural environment.

Chapter IV Efforts to safeguard public interest in the entire society

- Article 19: The Company should faithfully comply with the relevant labor laws and regulations, protect the legitimate rights and interests of its employees, and honor internationally recognized basic human rights principles, including freedom of association, collective bargaining power, caring for underprivileged elements, prohibiting child labor, preventing and eliminating all sorts of forced labor, and eliminating potential discrimination in employment and hiring process. Under no circumstances shall the Company act to endanger the basic rights of workers.
Here at the Company, we firmly uphold the human resources policy, basic labor and human rights protection principles and establish appropriate management methods and procedures to assure faithful implementation.
The Company should firmly assure that in all its employment policy, the Company won't be in discriminative treatment such as gender, race, age, marital and family status. Under such sound policy, the Company would implement wholesome remuneration, employment conditions, training and promotion opportunities.
- Article 20: The Company shall provide employees with adequate information to enable them to

- fully understand their rights under the labor laws of the country where they operate.
- Article 21: The company shall provide and assure a safe and healthy work environment for the entire staff, including providing necessary health and first-aid facilities with efforts to minimize the risk factors in employee safety and health to prevent potential occupational disasters.
The Company shall implement safety and health education and training for employees on a regular basis.
- Article 22: The Company should create a good environment for employees' career development and establish an effective career development training program.
- Article 23: The Company shall set up sound channels for employees toward close and harmonious communications on a regular basis, so that employees will be entitled to obtain information and express their opinions about the Company's business management activities and decisions.
The Company shall uphold a policy toward the employee representatives to exercise the power to negotiate on working conditions, and provide employees with the necessary information and hardware facilities to promote consultation and cooperation among employers and employees as well as employee representatives.
The company shall keep the entire staff closely informed in a rational manner of the operation changes that may have a significant impact on employees.
- Article 23-1: The Company shall uphold a sound policy to treat its customers or consumers with its products or services in a fair and reasonable manner, including contractual fairness and integrity, attention and loyalty obligations, authentic advertising, solicitation of goods or services, notification and disclosure, in well balanced remuneration and performance, protection over appeals and grievance, professionalism of business personnel and other principles. Overall, the Company would formulate relevant implementation strategies and specific measures for hands-on practices.
- Article 24: The Company shall adhere to the ethics of product responsibility and marketing, formulate and disclose their consumer rights related policies with firm implementation of consumer rights related policies.
- Article 25: The Company shall faithfully assure the quality of its products and services in accordance with government regulations and relevant industry standards.
Toward marketing and advertising of products or services, the Company shall faithfully comply with government regulations and relevant international standards.
In all hands-on practices, the Company shall assure absolutely free of deception, misleading, fraud or any other behavior that damages consumer trust or damages consumer rights.
- Article 26: Toward the Company's products and services, the Company shall provide transparent and effective consumer grievance procedures, deal fairly and promptly with consumer grievance, and shall, meanwhile, abide by relevant laws and regulations and truly respect consumer privacy and with sound protection toward consumers in their personal information.
- Article 27: The Company shall evaluate the potential impact of procurement actions upon the environment and society of the supply source community, and shall, meanwhile, cooperate with suppliers to work together to enhance corporate social responsibility.
- Article 28: The Company shall evaluate and manage the impact of the Company's business operation upon the community and employ adequate and appropriate manpower to win enhanced community recognition.
By means of equity investment, business activities, in-kind donations, corporate volunteer services or other free professional services, the Company shall participate in community development and relevant activities of civic organizations related to community development and community education, charity organizations and local

government agencies toward sound community development.

Chapter V Effort to strengthen disclosure of information toward corporate social responsibility.

Article 29: The Company shall, in accordance with laws and ordinances concerned as well as Corporate Governance Best-Practice Principles for TSEC/TPEX Listed Companies, assure sound information disclosure to public and shall, meanwhile, adequately disclose relevant and trustworthy corporate social responsibility (CSR) to enhance transparency of information and data.

The Company disclosed relevant information on corporate social responsibility is as enumerated below:

1. Such corporate social responsibility governance mechanism, strategies, policies and management guidelines as resolved by the board of directors.
2. Throughout implementation of the risks and impacts of corporate governance, the development of a sustainable environment and the maintenance of social welfare on the Company's operations and financial status..
3. The Company's goals and measures toward corporate social responsibility.
4. Substantial performance in hands-on practice of corporate social responsibility (CSR).
5. Other corporate social responsibility (CSR) related information.

Article 30: The Company shall work out a corporate social responsibility report to disclose the situation of promoting corporate social responsibility the contents of which are as enumerated below:

1. The frameworks, policies and projects of actions toward implementation of corporate social responsibility (CSR).
2. The information of key related parties and the key issues within their concern.
3. The performance of implementation and assessment thereof regarding the Company's efforts toward promoting corporate governance, developing a sustainable environment and maintaining the performance and review of social welfare.
4. Future directions and goals for improvement.

Chapter VI Additional Rules

Article 31: The Company shall, as always, closely watch the development update in terms of domestic and international corporate social responsibility systems and changes in the corporate environment, and review and improve the corporate social responsibility system established by the Company to enhance the effectiveness of corporate social responsibility.

Article 32: These operating procedures and behavior guidelines shall be put into enforcement after being resolved in the board of directors and shall be reported to all supervisors and the shareholders' meeting. This same provision is applicable *mutatis mutandis* to an event of amendment.

Where these operating procedures and behavior guidelines are posed to the board of directors into discussion, the opinions of independent directors shall be taken into adequate account and their objective and reserved voices shall be expressly stated in the board of directors meeting minutes. An independent director who is unavailable to attend a board meeting to express his or her objective or reserved opinions shall state his or her opinions in writing in advance unless backed up with a justifiable reason and such opinions in writing shall be expressly stated in the board meeting minutes.

Date of enactment: The first enactment on December 31, 2014 as resolved by the board of directors simultaneously.

[Appendix IV]

TAISUN INT'L (HOLDING) CORP.
**Procedures for Ethical Management and Guidelines for Conduct (Before
amendments)**

Date of enactment: 2014.12.31

Article 1 (Purposes of enactment and scope of application)

The Company engages in business activities based on the principles of fairness, honesty, trustworthiness and transparency. Toward the goal to fulfill business policy of honesty and integrity with active efforts to guard against dishonesty pursuant to the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies, the laws and regulations prevalent in the venues where the Company and entire Group are located, the Company has elaborately worked out operating procedures and behavior guidelines to concretely regulate the entire staff of the Company toward the key points for attention amidst their implementation of business operation.

Article 2 (Target groups of application)

The term “the Company's personnel” as set forth in these operating procedures and behavior guidelines denotes the Company's directors, supervisors, employees, appointees and personnel with substantial power of control.

Where the Company's personnel provides, commits, requests or accepts unjust enrichment through a third party, the Company's personnel is presumed to have conducted such same act.

Article 3 (Unfaithful behaviors)

The term “unfaithful behaviors” as set forth in in these operating procedures and behavioral guidelines denotes the Company's personnel during the performing the business process in an attempt to obtain or maintain interests with behavior to directly or indirectly provide, accept, undertake or request any unjust enrichment or other acts to engage in breaches of good faith, unlawful act in breach of the fiduciary duty.

The targets of behaviors mentioned in the preceding paragraph include public servants, political candidates, political parties or party officials, as well as any public, private enterprises or institutions and their directors (trustees), supervisors (supervising personnel), managers, employees, and personnel with substantial control power or interest relationship.

Article 4 (Style of interests)

The term “interests” as set forth in these operating procedures and behavioral guidelines denotes cash, gifts, donations, commissions, positions, services, preferential treatment, rebates, facilitation fees, hospitality, entertainment and other valuable things in any forms or titles.

Article 5 (Dedicated unit(s))

Here at the Company, the General Manager Office is designated as the Dedicated Unit (hereinafter referred to as the Company's Dedicated Unit), under the success of the Board of Directors, to take charge of amendment, implementation, interpretation, consulting services and notification content registration, file construction and other related operations and supervision implementation, interpretation, consulting services and notification content registration, file construction and other related operations and supervision over these operating procedures and behavioral guidelines, notably the issues as enumerated below report to the board of directors:

1. Assisting in incorporating ethics and moral values into the company's business strategy and adopting appropriate prevention measures against corruption and

malfeasance to ensure ethical management in compliance with the requirements of laws and regulations.

2. Adopt programs to prevent unethical conduct, and set out in each program the standard operating procedures and guidelines for conduct with respect to the Company's operations and business.
3. Planning the internal organization, structure, and allocation of responsibilities and setting up check-and-balance mechanisms for mutual supervision of the business activities within the business scope which are possibly at a higher risk for unethical conduct.
4. Promoting and coordinating awareness and educational activities with respect to ethics policy.
5. Developing a whistle-blowing system and ensuring its operating effectiveness.
6. Assisting the board of directors and management in auditing and assessing whether the prevention measures taken for the purpose of implementing ethical management are effectively operating, and preparing reports on the regular assessment of compliance with ethical management in operating procedures.

Article 6 (Ban on providing or accepting unjust benefits)

Where the Company's personnel directly or indirectly provide, accept, commit or request interests as specified under Article 4, except the circumstances as enumerated below, all such acts shall not be undertaken unless consistent with the Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and these operating Procedures and behavioral guidelines:

1. Where such act(s) prove(s) oriented to business needs, amidst a visit in domestic (foreign) venue, reception of foreign visitors, promotion of business and communication coordination according to habits or customs prevalent locally.
2. Pursuant to normal social etiquettes, customs, business purpose or promotion relationship, participation in or invitation to others in a sound social activity.
3. A need to invite customers or be invited to participate in business events, commercial affairs, official calls or visits.
4. Participation in publicly held events with invitation toward folk festivals under the auspices of general public.
5. Incentive award, rescue, condolences or consolation rendered by a department head.
6. Money in cash, property or other benefits provided to or received from those people other than relatives or frequent friends, in the market value below NT\$1,000; or as gifts provided by other people to the Company's personnel in the total market value below NT\$7,500. Within a same year, the total value of properties or gifts provided from a same source shall not exceed NT\$10,000 in maximum.
7. The total market value of the presents or properties offered or donated in such events as engagement, marriage, childbirth, relocation, employment, promotion, retirement, resignation, severance and the death of the spouse or immediate family shall not exceed NT\$7,500.
8. Other events consistent with the Company's rules or without involvement in unlawful gains.

Article 7 (Procedures to deal with acceptance of unjust enrichment)

Where any other people commit or offer the interests as defined under Article 4 either directly or indirectly, that issue shall be duly handled in accordance with the following terms except an event consistent with those aforementioned paragraphs:

1. Where the source or donor proves irrelevant to duties in business, the case shall be reported to the immediate department head and to the Company's Dedicated Unit as necessary within three days from the date of acceptance.
2. Where the source or donor proves in involvement of interest relationship, the offer

shall be rejected or returned and the case shall be reported to the immediate department head and to the Company's Dedicated Unit as necessary. Where return of the offer proves impossible, the offer shall be submitted to the Company's Dedicated Unit within three days from the time point of acceptance.

The term "interest relationship with business duty" as set forth in the preceding Paragraph denotes any one among those circumstances enumerated below:

1. In such interest relationship with business transaction, command supervision or cost supplement (reward) assistance and the like.
2. Such interest relationship amidst seeking, entering or having executed a contract or in any other contractual relationship.
3. Other interest relationship where a business decision, an act by the Company to implement or not to execute would lead to a favorable or unfavorable effect.

The Company's Dedicated Unit shall, as far as possible the attribute and value of the interests mentioned under Paragraph 1 are concerned, offer suggestion to return, accept with pay, to offer to the Company, to convert to charity or other ideas as appropriate and the suggestion so offered shall be put into implementation after being submitted and approved.

Article 8 (Procedures to ban meddle/mediate and the handling procedures)

Under no circumstances shall the Company provide or commit to meddle/mediate related fee.

Whenever a person of the Company provides or commits to meddle/mediate fee under intimidation or threat, he or she shall record the entire process and report to the Company's Dedicated Unit.

The Company's Dedicated Unit shall deal with the case forthwith upon receipt of the notice, reassess the relevant issues to minimize potential risks. Report the case of the judicial authority forthwith where a case proves unlawful.

Article 9 (Procedures to deal with political donation)

The Company shall provide political donation in the following manners, and shall report the case to the competent head and report to the Company's Dedicated Unit. The political donation shall not be offered until being submitted and resolved in the board of directors **in case of in excess of NT\$150,000**.

1. Check and verify that the donation is consistent with laws and ordinances concerned prevalent in the country of the donation recipient, including the maximum limit and form of political donation.
2. The resolved decision shall be recorded in writing.
3. The political donation shall be entered into account exactly according to laws and ordinances concerned and accounting guide.
4. With political donation, the Company shall refrain from business transaction, application for permit or other public interest with the government authorities involved in the political donation.

Article 10 (Procedures on donation or support to charity)

The Company shall offer or support charity in the following means, report to the competent head and the Company's Dedicated Unit and shall further obtain approval from the board of directors in case of **an amount up to NT\$500,000 up**.

1. The donation shall conform with laws and ordinances concerned prevalent in the venue where the Company operates business.
2. The resolved decision shall be recorded in writing.
3. The donation should be a charity institution and the donation should not be bribery in a disguised form.
4. The feedback obtainable from the donation shall be definite and rational and shall not involve a business counterparty or interested party of the Company.

5. On a charity donation or support, the Company shall check and make sure of the cash flow which should conform with the purposes of donation.

Article 11 (Avoidance from conflict of interests)

The Company's directors, supervisors, managers and other stakeholders who attend or sit in on a board meeting shall be highly self-disciplined and have a stake in the board of directors' proposals and have legal interests with themselves or their legal representatives, and should expressly explain their interests at the current board meeting amidst the important content of the relationship. In a motion harmful to the Company, they shall not join the discussion and vote and should not exercise the right to vote themselves or on behalf of another director. Directors shall strictly self-disciplined themselves and shall not inter-support among themselves.

Where carrying out the Company's business while the personnel of the Company find themselves or the juristic person represented by them in a conflict of interests or likely in conflicts of interests of themselves, their spouse, parents, children or a person with whom they have a harmful relationship to obtain unjust benefits, such personnel shall report the facts to the immediate supervisor and the Company's Dedicated Unit at the same time, and the immediate supervisor should provide appropriate guidance in response.

Under no circumstances shall the Company's personnel use the Company's resources into commercial events beyond the Company nor shall they adversely affect performance of duty because of participation in activities beyond the Company.

Article 12 (Confidentiality mechanism, the organization and responsibility)

The Company shall duly set up the dedicated unit(s) to assume the responsibility for the formulation and execution of the Company's business secrets, trademarks, patents, works and other intellectual property management, preservation and confidential operation procedures, and should periodically review the implementation results to ensure the continued effectiveness of such operation procedures.

The Company's shall faithfully comply with the operating rules involving intellectual property rights and under no circumstances shall they divulge the Company's business secrets, trademarks, patents, works and other intellectual property to others, nor shall they pry into or collect non-job related company business secrets, trademarks, patents, works and other intellectual property.

Article 13 (Ban on divulgence of business secrets)

This Corporation shall follow the Fair Trade Act and applicable competition laws and regulations when engaging in business activities, and may not fix prices, make rigged bids, establish output restrictions or quotas, or share or divide markets by allocating customers, suppliers, territories, or lines of commerce.

Article 14 (Product safety & security)

Toward the rules and regulations, international specifications which the Company should comply with for its products and services, the Company shall put forth maximum possible efforts to collect and look into and shall assemble the key points for attention into public announcement. Through such efforts, the Company's personnel would ensure the transparency and security of information of products and services in the process of research and development, procurement assure the transparency and security of information of products and services.

The Company has duly enacted and promulgated through its website the stakeholder and customer protection policy to prevent potential impairment toward customers or other stakeholders from impairment, either directly or indirectly to, in turn, safeguard their interests, health, safety & security.

Whenever mass media reports or facts indicate that the Company's products, services are likely harmful to customers or other stakeholders in safety & security and health, the

Company shall immediately discontinue such products and services within thirty days and shall, meanwhile, check and make sure of the facts and work out corrective action and countermeasures.

The responsible unit of this Corporation shall report the event as in the preceding paragraph, actions taken, and subsequent reviews and corrective measures taken to the board of directors.

Article 15 (Ban on insider trading and confidentiality obligations)

All Company personnel shall adhere to the provisions of the Securities and Exchange Act, and may not take advantage of undisclosed information of which they have learned to engage in insider trading. Personnel are also prohibited from divulging undisclosed information to any other party, in order to prevent other party from using such information to engage in insider trading.

Other institutions and the personnel participating in merger, demerger, acquisition and share transfer, important memorandums, strategic alliance, other material information in business cooperation, key contracts shall execute confidentiality agreements with firm commitment that under no circumstances shall they divulge the Company's business secrets or other significant information known to them to others. They shall, meanwhile, not use such confidential information unless agreed upon by the Company.

Article 16 (Announcement of policy of ethical management to outside parties)

The Company shall disclose its Best-Practice Principles on Good Faith Management through internal rules and regulations, Company website other publicity and promotion papers in due time so that all the Company's suppliers, customers or other business related institutions and personnel would be expressly aware of the Company's Best-Practice Principles on Good Faith Management.

Article 17 (Evaluation of Best-Practice Principles on Good Faith Management before setup of commercial relationship)

Before setting up commercial relationship with others, the Company shall evaluate agents, suppliers, customers and other business counterparts to check and make sure of their legality, good faith management performance and records about their previous involvement in unfaithful behaviors, Through such efforts, the Company will definitely assure fair, transparent business transaction without being requested to provide or accept bribery.

In the evaluation process as mentioned in the preceding Paragraph, the Company may adopt audit procedures as appropriate to look into the countermeasures of business transaction and their good faith management performance.

1. The enterprise's nationality, location of business operations, organizational structure, and management policy, and place where it will make payment.
2. Whether or not that enterprise has set up Best-Practice Principles on Good Faith Management and put it into sound implementation.
3. Whether enterprise's business operations are located in a country with a high risk of corruption.
4. Whether or not that enterprise has been in a business line subject to high risk and bribery.
5. Performance in long-term business management and goodwill.
6. Look into its business partners about the hands-on performance.
7. Whether or not that enterprise has involved in bribery, political donation and such records of unfaithful behaviors.

Article 18 (Explanation toward commercial countermeasures about Best-Practice Principles on Good Faith Management)

In the entire process of business transaction, the Company's personnel shall expressly explain toward the countermeasures the Company's good faith management

performance and policy and shall definitely reject provision, commitment, request or acceptance of unjust benefits in any form or any title, either directly or indirectly.

Article 19 (Prevention of transaction with unfaithful counterparts)

The Company's personnel shall refrain from business transaction with an agent, supplier, customer or other commercial counterparty with unfaithful records. Whenever a counterparty in business is found with a record of unfaithful behaviors, the Company's personnel shall immediately discontinue business transaction so as to implement thoroughly good faith management policy.

Article 20 (Definite good faith management policy into a contract or an agreement.)

Upon execution of a contract with a counterparty, the Company shall definitely and adequately look into the faith management policy of that counterparty and shall have the hands-on performance in the faith management policy into the contract clauses. The contents of that contract or agreement shall expressly cover the following as the minimum:

1. Whenever either party knows that a person has violated the terms of the prohibition by receiving commissions, rebates or other unjust benefits, that party shall inform the other party of the identity, facts of provision, acceptance, request or accept of such persons, the amount or other unjust benefits and shall further provide relevant evidence and cooperate with other in the entire investigation process. Either party who has been impaired may claim the other for damage indemnity and may deduct such damage indemnity with the amount(s) payable under the contract.
2. Where either party proves involvement in unfaithful behaviors amidst the commercial activities, the other is entitled to have the Agreement terminated forthwith and unconditionally.
3. The Company shall expressly provide rational terms of payment, including venue, method of payment which shall be consistent with the laws and ordinances concerned prevalent in the local taxation authority.

Article 21 (Measures to deal with the Company's personnel who get involved in unfaithful behaviors)

As an incentive to insiders and outsiders for informing of unethical or unseemly conduct, this Corporation will grant a reward of depending the seriousness of the circumstance concerned. Insiders having made a false report or malicious accusation shall be subject to disciplinary action and be removed from office if the circumstance concerned is material.

This Corporation shall internally establish and publicly announce on its website and the intranet, or provide through an independent external institution, an independent mailbox or hotline, for Company insiders and outsiders to submit reports. A whistleblower shall at least furnish the following information:

1. Use the informant's name, Serial number of ID Card to contact the whistleblower through his or her address, phone number, e-mail.
2. the informed party's name or other information sufficient to distinguish its identifying features.
3. specific facts available for investigation.

Company personnel handling whistle-blowing matters shall represent in writing they will keep the whistleblowers' identity and contents of information confidential. This Corporation also undertakes to protect the whistleblowers from improper treatment due to their whistle-blowing.

The Company's Dedicated Unit shall take charge of the case through the procedures below:

1. The case should be reported to the department if the reported issue involves general staff and should be reported to the independent director(s) or supervisor(s) if the

- reported issue involves a director or a ranking executive.
2. The responsible unit of this Corporation and the department head or personnel being reported to in the preceding subparagraph shall immediately verify the facts and, where necessary, with the assistance of the legal compliance or other related department.
 3. Where the alleged offender proves to have indeed violated the relevant laws or the Company's integrity management policies and regulations, the alleged offender should be immediately asked to stop the relevant behavior and be appropriately disposed of, and if necessary, through legal procedures to claim the alleged offender for damage indemnity so as to safeguard the Company in goodwill and interests.
 4. Documentation of case acceptance, investigation processes and investigation results shall be retained for five years and may be retained electronically. In the event of a suit in respect of the whistleblowing case before the retention period expires, the relevant information shall continue to be retained until the conclusion of the litigation.
 5. With respect to a confirmed information, this Corporation shall charge relevant units with the task of reviewing the internal control system and relevant procedures and proposing corrective measures to prevent recurrence.
 6. The responsible unit of this Corporation shall submit to the board of directors a report on the whistleblowing case, actions taken, and subsequent reviews and corrective measures.

Article 22 (Measures to deal with the others who engage in unfaithful behaviors against the Company)

Whenever others are found to engage in unfaithful behaviors against the Company with behaviors unlawful, the Company's personnel shall report such fact to the judicial authority and to the clean and uncorrupt practice authority if such others are public servants in a government authority.

Article 23 (Setup of rewarding and punishment, grievance and penalty with disciplines)

The Company's Dedicated Unit shall launch internal publicity either on a regular basis or from time to time on a nonscheduled basis every year and shall arrange the chairman, general manager or ranking management to publicize the key importance of Best-Practice Principles on Good Faith Management toward directors, employees and appointees.

The Company shall have faith management policy covered into the Company's policies in human resources, performance evaluation to set up express and definite systems in rewarding and punishment and grievance.

Whenever the Company's personnel prove in contravention of faith management policy with significant offense, the Company shall dismiss or discharge such personnel in accordance with laws and ordinances concerned or the Company's personnel rules.

The Company shall disclose through its internal website the position titles, names, dates of violation, contents of offense and results of settlement about the aforementioned personnel in contravention of faith management policy.

Article 24 (Enforcement)

These operating procedures and behavioral guidelines shall be put into enforcement after being resolved in the board of directors and shall be reported to the supervisors and shareholders' meeting. This same provision is applicable *mutatis mutandis* to an event of amendment.

When these Procedures and Guidelines are submitted to the board of directors for discussion, each independent director's opinions shall be taken into full consideration, and their objections and reservations expressed shall be recorded in the minutes of the board of directors meeting. An independent director that is unable to attend a board

meeting in person to express objection or reservation shall provide a written opinion before the board meeting unless there is a legitimate reason to do otherwise, and the opinion shall be recorded in the minutes of the board of directors meeting.

[Appendix V]

(Chinese translation version)

Outlines of Articles of Incorporation and Articles of Incorporation in the 4th amendment and restatement.

TAISUN INT'L (HOLDING) CORP.

(To come into effect after being resolved in the special resolution on June 28, 2019)

**Company Act of the British Cayman Islands (and the amendment thereof)
Co., Ltd.**

Outlines of Articles of Incorporation in the 4th amendment and restatement

TAISUN INT'L (HOLDING) CORP.

(To come into effect after being resolved in the special resolution on June 28, 2019)

1. The Company is named Tai Cheng International (Holding) Co., Ltd.
2. The Company has been registered at the venue where Offshore Incorporation (Cayman) Limited is located, i.e., Floor 4, Willow House, Cricket Square, P O Box 2804, Grand Cayman KY1-1112, the British Cayman Islands or other venue resolved by the board of directors thereafter.
3. The Company has been free of restriction in terms of purposes of incorporation and the Company is entitled to engage in any business lines which are not banned by the Company Act of the British Cayman Islands (and the amendment thereof)
4. The Company is entitled to engage in any behaviors to be taken by natural persons (individuals) with full disposing capacity in accordance with Company Act of the British Cayman Islands (and the amendment thereof)
5. Notwithstanding the aforementioned provisions, until the relevant license(s) is(are) obtained by the Company in accordance with Banking Act and Trust Company Act (and the amendment thereof), the Company shall not engage in banking or trust business. Until the relevant license(s) is(are) obtained by the Company in accordance with Insurance Act (and the amendment thereof), the Company shall not engage in insurance business or business as an insurance agent, insurance manager, broker on the British Cayman Islands. Until the relevant license(s) is(are) obtained by the Company in accordance with Companies Management Law and the amendment thereof, the Company shall not engage in any management business.
6. Other than the efforts to run business beyond the British Cayman Islands, the Company shall not engage in any business transaction with any people, office or company on the British Cayman Islands. The provisions set forth under this Article, nevertheless, could not be interpreted to restrict the Company from execution of a contract on the British Cayman Islands and from the powers to implement business operation beyond the British Cayman Islands.
7. The obligations to be assumed by all shareholders toward the Company are restricted upon the outstanding payment of the subscribed investment.
8. The Company holds authorized capital at NT\$1,000,000,000, divided into 100,000,000 common shares at NT\$10.00 par value. In accordance with Company Act of the British Cayman Islands (and the amendment thereof) or these Articles of Incorporation, the Company redeems or repurchases shares, divides or integrates shares, put the original, redeemed, increased or decreased capital into auxiliary (or without) preference, preferred, deferred rights or restricted shares either in whole or in part. Unless otherwise expressly specified in the issuance clauses, all issued shares, either common shares or preferred shares, the rights borne thereby would be exactly same as the shares previously issued by the Company.
9. Where the Company is registered as an exempted company, the business operation shall be subject to restrictions under Article 174 of the Company Act of the British Cayman Islands (and the amendment thereof).

Articles of Incorporation in the 4th amendment and restatement

TAISUN INT'L (HOLDING) CORP.

(To come into effect after being resolved in the special resolution on June 28, 2019)

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**Articles of Incorporation in the 4th amendment and restatement
TAISUN INT’L (HOLDING) CORP.**
(To come into effect after being resolved in the special resolution on June 28, 2019)

Laws in the Company Act of the British Cayman Islands (as defined hereunder) shown in Appendix I, Table A do not apply to the Company

Interpretation

1 Definition

- 1.1 Articles of Incorporation in the present amendment and restatement shall be defined as below where the following wording does not conflict with the context:

“Applicable laws”	Referring to Regulations Governing Listed Public Companies, Company Act of the British Cayman Islands or other regulations, laws and ordinances applicable to the Company.
“Regulations Governing Listed Public Companies”	Referring to the laws, rules and regulations of the Republic of China (including but not limited to Company Act, Securities and Exchange Act, the laws promulgated by the Financial Supervisory Commission (as defined hereunder), the rules and regulations promulgated by Taiwan Stock Exchange Corporation (TWSE) or Taipei Exchange (TPEX) (as defined hereunder) enacted by the relevant competent authority(ies) aiming at listed public companies or any and all TWSE/TPEX listed companies in the Republic of China and the subsequent updates thereof as requested by the competent authority(ies) to apply to the Company.
“Articles of Incorporation”	Referring to these Articles of Incorporation updated from time to time
“Audit Committee”	Referring to the Audit Committee under jurisdiction of the Board of Directors to be organized by the Company's independent directors in full.
“Board of Directors”	Referring to the Board of Directors assigned by elected in accordance with these Articles of Incorporation to exercise the powers and authorities in the Board of Directors up to the specified quorum specified under these Articles of Incorporation.
“Capital reserves”	Toward the objectives of these Articles of Incorporation, referring to the amount of the issued shares of the Company with premium added with donation in accordance with the Company Act of the British Cayman Islands.
“Chairman”	Referring to all directors who elect the chairman of the board of directors from among directors themselves.

“The Company”	TAISUN INT’L (HOLDING) CORP.
“Remuneration Committee”	Under the jurisdiction of the board of directors, the committees of various functions to be organized by professionals in accordance with Regulations Governing Listed Public Companies
“Accumulated balloting system”	Referring to the balloting mechanism to elect directors in accordance with Article 35.2 of the Articles of Incorporation.
“Director”	Referring to the Company's incumbent directors including any and all independent directors.
“Electronic records”	Duly defined as per <Electronic Transaction Act>.
“Electronic Transaction Act”	Referring to <Electronic Transaction Act> of the British Cayman Islands (As amended in 2003).
“Emerging stocks”	Referring to the emerging stock markets in the Republic of China
“kindred within the 2nd tier under the Civil Code”	For any person, it refers to that the other person has a relative relationship with such person due to blood or marriage and is a blood relative within the second degree of kinship should include any such person’s parents, siblings, grandparents, children, grandchildren of the person, and parents, siblings, and grandparents of the spouse of such person.
“Financial Supervisory Commission”	Referring to the Financial Supervisory Commission of the Republic of China.
“Independent Director”	Referring to independent directors elected in accordance with Regulations Governing Listed Public Companies or these Articles of Incorporation.
“Joint operating contract”	Referring to a contract executed by any company with others or other institutions where under all parties agree to jointly operate a certain business in accordance with the terms and conditions set forth under the contract to jointly bear the loss and jointly enjoy the profits.
“Company Act of the British Cayman Islands”	Referring to the Company Act and all current laws prevalent in the British Cayman Islands, the amendment, enactment anew or amendment thereof.
“Lease agreement on business operation”	Referring to an agreement or agreement executed by any company with another where under the company would lease its necessary machinery and equipment and assets to the counterparty, where that another would operate business in full in its own company name. The company would receive from another the remuneration as accorded beforehand as the consideration.
“Litigious, non-litigious affairs agent”	Referring to the facts where for the documents in a venue of relevant jurisdiction the Company should receive, the Company would designate agent of service in accordance with the applicable laws and to serve as the responsible person for the Company within the territories of the Republic of China in accordance with the Securities and Exchange Act of the Republic

of China.

“Agreement on commissioned business operation”	Referring to an agreement or accord executed by any company with another. Under the agreement or accord, that company commissions the counterparty to operate business in the name of that company for the interest of that company. That company would pay remuneration to the counterparty in the amount as accorded beforehand. The profit and loss of that business shall still be entitled to and borne by that company.
“Market Observation Post System (MOPS)”	Referring to the declaration system for public companies under maintenance by the Taiwan Stock Exchange Corporation (TWSE) (as defined hereunder)
“Shareholder”	Referring to the shareholders holding the Company's shares as registered in the register of shareholders. Where shares are held and registered for two or more two persons, the first registered in the register of shareholders shall be registered as the joint holder or joint holder in full, as applicable as per context.
“Outlines of Articles of Incorporation”	Referring to the Outlines of the Articles of Incorporation.
“Consolidated”	Referring to the transactions defined below: (c) The “merger/acquisition (M&A)” or “merger” as defined under the Company Act of the British Cayman Islands; or (d) Other absorption merger and/or newly incorporated merger consistent with Regulations Governing Listed Public Companies.
“Month”	Referring to calendar month
“Notice”	Referring to the documented notices under these Articles of Incorporation unless otherwise specified
“Manager”	Referring to any person appointed by the board of directors to serve the Company with duties.
“Ordinary resolution”	Referring to the resolutions resolved by a simple majority of the attending shareholders (either in person or through proxy agents) at the shareholders’ meeting of the Company (or, if specifically indicated, the shareholders’ meeting holding specific types of shares) (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)
“Preferred shares”	As defined under Article 6 of the Articles of Incorporation.
“Private placement”	Referring to the <u>securities</u> offered by the Company through private placement in accordance with <u>Regulations Governing Listed Public Companies</u> emerging stocks or registered during TWSE/TPEX listing in the Republic of China.
“List of director and	The rosters of directors and managerial officers as defined under

manager”	Articles of Incorporation in Article 42
“List of shareholders”	Referring to the register of shareholders prepared by <u>the</u> Company in accordance with the Company Act of the British Cayman Islands and in case of emerging stocks or registered during TWSE/TPEX listing in the Republic of China, it would refer to the register of shareholders prepared by <u>the</u> Company in accordance with Regulations Governing Listed Public Companies
“Venues of registration”	Referring to the venue at the time when <u>the</u> Company proceeded with registration
“Restricted stocks”	As defined under Article 2.5 of the Articles of Incorporation.
“R.O.C.”	Referring to Republic of China on Taiwan
“Stamp”	Referring to the seal in <u>the</u> Company’s general use or official seal or duplicate seal.
“Secretary”	Any person appointed to perform all <u>the</u> Company's secretarial duties, including any acting or assistant secretary and any person appointed by the board of directors to perform that secretarial duties.
“Shares”	Refers to <u>the</u> Company's shares of NT \$ 10.00 per share
“Special resolution”	When not in contravention of the Company Act of the British Cayman Islands, it refers to a decision resolved in the Company's shareholders’ meeting which is attended by shareholders entitled to voting powers either in person or through proxy agents, or the representatives authorized lawfully by juristic person shareholders or non-natural person (individual) shareholders through two-thirds majority at least after calculation of the voting power entitled to each and every shareholder. (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)
“Affiliates”	In terms of any single company, it refers to (1) a company with total shares with voting powers for outstanding issued shares or total capital held by that company either directly or indirectly by one half majority; or (2) a company with direct or indirect control power over personnel, finance or business operation of that company.
“Major resolution”	With participation by shareholders representing two-thirds majority of the Company's total outstanding issued shares, it refers to a decision resolved by one half majority of the participating shareholders; or in the event where the total shares represented by the participating shareholders are less than two-thirds of the Company's total outstanding issued shares but are one half majority of the Company's total outstanding issued shares, a decision resolved by two-thirds majority of the participating shareholders. (For such purposes, shareholders having attended the meeting but not having exercised voting powers are deemed

having withdrawn from exercise of the voting powers but shall still be counted into the number of voting powers having participated in the meeting)

“Taipei Exchange”

Referring to Taipei Exchange (TPEX).

“Treasury stock”

Referring to treasury shares held by the Company in accordance with Company Act of the British Cayman Islands and these Articles of Incorporation.

“Taiwan Depository & Clearing Corporation”

Referring to Taiwan Depository and Clearing Corporation (TDCC).

“Taiwan Stock Exchange Corporation”

Taiwan Stock Exchange Corporation.

“Year”

Calendar year

1.2 Where the contents in the Articles of Incorporation are not in conflict:

- (a) A plural term contains singular, and *vice versa*.
- (b) A positive term contains negative and neutral implication
- (c) A person contains a company, organization or individual entity, disregarding whether it is a company
- (d) Wording (i) “may” could be interpreted as “okayed”
 - (ii) “Shall” should be interpreted into “must”
- (e) “In writing” and “written form” include the restated or duplicated wording, including electronic records;
- (f) Any laws or rules mentioned should include the supplementation, addition or enacted anew.
- (g) Unless otherwise specified, the wording and meaning defined under Company Act of the British Cayman Islands would be interpreted in a same manner, besides:
- (h) Unless otherwise specified in these Articles of Incorporation, the obligations and requests under Article 8 of Electronic Transaction Act are not applicable.

1.3 The sub-titles provided under this Agreement function to facilitate reference and shall not be taken to interpret these Articles of Incorporation.

Shares

2 Rights for issued shares

2.1 Unless otherwise provided in accordance with applicable laws, these Articles of Incorporation and otherwise resolved by the shareholders’ meeting, in the premises of not damage to the special rights of any existent shares or special holders, the board

of directors is entitled to, at its decision, issue any unissued shares of the Company under the conditions resolved at its discretion and where in the premise not in contravention of or in conflict with Article 6.1 of these Articles of Incorporation, the board of directors may, based on the ordinary resolution by the shareholders, issue any shares or share category aiming at dividend, voting power, return of capital or other issues with preferential power, deferred right or other special rights (including waiver for the issued shares or options of other categories, share subscription warrant and other rights). Except per the Company Act of the British Cayman Islands and Regulations Governing Listed Public Companies, nevertheless, the board of directors shall not issue share certificates with a discount.

- 2.2 Unless otherwise specified in these Articles of Incorporation, issuance of new shares by the Company shall be subject to consent by one-half majority vote of the participating directors who represent two-thirds majority of the total number of director seats and issuance shall only be within the authorized capital of the Company.
- 2.3 Where the Company applies to the Taipei Exchange (TPEX) for emerging stocks or is approved by the Taiwan Stock Exchange Corporation (TWEC) in the Republic of China and while the Company launches capital increase through cash injection within territories of the Republic of China, unless otherwise specified in the applicable laws or unless the Financial Supervisory Commission, Taiwan Stock Exchange Corporation (TWSE) or Taipei Exchange (TPEX) consider that the Company is not required or inappropriate to do so, the Company shall appropriate 10% of the new shares so issued into issuance to public within territories of the Republic of China (hereinafter referred to as **“the part into public sales”**); In the event that the shareholders’ meeting resolves a decision in an ordinary resolution or a decision in a higher ratio, that decision so resolved shall prevail and shares of such higher ratio shall be appropriated into the part into public sales. The Company may reserve a number not in excess of 15% of the total new shares so issued to be subscribed to by employees of the Company and its auxiliaries (hereinafter referred to as **“part for subscription by employees”**). On the new shares subscribed to by employees, the Company may restrict from transfer within the specified timeframe while such timeframe shall not exceed two years in maximum.
- 2.4 Unless resolved by the shareholders’ meeting by means of an ordinary resolution into a different decision, while the Company launches capital increase through cash injection in accordance with Article 2.3 of the Articles of Incorporation to issue new shares, after the Company duly appropriates the part into public sales in accordance with Article 2.3 of the Articles of Incorporation (to prevent potential ambiguity, it should include the new shares issued under in accordance with Article 2.3 of the Articles of Incorporation. The shares higher than 10% as resolved in the shareholders’ meeting shall be issued externally to the public within the territories of the Republic of China, the part in excess of 10% of the new shares so issued) and part for subscription by employees, the Company shall promulgate and notify the original shareholders who are entitled to preferentially subscribe to the remaining new shares. The Company shall declare in the aforementioned public announcement the method to exercise the privilege for preferential subscription. A shareholder who fails to exercise the subscription within the specified time limit shall be deemed to have forfeited such right. Where the shareholding ratio of an original shareholder is

inadequate to subscribe to one new share, the shareholding ratio may be consolidated in accordance with the terms resolved in the board of directors and Regulations Governing Listed Public Companies to jointly subscribe to one or multiple share(s) in the name of a single shareholder. Where an original shareholder does not subscribe to in full within the aforementioned timeframe, the Company may put it into open sales or approach a specific person to subscribe to for the unsubscribed portion in accordance with the Regulations Governing Listed Public Companies.

- 2.5 In the very premise not in contravention of or conflict with the applicable laws, the Company may, under a decision resolved in the shareholders' meeting in supermajority, issue new shares with restricted rights to employees (hereinafter referred to as "restricted stocks") to employees of the Company and its auxiliaries to which the provisions set forth under Article 2.3 do not apply. Where the shares are registered for emerging stocks or are listed in TWSE/TPEX in the Republic of China, the terms of the restricted stocks, including but not limited to number of issuance, price of issuance and other terms shall be consistent with the rules & regulations promulgated by the competent authority in charge of securities in the Republic of China.
- 2.6 The terms for preferential subscription for the shares by employees as set forth under Article 2.3 of the Articles of Incorporation and terms for preferential subscription for the shares by shareholders as set forth under Article 2.4 of the Articles of Incorporation do not apply to an event where the Company issues new shares due to the following purposes:
- (a) The Company proceeds with merger, demerger, or corporate reorganization.
 - (b) The obligations to be fulfilled by the Company for share subscription warrant and/or option powers, include those specified under Articles 2.8 and 2.11 of the Articles of Incorporation. The provisions for preferential subscription do not apply to shares issued to employees under Article 2.8 of the Articles of Incorporation.
 - (c) The Company issues restricted stocks in accordance with Article 2.5 of Articles of Incorporation.
 - (d) The Company fulfills the obligations under convertible corporate bonds or corporate bonds with warrants.
 - (e) The Company fulfills the obligations for preferred shares of corporate bonds with warrants.
 - (f) The Company issues share certificates in accordance with Article 14.6 or Article 17 of the Articles of Incorporation, or
 - (g) Where the Company proceeds with private placement of negotiable securities.
- 2.7 The Company shall not issue shares which the shares have not been paid or where the shares have been paid partially.
- 2.8 Notwithstanding the aforementioned provision set forth under Article 2.5 of the Articles of Incorporation, the Company may, with a decision resolved by one-half

majority of the participating directors who represent two-thirds majority of the total director seats for one or more employee incentive measure(s) and the Company may issue share subscription warrant, options or other similar securities toward employees of the Company and its auxiliaries. To prevent potential ambiguity, the aforementioned issues call for a pass in the shareholders' meeting through a resolution.

- 2.9 The options, share subscription warrant or other similar securities issued under Article 2.8 of Articles of Incorporation shall not be transferred except an event of inheritance.
- 2.10 The directors of the Company and its auxiliaries are not the targets entitled to incentives for the restricted stocks issued under Article 2.5 of the Articles of Incorporation and incentive measures under Article 2.8 of the Articles of Incorporation. In the event that a director is an employee of the Company and its auxiliary, nevertheless, that director is entitled to subscribe to the restricted stocks or participate in the incentive measures in the capacity of an employee (instead of a director).
- 2.11 For the incentive measures set forth under Article 2.8 of the Articles of Incorporation, the Company may execute an agreement with its own employees or employees of its auxiliaries with terms that within the specified time limit, the employees are entitled to subscribe the Company's shares at the specified quantity. In terms and conditions set forth under such an agreement, the restriction upon the employees shall not be less than the restrictions of the applicable incentive measures.

3 Redemption and re-purchase of shares

- 3.1 In the premise not in contravention of the Company Act of the British Cayman Islands, the Company is entitled to issue shares which the Company or shareholders are entitled to or should exercise right of redemption of redeem the options.
- 3.2 Within the scope of power authorized under the Company Act of the British Cayman Islands, the Company may be authorized to pay off shares with its own capital or through other account or other capital.
- 3.3 The redemption prices or the formula of calculation for the redeemable shares shall be expressly specified by the board of directors` before issuance of the shares.
- 3.4 For the redeemable share certificates, the share certificates shall expressly state on the share certificates that such shares are redeemable.
- 3.5 Where shares are registered as emerging stocks or listed in the TWSE/TPEX in the Republic of China, in the premise not in contravention of the applicable laws and these Articles of Incorporation, the Company is entitled to, by one-half majority vote of the participating directors who represent two-thirds majority of the total number of director seats, purchase back its own shares (including the redeemable shares) and, according to law applicable laws, hold such shares as treasury shares. Where the Company intends to purchase back shares from shareholders and intends to annul them forthwith, such purchase back shall be subject to resolution by the

shareholders' meeting through ordinary resolution. Besides, unless otherwise specified in the Company Act of the British Cayman Islands or Regulations Governing Listed Public Companies, the purchased back shares shall be annulled in accordance with the shareholding ratios of the respective shareholders on the date of annulment (to be rounded off to the nearest whole number).

For the shares purchased back and annulled as resolved in the shareholders' meeting through an ordinary resolution, the Company may pay off the shares in a means permitted under the Company Act of the British Cayman Islands, including cash and other properties. Where payment is made with other properties, nevertheless, the value of such properties shall: (a) be duly audited and certified by a certified public accountant in the Republic of China before the issue is submitted by the board of directors' to the shareholders' meeting for resolution as the very grounds to authorize purchase-back and to annul the Company's shares as authorized by the ordinary resolution, and (b) be subject to consent from all shareholders for payment with other properties. Notwithstanding the provisions set forth under Article 3.5 of the Articles of Incorporation, where the Company purchases back its shares for a change of denomination value, the Company is not required to obtain consent from the relevant shareholders to complete the change in the denomination.

- 3.6 Where the Company purchases back its shares as emerging stocks or TWSE/TPEX listing in the Republic of China, the Company shall, as required under Regulations Governing Listed Public Companies, report the facts of the decision resolved in the board of directors and implementation thereof to the most recent shareholders' meeting. This same provision is applicable *mutatis mutandis* to an event where the purchase-back as emerging stocks or TWSE/TPEX listing in the Republic of China is not implemented due to certain reasons.
- 3.7 During the period as emerging stocks or listed in TWSE/TPEX of the Republic of China, the Company is entitled to purchase back shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company is entitled to purchase back any shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China in the following manner:
- (a) The amount of the purchased back shares shall not exceed the amount of retained earnings deducted with the earnings to be allocated as already resolved in the board of directors or shareholders' meeting and the following already realized capital reserve;
 - (i) The premium revenue of disposed assets which have not been converted into retained earnings;
 - (ii) Aggregate total amount of the premium of issued shares and the amounts received by the Company as donated. Where the received objects are the Company's shares, such shares shall not be counted inclusive before being sold.
 - (b) The aggregate total of purchased back shares shall not exceed 10% of the total outstanding issued shares of the Company; and

- (c) The time point, price and other terms of purchase-back shall be resolved by the board of directors at its discretion; provided, that
 - (i) The relevant purchase-back transaction shall be duly conducted in accordance with the securities related laws prevalent in the Republic of China and the Regulations Governing Listed Public Companies; and
 - (ii) The relevant purchase-back transaction shall satisfy Company Act of the British Cayman Islands.
- 3.8 In the premise not in contravention of Article 3-5 of these Articles of Incorporation and Regulations Governing Listed Public Companies, the Company is entitled to, in any means as resolved in the board of directors` and where permitted under the Company Act of the British Cayman Islands, pay off purchase-back or redemption;
- 3.9 A delay in payment for redemption does not adversely affect redemption of the shares. In case of a delay more than thirty days, nevertheless, the Company shall pay interest for the period between the due date until the date of actual payment at the 30-day time savings deposit interest rate of a bank with Class-A license on the British Cayman Islands (as defined under the Banking & Trust Company Act of the British Cayman Islands) as anticipated and inquired by the board of directors.
- 3.10 Only in a circumstance and scope where shares cannot be redeemed by other means (or where the shares cannot be redeemed not as newly issued shares for such purposes) may the board of directors exercise the rights bestowed to the Company under Section 5, Article 37 of the Company Act of the British Cayman Islands (payment with fund appropriated from the capital).
- 3.11 Where within the aforementioned scope, the methods to exercise redemption of shares and the feasible method and on all potential problems to result therefrom, the board of directors may resolve a decision as appropriate at its discretion.
- 3.12 That part of shares shall not be redeemed unless the shares have been paid up in full.
- 3.13 The board of directors is entitled to, where permitted by applicable laws, designate any shares purchased back, redeemed or obtained due to waiver by the Company into treasury shares.
- 3.14 Treasury shares shall not be taken to allocate or pay off dividend to the Company, nor shall they be taken for any allocation of the Company's assets (disregarding in cash or in otherwise) to the Company (including allocation of any assets to shareholders when the Company is liquidated).
- 3.15 The Company shall enter the holders of treasury shares into the register of shareholders, provided, that
 - (a) The Company shall not be deemed as a shareholder for any purposes and the Company shall not exercise any rights over treasury shares. A right intended to be exercised shall be deemed null and void; and

- (b) In any sort of meeting of the Company, treasury shares shall not be taken to participate in voting process either directly or indirectly and for the purposes either under these Articles of Incorporation or the Company Act of the British Cayman Islands, whenever the aggregate total of outstanding issued shares is to be determined, treasury shares shall not be counted inclusive.

3.16 After the Company purchases back shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, any motion to transfer treasury shares to employees of the Company and its auxiliaries at a price lower than the rate averaged in the actual purchase back shall be duly resolved in the most recent shareholders' meeting through special resolution and the issues required under the Regulations Governing Listed Public Companies shall be expressly stated in the notice of the shareholders' meeting and shall not be posed by means of extemporaneous (unscheduled) motion. The accumulated aggregate total of treasury shares transferred to employees of the Company and its auxiliaries as resolved in the shareholders' meetings shall not exceed 5% of the total outstanding issued shares and the accumulated aggregate total subscribed to by each and every single employee shall not exceed 0.5% of the total outstanding issued shares. Where the Company purchases back its own shares and transfers them to employees, the Company may restrict them from being transferred within the specified time limit which, nevertheless, shall not exceed two years in maximum.

3.17 Unless otherwise specified in Article 3.16 of the Articles of Incorporation and the Regulations Governing Listed Public Companies, the Company is entitled to dispose of (annul or transfer) treasury shares in accordance with the terms and conditions as resolved by the board of directors in accordance with applicable laws.

4 Rights affiliated to the shares

Unless otherwise specified in Article 2.1 of the Articles of Incorporation. Outlines of Articles of Incorporation and these Articles of Incorporation where the Company assumes other obligations or bears other restrictions and shareholders resolve a different decision, within the scope of not impairing the special rights of the holders of any shares, the Company's shares shall be in a single category and the shareholders shall be subject to the provisions set forth under the Articles of Incorporation:

- (a) Each share is entitled to one vote.
- (b) Each share is entitled to dividend proposed by the board of directors and resolved in the shareholders' meeting.
- (c) Where the Company is liquidated or dissolved (disregarding compulsory liquidation or dissolution or at the board of directors' discretion, or for the purposes of reorganization or for other purposes, or for allocation of capital), each share is entitled to receive allocation of the Company's remaining properties; and
- (d) Each share is entitled to all rights generally added onto the shares.

5 Stock

- 5.1 The Company is entitled to issue physical share certificates or scripless (non-physical) issuance. Where the Company issues physical share certificates, all shareholders are entitled to certificates of the shares officially affixed with the Company seal (or duplicate copies thereof). Such seal shall be affixed by the board of directors based on its bestowed power and the share certificates shall expressly state the number of shares and categories thereof as held by the shareholders. The board of directors may resolve that under general or specific circumstances, the signature of any single share certificate may be provided by a machine or with printing. Where the shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, unless the Regulations Governing Listed Public Companies require issuance of physical share certificates, the Company shall issue shares in scripless (non-physical) form.
- 5.2 Where a share certificate is smeared, worn, lost or damaged, the board of directors may reissue new share certificate after evidence (exhibits) is(are) provided as satisfactory to board of directors. Where the board of directors considers appropriate, the board of directors may request compensation for a lost share certificate.
- 5.3 The Company shall not issue bearer's shares.
- 5.4 Where the Company issues physical share certificates in accordance with Article 5.1 of the Articles of Incorporation, the Company shall deliver the physical share certificates to the subscribers within thirty days after the date of issuance in accordance with the Company Act of the British Cayman Islands, Outlines of Articles of Incorporation, these Articles of Incorporation and the Regulations Governing Listed Public Companies. Before delivery of the share certificates, the Company shall promulgate such facts in accordance with Regulations Governing Listed Public Companies.
- 5.5 The Company shall issue scripless (non-physical) share certificates exactly in accordance with the Company Act of the British Cayman Islands and Regulations Governing Listed Public Companies. Besides, within thirty days after issuance of the shares, the Company shall deliver the scripless (non-physical) shares to the subscribers by means of book-entry transfer.

6 Preference shares

- 6.1 The Company is entitled to issue one or more than one shares with preferential or other special rights under a special resolution (hereinafter referred to as "preferred shares") and shall, meanwhile, duly update these Articles of Incorporation accordingly.
- 6.2 During the period as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the rights and obligations of the preferred shares shall be including (but not limited to) those as enumerated below and shall be consistent with the provisions set forth under the Regulations Governing Listed Public Companies:
- (a) The order to allocate dividends and bonuses for the preferred shares, at a fixed credit line or fixed ratio;

- (b) The order to allocate the Company's remaining properties, at fixed credit line or fixed ratio;
- (c) Priority order and restriction of the voting powers by preferred shareholders (including the right to declare no voting power):
- (d) The declaration by the Company when authorized or forced to redeem preferred shares, the method or not applicable terms; and
- (e) Issues regarding the rights and obligations affiliated to the preferred shares and other issues:

Registration of shares

7 Registry of shareholders

- (a) During the period of shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall prepare one register of shareholders at a venue beyond the British Cayman Islands as believed appropriate by the board of directors, to be duly maintained in accordance with Company Act of the British Cayman Islands and Regulations Governing Listed Public Companies..
- (b) Where the Company has not been registered as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company shall prepare such roster for share certificates in accordance with Article 40 of the Company Act of the British Cayman Islands.

8 The registered holder is the absolute owner

Unless otherwise specified in the laws and ordinances concerned

- (a) The Company is not required to acknowledge people who hold shares as a result of trust, and
- (b) Except shareholders, the Company is not required at all to acknowledge any people who might be entitled to any rights over the shares.

9 Transfer of registered shares

- 9.1 For shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the certificate and transfer of ownership shall be in a means consistent with Regulations Governing Listed Public Companies (including the means through book-entry transfer with centralized securities depository clearing)
- 9.2 Share certificates issued in a physical form shall be transferred in a general form in writing or other written form as resolved in the board of directors. Such papers in writing shall be signed by the transferor or in the name of the transferor or may only be signed by the transferee in writing where the board of directors requests. In the principle not in contravention of the aforementioned provisions, the board of directors may, in response to a request by the transferor or transferee, resolve a decision to accept written transfer with mechanical signature either generally or aiming at a certain case.

- 9.3 In a case of transfer with physical share certificates, the board of directors may reject to acknowledge any transfer related documents unless the relevant share certificates and other evidence (exhibits) rationally requested by the board of directors are provided to prove that the transferor is entitled to the transfer.
- 9.4 A co-holder of shares is entitled to transfer his or her shares to another or multiple other co-holders. An co-holder of the continuing shares with a deceased co-holder may transfer his or her shares to the person in execution or management of that deceased shareholder.
- 9.5 Where the registration of the said transfer would lead to a result as enumerated below, the board of directors may, without a need to provide any reason, reject at its discretion reject registration of the transfer of the physical share certificates: (i) In violation of the applicable laws; or (ii) In contravention of the Outlines of Articles of Incorporation or these Articles of Incorporation. Where the board of directors rejects registration for transfer of the shares, the secretary shall serve the notice of rejection by mail to the transferor and transferee within three months from the date on which the transfer registration is submitted to the Company.

10 Conversion of registered shares

- 10.1 Where a shareholder passes away where those other existing co-holders in the co-holding are in the individual holding of the shares, the statutory agent of such deceased holder shall be the sole person acknowledged by the Company to be entitled to the shareholders' equity for the deceased holder. The obligations incurred by the co-held shares with the properties of the deceased shareholder shall not be exempted because of provisions of these Articles of Incorporation. Pursuant to Article 39 of the Company Act of the British Cayman Islands, the term "statutory agent" as set forth in this Article denotes the executor or the custodian of the deceased shareholder or other person having been duly empowered by the board of directors at its discretion.
- 10.2 The person entitled to the shares held by a deceased shareholder or bankrupt shareholder may be registered as the shareholder or may designate another to be registered into shareholder when the board of directors considers adequate evidence (exhibits) to prove the facts.
- 10.3 Where a transferee submits the supporting documents to the board of directors in response to the request by the board of directors, that transferee shall be registered into the shareholder. Notwithstanding the aforementioned provisions, in the event that a shareholder having forfeited the right does not decease or go bankrupt, the board of directors is entitled to reject or suspend registration for that shareholder or reject registration in accordance with Article 9.3 of the Articles of Incorporation. Under any and all circumstances, the board of directors is entitled to equally reject or suspend the right for registration.
- 10.4 In the event that two or more people have been registered as the co-holders and one among the co-holder passes away, the surviving co-holder(s) are entitled to the absolute ownership of the shares. Except an event where that co-holder is the last surviving co-holder, the Company does not acknowledge a claim by any person over the inheritance of that co-holder.

Ordinary resolution, special resolution and supermajority resolution

11 Change in capital

- 11.1 The Company is entitled to change the issues as enumerated below amidst the Outlines of Articles of Incorporation by means of ordinary resolution:
- (a) Where the Company increases the capital as set forth under the ordinary resolution by means of issuance of new shares, the rights entitled to the shares acquired with such shares, in the said categories and amounts:
 - (b) Where the shares are consolidated or divided either in whole or in part into shares of larger denomination.
 - (c) For the purpose of the denomination of the converted shares, the share conversion of the shares of any denomination having been paid either in whole or in part.
 - (d) Where the existing shares are further divided into shares either in whole or in part into even smaller denominations; provided, that the paid shares or outstanding unpaid shares having been further divided (if any) shall be reduced *pro rata* to the division from the original shares. Besides, the Company is entitled to, by means of ordinary resolution, preference, deferment or other rights for the further divided shares and to the restrictions of other unissued shares or new shares of the Company.
 - (e) Annul shares having not been acquired or agreed upon by anybody on the date of resolution and annul the capital in the value equivalent to the annulled shares.
- 11.2 To accomplish the purposes of the Company with consolidation or division set forth under the preceding Article, the board of directors may take any measures it considers appropriate. In the premise not contrary to the aforementioned purposes. the board of directors may take actions including but not limited to issuance of shares manifesting the odd shares or selling the said odd shares and allocating the proceeds so obtained (after deducting the selling costs) to the shareholders entitled to the payments. Accordingly, the board of directors is entitled to authorize another to transfer such shares manifesting odd shares to the respective buyer(s) or resolve to pay the net balance after deducting the relevant expenses to the Company as the Company's interests. In case of an abnormality or invalidity during the procedures of sales, the respective buyer(s) shall assume no obligation of supervision and the interests of the holders remain unaffected.

12 special resolution and supermajority resolution

- 12.1 Under the premise not in contravention of the Company Act of the British Cayman Islands and these Articles of Incorporation, the Company may at any time through a special resolution:
- (a) Change the title;
 - (b) Amend or add to the Articles of Incorporation;

- (c) Amend or add to Outlines of the Articles of Incorporation regarding the purposes, powers or other specific key points of the Company;
 - (d) Reduce capital and redeem reserve for capital or
 - (e) Proceed with merger in accordance with Company Act of the British Cayman Islands
- 12.2 Where not in contravention of the Company Act of the British Cayman Islands, the Company is entitled to proceed with private placement for negotiable securities through a special resolution within territories of the Republic of China in accordance with Regulations Governing Listed Public Companies. Where the corporate bonds in private placement within territories of the Republic of China are not entitled to share subscription warrant, option, right of conversion or the rights to enable the corporate bond holders to obtain shareholders' equity or other similar rights, the Company may, as duly resolved by the board of directors in accordance with Regulations Governing Listed Public Companies, proceed with the private placement in respective batches within one year starting from the date of resolution by the board of directors.
- 12.3 When not in contravention of the Company Act of the British Cayman Islands and Article 12.4 of the Articles of Incorporation, the Company shall be subject to a permit from shareholders with a supermajority for any acts among any one among those circumstances enumerated below:
- (a) Use of the allocated dividends and/or bonus and/or other gains under Article 17 of the Articles of Incorporation to expand capital.
 - (b) Merger (Except "Merger/acquisition (M&A) and/or Merger" satisfactory to the Company Act of the British Cayman Islands which call for only special resolution) or demerger;
 - (c) Execution, change or termination of lease agreement on business operation, agreement on commissioned business operation or joint operating contract;
 - (d) Transfer of operation or properties in full or for majority or
 - (e) Acquisition or inward transfer of others' properties in full which would have significant impact upon the Company's business operation.
- 12.4 When not in contravention of the Company Act of the British Cayman Islands, the Company may dissolve itself at its discretion through a resolution adopted in the following manners:
- (a) When the Company dissolves itself at its discretion because of insolvency for liabilities due, through an ordinary resolution; or
 - (b) When the Company dissolves itself at its discretion because of a fact set forth under Article 12.4 of the Articles of Incorporation, it calls for a special resolution.

- 12.5 When not in contravention of the applicable laws, the Company may, subject to supermajority resolution, allocate its capital reserve either in whole or in part to its shareholders *pro rata* to the respective shareholding ratios by means of issuance of new shares (as bonus shares) or in cash.

13 Changes in rights of shares

Regardless of whether or not the Company has conducted liquidation, where the Company's capital is divided into shares of different categories, unless otherwise specified by the issuance conditions of such shares, the rights borne by such shares may be changed in the shareholders' meeting of holders of shares in that category through a special resolution. Notwithstanding the aforementioned provisions, where any amendment to or change in the Articles of Incorporation would impair the preferential rights of shares in any category, such amendment or change shall be subject to a pass with a special resolution and further a pass in a special resolution adopted in a shareholders' meeting convened by such impaired shareholders. Unless otherwise expressly specified in the terms of issuance of shares in that category, the preferential rights or other rights entitled to holders of such shares shall remain unaffected by creation or issuance of other share certificates of the equivalent priority order. The provisions set forth under the Articles of Incorporation regarding shareholders' meeting are *mutatis mutandis* applicable to the shareholders' meeting of holders of shares in the said categories.

For dividend and expansion of share capital.

14 Dividends

- 14.1 After a pass with an ordinary resolution in the shareholders' meeting or under a situation under Article 12.3(a) of the Articles of Incorporation, where not in contravention of these Articles of Incorporation and instructions by the shareholders' meeting, the board of directors may allocate dividend to shareholders *pro rata* to the respective shareholding ratios in either cash or stocks.
- 14.2 Where not in contravention of applicable laws, the Company shall not allocate dividend or other grants unless the Company allocates dividend or other grant with realized or unrealized profit, premium in share issuance account or other reserve, reserve fund or other sums permitted under the Company Act of the British Cayman Islands. Unless otherwise specified in the rules for rights affixed to the shares, all dividends and other grants shall be duly calculated based on the respective shareholding ratios of shareholders. When under the conditions for issuance of shares, the dividends shall begin to run on a specific date, the dividend for such shares shall be duly calculated accordingly.
- 14.3 Other than dividends to be allocated after closure of every fiscal year, the Company may, as well, allocate *interim* dividends on a quarterly basis. Where the board of directors resolves not to allocate interim dividend, the board of directors shall, after a relevant quarter, confirm no allocation of *interim* dividends through a resolution. Upon allocation of dividend after end of a fiscal year, the Company shall faithfully comply with the requirements and procedures set forth under Articles 14.4 to 14.6; 14.10 to 14.12 of the Articles of Incorporation. Upon allocation of quarterly dividend, the Company shall faithfully comply with the requirements and procedures set forth under Articles 14.7 to 14.12 of the Articles of Incorporation.

- 14.4 Unless otherwise specified in the Company Act of the British Cayman Islands, these Articles of Incorporation or the rights affixed to the shares, the Company's earnings shall be allocated based on the ratio resolved in the board of directors and further resolved in the annual shareholder's meeting through an ordinary resolution.
- 14.5 In cases of profits for the year, the Company shall set aside no more than 2% to be the remuneration to directors and no less than 2% to be the employee bonus. However, in case of previous losses, the reimbursement amount shall be retained.

The employee bonus mentioned above should be paid in the form of cash or stock. It may be paid to the employees of the Company and affiliates who meet conditions determined by the board of directors of the Company. The employee bonus and remunerations to directors and supervisors in the Company shall be approved by more than half of the attending directors at a board meeting where more than two thirds of all directors shall be present.

- 14.6 The Company's operation remains in the growth stage. The dividends distribution will be decided by the board of directors at the shareholders meeting based on the earnings of each fiscal year, overall development, financial planning, capital demand, industry prospect, and prospects of the Company. For this purpose, the board of directors will make a proposal for such distribution. Amidst shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where the board of directors proposes for allocation of earnings, the following shall be amortized from the earnings of every fiscal year beforehand: (i) Taxes payable in a relevant fiscal year; (ii) Amount to make up previous loss, if any; (iii) Legal reserve at 10% (hereinafter referred to as "**legal reserve**") (Unless the legal reserve in accumulation is up to the total of paid-in capital) and (iv) special reserve as required by the competent authority of the Republic of China in charge of securities in accordance with Regulations Governing Listed Public Companies. The remaining earnings, if any, together with all or part of the undistributed earnings accumulated over prior years, may be distributed as dividends to shareholders according to shareholding ratios of the shareholders pursuant to the "Company Law of Cayman Islands" and the "Public Company Rules" after taking account of financial, business and operating factors, provided that the distributed amount will not be less than twenty percent (20%) of the after-tax earnings for the then-current year. The dividends to shareholders to be distributed shall take the forms of share dividends and cash dividends. However, the proportion of the cash dividends shall not be less than fifty percent (50%).
- 14.7 The Company may allocate *interim* dividends pursuant to the decision resolved in the board of directors. In the event that the *interim* dividend is to be allocated by means of the price of unissued shares which have been paid up in full, nevertheless, other than decision resolved in the board of directors, it further calls for a decision resolved in the shareholders' meeting through a supermajority.
- 14.8 For allocation of *interim* dividends, the motion for quarterly surplus earnings distribution or loss make-up shall be submitted along with the business report and financial statement (the financial statement shall be duly audited by certified public accountants in accordance with Regulations Governing Listed Public Companies) to the Audit Committee for resolution before being submitted to the board of directors for final decision.

- 14.9 Upon allocation of *interim* dividends, the Company shall (a) first estimate the amount to be reserved for taxes, (b) make up previous loss, if any and (c) amortize for legal reserve (unless the accumulated legal reserve is already up to the Company's paid-in capital).
- 14.10 The board of directors shall choose target (base) date to resolve shareholders entitled to the allocation of dividends or other grants.
- 14.11 To resolve shareholders entitled to allocation of dividends or other grants, the board of directors may resolve that change in register of shareholders shall not be permitted within a period of five days prior to the relevant target (base) date or other period consistent with provisions set forth under Regulations Governing Listed Public Companies and Company Act of the British Cayman Islands.
- 14.12 For unallocated dividends, the Company may not pay interest.

15 Appropriation of capital reserve and earnings

- 15.1 Before the allocation of dividends, the board of directors may amortize partially from the Company's earnings or profits allowance reserve that the board of directors considers appropriate to pay off contingent expenditure or make up a shortfall or other purposes of appropriate use. Before the said sum is put into use, the board of directors may resolve with its plenipotentiary power to use into investment as appropriate with the Company's business operation or as considered by the board of directors as appropriate at any time without a need to separate it with the Company's other assets. The board of directors may, as well, not amortize reserve fund and retain the unallocated profit.
- 15.2 When not in contravention of instructions from the shareholders' meeting, the board of directors may, on behalf of the Company, exercise the powers and options bestowed to the Company under the Company Act of the British Cayman Islands. The board of directors may, pursuant to the provisions set forth under the Company Act of the British Cayman Islands, take the capital reserve to make up accumulated loss and to allocate earnings on behalf of the Company.

16 Terms of payment

- 16.1 Payment of any dividends, interest or relevant cash payment may be conducted by means of remittance into the bank account designated (earmarked) by shareholders or by means of a check or draft to be mailed into the addresses of shareholders as per register of shareholders or toward a third party or other address as designated by a shareholder in writing.
- 16.2 In case of co-held shares, any cash payment for dividend, interest or payment linked up with shares may be conducted with a check or draft to be mailed to the address of the first holder shown in the register of shareholders toward a third party or other address as designated by that holder in writing. Where two or more co-holders registered, any single one among them is entitled to issue a valid receipt after receipt of the dividend yielded from the shares.

- 16.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, for payment of any dividends, the Company shall faithfully comply with Regulations Governing Listed Public Companies and Company Act of the British Cayman Islands.

17 Expansion of capital

Under the circumstances where not in contravention of applicable laws and Article 12.3(a) of these Articles of Incorporation, the board of directors is entitled to take capital reserve, balance of other reserve account(s) or profit and/or loss account(s) to pay off in full the unissued shares, allocate stock bonus to shareholders *pro rata* to the shareholding ratios of shareholders to expand capital.

Meeting of shareholders

18 General Meeting of shareholders

- 18.1 The Company shall convene the annual shareholder's meeting within six months after closure of every fiscal year.
- 18.2 Under the circumstances where not in contravention of Article 18.1 of the Articles of Incorporation, the Company's annual shareholder's meeting shall be duly convened at the time and venue as resolved in the board of directors. During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, unless otherwise specified in the Company Act of the British Cayman Islands, a shareholders' meeting shall be convened within the territories of the Republic of China. Where the board of directors resolves that a shareholders' meeting should be convened beyond the territories of the Republic of China, the Company shall declare such fact to the TWSE/TPEX within two days after resolution of such decision for approval. Where a shareholders' meeting is convened beyond the territories of the Republic of China, the Company shall commission a professional shareholder services agent in the territories of the Republic of China to take charge of administrative affairs for that shareholders' meeting (including but not limited to acceptance of entrustment from shareholders to exercise voting powers).

19 Special shareholders meeting

- 19.1 A shareholders' meeting convened beyond a annual shareholder's meeting is a special shareholders meeting.
- 19.2 The board of directors may convene a special shareholders' meeting at any time as necessary under its discretion.
- 19.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, whenever requested by shareholders (to be defined under Article 19.4 of the Articles of Incorporation), the board of directors shall convene a special shareholders' meeting.
- 19.4 The term "whenever requested by shareholders" as set forth under Article 19.3 of the Articles of Incorporation refers to request by either one or several shareholders

and at the moment of request, such shareholder(s) has(have) continually held more than 3% of the total outstanding issued shares for more than one year.

- 19.5 A request by a shareholder(s) shall be submitted in writing with the motion and reason to propose convening of a special shareholders meeting.
- 19.6 In the event that the board of directors does not issue the notice of the special shareholders' meeting within fifteen days after the date of request by shareholder(s), the requesting shareholder (s) may convene the special shareholders' meeting in a manner same as the one convened by the board of directors (as more similar as possible). Where the venue to convene a special shareholders' meeting is beyond the territories of the Republic of China, the requesting shareholder(s) shall apply to the TWSE/TPEX for approval beforehand.
- 19.7 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, shareholders may convene a special shareholders' meeting at their discretion; provided, that such shareholders shall at least continuously hold one half majority of the Company's outstanding issued shares continually for more than three months. The number of shares held by shareholders, the calculation and determination of the duration of shares held by shareholders shall be determined and fixed on the first day of the book closure day for ownership transfer registration for stocks.
- 19.8 Where the board of directors does not convene a shareholders' meeting or a shareholders' meeting could not be convened (including annual shareholder's meeting) or for maximum possible interest of the Company, the independent directors may convene a shareholders' meeting as necessary.

20 Notice

- 20.1 Before a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the notices of the shareholders' meeting shall be served to all shareholders entitled to participate in and vote the meeting at least five days prior to the date scheduled for the meeting. The notice of the shareholders' meeting shall expressly state the date, venue, time and reasons to convene the meeting.
- 20.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the notices of the shareholders' meeting shall be served to all shareholders entitled to participate in and vote the meeting at least thirty days prior to the date scheduled for an annual shareholder's meeting and at least fifteen days prior to the date scheduled for a special shareholders meeting. The notice of the shareholders' meeting shall expressly state the date, venue, time and reasons to convene the meeting. Subject to consent to be obtained from the counterparts beforehand, a notice of the shareholders' meeting may be served through electronic transmission.
- 20.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall choose the target (base) date in accordance with Regulations Governing Listed Public Companies to resolve the shareholders to receive the notices of the shareholders' meeting and to vote and shall correspondently discontinue change in entry of the register of shareholders.

- 20.4 Except an event as set forth under Article 23.4 of the Articles of Incorporation, where the Company leaves out a notice of the shareholders' meeting to an entitled recipient by accident or where an entitled recipient fails to receive the notice of the shareholders' meeting, the procedures for that shareholders' meeting shall not become null and void for such reason.
- 20.5 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company shall, in accordance with the requirements set forth under Article 20.2 of the Articles of Incorporation, promulgate the notice of the shareholders' meeting, proxy form, motions posed for acknowledgement and discussion (including but not limited to a motion for election or discharge of directors) and such subjects and descriptions and, according to the Regulations Governing Listed Public Companies, transmit the same to the Market Observation Post System (MOPS); Where shareholders exercise voting power in writing, the Company shall serve the aforementioned data and the form to exercise voting power in writing to the shareholders by mail in accordance with Article 20.2 of these Articles of Incorporation. The board of directors shall, in accordance with Regulations Governing Listed Public Companies, prepare Meeting Agenda Handbook along with supplementary data and transmit the same to the Market Observation Post System (MOPS).
- 20.6 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the following key points shall be expressly provided onto the notice of the shareholders' meeting with explanation of the key contents and shall not be posed by means of extemporaneous (unscheduled) motion.
- (a) Election or discharge of directors;
 - (b) Amendment to the Outlines of Articles of Incorporation or these Articles of Incorporation.
 - (c) Decapitalization;
 - (d) Application for discontinuance from issuance of the Company's shares to public.
 - (e) (i)Dissolution, merger or demerger, (ii) Execution, change or termination of a lease agreement on business operation, agreement on commissioned business operation or joint operating contract, (iii)Outward transfer of the Company's business or properties in full or for a majority, and (iv)Acquisition or inward transfer of another's business operation or properties with a significant impact upon the Company's business operation;
 - (f) A permit to directors for acts within the scope of the Company's business operation toward themselves or others;
 - (g) In accordance with Article 17 of the Articles of Incorporation, an act to allocate earnings either in whole or in part by means of the issuance of new shares or with capital reserve or other amounts.

- (h) An act to allocate legal reserve, premium in share certificates issuance or income received from donation to the original shareholders by means of new share issuance or cash; and
- (i) The negotiable securities attributed in equity issued by the Company by means of private placement.

The key contents of the aforementioned issues may be promulgated through the website(s) designated by the competent authority in charge of securities or the Company and the URL(s) of such website(s) shall be expressly stated on the notice of the shareholders' meeting.

- 20.7 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall place the Outlines of Articles of Incorporation, these Articles of Incorporation, financial statement, register of shareholders and stub (counterfoil) copies of the corporate bonds issued by the Company at the venue of registration (where applicable) and the Company's shareholder services agent within the territories of the Republic of China. A shareholder may look into the proof of interests at any time, specify the scope of inspection, request the right for examination, inspection, transcript or duplication at any time. Where the supporting documents are under custody by the Company's shareholder services agent and where a shareholder requests, the Company shall order its shareholder services agent to provide the requested document (s) to the requesting shareholder. °
- 20.8 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company shall, in accordance with Regulations Governing Listed Public Companies, place all documents provided by the board of directors, report(s) prepared and submitted by the Audit Committee to the annual shareholder's meeting at the venue of registration (where applicable) and the Company's shareholder services agent within the territories of the Republic of China ten days prior to the date scheduled for the annual shareholder's meeting. A shareholder is accessible to the aforementioned documents for examination from time to time and may accompany his or her lawyer or certified public accountant for perusal and examination.
- 20.9 Where a shareholders' meeting is convened by the board of directors or other convener in accordance with these Articles of Incorporation or any laws, the board of directors or such convener may request the Company or shareholder services agent to provide register of shareholders. Where requested, the Company shall provide register of shareholders (and order the Company's shareholders' services agent to provide register of shareholders).

21 Notice of the shareholders' meeting served by mail

- 21.1 Any and all notices or documents, disregarding whether served by the Company to shareholders by mail in accordance with these Articles of Incorporation, shall be duly served in writing in person or by mail or courier services toward the addresses as entered into the register of shareholders or other addresses designated by such shareholders for such purposes. For the purposes set forth under this

Article and subject to consent by shareholders in writing, the notices may be served by means of electronic transmission.

- 21.2 Any and all notices or documents duly served in a means as set forth under Article 20 and article 21 of these Articles of Incorporation shall come into effect.

In the very premise consistent with all applicable laws, rules and regulations, any and all notices and documents shall be worked out in either Chinese or English and served to shareholders.

The provision set forth under this Article is *mutatis mutandis* applicable to an event where a shareholder serves any document (s) to the Company.

22 Postponement of shareholders' meeting

The board of directors may serve a notice to postpone a scheduled meeting before start of the meeting to be convened in accordance with these Articles of Incorporation. The said notice shall expressly indicate the date, time, venue of the postponed meeting and shall be served to all shareholders in accordance with these Articles of Incorporation. Where a shareholders' meeting resolves to convene a shareholders' meeting on a specific date within five days of postponement, the provisions set forth under Article 20.1, Article 20.2, Article 20.3, Article 20.4, Article 20.5 and Article 21 of these Articles of Incorporation shall not apply. No notice for a postponement is required to be served.

23 Quorum of shareholders' meeting and procedures of the meeting

- 23.1 A shareholders' meeting shall not come to any resolution unless the participating shareholders already make up the specified quorum. Unless otherwise specified in these Articles of Incorporation, where a meeting is attended by shareholders who represent one half majority of the total outstanding issued shares with voting power represented by shareholders participating in person, through proxy agents or representatives of juristic person shareholders, that would constitute the statutory quorum for the shareholders' meeting.
- 23.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall provide the prepared business report, financial statement, motion for surplus earnings distribution or loss make-up to the shareholders for acknowledgement in the manners as set forth under the Regulations Governing Listed Public Companies. After the acknowledgement process by shareholders, the board of directors shall mail the duplicate copies of the decisions resolved on the acknowledged financial statement, motion for surplus earnings distribution or loss make-up to all shareholders or provide the same in other manners according to Regulations Governing Listed Public Companies.
- 23.3 Unless otherwise specified in these Articles of Incorporation, the decisions in a shareholders' meeting shall be duly resolved by balloting.
- 23.4 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China in the premise where permitted under the Company Act of the British Cayman Islands, the contents set forth under these Articles of Incorporation

do not at all impede any shareholders from lodging litigation with a jurisdictional court to strive for appropriate remedy within thirty days after the decision resolved in the shareholders' meeting for any fact in contravention of laws or these Articles of Incorporation in terms of the procedures to convene the meeting or the method to resolve a decision. In case of a dispute arising from the aforementioned event, Taipei District Court, Taiwan shall be the jurisdictional court of the first instance.

23.5 Unless otherwise expressly specified in the Company Act of the British Cayman Islands, Outlines of Articles of Incorporation or these Articles of Incorporation, any and all resolutions, consents, confirmations or acknowledgement shall be carried out by means of ordinary resolution.

23.6 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China and prior to book closure period, a shareholder (s) holding more than 1% of the total outstanding issued shares may pose one motion to the Company toward the annual shareholder's meeting in writing or any electronic transmission as designated by the Company. The Company shall issue public announcement in a manner and timeframe pursuant to the applicable laws, stating the venue to accept motions from shareholders and the period for acceptance not less than ten days minimum. The board of directors shall enter a motion into the agenda except any one among those circumstances enumerated below: (a) Where the shareholder posing that motion holds shares less than 1% of the total outstanding issued shares; (b) Where the motion is not possibly to be resolved in the shareholders' meeting or where the motion contains more than three hundred characters in Chinese; (c) Where that same shareholder poses more than one motion. Where a motion posed by a shareholder is to urge the Company to enhance public interests or to fulfill corporate social responsibility (CSR), the board of directors shall still accept it into the agenda, or (d) Where a motion is posed beyond the timeframe as promulgated. Where a motion posed by a shareholder is to urge the Company to enhance public interests or to fulfill corporate social responsibility (CSR), the board of directors shall still accept it into the agenda.

23.7 The rules and procedures for a shareholders' meeting shall be enacted by the board of directors before being resolved in the shareholders' meeting through an ordinary resolution. The said Rules of Procedures Governing Shareholders' Meeting shall still be duly enacted in accordance with the Company Act of the British Cayman Islands, these Articles of Incorporation and Regulations Governing Listed Public Companies.

24 Chairperson of the meeting

24.1 A shareholders' meeting convened by the board of directors shall be chaired by the chairman if the chairman is present in the meeting. If the chairman is not present, one director shall be elected from among the participating directors themselves to chair the meeting.

24.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the chairperson of a shareholders' meeting shall be duly appointed or elected in accordance with the Regulations Governing Listed Public Companies.

25 Voting by shareholders

- 25.1 Where without an impact upon any right or restriction affiliated to shares, each and every natural person (individual) shareholder participating in the meeting in person or through a proxy agent, or a non-natural person (individual) shareholder participating in the meeting through a duly authorized representative either in person or through a proxy agent is entitled to one vote for each share held thereby. A shareholder who holds shares for another is entitled to claim exercise of the voting power respectively. The qualification requirements, scope of application, method of exercise, operating procedures and other issues concerned shall be duly handled exactly in coordination with Regulations Governing Listed Public Companies.
- 25.2 Except a shareholder who has been duly registered for the shares held in a relevant shareholders' meeting or a shareholders' meeting of shares in specific categories as of the target (base) date and has duly paid up the share capital in full, nobody else is entitled to exercise voting power in a shareholders' meeting.
- 25.3 A shareholder may exercise voting power either in person or through a proxy agent. A shareholder may use the proxy form prepared by the Company to expressly state the scope of authorized power to authorize a proxy agent to participate in the meeting; provided, that a shareholder may only issue one proxy form to commission one proxy agent to exercise the voting power.
- 25.4 Unless otherwise specified in the Company Act of the British Cayman Islands during a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company shall provide shareholders with electronic transmission to exercise voting power. Where a shareholders' meeting is convened beyond the territories of the Republic of China or where requested by the Regulations Governing Listed Public Companies, the Company shall provide shareholders with choices to exercise voting power in writing or electronic transmission. Where the voting power could be exercised in writing or through electronic transmission, the method to exercise such voting power shall be expressly specified on the notices of the shareholders' meeting mailed to shareholders. A shareholder who intends to exercise voting power in writing or electronic transmission shall have his or her instruction served to the Company at least two days prior to the date scheduled for the meeting. In case two or more written proxies are received from one shareholder, the first one received by the company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later. Where a shareholder exercises the voting power in a shareholders' meeting in writing or electronic transmission as mentioned above, he or she shall deem to have authorized the chairperson of the meeting to act as his or her proxy to exercise voting in a manner exactly as instructed by him or her. The Chairperson with the identity of agent, has no right to exercise the voting rights of the shareholder in matters not mentioned or not stated in the written or electronic documents and/or amendments to the original proposal proposed at the shareholders meeting. To clarify ambiguity, where that shareholder exercises voting power in the said means, he or she is deemed to have waived the right to exercise voting power in an extemporaneous (unscheduled) motion and/or an amendment to an initial motion.

- 25.5 After a shareholder intends to exercise voting power in writing or electronic transmission and has served his or her instruction for voting process to the Company in accordance with Article 25.4 of these Articles of Incorporation and but he or she intends to participate in the shareholders' meeting in person, he or she shall serve his or her instruction to annul the previous instruction for the voting at least two days prior to the date scheduled for the meeting in a manner exactly same as the one he or she previously served the instructions in accordance with Article 25.4 of the Articles of Incorporation (e.g., courier express, registered mail or electronic transmission as appropriate under the circumstances). Where that shareholder is overdue to annul his or her decision on voting process, he or she shall vote in writing or electronic transmission.
- 25.6 Where a shareholder intends to exercise voting power in writing or electronic transmission and has served his or her instruction for voting process to the Company in accordance with Article 25.4 of these Articles of Incorporation, he or she is entitled to appoint another to act as his or her proxy agent to participate in that shareholders' meeting. Under such a circumstance, the act taken by that proxy agent to exercise the voting power is deemed to annul the previous instruction for voting by that shareholder. The Company should only calculation the voting power exercised by that expressly designated proxy agent..

26 Proxy

- 26.1 The written proxy shall be worked out in a form as agreed upon by the board of directors and shall expressly remark that it would be used only in an specific shareholders' meeting. The written form of proxy shall include the minimum of the following information: (a) Guide to fill up the form, (b) Issues commissioned by the shareholder for exercise, and (c) Fundamental particulars of relevant shareholder, agent and proxy solicitor (if any). The proxy form shall be provided to the shareholder along with the notice of the shareholders' meeting and the proxy form and the notice of the shareholders' meeting shall be served to all shareholders on the same day.
- 26.2 The proxy shall be worked out in writing and shall be signed by the principal in person. Where the principal is a company or a non-natural person (individual) shareholder, such paper shall be signed by its lawfully authorized staff member or agent. The authorized agent is not necessarily a shareholder of the Company.
- 26.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where not in contravention of the Regulations Governing Listed Public Companies, except a trust business or a shareholder services agent approved under the Regulations Governing Listed Public Companies, where one proxy is simultaneously authorized by two or more shareholders, except one deemed as the chairperson of the meeting for shareholder proxies under Article 25.4 of the Articles of Incorporation, the number of voting power shall not exceed 3% of the total shares with voting power prior to book closure period. The votes in excess of 3% shall not be counted.
- 26.4 If the shareholder has exercised written or electronic votes and at the same time delegated a proxy to attend the shareholder meeting, then the voting decision exercised by the proxy shall prevail. Should the shareholder decide to attend

shareholder meeting personally or exercise voting rights in writing or using electronic means after a proxy form has been received by TAISUN, a written notice must be sent to TAISUN by no later than two days before the meeting commences to withdraw the proxy arrangement. If the shareholder fails to withdraw proxy arrangement before the due date, the vote of the proxy attendant shall prevail.

- 26.5 Except one deemed as the chairperson of the meeting for shareholder proxies under Article 25.4 of the Articles of Incorporation, the proxy form shall be submitted to the Company's venue of registration, the Company's office at the shareholder services agent in the territories of the Republic of China or the venue designated on the notice of the shareholders' meeting or the proxy form mailed by the Company at least five days prior to the shareholders' meeting where the proxy agent intends to exercise voting power or a postponed meeting thereof. In case two or more written proxies are received by the Company from a same shareholder, the first one received by the Company shall prevail; unless an explicit statement to revoke the previous written proxy is made in the proxy which comes later.

27 Solicitation of proxies

During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the use and solicitation of proxy forms shall be duly subject to Regulations Governing Listed Public Companies, including but not limited to "Regulations Governing Use of Powers of Attorney (Proxies) for the Shareholders' Meeting of Public Offering Companies."

28 Rights to request shareholders with objection for acquisition of shares.

- 28.1 When not in contravention of the Company Act of the British Cayman Islands, where any one among those circumstances enumerated below is to be resolved in a shareholders' meeting, a shareholder who has informed the Company of his or her objective opinion in writing prior to the meeting and who submits his or her objective opinion in the shareholders' meeting may request the Company to purchase all his or her shares at the fair price prevalent that time.

- (a) Where the Company enters into, changes or terminates any lease agreement on business operation, agreement on commissioned business operation or joint operating contract;
- (b) Where the Company transfers its business operation or properties in full or for the majority except a transfer by the Company for the purposes of dissolution.
- (c) Where the Company acquires or accept transfer of business or properties from another in full with significant impact upon the Company's business operation.

- 28.2 Under a circumstance where the Company's business operation is divided or where the Company proceeds with merger, a shareholder who objects in writing or objects orally with objection entered into the minutes of the meeting oriented to the division or merger and who has waived the voting power may request the Company to purchase all his or her shares at the fair price prevalent that time.

29 Shares not entitled to vote

29.1 The following shares during a period with the following circumstances (where applicable) are not entitled to voting power, nor shall they be counted into the total outstanding issued shares:

- (a) The shares held by the Company itself;
- (b) The Company's shares held by an affiliated company who holds total outstanding issued shares or one half majority of the outstanding issued shares of the Company; or
- (c) Where the Company's total or one half majority outstanding issued shares with voting power, and such outstanding issued shares with voting powers held by affiliates of the said holding companies either directly or indirectly.

29.2 Where a motion discussed in a shareholders' meeting involves the interest of a shareholder likely harmful to the Company's interests, that shareholder shall not participate in the voting process and shares held by him or her shall not be counted into the voting power of the participating shareholders. Provided, that the shares so held may still be counted into the number of shares for quorum of participation. The aforementioned shareholder shall not exercise voting power in the capacity of a proxy agent for another shareholder.

29.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where a director pledges his or her shares in excess of one-half majority of the Company's shares held at the moment of election, the excess is not entitled to voting power, nor should it be counted into the voting power of the participating shareholders.

30 Voting of joint shareholders

Where shares are co-held by several holders, one shall be elected from among the co-holders in accordance with Regulations Governing Listed Public Companies to exercise the power of shareholders. Where the co-holders fail to come to an accord, the voting power exercised by the co-holder of prior priority order (disregarding in person or through an authorized proxy) shall be acceptable and shall exclude voting by other co-holder(s). The term "priority order" refers to the priority order as entered into the register of shareholders.

31 Representative of a juristic person shareholder

31.1 A juristic person shareholder or a non-natural person (individual) shareholder may authorize a person as appropriate in writing to act as his or her representative to participate in any meeting held for shareholders. The contents of powers exercisable to a representative are same as the powers to be supposedly exercised by such juristic person shareholder or a non-natural person (individual) shareholder in person. In a meeting attended by the key issues of protection over shareholders' equity is deemed to have been attended by juristic person shareholder or a non-natural person (individual) shareholder in person.

- 31.2 Notwithstanding the aforementioned provisions, whether or not any person is entitled to participate in and vote in a shareholders' meeting in the capacity of the juristic person shareholder or a non-natural person (individual) shareholder, the chairperson of the meeting shall still accept the method for confirmation believed appropriate.

32 Postponement of shareholders' meeting

Up to the statutory quorum and under consent from shareholders in one half majority, the chairperson of a shareholders' meeting may call to order to the meeting as instructed. Except an event where the date, venue and time for a postponed meeting are already announced upon adjournment of the meeting and the postponed meeting is not more than five days away, the date, venue and time for the new meeting shall be served to shareholders entitled to participate in and vote in the shareholders' meeting required under these Articles of Incorporation.

33 Participation by directors in shareholders' meeting

The Company's directors are entitled to accept any notice of the shareholders' meeting, participate in and speak at the meeting.

Directors and managerial officers

34 Number and tenure of office of directors

- 34.1 The Company shall set up the board of directors which shall be set up with directors not less than five minimum, not more than nine maximum. Each and every director is entitled to a two-year tenure of office which may be extended until the date on which the shareholders' meeting after expiry of the tenure of office is convened if the expiry of the tenure of office would lead to no director to the Company. Directors are entitled to reelection. In the very premise as consistent with the applicable laws and the scope of the aforementioned numbers of directors, the Company may increase or decrease the number of directors by means of a special resolution at any time.
- 34.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, unless approved by the competent authority in charge of securities affairs in the Republic of China, there shall be one half majority directors not in spouse or blood relatives within the second degree of kinship.
- 34.3 Where a shareholders' meeting is convened by the Company to elect directors and where the elected ones prove inconsistent with requirements set forth under Article 34.2 of the Articles of Incorporation and where the election ballots represented by the director(s) inconsistent with the requirements are lower, the election result is invalidated within the limit as necessary within Article 34.2 of the Articles of Incorporation. A director having served the post but proving in contravention of the aforementioned provisions shall be *ipso facto* discharged from the date of violation.
- 34.4 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, unless approved in accordance with Regulations Governing Listed Public Companies, the Company shall set up independent directors in the number not less than three minimum and the number of

independent directors shall not be less than one-fifth of total number of director seats. Within the scope as required under the Regulations Governing Listed Public Companies, at least one among all independent directors shall have set up household registration within territories of the Republic of China and at least one independent director shall be the one equipped with accounting or financial expertise. Before a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors may resolve that the Company shall elect independent directors within its shareholders' meeting.

- 34.5 Candidates for independent directors shall be nominated under candidates nomination system according to Regulations Governing Listed Public Companies where during a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, nevertheless, the Company shall adopt a candidate nomination system in accordance with Regulations Governing Listed Public Companies. The candidates for directors other than independent directors shall be duly nominated in candidates nomination system in accordance with Regulations Governing Listed Public Companies. During the period of registration in the emerging stocks or listing in TWSE/TPEX in the Republic of China, such candidates shall be duly nominated under candidates nomination system in accordance with Regulations Governing Listed Public Companies.
- 34.6 All independent directors shall possess professional expertise and maintain absolute independence and shall not fall within any interest relationship with the Company either directly or indirectly. The professional qualification requirements, restriction on shareholding and moonlighting, identification of independence shall be consistent with the provisions set forth under the Regulations Governing Listed Public Companies.

35 Election of directors

- 35.1 In a shareholders' meeting, the Company may elect any people into directorship and the number of won ballots shall be duly calculated in Article 35.2 of Articles of Incorporation. The fact where the meeting is attended by shareholders representing one half majority of the total outstanding issued shares (both in person and through a proxy) shall constitute the quorum in the shareholders' meeting to elect one or more director.
- 35.2 The directors shall be elected by shareholders in accordance with the following accumulated balloting system (The balloting method set forth under this Article, hereinafter referred to as accumulated balloting system"):
- (a) Upon election, the balloting weights of each and every shareholder may exercise shall be the number of shares held by him or her multiplied by the number of directors to be elected in that shareholders' meeting.
 - (b) A shareholder may use his balloting weights in concentration to elect one director candidate or allocate the weights to elect several directors.
 - (c) In directors of the same categories (*i.e.*, independent directors and non-independent directors), the ones in the number equivalent to the number to be elected and winning the most ballots shall be elected the directors; and

- (d) Where two or more directors of the same categories win the same number of ballots and the number of the elected ones exceeds the number of director in that category, the successful candidate shall be determined by means of lot-drawing. Where such a director candidate does not participate in that shareholders' meeting, the chairperson of that meeting shall draw lot for that candidate.

35.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where an independent director resigns or is discharged for any reason, making the total number of independent directors less than three, the Company shall hold by-election in the most recent shareholders' meeting. Where all independent directors resign or are discharged in full, the Company shall convene a shareholders' meeting for by-election to elect the one(s) to fill up the vacancy(ies) within sixty days after the date of resignation or discharge of the last director.

35.4 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where a dependent director (s) resign (s) or is discharged for any reason, making the total number of directors less than five, the Company shall hold by-election in the most recent shareholders' meeting. Where the number of directors is vacated up to one-third, the Company shall convene a shareholders' meeting for by-election within sixty days from the date of occurrence of the fact.

35.5 Where a juristic person is a shareholder, the representative of that juristic person may be elected the director in accordance with these Articles of Incorporation. In case of several representatives in number, such representatives may be elected, respectively.

36 Discharge of directors

36.1 The Company may discharge any directorship by means of a supermajority from time to time. Where reelection for all directors is conducted before the tenure of office of the Company's directors expires without a decision resolved that the original directors are not discharged until expiry of their tenure of office, such directors are deemed to have been discharged from directorship ahead of schedule on the date of reelection or another date resolved in the shareholders' meeting. The shareholders' meeting with the aforementioned reelection shall be attended by shareholders representing one half majority of the total outstanding issued shares either in person or through a proxy agent.

36.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where a director, in performance of duty, impairs the Company with significant violation of laws and ordinances concerned and/or these Articles of Incorporation where the Company does not discharge him or her in a supermajority vote, within the scope where permitted by law, the shareholders holding more than 3% of the total outstanding issued shares may petition the court for a ruling for discharge in thirty days for which, the Taipei District Court, Taiwan shall be the jurisdictional court of the first instance.

37 Discharge from directorship

37.1 The directorship shall be discharged upon an event among those enumerated below:

- (a) Where a director is discharged from directorship in accordance with these Articles of Incorporation.
- (b) Where a director passes away;
- (c) Where a director is *ipso facto* discharged in accordance with Article 34.3 of the Articles of Incorporation.
- (d) Where a director informs the Company in writing for resignation from directorship.
- (e) Where a director is discharged in accordance with Article 36.2 of the Articles of Incorporation as ruled by the court; or
- (f) A director is *ipso facto* discharged where meeting one among circumstances enumerated below:
 - (i) Where the director has been adjudicated bankrupt or adjudicated of the commencement of liquidation process by a court, and has not been reinstated to his or her rights and privileges.
 - (ii) Where the director has been adjudicated having no legal capacity or limited legal capacity under the applicable laws.
 - (iii) Where the director has been subject to the court order of commencement of assistance (subject to definition under the Civil Code of the Republic of China) or similar promulgation which has not been annulled.
 - (iv) Where the director has committed organized crime as banned under the laws of the Republic of China, with final and irrevocable court judgment and (A)which has not been put into enforcement, (B)which has not been completed from enforcement, (C) There has been less than five years from completion of the jail term or suspension or (D)There has been less than five years from pardoning.
 - (v) Where the director has committed a crime as fraud, breach of trust or misappropriation with final and irrevocable court judgment for one-year imprisonment and (A)which has not been put into enforcement, (B)which has not been completed from enforcement, (C) There has been less than two years from completion of the jail term or suspension or (D)There has been less than two years from pardoning.
 - (vi) Where the director has committed a crime under Anti-Corruption Act with final and irrevocable court judgment as guilty (A) the sentenced term has not been put into enforcement, (B) the sentenced term has not been completed from enforcement, (C) There has been less than two years from completion of the jail term or suspension or (D) There has been less than two years from pardoning; or
 - (vii) Where the director has been dishonored due to use of credit instrument the term of which has not expired.

A director candidate who proves meeting any one among those circumstances enumerated under Paragraph (f) of this Article shall forfeit the qualifications as a director candidate.

- 37.2 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China where a director (except an independent director) transfers more

than one-half of the shares he or she held at the moment of being elected during his or her tenure of office, he or she shall be *ipso facto* discharged and the discharge comes into effect forthwith without resolution in the shareholders' meeting.

- 37.3 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, after a director (except an independent director) is elected, he or she transfers more than one-half of the shares he or she held at the moment of being elected before taking directorship or book closure period, the qualifications of being elected cease effect without resolution in the shareholders' meeting.

38 Remuneration to directors

- 38.1 During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall set up Remuneration Committee in accordance with Regulations Governing Listed Public Companies with at least three directors, including one who should be an independent director. The professional qualification requirements and issues regarding exercise of responsibilities and powers for Remuneration Committee members shall be consistent with the provisions set forth under Regulations Governing Listed Public Companies. Upon establishment of Remuneration Committee, the board of directors shall pass with resolution the organizational rules of the Remuneration Committee. Such organizational rules shall satisfy the requirements set forth under Regulations Governing Listed Public Companies. The board of directors may, by its resolution, set up Remuneration Committee before a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China.
- 38.2 The term "salary remuneration" as set forth under the preceding Article includes salaries for directors and managerial officers, stock options and other substantial incentive measures.
- 38.3 The remuneration to directors shall be fixed by the board of directors with reference to the suggestion by the Remuneration Committee (if having been established) and general level prevalent in other firms and companies in the same industry but shall be paid only in cash in all cases. The Company may, as well, pay directors with business travel expenses, lodging fees and other fees incurred for their travel to and from board of directors, committee(s) organized by directors as authorized by the board of directors, the Company's shareholders' meeting or as appropriate for business affairs for directors in performance of routine duty. Directors are entitled to be provided with interests of the Company in accordance with the Company Act of the British Cayman Islands, Regulations Governing Listed Public Companies, agreement on service and other contracts executed with the Company.

39 Defect in director election

Where not in contravention of Article 23.4 of the Articles of Incorporation and applicable laws, on all acts taken by the board of directors, a committee organized by directors as authorized by the board of directors or any directors pursuant to good faith management policy, the effect would be equally valid as the acts taken by a director duly elected through normal process, or a director in the directorship qualifications even if it is found subsequently later on defective in the election process or that the director is not in qualified directorship.

40 Management business by directors

The Company's business shall be under management and execution by the board of directors. In management upon the Company's business, within the scope of the Articles of Incorporation, the Company Act of the British Cayman Islands and the Company's instructions toward the shareholders' meeting, except the issues as required under the Company Act of the British Cayman Islands or the Articles of Incorporation to be exclusively exercised by the Company's shareholders' meeting, the board of directors is entitled to exercise all sorts of powers bestowed to the Company.

41 Responsibilities and powers of board of directors`

Where not untowardly affecting the general requirements set forth under Article 40 of the Articles of Incorporation and not in contravention of applicable laws, the board of directors is entitled to:

- (a) Appoint, terminate or discharge any of the Company's managerial officers, secretary, staff, agents or employees and resolve their remuneration and duties.
- (b) Borrow funds, mortgage, pledge or collateralize the Company's business, properties and outstanding share capital either in whole or in part, or issue bonds, bonds-oriented shares or other negotiable securities or issue such negotiable securities to collateralize liabilities, responsibilities or obligations of the Company or a third party;
- (c) Appoint one or several director(s) to serve as the Company's executive director or Chief Executive Officer (CEO) to oversee and manage all general business and affairs of the Company.
- (d) Appoint the Company's managerial officers to take charge of all routine business operation and may commission and bestow the managerial officers with appropriate powers and responsibilities required to perform business transactions.
- (e) Appoint by means of authorization a company, firm, individual or entity nominated by the board of directors either directly or indirectly to act as the Company's agent; bestow such agent with appropriate power, authorization and discretionary power within the timeframe and conditions considered by the board of directors as appropriate toward appropriate purposes. Such power of attorney may cover terms and conditions as appropriate within the consideration of the board of directors to safeguard and facilitate the people taking charge of business affairs with such agent and may further authorize such agent with the power to sub-appoint into the power, authorization and discretionary power. Amidst the authorization, the said agent is entitled to execute any contracts or documents in a means as permitted under the Company Act of the British Cayman Islands.
- (f) Cause the Company to pay off expenses incurred for incorporation and establishment of the Company.
- (g) Authorize power (including power of sub-authorization) to the committee(s) established by one or several people designated by the board of directors and

all committee(s) so established shall duly act as instructed by the board of directors. Unless otherwise instructed or regulated by director(s), all meetings and the meeting proceedings shall be handled exactly in accordance with the meeting process and proceedings enacted according to the Articles of Incorporation.

- (h) Bestow powers upon any people in the conditions and conditions seemed as appropriate by the board of directors (including the power for sub-appointment).
- (i) Lodge application or petition for liquidation or reorganization of the Company.
- (j) Pay off commission and brokerage fees as permitted by laws upon issuance of new shares, and
- (k) Authorize any company, firm, individual and entity to act for the Company for specific purposes and to sign any agreements, documents and contracts in the title of the Company.

42 Roster of directors and managerial officers

42.1 The board of directors shall, as required under the Company Act of the British Cayman Islands, prepare one or several sets of the rosters of directors and managerial officers at the venue of registration, the contents of which should include the following key points of directors and managerial officers:

- (a) Names; and
- (b) Address.

42.2 The board of directors shall, within sixty days from occurrence of the events as enumerated below, update the entries, dates of occurrence entered into the rosters of directors and managerial officers and keep the Company's Registration Office informed in a manner as set forth under the Company Act of the British Cayman Islands:

- (a) A change in directors and managerial officers; or
- (b) Changes in entries into the rosters of directors and managerial officers;

43 managers

The term “managerial officers” as set forth in these Articles of Incorporation denotes shall be organized by the secretaries and other managerial officers appointed by the board of directors.

44 Appointed managerial officers

The secretaries (and other managerial officers, if any), shall be appointed by the board of directors from time to time.

45 Responsibilities and powers of managerial officers

The managerial officers shall be bestowed with the powers and responsibilities to take charge of all business affairs as commissioned by the board of directors all the time.

46 Remuneration to managerial officers

The remuneration to the managerial officers shall be fixed by the board of directors.

47 Conflicts of interests

47.1 Any directors or other companies, partners or companies linked up with the directors may, in any capacity, serve the Company, be hired by or render services to the Company. Such directors or other companies, partners or companies linked up with the directors are entitled to receive remuneration from the Company in the same conditions presumed as non-directors. This Article 47.1, nevertheless, does not apply to independent directors.

47.2 Notwithstanding the provisions on the contrary to Article 47, whenever a director proves involved in interest relationship with an issue discussed in the board of directors, a contract of the Company, a contract or an agreement to be executed, he or she shall expressly clarify his or her interest relationship, the attribute and key contents so involved to the board of directors in accordance with applicable laws. Where a director's spouse, blood relative within the second degree of kinship or a company in control or auxiliary relationship with that director falls within the interest relationship with an issue being discussed in the board of directors, that director is deemed to have interest relationship with the said issue. The terms "control" "auxiliary relationship" shall be defined in accordance with Regulations Governing Listed Public Companies.

47.3 Notwithstanding the provisions on the contrary to Article 47, whenever a director proves to be involved in interest relationship with an issue discussed in the board of directors, likely to impair the Company's interests, he or she shall not join the voting process nor shall he or she vote as a proxy on behalf of another. The vote case by a director who is not entitled to voting power as mentioned above shall not be counted into the voting powers of the participating directors.

47.4 Notwithstanding the provisions on the contrary to Article 47, whenever a director acts within the scope of the Company's business lines for himself or herself or others, he or she shall state the key contents of his or her acts to shareholders in the shareholders' meeting and obtain permit from the shareholders' meeting with a supermajority resolution.

48 Compensation and exemption from responsibility for directors and managerial officers

48.1 During the period while the Company's directors, managerial officers and any people commissioned into management take charge of business concerned, and the former directors, former managerial officers, former people commissioned to take charge of business affairs and their successors, executors, managers, individual representatives thereof (hereinafter collectively referred to as "compensated people") for the claims, costs, expenses, loss and expenditures deriving from or

incurred by their acts or non-acts, the Company shall grant compensation with its assets. Besides, for the acts taken by the compensated people toward other compensated people, payments received, faults or defaults, collection in an occasional needs, the banks or others with the cash or properties obtainable to the Company, or other impairment, calamity or loss so incurred by their performance of duty or trust with the amount or property deposited or supplemented by the Company, they are not held responsible at all in all cases except an event as incurred by such people as a result of fraud, dishonesty or violation of Article 48.4 of the Articles of Incorporation.

48.2 For the liability incurred by directors or managerial officers because of their serving as directors or managerial officers, the Company shall acquire insurance or renew the insurance or shall use such insurance to compensate them from the impairment or obligations with a crime because of potential fault, default, violation of duty or breach of trust.

48.3 Within the scope where permitted by laws prevalent on the British Cayman Islands, a shareholder(s) who has (have) continually held more than 1% of the Company's total outstanding issued shares in six months is(are) entitled to:

- (a) Request in writing the independent director of the audit committee authorized by the board of directors to file a lawsuit against a director on behalf of the Company, and the Taipei District Court of Taiwan may be the court of first instance; or
- (b) Request in writing the independent director of the audit committee to file a lawsuit against a director on behalf of the Company, and the Taipei District Court of Taiwan may be the court of first instance;

Within 30 days after the request is made in accordance with Paragraph (a) or (b) above, if (i) the requested board of directors fails to authorize an independent director of the audit committee as described in Paragraph (a), or the independent director of the audit committee authorized by the board of directors fails to file a lawsuit as per Paragraph (a); or (ii) (ii) the independent director of the requested audit committee has not filed a lawsuit under Paragraph (b), the shareholders may, to the extent permitted by the law of the Cayman Islands, file a lawsuit against a director on behalf of the company, the Taipei District Court of Taiwan may be the court of first instance.

48.4 Without prejudice to the regulation that the directors of the company shall bear the general liability to the company and shareholders under the common law and laws of the Cayman Islands, the directors shall perform their duties faithfully and fulfill the duty of care by the manager; if any violation damages the company, the responsible directors shall be liable for damages therefrom to the maximum extent permitted by law. In the event that a director obtains any benefit for himself or another person in violation of the aforesaid provisions, the company shall take all appropriate actions and steps to the maximum extent permitted by law, as determined by the ordinary resolution of the shareholders' meeting. Any such proceeds arising from such directors shall be owned by the company. If a director of the company conducts business operations against any law or order, which causes the company to be liable for any compensation or damage to any person,

the director shall be jointly and severally liable with the company for such compensation or damage. If the director is not liable to the company for compensation for any reason, the director shall compensate the company for any losses suffered by the company in violation of its obligations. The manager shall bear the same liability for damages as the directors of the company within the scope of their duties.

Board of Directors

49 Board of Directors

- 49.1 The board of directors meeting is to be convened by the chairman and the board of directors may manage such board meeting in such means as convening, recess or other means as appropriate.
- 49.2 The Company shall convene one board of directors meeting on a quarterly basis as the minimum during a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China exactly in accordance with the Regulations Governing Listed Public Companies.
- 49.3 A decision in the board of directors meeting is deemed as resolved when adopted one half majority of the participating directors and is deemed vetoed when the pros and cons are equal in numbers. For such purposes, a director having participated in the meeting and been entitled to voting power is deemed to veto the motion if not exercising the voting power for that motion.
- 49.4 A director is entitled to authorize another in writing as his or her proxy agent to participate in any board of directors meeting. A proxy agent is counted into the number of participants. For all purposes, the vote cast by a proxy agent is deemed as the resolution by the principal director.
- 49.5 A proxy agent shall be authorized in writing in a manner as acknowledged by the director. The authorization may be annulled in a same manner at any time. The notice for proxy is same as the notice to rescind the proxy.
- 49.6 A proxy shall be confined only to a director and a proxy agent may attend the board of directors meeting only on behalf of one director.

50 Notices for board of directors meeting

- 50.1 The chairman is entitled to convene a board of directors meeting any time, provided, that the secretary shall convene the board of directors meeting at any time whenever requested by the chairman.
- 50.2 Before shares are registered as emerging stocks or listed in the Republic of China, the notice for convening of a board of directors meeting shall be served to all directors at least 48 hours in advance. In case of an emergency consented by one half majority of directors, nevertheless, the notice may be served with a shorter period of time in advance or the board meeting may be convened after each and every director is served with the notice or without a prior notice after each and every director consents. During a time for shares as emerging stocks or as listed in

TWSE/TPEX of the Republic of China, a notice which shall expressly bear the issues to be discussed and acknowledged (where appropriate) shall be served to all directors by mail seven days prior to the date scheduled for the meeting. In case of an emergency consented by one half majority of the directors, a board meeting may be convened in a manner consistent with the Regulations Governing Listed Public Companies with a shorter period of time. For the purposes of this Article, notices of a board of directors meeting may be served by means of electronic transmission.

51 Participation in a board of directors meeting through meeting via visual communication network

A director may participate in a board of directors meeting via video-conference system or other telecommunications devices where permitted by applicable laws to enable all participants to participate in the discussions simultaneously. Such a director is deemed to have participated in the meeting in person.

52 Statutory quorum of board of directors meeting

The quorum in a board of directors meeting is directors that make one half majority of the total directorship seats.

53 Operation in case of a vacancy in the board of directors

The board of directors shall remain in a sound operation even with a vacancy.

54 Chairperson of the board of directors meeting

The chairman (if any) shall be the chairperson of the board of directors meeting if present. Where the chairman is absent, the chairperson for the meeting shall be duly appointed or elected in accordance with the Regulations Governing Listed Public Companies.

55 Validity of acts taken by the board of directors` previously

The enactment of or amendment to the Articles of Incorporation shall not make a valid act by the board of directors before enactment or amendment invalid.

Minutes of the Company

56 Minutes of the meeting

The board of directors shall put the minutes of the board meeting into the prepared book and databases ready for use into the following purposes:

- (a) Selection and appointment of all managerial officers.
- (b) The names of directors participating in all board of directors meetings and names of the directors participating in all meetings convened by the committees commissioned by the board of directors; and
- (c) All decisions resolved in the agendas of the shareholders' meeting, board of directors', managerial officers meeting and committees commissioned by the board of directors;

57 Registry book for mortgage security

- 57.1 The board of directors shall prepare mortgage and collateralization registration books in accordance with the Company Act of the British Cayman Islands.
- 57.2 As required under the Company Act of the British Cayman Islands, all mortgage, pledge and collateralization registry books shall be placed at the venues of registration readily accessible to shareholders and creditors on all business days of the British Cayman Islands but shall be subject to restrictions by the board of directors; and, nevertheless, the period accessible on each and every business day shall not be shorter than two hours minimum.

58 Style and use of a seal

- 58.1 The seal may only be used by the directors and the director members of the committees organized by directors; until otherwise resolved by directors, the seal may be used to affix only in presence of the director, secretary or assistant secretary or the person authorized by the director or director members of the committees organized by directors.
- 58.2 Notwithstanding the aforementioned provisions, where not duly authorized, the seal may be affixed onto a document submitted to the Registry Office of the Company on the British Cayman Islands by means of verification through any director, secretary, assistant secretary or other person or entity entitled to submit the aforementioned document.
- 58.3 Where permitted under the Company Act of the British Cayman Islands, the Company may have one or several seal(s). Where the directors consider appropriate, the names of cities, territories, regions or venues of uses may be added onto the surfaces of the duplicated seals.

Open acquisition and account book

59 Public Acquisition

During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, any public announcements linked up with public tender offers of the Company's shares shall be compliance with the Regulations Governing Listed Public Companies, including but not limited to Regulations Governing Public Tender Offers for Securities of Public Companies.

60 Accounting books

- 60.1 For all transactions of the Company, the board of directors shall prepare accounting books, in particular:
- (a) All amounts of the Company's revenues and expenditures and all issues linked up with such revenues and expenditures.
 - (b) All sorts of articles sold and purchased by the Company; and
 - (c) All assets and liabilities of the Company.

The accounting books shall be archived for five years minimum for the date of preparation.

- 60.2 The accounting books shall be put into prudential custody. In the event that accurate account books to fairly reflect the Company's business affairs and relevant transactions are not provided at the venue(s) where the board of directors considers appropriate, the accounting books to reflect the aforementioned issues are deemed as having not been appropriately provided.
- 60.3 The proxies, documents, books and electronic media worked out in accordance with the Articles of Incorporation and laws and ordinances concerned shall be duly archived for one year minimum. In the event that a shareholder lodges litigation involving the information mentioned in the proxies, documents, books and/or information mentioned under this Article and that litigation lasts more than one year, all such documents and data shall be archived until conclusion of the litigation.

61 Closure of a fiscal year

Unless otherwise specified by the Company's board of directors, the Company's fiscal year:

- (a) shall end on December 31 every year on the year of incorporation and each and every year thereafter, and
- (b) Starting from the moment of incorporation of the Company and starting from January 1 of each and every year thereafter.

Audit Committee

62 Number of Audit Committee members

During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the board of directors shall set up Audit Committee. The Audit Committee is organized by independent directors and all independent directors shall be the composing members of the Audit Committee. The Audit Committee shall be made up with a minimum of three members, including one convener, responsible for convening the meeting for Audit Committee members. At least one of the members shall be equipped with accounting or financial expertise. A decision in the Audit Committee shall be resolved by more than one-half majority (inclusive) of the entire Committee members. The board of directors may resolve the decision to set up Audit Committee before registry for emerging stocks or being listed in TWSE/TPEX of the Republic of China.

63 Responsibilities and powers of Audit Committee

- 63.1 The Audit Committee (if having been established) shall duly exercise responsibilities and powers in accordance with Regulations Governing Listed Public Companies. The issues as enumerated below shall be subject to consent by one-half majority of all Audit Committee members and be submitted to the board of directors for resolution:

- (a) Enactment of or amendment to the Company's internal control system;
- (b) Performance evaluation of the effectiveness of the internal control system.
- (c) Enactment of or amendment to handling procedures for finance and business operation related behaviors, e.g., acquisition or disposal of assets, transactions for derivative financial instruments, loaning of funds to others or making of endorsements/guarantees for others;
- (d) Issues involving interest relationship for directors;
- (e) Transactions of major assets or derivative financial instruments;
- (f) Significant loaning of funds, endorsements or guarantees;
- (g) Offering, issuance, or private placement of any equity-type securities;
- (h) Appointment, discharge or remuneration of the attesting certified public accountants.
- (i) Appointment, discharge or remuneration of a financial, accounting, or internal audit officer
- (j) Approval of annual, semiannual/second quarter financial statements (where applicable under Regulations Governing Listed Public Companies) and;
- (k) Other key issues that the Company identifies or the supervisory authority of the Company requests.

Except Paragraph (j), any other issue not agreed upon by one half majority (inclusive) of the Audit Committee members may be conducted if agreed upon by two-thirds majority of all directors, free of the restriction of the preceding Paragraph. The decision resolved in the Audit Committee shall be expressly entered into the minutes of the board of directors meeting.

- 63.2 Where not in contravention of applicable laws and within the scope permitted under laws prevalent on the British Cayman Islands, the independent directors as members of Audit Committee shall oversee the Company in execution of business operation and are entitled to investigate into the Company's business and financial conditions, audit books and documents and further request the board of directors or the managerial officers to submit reports. Where not in contravention of applicable laws and within the scope permitted under laws prevalent on the British Cayman Islands, where the independent directors as members of Audit Committee exercises the responsibilities and powers, the Audit Committee or the independent directors thereof may retain certified public accountant, lawyer(s) for verification.
- 63.3 Audit Committee shall check the various forms prepared by the Board and submitted at shareholders' meeting and report the opinions to the shareholders' meeting.

Dissolution and liquidation at own discretion

64 Dissolution and liquidation at own discretion

- 64.1 The Company may dissolve itself at its discretion in accordance with Article 12-4 of the Articles of Incorporation.
- 64.2 Where the Company conducts liquidation, the liquidator may, after special resolution, have the Company's assets, either in whole or in part (disregarding they are composed of properties of the same attribute) allocated to all shareholders at objects in kind. Further as per applicable laws and in a manner believed fair, the liquidator may resolve the value of the assets to be allocated and method of allocation among shareholders. Subject to special resolution, the liquidator may, in a manner deemed as appropriate, put the assets either in whole or in part into trust for maximum possible interests to shareholders. The shareholders are, nevertheless, not necessarily required to accept any shares or other negotiable securities or assets affiliated with liabilities.

Amendments of the "Articles of Incorporation"

65 Amendments of the "Articles of Incorporation"

Under the circumstances not in contravention of the Company Act of the British Cayman Islands and Outlines of Articles of Incorporation, the Company is entitled to change or add its Articles of Incorporation under a special resolution.

Litigious, non-litigious agent

66 Appointment of litigious, non-litigious agent

During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, the Company shall, pursuant to applicable laws, appoint litigious and non-litigious agent(s), serve as the responsible person within the territories of the Republic of China in accordance with the Securities and Exchange Act of the Republic of China to take charge of business affairs as stipulated under the Securities and Exchange Act and rules and regulations linked up with the Securities and Exchange Act of the Republic of China; The aforementioned litigious and non-litigious agent(s) shall be a natural person (individual) with settled address or domicile within territories of the Republic of China.

Other

67 Shareholder protection mechanism

Where the Company intends to engage in any transaction as enumerated below:

- (a) Merger (where the Company is extinguished after merger);
- (b) Sale, transfer or assign the Company's properties or business operation to another company either in whole or in part;
- (c) Share conversion; or
- (d) demerger,

That would lead to termination from TWSE/TPEX listing and where the following shares are not listed in the TWSE/TPEX of the Republic of China: (i) the surviving company under (a) above; (ii) The assigned company under (b) above, (iii) another company with shares having been appropriated into swap into the Company's shares under circumstances (c), and (iv) the existing or newly incorporated company under circumstances (d) above;

Unless otherwise specified in the Company Act of the British Cayman Islands, such transactions shall be subject to consent by shareholders holding two-thirds majority of the Company's total outstanding issued shares.

68 Securities related laws prevalent in the Republic of China

During a time for shares as emerging stocks or as listed in TWSE/TPEX of the Republic of China, on qualification requirements, organization, appointment, discharge, exercise of responsibilities and powers and other issues of compliance, the Company shall comply with securities related laws and regulations prevalent in the Republic of China as applicable to the Company.

69 Social responsibility

In all business operation, the Company shall faithfully comply with laws and ordinances concerned, commercial ethics with all acts to maximize public interests to faithfully fulfill the Company's corporate social responsibility (CSR).

[Appendix VI]

TAISUN INT'L (HOLDING) CORP.

Directors' Shareholding

- I. The number of shares held by all the directors recorded in the register of shareholders as at the book closure date (i.e. May 1, 2020) at the 2020 regular shareholders meeting is listed below:

Book closure date: May 1, 2020

Occupational title	Name	Date of elected to office	Tenure (Year)	Shareholding when elected		Shareholding position as at the book closure date	
				Number of shares	Percentage (%)	Number of shares	Percentage (%)
Chairman	Everlink Overseas Inc.	June 29, 2018	2	15,370,000	43.05%	16,907,000	43.05%
Director	KT Look Int'l Inc.	June 29, 2018	2	7,763,000	21.75%	8,539,300	21.75%
Director	Hsin-Wu Wang	June 29, 2018	2	25,000	0.07%	27,500	0.07%
Director	Jui-Hao Li	June 29, 2018	2	0	0.00%	0	0.00%
Independent Director	Shang-Wu Yu	June 29, 2018	2	0	0.00%	0	0.00%
Independent Director	Chao-Huang Hsieh	June 29, 2018	2	0	0.00%	0	0.00%
Independent Director	Ming-Han Chen	June 29, 2018	2	3,000	0.01%	3,300	0.01%
Total of all shareholders' percentage				23,161,000	64.88%	25,477,100	64.88%

Notes:

- I. As at May 1, 2020, the paid-up capital of TAISUN was NT\$392.7 million and the total number of outstanding shares were 39,270,000 shares.
- II. As at the book closure date for this shareholder meeting, the respective shareholding of individual and all directors as recorded in the register of shareholders is listed above. The number of shares has reached the statutory percentage as set forth in Article 26 of the Securities and Exchange Act.

[Appendix VII]

TAISUN INT'L (HOLDING) CORP.

Impacts of proposed stock dividends on TAISUN's business performance and earnings per share (EPS): TAISUN has not prepared the financial forecast, so this is not applicable.

[Appendix VIII]

TAISUN INT'L (HOLDING) CORP.

Information on Employee Bonus and Remunerations to Directors and Supervisors

TAISUN's 2019 Earnings Appropriation Statement was approved by the board of directors on February 27, 2020. The employee bonus and remuneration to directors to be distributed are listed below. Such distribution will be performed upon approval at the regular shareholders meeting on June 29, 2020.

I. Amount of the employee bonus and remuneration to directors to be distributed:

- (1) Cash bonus to employees: NT\$11,080,000;
- (2) Cash dividends to employees: NT\$0; and
- (3) Remunerations to directors and supervisors (in cash): NT\$880,000

II. Number of shares for the employee stock dividends to be distributed and the proportion in the capitalization of earnings:

No stock dividend will be distributed to employees according to TAISUN's 2019 earnings distribution plan, so this is not applicable.

III. Calculation of EPS after distribution of the employee bonus and remuneration to directors:

- (1) Original EPS: NT\$8.79
- (2) Calculated EPS: NT\$8.79